

FAQs on Competitive Bidding



What is **COMPETITIVE BIDDING**?

Competitive bidding is a Medicare program that makes it challenging for beneficiaries to obtain the medically necessary equipment and services they need for daily living. Medicare traditionally contracted with many home medical equipment (HME) providers throughout the country, but now works with providers based on a bidding process. HME providers in competitive bidding areas are required to bid on contracts to supply medical equipment. Those who offer the lowest bids for equipment and service receive contracts from Medicare.

How does competitive bidding challenge beneficiaries?

Beneficiaries spend many years building relationships with local HME providers who deliver and service equipment in a timely manner. The providers are there during power outages, malfunctions and other potentially life-threatening situations. They can also complete repairs so beneficiaries can live normally – attend work, school or family functions. Competitive bidding forces the majority of beneficiaries to find new providers, causing many challenges.

1. Major transitional issues are expected as beneficiaries attempt to find new providers.
2. For many beneficiaries, new providers are located farther away, increasing travel to obtain equipment and services.
3. Studies show that beneficiaries in rural areas are disparately affected as most “chosen” providers are located in metropolitan centers.
4. Providers “chosen” by Medicare are taking on larger caseloads. This causes long waits for equipment or services that may result in immobility, emergency room visits and unnecessary hospital stays.
5. Studies show that some of the “chosen” providers are not specialized service providers, nor do they carry the equipment they won bids to provide.
6. The Medicare-accepted low-bid equipment is the cheapest equipment available, which could lead to future malfunctions.
7. Beneficiaries may not have access to the equipment they prefer, and will have limited coverage for new technologies that could improve daily living.

Who are beneficiaries?

Medicare beneficiaries are seniors over the age of 65 and disabled Americans who qualify for the program.



Learn more on our website!



What medical equipment is included in the bidding process?

- Oxygen supplies and equipment
- Standard power wheelchairs, scooters and related accessories
- Mail-order replacement diabetic supplies
- Enteral nutrients, equipment and supplies
- CPAPs, RADs and related supplies and accessories
- Hospital beds and related accessories
- Walkers and related accessories
- Negative pressure wound therapy pumps and related supplies
- Support surfaces

What states does competitive bidding affect?

The first phase of the competitive bidding program began in 2011 in nine areas located in Ohio, North Carolina, South Carolina, Kentucky, Indiana, Texas, Missouri, Kansas, Florida, Pennsylvania and California.

On July 1, 2013, 91 more metropolitan areas throughout the country were added to the program. On Jan. 1, 2016, the program will go nationwide.

What is People for Quality Care?

People for Quality Care (PFQC) is an advocacy group working to ensure that quality medical equipment and services remain critical elements of the health care continuum. People for Quality Care is committed to telling the stories of individuals whose lives have been impacted by competitive bidding and working with others to shape **good** health care policy.

Do you want to make a difference? Here are three ways you can help:

1. **Contact PFQC** for free educational materials to hand out to family, friends and co-workers. Call us at **800-404-8702**.
2. **Contact your representative and senators.** Share your concerns about competitive bidding and its impacts on you or someone you love. Ask them to take steps to implement fixes that improve the competitive bidding program.

Call the Congressional Switchboard toll-free at **1-202-224-3121**, or email your legislators from our website, **www.peopleforqualitycare.org**.

3. **Tell us your story.** Tell us how you have been impacted by the Medicare competitive bidding program. Or tell us why timely service and quality equipment are important to access and independence. Do this at **www.dearmedicare.com**.

Learn more on our website!

