

**Survey Respondent #1**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

CMS stating that they did not receive information! We had copies of everything that we sent including the "so called missing documentation"

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

Discard the entire process! Decide on the prices that CMS wants to pay and allow provider to opt in as long as they are accredited, licensed, bonded, and have no judgments against them! Verify that the owners are free and clear from any illegal or outstanding warrants or arrest.

**Did CMS clearly communicate their reasoning for bid denial?**

Never! No reason was given from CMS for denial of bid categories.

**If you weren't offered a bid, did you request a re-review?**

I did and never heard a word from anyone!!!!!!

**What was your experience with the re-review process?**

Heard nothing!!

**List recommendations for increasing transparency and fairness in the re-review process:**

Set the standards of the process and set the prices and allow providers to Opt In or Opt Out!!!!

This silly "Bid" process is laughable!!

Medicare Beneficiaries don't appreciate the process, same as referrals!

**Survey Respondent #2**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Very complex and expensive and disconnected from the real medical needs of Medicare clients.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Needs to be limited simple and understandable in the market.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

No unrealistic denial over a (price)

**If you weren't offered a bid, did you request a re-review?**

No sick of this after 10 years of harassment

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

I am sorry to tell our long term customers we can no longer help them.

**Survey Respondent #3**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Loss of work time working on the bid and duplication of information on the bid

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Decrease the number of pages on the bid and state information once in a clean manner

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Everything - nothing is clear or transparent

**List other recommendations for improving the bid process.**

Forget the bid process and make it any willing supplier

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #4**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I was disqualified from Round 2 due to incorrect financial information. I submitted all that was required. Our fiscal year runs from October 1 to September 30th. My assumption was that since I did not submit financials for a January 1 to December 31 period I was disqualified.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Please see above.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How the winning amounts are calculated.

**List other recommendations for improving the bid process.**

Follow the recommendations given by the list of economists that AAHomecare reported.

**Did CMS clearly communicate their reasoning for bid denial?**

No. Only an X in the table of reasons for not receiving a bid.

**If you weren't offered a bid, did you request a re-review?**

No. I was also denied a bid because my bids were too high.

**What was your experience with the re-review process?**

Not applicable.

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #5**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

No problem with the process, it just took a very long time and was difficult to be 100% thorough as you don't know where you will end up in the determination of prices

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

None

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

A clear explanation of how final prices are determined and an explanation how and why the median price does not change when contracts are not accepted.

**List other recommendations for improving the bid process.**

Simplify it. MPP would be a better and more transparent system.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #6**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

No clear explanation on what costs are included in bid item. I.e. labor, delivery, overhead

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Clearly explain the reason we lost bid.

**List other recommendations for improving the bid process.**

Get rid of entire program. There is no way companies can continue to service customers at these prices. My employees have small kids and three are single parents. I am doing everything I can to keep the doors open and not close my business. To try and cut costs In my area bid winners are making customers pick up items. They no longer deliver unless its a hospital bed or oxygen.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No, did not no that was an option

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #7**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

My bid on General DME was disallowed because the CBIC claimed I did not submit proof I could provide an item at my bid price. Even though I had a copy of what I submitted they told me that their error could not be appealed.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The CBIC should acknowledge exactly what documents they have received prior to issuing any rulings.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS should have an appeals process for their technical errors.

### **List other recommendations for improving the bid process.**

### **Did CMS clearly communicate their reasoning for bid denial?**

Only after I requested a re-review which is useless because we cannot appeal even when it was CMS technical error.

### **If you weren't offered a bid, did you request a re-review?**

Yes. But it is useless since you cannot appeal what is a CMS technical error.

### **What was your experience with the re-review process?**

The telephone reps were courteous but had no power to alter the decision which is final.

### **List recommendations for increasing transparency and fairness in the re-review process:**

A technical error made by CMS should have a process that the error can be overturned.

## **Survey Respondent #8**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We spent a considerable amount of time and staff effort in compiling our bid for Round 2. We submitted all our financial documents early so that we could get assurances that they had received everything. We then waited. The day after the bids were announced, we received an express postal package with a letter explaining that our bid had been disallowed and they gave us a phone number to call to find out why.

I called the number and was told that "you must not have sent in all the required documents." I said that I had a letter confirming that everything had been received. She put me on hold for quite a while and then came back and said "you were disqualified because you didn't meet the financial criteria." I asked her if she could tell me what area I didn't meet (not the specific number, just the general benchmark) so that I could try to correct for the rebid. She went away for quite a while longer and came back and said "we are unable to provide that information because it would undermine the integrity of the bid process." I still don't know why our bid was disqualified (and was quite amazed with the rest of the community when bids were awarded to a company that was in active bankruptcy! I later appealed on advice of a Medicare specialist. I got exactly the same result. I did not meet one of the financial standards but they couldn't tell me which one. Meantime, they reopened the bid in Hawaii and awarded contracts to two other small companies who are much weaker than we are. I assume we will never be considered for any bid in the future - which is sad. My 19 employees deserve better.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Information on financial standards that is meaningful. If a bid is disqualified, the provider should be told specifically why so that they have an opportunity to evaluate the information submitted (it might have been a simple error!)

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Why a bid was denied. Why a bid was denied. Why a bid was denied.

### **List other recommendations for improving the bid process.**

### **Did CMS clearly communicate their reasoning for bid denial?**

NO!

### **If you weren't offered a bid, did you request a re-review?**

Yes!

### **What was your experience with the re-review process?**

Same answer - still no idea why bid was disqualified.

**List recommendations for increasing transparency and fairness in the re-review process:**

Tell providers whose bids were disqualified specifically why their bids were disqualified. I can't fix what I don't know is wrong.

**Survey Respondent #9**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

There is no rhyme nor reason to the process. They awarded contracts to people who have never serviced a particular area. We had difficulty finding people to sub contract with. Getting a handle on true costs. providing financials by the time period. I have been doing DME since 1990 and 1996 on my own and have never seen a more unfair process and customers are suffering because many can't find a company to do their repairs.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

examples and staff who give you an answer instead of reading the same confusing directions to you. Also competitive bidding staff gave different answers than regular Medicare customer service at 1-800-medicare. It confused suppliers and patients.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The awarding. How did I get power wheelchairs and scooters and not get mattresses or walkers and other ambulatory aids. How did a supplier in Tampa bid on every category in every area and get awarded mattresses in Polk county, Lakeland MSA only. No sense at all and no explanation. And why do they allow non winning bidders to buy in to participate and why do nationals who didn't place a bid or win one originally get added to make sure there are enough suppliers without buying in but by invitation by Medicare?

**List other recommendations for improving the bid process.**

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**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

no wasn't aware that I could have

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #10**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

A significant amount of time and money that could have been used to invest in patient care.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Nothing to add.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Where did they come up with the reimbursement rates? No other bid winning supplier I've talked to was anywhere close to the announced rates. Everyone had bid at least 15-20% over the announced bid rate. I believe the announced/awarded rates were fabricated.

**List other recommendations for improving the bid process.**

Be transparent in regards to how the allowables were arrived at.

**Did CMS clearly communicate their reasoning for bid denial?**

No reason at all given.

**If you weren't offered a bid, did you request a re-review?**

No.

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

Allow an entity on the side of homecare (i.e. AAHomecare) to have access to all bid contracts awarded.

## Survey Respondent #11

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Finding quality products to dispense at the current bid rates. We bid in Round 1 and lost solely on price - all other criteria were met. We are an employee owned DME company and have been serving the local communities with 5 locations for over 25 years. We have prided ourselves on providing quality products with excellent service. We have had to re-look at our business plan by adjusting the services we have provided and adjusting our product mix to accommodate the new pricing models. The bidding model CMS promotes states "The intent is to improve the effectiveness of the Medicare methodology for setting DMEPOS payment amounts, which will reduce beneficiary out-of-pocket expenses and save the Medicare program money while ensuring beneficiary access to quality items and services." I truly question the quality items and services portion as we all know the old saying "you get what you pay for".

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I did not find confusion with the bid application materials, financial standards, deadlines, etc... I find confusion with the economic model CMS chose for setting the price at the median of the bids rather than the clearing price. Simple economics states price should be set where supply meets the demand. By using the median price where bids are awarded to half the people who bid above the winning rate and half to those who bid below the rate is price fixing in my opinion.

If we want qualify providers bidding in a realistic market place, the bids should be binding and price at the clearing rate, not the median rate and they should have a physical presence in the MSA they are bidding.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS states they use the financial standards for determining companies they feel will be viable with the winning rates for the ensuing 3 years of the contract. Why did CMS lower the financial documents required when bidding? Initially companies needed to provide 3 years worth of financials, but when the re-bid was launched providers only needed 1 year. How can CMS evaluate companies viability on one year of data? How many companies who won contracts have either gone bankrupt, closed their doors, or sold since the implementation of the program? This would be an interesting statistic.

### **List other recommendations for improving the bid process.**

The items included in the product categories should be re-looked at. Round 1 re-bid includes urinals, transfer boards, commodes, etc... The dollar amount and utilization of these items should eliminate the need to bid. The bidding program should be limited in scope and size.

The MSA's are too large for the smaller providers - I understand there is a 30% commitment for small providers and they could form groups for bidding purposes but again to ask them to cover a 5 county

area out of one facility is unrealistic. The bidding program is designed more for national companies growing and small providers disappearing.

Providers should have a physical presence in the markets they are bidding. I would like to know the statistics of sales for bid winners in each MSA that won but don't have a physical presence.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes, they did.

**If you weren't offered a bid, did you request a re-review?**

No, we did not. We lost solely on price and it was pretty self evident.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #12**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

When we have to send in a bid, the pricing has to go so low that we cannot continue to do business. The last bid we could not even submit because there was no way we could provide care and run a profitable business at the same time. The competitive bid is flawed and it's not right what it does to business's and patients.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The financial standards are flawed and need to be reviewed over again. Small business that provide great patient care cannot survive under the amount of money they receive to stay alive.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Financial's-The amount of money for items to provide a patient with is ridiculous. The patient care disappears because the equipment has to be drop shipped with no instruction in order to stay in business.

### **List other recommendations for improving the bid process.**

My recommendation is to get rid of it.

### **Did CMS clearly communicate their reasoning for bid denial?**

No.

### **If you weren't offered a bid, did you request a re-review?**

No.

### **What was your experience with the re-review process?**

Excruciating.

### **List recommendations for increasing transparency and fairness in the re-review process:**

My recommendation is still to get rid of the bid process so small business can stay around and provide great patient care and deliver quality equipment with instruction.

**Survey Respondent #13**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

provide a range of acceptable bids, if a supplier knows they cannot live with the margins in advance they may save time and not even bid.

**List other recommendations for improving the bid process.**

eliminate it altogether and focus more directly on improving screening process on companies applying for DME licensure.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #14**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Time vs amount of information. Spent countless hours educating ourselves to learn and understand the process. Most of this education was offered by outside sources that cost our company not just time lost to our job but there was a cost for webinars, seminars, lodging, food and travel. Medicare training was not very detailed, they basically had you read the website and offered webinars that they didn't know the answers to the questions asked! So, you had to go elsewhere to get the answers.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

A group at Medicare who will answer the questions.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Show the industry who bid so low..did they take a contract..we all should know who put us in this low fee schedule situation.

### **List other recommendations for improving the bid process.**

Appeal it.

### **Did CMS clearly communicate their reasoning for bid denial?**

Sure, we bid to high.

### **If you weren't offered a bid, did you request a re-review?**

No.

### **What was your experience with the re-review process?**

None.

### **List recommendations for increasing transparency and fairness in the re-review process:**

A lot of time and energy has been used regarding this program. Just change the "fee schedules", those who can live with that will offer Medicare, those that can't won't.

Show us who the low bidders are and we can send all of the beneficiaries to them.

## Survey Respondent #15

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Your bid is submitted under one set of rules and regulations as well as understanding of the concept. after the bids are accepted and awarded they change rules and regs making them more cumbersome and time consuming and yet never readjust the rates. examples.... face to face rule, bundling, audit requirements, not allowing providers to decline patients when they meet their bid capacity levels.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

the rules you bid by are the same for the entire length of contract. simplify patient transition at bid implementation. Purchase inexpensive items(nebulizers, walkers etc.) instead of RTO....less billing time and much more efficient. How much effort and time must be wasted on an \$8 claim.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Bid amounts ..show how they are arrived at.  
How they developed categories and what went in them

### **List other recommendations for improving the bid process.**

Hold cms employees and officials accountable for their blunders and misinformation....just like the private sector

### **Did CMS clearly communicate their reasoning for bid denial?**

### **If you weren't offered a bid, did you request a re-review?**

### **What was your experience with the re-review process?**

### **List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #16**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The system of the weighted bids is very hard to understand.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

There are items that are targeted (weighed) and looked at that are more important than other items.

**List other recommendations for improving the bid process.**

This "bidding" is non sense, every expert that has looked at it said its a flawed system that wont work. People are NOT getting the care they PAID for. This is not the Governments money, and not Medicare's money. Hard working people like myself who pay taxes for this health care should get what they need.

Stop punishing honest DME companies and start punishing the crooks!

Get your heads out of the sand!

**Did CMS clearly communicate their reasoning for bid denial?**

no

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Stop the bureaucracy and stand up and do what is right! There are too many hippy dope smokers who now think they know it all, and guess what they don't. If you guys were truly interested in fixing it I could help you. I have volunteered my services many times without anyone even responding. The truth is hard...be a man and just fix it!

Todd A. Truax

330-806-4139

American and Proud of it!

**Survey Respondent #17**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

2 1/2 months at 70 hours a week. What ever happened to the paperwork reduction act?

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Financial standards are irrelevant since there is zero transparency. The strategy evolves to cooking the books and low balling bids. Despite the aforementioned hours involved, I was never asked to substantiate anything.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

See above.

**List other recommendations for improving the bid process.**

Binding bids. Licensure verification.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #18**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Was not awarded any contracts. Lost 60% of my business. My town lost it's access to the only Family owned DME. We turn away new and existing customers every day who need service. Forced to down size employees.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We were disqualified after our bids were rejected due to the type of financial reports that we submitted with our application. Instead of sending them back to us for clarification, CMS just disqualified us without notice.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

### **List other recommendations for improving the bid process.**

Forbid companies from bidding for areas where they are not already licensed and maintain an office. If there are companies that were awarded contracts and they do not open a location to service them within 30 days, those contracts should be offered to bidding companies that have locations in the areas.

### **Did CMS clearly communicate their reasoning for bid denial?**

Not until it was too late to fix the error.

### **If you weren't offered a bid, did you request a re-review?**

Yes

### **What was your experience with the re-review process?**

CMS was not interested in a corrected application.

### **List recommendations for increasing transparency and fairness in the re-review process:**

If there is a simple error on the application such as our case, they should have notified us so that we could have fixed it and still have been considered.

## Survey Respondent #19

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We needed to use a consultant to submit our bid. This was quite costly (7500.00). Additionally, we required significant input and cost from our CPA firm to assist in the bid.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The financial requirements are/were significantly nebulous. CMS awarded contracts to national companies who were in bankruptcy, yet required quite onerous financial documentation from small independent companies. There were no specific guidelines regarding financial health provided to bidders by CMS.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The entire process of awarding winning bids evaded the process of transparency. I don't believe anyone can really explain the process by which bids were awarded or denied.

### **List other recommendations for improving the bid process.**

Specific guidelines regarding requirements for bidders in a range of issues - financial, capacity, etc. need to be provided to providers PRIOR to submitting a bid.

### **Did CMS clearly communicate their reasoning for bid denial?**

Yes, our rates were too high.

### **If you weren't offered a bid, did you request a re-review?**

No

### **What was your experience with the re-review process?**

N/A

### **List recommendations for increasing transparency and fairness in the re-review process:**

N/A

## **Survey Respondent #20**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The bidding was a farce because many of the bidders were from out of state, had no licenses for the state, nor did they have a presence in the state, yet many of those bidders won. The amount of suppliers serving patients dropped dramatically. The result is that those patients that can afford to pay themselves are doing so, the ones that cannot are going without. Also doctors are sick and tired of all the CMS requirements from the to prescribe equipment and they just don't want to do it or have no time to do it. Great results for CMS they are saving lots of money on DME equipment, but the elderly and the needy are getting severely hurt.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bidding concept is dead wrong and if anything it promotes providers to seek the least expensive equipment possible. Manufacturers are also scrambling to provide the cheapest equipment they can make.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS never bothered to reveal the actual bidding prices by state. They could have done so without naming companies. Instead they come up with what they called the median price to be the award price. In many cases such a price would indicate that some of the bids had to be bogus because to come up with discounts of 35% as median would indicate that some bids came in at 70% discount if not more.

### **List other recommendations for improving the bid process.**

Why bother with a bid process, just set the rates and avoid the confusion. Bidders cannot be unlicensed or from out of state. Suicide bids cannot be accepted because it leads to lousy patient care.

### **Did CMS clearly communicate their reasoning for bid denial?**

Yes and frankly we are happy not to participate in this farce. We are better off without CMS, and all their audits and unfair take backs.

### **If you weren't offered a bid, did you request a re-review?**

Yes but nothing was done.

### **What was your experience with the re-review process?**

Nothing was done their reply was the same. Your bid was too high it said. We were trying to stay in business and not be put out of business.

### **List recommendations for increasing transparency and fairness in the re-review process:**

The bidding system will never work so long as out of state or companies without local presence are allowed to bid. This is what leads to suicide bidding.

## Survey Respondent #21

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The bid process forces providers to bid using substandard products if they are to be competitive in the market and have any chance at winning a bid. I feel it is unfair and unfortunate that companies are given the "bid" when they don't have facilities in the locations that they won the bid in. Patients are being drastically effected in their ability to obtain equipment.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The information is often not straight forward in it's request. Simplify the information needed with no nonsense requirements.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Announcing the bid winners more timely, and allow providers to see the bids entered by each company along with the amount awarded.

### **List other recommendations for improving the bid process.**

A fee schedule for products gives all companies the ability to provide equipment at the designated amount., therefore the service aspect is not omitted for the patient!

### **Did CMS clearly communicate their reasoning for bid denial?**

NO. We only received a letter saying our bid was not accepted.

### **If you weren't offered a bid, did you request a re-review?**

NO

### **What was your experience with the re-review process?**

N/A

### **List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #22**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Very complicated bidding structure with zero feedback on how the bid winner were chosen and lack of transparency on how the bid amounts were determined.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

It is not the application process that needs to be modified, it is how this information is acted upon that is in question.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Very complicated bidding structure with zero feedback on how the bid winner were chosen and lack of transparency on how the bid amounts were determined.

**List other recommendations for improving the bid process.**

CMS has destroyed patient choice and competitive quality services. With transparency, the bid could determine price and should be offered to any willing provider.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

### Survey Respondent #23

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

My biggest issue is the program allowing out of area providers to bid in areas they don't service. Competing against competitors that will actually deliver and service the product in my city is no problem but having to compete with a ghost company that can under bid and then have no repercussion for not delivering and servicing all of the categories they won is disturbing to say the least.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Just simplify it. The bid application process was OK however simplifying it even more would not hurt matters.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

One word: Everything! CMS needs to be transparent throughout the whole process. How do they calculate capacity? What do they actually look for in Financial standards? How did we get to the prices that won the bids? Clearly the prices were manipulated. Why is this the only bid program to use Median prices of all the bid winners versus the clearing price like all other auctions?

#### **List other recommendations for improving the bid process.**

Reduce the categories and the products that are bid on. Allow more local providers to participate in the CBA. everyone made such a big deal about letting small business's participate. It is not about small business it is about local presence and having enough providers to handle the work load. This program would probably succeed and not have near the hiccups if CMS would have just awarded bids to more local brick and mortar providers that could deliver and service the product.

If CMS did this same type of program with hospitals or doctors they clearly would not award bids to hospitals and doctors located 400 miles outside of the CBA so why did they do that with our industry?

#### **Did CMS clearly communicate their reasoning for bid denial?**

Yes.

#### **If you weren't offered a bid, did you request a re-review?**

No because they clearly told us we over bid.

#### **What was your experience with the re-review process?**

N/A

#### **List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #24**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The bid submission process while cumbersome was not the problem. The problem in our CBA Syracuse NY is that over 80% of the suppliers awarded contracts in Syracuse have never serviced the area; and have no intension on servicing Syracuse. They are in breach of their contract, and CMS will do nothing about it.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Require the bids to be binding

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The capacity calculation is a joke; again; require those suppliers who won bids to service the CBA.

**List other recommendations for improving the bid process.**

At this point CMS should set the rates; and allow any willing accredited provider to service the beneficiaries.

I'm putting hospital beds out at no charge because the bid winners are thousands of mils away and have no intension on servicing their contract.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Set the rates and let us service our customers.

## **Survey Respondent #25**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

In round one, we were never notified that one of three cash flow statements was apparently missing. Our bid was rejected and we didn't know why until months after the bid window was closed.

In round two, we won the Wichita CBA for Enteral Supplies. Our total patient increase was four tube feeders. Really? We lost six because our Kansas City MSA bid was rejected. That is a lot of work, accreditation, and surety bond to have a net loss of business.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

A decent representation of potential Medicare business in an MSA in the categories bid.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

We would like to have a clear definition of the bid process, from development stages, submission acceptance notification, qualifications of reviewers, documentation of imaging of our application information, definition of review and appeal processes. It just keeps on and on.

### **List other recommendations for improving the bid process.**

The entire competitive bidding process was unnecessary.

CMS has all along had the power to implement inherent reasonableness in product pricing. If a provider wished not to accept the price, that answered the question.

Instead, thousands of responsible companies have been put out of business.

In case you didn't know, the crooks left a long time ago.

### **Did CMS clearly communicate their reasoning for bid denial?**

Very slowly and not in time to correct mistakes.

### **If you weren't offered a bid, did you request a re-review?**

Yes.

### **What was your experience with the re-review process?**

Round one was complete denial.

### **List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #26**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Some of the HCPCS codes are so outdated that nobody sells the products any longer. The process was very time consuming which affected our normal day to day workflow as a small business.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We utilized our resources through The MedGroup to help clarify everything.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Why did some providers get bids and others didn't? Also, from where did CMS get their data to determine how the bid process should be conducted, especially since it doesn't follow the format of any other auction based industry.

### **List other recommendations for improving the bid process.**

Descending clock auction, binding bids, providers should have brick and mortar location within the state they are bidding.

### **Did CMS clearly communicate their reasoning for bid denial?**

No, which relates to the transparency issue. The reasons we were given weren't detailed enough to see our place among other bidders.

### **If you weren't offered a bid, did you request a re-review?**

We weren't aware we could request a review.

### **What was your experience with the re-review process?**

None. We didn't request re-review because we didn't know we could.

### **List recommendations for increasing transparency and fairness in the re-review process:**

None. We didn't request re-review because we didn't know we could.

## **Survey Respondent #27**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

1) Bid format does not allow you to bid higher than stated prices  
2) financial documentation. Our company was disqualified for financial reasons. CMS did not and will not reveal their logic on this decision. We are a completely qualified 33 year old company, who is located in round 1 of the bidding process. Our financial position was greatly impacted by round 1. It is not fair to compare us to non round 1 bidders. We submitted bids that would have "won" if not for the financial piece.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Full disclosure of required financial benchmarks.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

1) Financial documentation requirements  
2) That the bid winner must do business in the area they have won in. We have talked with bid winners who state they have no desire to do business in the CBA's they won. This just artificially lowers prices, and eliminates established companies in the CBA.

### **List other recommendations for improving the bid process.**

1) Weight the bid so that established companies within the CBA receive additional preference.  
2) Make the bid binding  
3) Understand what it takes to provide quality patient care, and those companies who have established clinical programs are permitted to describe these programs in the bidding process. Not all DME/HME companies are the same. Those with clinical programs communicate on an on-going basis with their patients, and greatly reduce doctor/hospital/ER visits.

### **Did CMS clearly communicate their reasoning for bid denial?**

No. Except to say we were disqualified for financial reasons. They would not reveal the reasons.

### **If you weren't offered a bid, did you request a re-review?**

Yes

### **What was your experience with the re-review process?**

Frustrated. Our company felt it should have won. CMS would not reveal its financial criteria. A completely experienced and honest company with a great reputation was eliminated from the Medicare bid program.

### **List recommendations for increasing transparency and fairness in the re-review process:**

Communicate with providers. Allow for a full, fair and independent appeal process. Make site visits and see first hand a bid losers operation. Find out how losing will effect patient care. CMS, in my opinion has too much power.

## **Survey Respondent #28**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Trying to understand the absolutes of the details they seemingly can't give you only to tell you that you did not give the appropriate answers to those questions. Just a lack of clear direction on CMS part to help with the process.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Just clear specifics of what they need.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The bid totals how did they get to the final numbers. How did they fill the bucket up.

### **List other recommendations for improving the bid process.**

MPP would be a big start. Or just finding a common ground with the suppliers who want to participate to get this fixed.

### **Did CMS clearly communicate their reasoning for bid denial?**

No stated for the sake of licensure when in fact it was about a tech licensure which we did not need in round one so we did not have the RT licensure for a technician which we did not have during the same bid in round one.

### **If you weren't offered a bid, did you request a re-review?**

Yes.

### **What was your experience with the re-review process?**

Long confusing and disappointing.

### **List recommendations for increasing transparency and fairness in the re-review process:**

Clearly defined criteria, with guidelines and measurements to quantify each segment of the process. Then listing how they got to the final selections from the data received.

## Survey Respondent #29

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The largest problem by far was the amount of time we had to wait between bidding and implementation, almost 18 months. That kind of lag, with what is at stake, puts an organization into a kind of suspended animation. It is particularly frustrating when you know there are programs, like the Market Pricing Plan (MPP), that could tabulate, award and implement a program within a matter of weeks.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The information provided was probably as clear as any government agency could provide without industry input, however, the failure to follow these rules (licensing, capacity, etc.) was particularly unfair.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How are actual prices determined?

Why are so many out of area providers awarded bids, particularly in high service products like oxygen and enteral feeding?

What determines satisfied capacity for a given CBA?

### **List other recommendations for improving the bid process.**

Binding bids

Adopt the MPP bidding approach where suppliers are not forced to close because of losing a bid.

Skip bidding altogether and, with industry input, apply statutorily available "inherent reasonableness" to set prices and a covered product mix. This could be done in two weeks and net the same savings without all the collateral damage.

### **Did CMS clearly communicate their reasoning for bid denial?**

### **If you weren't offered a bid, did you request a re-review?**

### **What was your experience with the re-review process?**

### **List recommendations for increasing transparency and fairness in the re-review process:**

### **Survey Respondent #30**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

How complicated the bidding process was for Round 2. It felt like they hired some people to develop the bid program that had no experience in the field. Fortunately I am a larger company so I had the resource to spend time going to class to get educated on the bidding process.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

They could make the bid look exactly like they currently pay the HCPCS codes monthly for rental and price for sales items.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Just make the whole process simpler. CMS is always trying to out-think the room. Always on a witch hunt. If the product is billed monthly what is your bid for the monthly rate. If the product is sold what price will you sell the product.

#### **List other recommendations for improving the bid process.**

I think that should require a bond or some means to make sure you are going to service the area if you receive a bid. They have awarded bids to providers that have no intention of supplying any products in the areas they received bid contracts. And there is no recourse when they don't provide services in that area. The bid process was all about capacity and pricing; it just doesn't make sense. I am in the Memphis area and receive calls daily to deliver bid products but without a contract I can't. Physicians and patients are burdened daily with delays in deliveries that could easily be prevented if the contract had been awarded to local providers.

#### **Did CMS clearly communicate their reasoning for bid denial?**

No, I have no idea why I didn't receive a contract. I bid in the Nashville and Memphis areas and received no bids. In August they sent me a contract for Oxygen in Memphis, which I accepted. I closed my store in Nashville and 5 people lost their jobs in the Memphis area. CMS had this very complicated bid process where you bid it for the whole capped billing cycle etc., but when they reported the winning rates and bid winners, it was in a very simple monthly rate. Very confusing.

#### **If you weren't offered a bid, did you request a re-review?**

No, I had no idea if I could request a re-review.

#### **What was your experience with the re-review process?**

NA

#### **List recommendations for increasing transparency and fairness in the re-review process:**

Should make it simple. Bid the monthly rate you can provide the product. Make sure you are already in that area with a brick and mortar store. If you don't supply product you were awarded bids for you

should be fined or have you contract revoked. Or how about determine the rate through the bid process, then let anyone that is licensed with the state and eligible to bill Medicare provide products at or below that rate. This is America, we were founded on free enterprise and competition. CMS seems to be very anti competition in every area but the name of the process competitive bidding. Its a joke. Congressman Jim Renacci thank you for your interest in our industry. The HME industry really appreciate men and women like you. if you get a chance please talk to Rep. Mark Meadows (R-NC) he gets it too.

**Survey Respondent #31**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I hired a company to help with the bid process and the company never submitted my bid . It is confirmed by Medicare that I did everything on my end including timely submission. There was no repercussion to this company . I am the only woman certified business in NYS both by the State and by the Woman's National Business Enterprise . I fit all of the small business requirements . Soon after I found out the bid was awarded to out if area DME companies who didn't have a location set up . These were also National companies awarded who had gone bankrupt that were also awarded the bid .

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I think bid preparer's should be accredited and bonded . I think it's also fair for all bid winners and losers be provided the deciding factors on what got them the bid.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Same as above

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

I had to make calls. I did not receive letter my bid wasn't 't approved as the bid company Agape never submitted . I paid and did everything on my end .

**If you weren't offered a bid, did you request a re-review?**

No, as it wasn't submitted by hired company.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #32**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The most common challenge is that we are not able to be found even as a bid winner. We struggle to allow patients that we can service know we are around then when we do get noticed we lose a lot of those referral sources due to not being able to handle the entire order. We did not win all the categories so this has put us behind the rest.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

This should be an open and clear process. There is nothing about this process that shows how they come up with the bidding winners or pricing which in anything else would just mean there hiding something. Why would you hide this process? It should be a simple here is the new fee will you be able to supply under this rate if so you are accepted if you meet all credentials.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The entire process needs to be transparent.

### **List other recommendations for improving the bid process.**

The bid should not be where you are in or out rather the will you want to continue at these rates or not. We are going to be set to bid so low that we will not be able to sustain the prices.

### **Did CMS clearly communicate their reasoning for bid denial?**

### **If you weren't offered a bid, did you request a re-review?**

### **What was your experience with the re-review process?**

### **List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #33**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

complexity of the process in general. splitting up product categories is a major disadvantage as if you loose the customer for their w/c they are unlikely to go to you for the bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

it is unclear and misleading as to whether all bid recipients are qualified to provide Medicare services to clients and meet the 31 standards as listed

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

the bid process would be more transparent if it went away. clearly if congress would 'eat crow' and acknowledge that they only went to a bid process to eliminate providers. pricing was already controlled by cms.

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

no

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

n/a

**List recommendations for increasing transparency and fairness in the re-review process:**

n/a

**Survey Respondent #34**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

Make bids binding. We are left "holding the bag" of "cheap tricks" where bidders bid so low that now repair/replacement of those items are below cost. We can not help beneficiaries repair their chairs and we look like the bad guys.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

### **Survey Respondent #35**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

First the entire process has been grueling and very costly. They never took into account that patients that were with a company equipment breaks and who is going to replace it once it is capped or purchased out.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

They have in their bidding some forms of oxygen equipment that you need FDA approval such as in Liquid Oxygen. Also bidding on equipment in New York area on Large H tanks that patient could never fit into their homes.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

On Long Island making it 2 different bid areas when most of the supplies have always serviced (Nassau County and Suffolk County) 2 separate bid areas.

#### **List other recommendations for improving the bid process.**

Only giving a bid for three years and then buying and servicing all these patients then on a rebid not get that bid. To give up patients and be stuck in the red for all that equipment that they purchased in order to serve these patient.

They never consider patient care and the reason for DME equipment was to keep the patient at home in a safe environment and reduce hospitalizations

#### **Did CMS clearly communicate their reasoning for bid denial?**

Never. We won a bid in an area we never selected and have never serviced and they could not answer that for us.

#### **If you weren't offered a bid, did you request a re-review?**

Spoke with them they could not even direct us. They stated this was the list and that is that.

#### **What was your experience with the re-review process?**

Never got that far.

#### **List recommendations for increasing transparency and fairness in the re-review process:**

There is no communication. And as of late they are inventing policies that benefit them not the companies that supply their patient.

## **Survey Respondent #36**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We hired experts, i.e. economist, accountant, financial advisors, healthcare attorneys and consultant guiding our process. As a well respected and long term provider in good standings we submitted all required documents. Prior to deadlines we were asked for payroll records, equipment invoices and operating expense records, along with financial statements and tax returns. The process was completely transparent for CMS and the supplier was completely exposed. A product invoices would vary based on buying power with manufacturers, therefore, CMS would know the pricing that would be set to the advantage of CMS and not the reality of the industry. Our company has been in business for 30 years and we were only awarded the contract for enteral nutrition which only made up one percent of our business.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Describing information that could be provided to suppliers in an effort to reduce confusion over bid application material, financial standards, deadlines, etc. did not appear to be the problem of the supplier but the lack of clarity and transparency of CMS. Bids were based on pricing and if a provider did not provide an erroneously low bid price it did not matter what confusion there was when the intent for CMS was to reduce reimbursement and place the burden on the patient and mostly the supplier.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS needs to be TRANSPARENT. TRANSPARENT is the optimal word - Dictionary.com 1. having the property of transmitting rays of light through it's substance so that bodies situated beyond or behind can be distinctly seen. 2. admitting the passage of light through interstices. 3. so sheer as to permit light to pass through; diaphanous. 4. easily seen through, recognized, or detected: transparent excuses. 5. manifest; obvious: a story with a transparent plot 6. open; frank ; candid: the mans transparent earnestness. 6. Open; frank; candid: the man/organizations transparent earnestness.

To be more transparent is impossible is something or someone is transparent.

### **List other recommendations for improving the bid process.**

Transparency would remedy the problems.

### **Did CMS clearly communicate their reasoning for bid denial?**

Not really. We were told that our bid was to high not true, our bid was what the expert predicted to us a sustainable business/operating plan.

### **If you weren't offered a bid, did you request a re-review?**

Yes we did.

### **What was your experience with the re-review process?**

There was no response.

**List recommendations for increasing transparency and fairness in the re-review process:**  
Honesty, Collaboration and Integrity!!!!

### **Survey Respondent #37**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Determining bid pricing for replacement codes that encompass several manufacturers, therefore, difficult to determine bid amount based on significant differences in costs from the different manufacturers.

Difficulty determining costs over a three year period to accurately bid prices that will be realistic for the competitive bid period.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Standardized forms to fill in financial information so they can't deny for clerical errors that have no bearing on the bid.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Share with providers the actual winning bids so that that providers could actually see what bids made up the bid allowable.

#### **List other recommendations for improving the bid process.**

CMS needs to use the bid amount of the last provider that accepted the contract in a CBA. Not the median bid. This is forcing providers to bid low so they can be offered a contract but hope the bid is higher based on other providers. Also it forces providers to accept contracts that are below the amount that they felt they could bid to sustain their business.

Only include in the bid items that are only rented or sold and not replacement codes. Contract bidders are bidding low on replacement items and then not doing any repairs.

Mandate contract winners to provide repairs on the items they provide.

Categories are too broad and encompass way too many items to come up with a fair bid. Most providers do not provide all the products in the category, therefore, allowing them to bid low on the items they don't provide. This decreases their composite bid without affecting the items that they provide.

Bids need to be binding and monitored for compliance. Too many providers are either rejecting bids after they bid low or are accepting contracts and either not providing certain items or not providing any items at all.

Bids should not be allowed by providers who do not already have an established business in the CBA. Too many bid winners are from out of state with no capital investment in the CBA. How can an out of state provider actually determine the cost in another CBA when they have no idea what the cost of doing business in that state is. Many out of state providers are accepting contracts and then are not providing services for that contract.

Inconsistent quality of products results in significant discrepancies in bids. Providers are not responsible to maintain the products they provide once converted to purchase.

#### **Did CMS clearly communicate their reasoning for bid denial?**

No CMS did not clearly communicate bid denials. Round 1 and Round 1 Rebid we had no problems at all. Round 2 initially denied and we did not understand why. The denial was overturned after competitive bidding already started. This meant that we were unsure if we were going to be able to compete and our name was not included in the list of winning bids. We lost a significant amount of business because of the delay. Round 1 Recompete was denied with ambiguous reason. It took several months to get an answer. The answer we were given was that there was a problem with the cash flow statement. This statement is generated from a canned software program with no manual manipulation from user. This is also the same statement that was submitted and acceptable in the three previous rounds. I feel that we were denied unfairly and that our company has more than ample cash flow. Companies won bids that had no cash at all, were in bankruptcy, etc. I feel CMS did not communicate the reason in a timely manner and by the time providers get the answer it is too late. Also you can never speak to anyone regarding the denial. Once they determine their denial is incorrect do they go back and look at all the other bids submitted to see if provider would have been offered a contract when other providers denied contracts? No one knows.

**If you weren't offered a bid, did you request a re-review?**

Blackburn's requested a rereview on Round 2 and Round 1 Recompete. Round 2 we were eventually offered a contract for the category that we originally bid low enough. We do not know if CMS went back and looked at the other categories to see if we should have been offered a bid upon rejection of other contract winners. Round 1 Recompete they denied for cash flow statement issue. The same cash flow statement created by Peachtree that was accepted in the previous three submissions. We still feel that the denial is unfair for Round 1 Recompete.

**What was your experience with the re-review process?**

There are many issues with the rereview process:

Can't speak to someone regarding the reason it denied. Cannot really discuss the reason why it denied since you cannot speak to a person. Takes way too long. Providers contracts are being awarded after the start of Competitive Bid causing significant loss of customers.

**List recommendations for increasing transparency and fairness in the re-review process:**

The exact reason for the denial needs to be given at the time you are told about the denial. Need to have a live phone conference similar to a ALJ hearing. Need to deny for reasons that actually have an impact on the bid.

**Survey Respondent #38**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Lack of transparency and information, what categories or items does CMS weight with more value and should I have focused on: Cash, logistics, warehouse space?

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

A much better and aesthetic designed website, at one point in the bid process, I was forced to have 5 active windows open at one time.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

Yes

**What was your experience with the re-review process?**

No explanation or transparency, simply responded with the same denial.

**List recommendations for increasing transparency and fairness in the re-review process:**

### Survey Respondent #39

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I spent many, many staff hours preparing our bid for Round 2. I didn't "suicide bid" but was aggressive in walkers and wheelchairs because I wanted to keep supplying our Rehab Hospital and long term care facilities who had patients discharging. I sent in all my financial documents early and got verification from CBIC that they had received everything. As a small provider, I had hopes that we might be one of the winners in Hawaii.

So imagine our surprise when the bids were announced and the winners in the wheelchair category were all mainland vendors except for one local vendor. And the walkers were won by this same local vendor plus WalMart and Walgreen's (neither of whom delivers equipment - the patient has to pick up at the store.) And when we saw the prices, we understood why we hadn't been selected - many of the reimbursement amounts were lower than our landed cost of product in Hawaii.

But the real nasty surprise came the next day when we received an express mail letter saying that our bid had been disqualified and gave us a phone number to call if we wanted more information. So I called - and the young lady who answered said "you must not have submitted all your financial documentation." I told her that I had confirmation that it had all been received. So she put me on hold again and talked with her supervisor and said, "you must not have met one of the financial standards." I asked her which one - not to get their criteria - just to know what area I needed to correct before the next round of bidding. She put me on hold again and came back and said "We're not allowed to give out that information IN ORDER TO PROTECT THE INTEGRITY OF THE BID PROCESS!" I talked with a Medicare liaison later who suggested I appeal. I did. I received an almost identical letter that said that my bid had been disqualified. And they thanked me for submitting a bid. So I still don't know why my bid was disqualified. I don't know what financial standard I don't meet. (And, since they did award contracts to one company that was and still is in bankruptcy, I'm not sure why I looked so bad to them.)

The real slap in the face came a couple of months ago when, after much complaining by beneficiaries and hospitals and long term care facilities, CBIC offered new contracts to two other small DME companies in Honolulu to eliminate their system created monopoly. These two companies are TINY - have hardly done any DME before this. We are much stronger than either of them and have a much better reputation for service in the community. But since our bid had been "disqualified" we weren't even considered. And, I guess we never will be. So, when a couple of mainland DME companies reached out to us to subcontract, we agreed. One is a diabetic supply company. The first order from a referral source who was willing to "give it a try" was for a recliner wheelchair. We stayed out of the paperwork side as a good subcontractor is required to do, but when the order came to us it was for a standard wheelchair with a seat cushion, back cushion, heel loops, seat belt, and elevating legrests. I asked our liaison what exactly we were supposed to be delivering and he said he didn't know anything about wheelchairs. His job was just to send a prescription over to the doctor's office with K0001, K0002, K0003, etc. and "everything that can be billed with a manual wheelchair." I mentioned that he needed to have medical documentation supporting the need for the various accessories (which on a

recliner should include a headrest and reclining back.) He said he just selects from a drop down menu. So we are still waiting for the go ahead on delivering the equipment. But it's very frustrating for our customer service representatives, who do know what a wheelchair is and what goes on it and what the medical justification is to not be able to provide any service to our clients because they have the misfortune to have Medicare as their primary insurance.

So we continue to try to battle the rumors in the marketplace that we can't provide equipment to ANY Medicare plan - including HMO's - and concentrate on our Rehab business and our short term tourist business and sell equipment to people who don't want to go through the insurance hassle. (There is a massive cost shift going on which I'm surprised no one has picked up on.)

In the meantime, I am also a small business owner in Hawaii who provides mandatory insurance coverage to my employees. I signed up for the Hawaii Health Connector when I was told that we would save almost 50% on our premiums. I was paying almost \$600 per employee per month. And now, with the Health Connector being "age rated" I'm still paying \$559 per employee. I think the message to employers is definitely to get rid of our older employees and hire kids. My Operations Manager costs almost \$700 per month, my new 22 year old CSR costs \$220. Sorry, unrelated to competitive bidding - just another nail in the coffin of small business - especially in a high cost of doing business state like Hawaii.

I am one of the Medicare beneficiaries (I joined an HMO when my doctor no longer accepted Medicare patients) who firmly believes that Congress should sign on to Medicare as your primary insurance. (You may also elect to privately purchase an HMO plan if you find you need to to get care.) Then when bills are passed, the consequences might be more readily recognizable. As one of us, I wish you the best of luck in straightening out the mess before you're left with 3 or 4 national mail order companies providing all our services - billing for everything allowable whether necessary or not - and increasing the prices dramatically when there is no more competition (Economics 101.) I unfortunately probably won't be around to see it - and my 19 employees will be doing something else - hopefully.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Information on financial standards required. And once financial documentation is submitted, review it and let the provider know right then that there is an issue - it might actually be a mistake.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Why our bid was disqualified. Asked, appealed - no meaningful response.

**List other recommendations for improving the bid process.**

Get out of our business. Medicare beneficiaries in Hawaii were receiving much better services and the system as a whole was much more cost effective before competitive bidding. Look at the total cost - having a patient stay in an acute care setting for two or three extra days is much more expensive than paying a reasonable amount to a small provider who will have equipment delivered to the facility (wheelchairs or walkers) and to the patient home (hospital beds, patient lifts, etc.) at no additional cost to the system. I don't know if you're aware that between 2001 when we started our business and today that our overall reimbursements have been reduced by a whopping 72%! And during the same time

frame our electric bill has quadrupled and our gasoline costs us \$4.38 per gallon. There's something wrong with this picture.

**Did CMS clearly communicate their reasoning for bid denial?**

NO!

**If you weren't offered a bid, did you request a re-review?**

YES!

**What was your experience with the re-review process?**

Same response as initial bid denial.

**List recommendations for increasing transparency and fairness in the re-review process:**

Provide substantive, concrete reasons for bid denial

**Survey Respondent #40**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Very time consuming and took several individual's from daily duties. Very expensive process to hope you received a bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Make the standards mean something, companies that were Chapter 11 and 13 were rewarded bids and I do not see that as financially stable. Also companies that were under investigation for fraud and abuse were awarded bids after they paid back millions of dollars

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

None

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #41**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Had to engage a lawyer @ \$7000.00 to fill out application

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Transparency of the pricing would be great as I do not believe anyone bid as low as CMS says

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Who was low bidder? Also how they arrived at a price of \$9.00/month for portable oxygen. How they arrived at a price of \$41.00/month for an oxygen concentrator.

**List other recommendations for improving the bid process.**

CMS should work with local companies and they would see that no one could provide service to the patient at the price CMS is paying.

**Did CMS clearly communicate their reasoning for bid denial?**

N/A

**If you weren't offered a bid, did you request a re-review?**

N/A

**What was your experience with the re-review process?**

near

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

## Survey Respondent #42

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The biggest challenge we had is deciding how much less could we bid from the current CMS Fee Schedule and still make a reasonable profit. As far as submitting my capacity I learned from the results of the first round that if I was awarded a contract that my volume would not double or triple. Having said this my concern was how much less cash would I have to run my business. Further to this I knew what ever I bid was not what the specific bid price would be lower than my bid hence a further reduction in cash. The other fear was would I get all the categories I bid in as what use would it to get beds without support surfaces and manual wheel chairs. Oh how about my financials. I'm a CPA and I know all about ratios. Our D&B rating was very good, have excellent credit with all my vendors and had a CPA from VGM look at my financials and said our numbers were fine. End result CMS said my financials did not pass. Are u kidding.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Not much to say here as we were able to get thru the bid process without much difficulty

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

What financial ratios they used to determine if a DME was financially sound. How in the world did some many DME's get contract in numerous CBA's when most of them could not possibly support the capacity and almost all of them had no physical location to serve the patient . Well I found out. They submitted a capacity of 1 to 5 in each CBA. Is this really fair. Of course not. o what do they do, they call me up to subcontract at a loss and they make the money. Now many are calling me to buy 10% of my company because to acquire a DME license in Alabama effective 6/30/30 they have to have a physical presence. And how did these DME's past muster on their financials when the vendors in numerous instances have them on credit hold or turn over for collection. The list goes on and on. I don't have a chance as CMS does not care and is touting to Congress how much they are saving. Its all a game. What CMS is doing in my mind is to reduce the number of small providers as big is cheaper. Look at what Wal-Mart and Home Depot has done to reduce cost. The manufactures would be able to reduce O/H by billions if they only had to deal with say a thousand DME's.

I have proof that DME'S in our CBA are refusing to take referrals as they have told the referral that the cost of the item is more than the allowable.

### **List other recommendations for improving the bid process.**

Make the bid binding. Expect reasonable capacity not one or two. Have a viable ongoing physical business location in the CBA. Do away with the median bid. Whatever the DME bid that's what he should be given not the medium price. This would prevent DME's to bid as low. Is it fare for a DME to bid \$35 for a walker and then get a contract for \$50 and vice versa the DME who bid lets say \$75 gets \$75 not \$50.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes my financials did not pass which is a joke as we have never been put on credit hold, have excellent D&B rating and have excellent credit with all our vendors. Also that we did not bid low enough. I just cannot see how anyone can make money at 45% of the current fee schedule. Ask the Power company to cut their rates for all their customers who are on Medicare and see what would happen.

**If you weren't offered a bid, did you request a re-review?**

No way would I want to lose \$\$ on 35% of my volume or even break even.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Whatever I would recommend would be rebuffed by CMS as they don't want to admit the system is flawed. However here is what I would recommend:

1. Realistic capacities in very CBA a DME bid in.
2. Exactly what ratios and other standards they used to review financials. (PS I could have sent them fake number and fake tax returns) Did they really verify my tax return with theirs. Unaudited financials are not reliable.
3. A physical business location should be a must.

### **Survey Respondent #43**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

NO real challenges in submitting the bid, just challenges in the review process and the notification of the fact we did not win any contracts.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We felt all that was spelled clearly.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

In the review of our bid, please see below.

#### **List other recommendations for improving the bid process.**

Please see below.

#### **Did CMS clearly communicate their reasoning for bid denial?**

A letter was sent. In that letter it offered the opportunity to have your bid rereviewed and that if you had questions that you would have an opportunity to raise those questions and gain understanding as to why you were not offered a contract. The reason for our "non-contract" bid was not based on bid price. It was based on a financial document. This was not clearly spelled out in the letter that was provided stating that we were not a bid winner.

#### **If you weren't offered a bid, did you request a re-review?**

We did request a rereview with the understanding based on the letter provided that we would have an opportunity to raise questions about why we did not get offered any contracts. Again as I stated above we did not "loose" based on bid pricing. It was for a financial reason which in the letter and spreadsheet that was given it was not clear as to the specific reason.

#### **What was your experience with the re-review process?**

We called the number on the letter as directed. They had stipulated that the call had to be within some many days of the date of the letter, we did call within that time frame. The person that answered pulled up our information stated that we "qualified" for a review of our bid, and that the entire bid would be sent back and be completely gone through. The person did not have anything to offer as to why we did not get offered contracts. The person gave us a tracking number and stated that we would receive an email when the review was completed and that if we wanted to follow up we could use the tracking number provided for reference. We followed up several times and the response was the same every time.... stop calling, there is nothing we can tell you, wait for the email. It took over 90 days for the response. We received the email and it stated that the numbers on our summary of cash flow sheet in our financials did not match our numbers on the expanded financials. A CLERICAL ERROR ON OUR PART! We still have not been able to speak to anyone as it stated in our letter that we would be given

that opportunity. We have taken every opportunity, including getting our Congressman involved to which he responded back to us that we have no recourse

**List recommendations for increasing transparency and fairness in the re-review process:**

I would recommend the following: A more clear timeline to which we should expect a response. If the letter stated that we would have an opportunity to raise questions than we would like that opportunity. There was no opportunity given other than we could ask for a rereview, BUT we never spoke with anyone beyond that point, and the person we spoke with was not allowed to speak on why we did not get offered a contract just that they where essentially in a clerical position and could not answer any questions. An opportunity to fix clerical mistakes, NOT change bid amounts.

**Survey Respondent #44**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Being Licensed in other states.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Examples of documents or have a document template that is the same for each bidder.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

Smaller CBAs and quite honestly the CBAs need to be state by state and not cross borders. Also only allow companies with locations either in a CBA or within a 60 mile radius to be able to bid the CBA. A Beneficiary living in VA should not be serviced by a supplier who won the contract in California. That is just common sense.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Each bidder needs to be bonded to their bid, that way there is no low balling which just crashes the allowable.

## Survey Respondent #45

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Simply put: CMS changed the rules as they went along. They now require things that were not required up front and on the flip side did not enforce requirements that were in place at the time bids were submitted.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Have the process supervised by an organization with actual bidding experience. What we are dealing with here is neither competitive nor bidding in nature.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

List and enforce financial requirements for a company to participate. Require that a company that bids in an area have a physical location in place six month prior to bidding.

### **List other recommendations for improving the bid process.**

Get it out of the hands of CMS!!!!

### **Did CMS clearly communicate their reasoning for bid denial?**

Not at all. How to you argue with an organization that feels justified in awarding contracts to companies 700 miles away and denying our bid because the "capacity objective" was met. A company in Boca Ratan, Florida cannot do as good a job of servicing our customers as we can!!

### **If you weren't offered a bid, did you request a re-review?**

No, why waste the time?

### **What was your experience with the re-review process?**

N/A

### **List recommendations for increasing transparency and fairness in the re-review process:**

Pass HR 1717

## Survey Respondent #46

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Convoluting directions, no firm assistance available as they could not answer the questions posed, illogical process of bidding on hundreds of items individually that in reality had no bearing on the final actual awarded price, those that bid on categories were only interested in supplying minimal items in that category but that dropped the pricing on ALL the items in that category leaving no one to supply those items at the ridiculous low pricing, example power w/c base versus batteries.. NO one will supply batteries at those prices....

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Speak in non-legal verbiage first. have a FIRM process in how the financials were evaluated and how they will be done in the future. checklists are paramount to this process. allow for phases of paperwork to be submitted, and accepted, with a grace period if incomplete so that by the time the actual deadline has come up a supplier is not left hoping they crossed every "t" correctly. I have bid on many contracts before. there is always a discussion phase, and usually an evaluation phase. CMS did neither. Start over, getting rid of the old habits. there is little to keep hold of. make the bid binding, and enforceable. It needs to be done item by item, not class by class. that gets rid of the out of whack bid pricing. CMS did not, CBIC did. but it was too late. we were denied for pricing, and apparently ONE page of our tax return was missing.. it was a blank page, that our accountant did not give us a copy of either. since we lost due to pricing, we did not bother to fight this. but this is the kind of minimal stuff that should be ironed out.. No, why bother once we saw the prices.. this is a bureaucratic middle management fiasco, similar to the current VA scandal. the top doesn't know, doesn't care or cannot fix it. the level responsible for this will not cancel out the issues. they cannot, that is their livelihood. part of the mess in DC. 5/30/2014 10:31

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

List and enforce financial requirements for a company to participate. Require that a company that bids in an area have a physical location in place six months prior to bidding.

### **List other recommendations for improving the bid process.**

Get it out of the hands of CMS!!!!

### **Did CMS clearly communicate their reasoning for bid denial?**

Not at all. How do you argue with an organization that feels justified in awarding contracts to companies 700 miles away and denying our bid because the "capacity objective" was met. A company in Boca Raton, Florida cannot do as good a job of servicing our customers as we can!!

### **If you weren't offered a bid, did you request a re-review?**

No, why waste the time?

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

Pass HR 1717

**Survey Respondent #47**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Not winning in some items, that we won in the first round.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I've seen companies win all items in the areas and not have the financials for a bid. The government (Palmetto GBA) doesn't know how to award bids correctly.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

why suppliers that don't have locations in an area, were awarded all contracts.

**List other recommendations for improving the bid process.**

It should be that the winning amounts, everyone should be able to provide services. The bid has made Lincare, Apria, Walmart bigger, and smaller provider have gone out of business.

**Did CMS clearly communicate their reasoning for bid denial?**

not Clearly!

**If you weren't offered a bid, did you request a re-review?**

Yes, and won!

**What was your experience with the re-review process?**

I was awarded seven items in Round one.

**List recommendations for increasing transparency and fairness in the re-review process:**

The prices keep going down. Companies are losing money daily, while financing a government program. It takes 11 months of rentals for a hospital bed just to break even with the cost of the hospital bed, then month 12 goes to deductible, at the end of a 13 month cap rental you're making roughly \$50.00 after billing and processing claims for a year. The Denial rates on Competitive bidding items is very high. over 60% of the items are sent to review. This program is a joke.

**Survey Respondent #48**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

The most damaging part of CB is the collateral fee reductions as a result. While I did not bid, private insurances reduced already low reimbursements based on the low bids. I foresee State Medicaid's reducing accordingly. In many instances ostomy reimbursement is lower than product cost, not including delivery. There is no place to comment so I stuck it here. Thanks for the effort. Tom Webb, VistaCare

**Survey Respondent #49**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Our revenues went down \$137,000 from June of 2013 to July of 2013.

13 employees left the company due to the change.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

the information distributed was ok

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Explain why they did not follow the Federal Register implementation guidelines for comp bidding and refused to answer questions about it. This far exceeded the anticipated cuts to the program.

They should not have allowed out of state suppliers to win bids when they were not in the area.

**List other recommendations for improving the bid process.**

Explain why they did not follow the Federal Register implementation guidelines for comp bidding and refused to answer questions about it. This far exceeded the anticipated cuts to the program.

They should not have allowed out of state suppliers to win bids when they were not in the area.

**Did CMS clearly communicate their reasoning for bid denial?**

no

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

see above

**Survey Respondent #50**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Bid submission was not challenging, the non-transparent nature in which CMS conducts their business is frustrating and challenging.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Seek professional help from your accountant and or attorney when needed.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Simple, list the winning bid amounts of the competitive bid winners.

I won round one but lost round one rebid and won nothing in round two. I took a 30% plus cut in round one, yet if sell products locally to round one rebid winners and they won and if lost....my bid was penny€™s above what they are paying in the Enteral category, Enteral services is exclusively what we do, and yet we received nothing.

How can someone win a category where no experience has been demonstrated?

**List other recommendations for improving the bid process.**

Have CMS contract scholars to outline a real bid process, not a bureaucrat that has no since or reason in the formulation of a bid system.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## Survey Respondent #51

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Our bid was a painstaking process to say the least. We spent two full weeks preparing and analyzing the numbers to make sure we could stay in business. We bid close to 25% off from the current rates and were shocked when the awards were an additional 20% less at award time.. After all of our efforts we learned post award time, that our bids were disqualified due to our financials not matching our tax returns to the penny. We have been in business for ten years with 80 employees. I have lost my home and have had to sell at a fraction of the cost I had invested in my company. Many people have been let go from our employ.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

It would have been great to have a pre-screen vetting process that could have told us that the application was to be tossed. This would have been nice to know prior to the bid awards. We sent our financials in prior to the deadline for approval and were told they arrived one day too late therefore CMS led us to believe we had a chance during the three month waiting process.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How about just letting us know if we were approved as a bidder or not? If a bidder sends a package in for pre-approval, they should receive notification and time to correct the application prior to the doors being closed!

### **List other recommendations for improving the bid process.**

1. Stop the process all together. It's unfair that only one vertical of healthcare has to endure such a program. Why aren't all of the other ancillary services being included in a bidding process? CMS has destroyed many great DME company's and jobs that provided excellent care at a fair price. Winner or loser, every DME company agrees that this program has hurt the patient. CMS touts a different story that this is not the case. They are completely blind to the real world. They should hear the calls our staff takes day after day from suffering patients and discharge planners who can't get service in a timely manner any longer.
2. Use a national average pricing set by the process as the new fee allowable.
3. Allow all accredited, licensed and bonded suppliers back in to provide services rather than this ridiculous plan that cuts off all good company's whose bid was a penny off. Who will be around after three years for the next bid? Only those who have current bids. The outsiders are going out of business. Who would bid lower than the ridiculous rates set fourth now? No good company would.

### **Did CMS clearly communicate their reasoning for bid denial?**

Not at all. This was a joke. It took us several calls to get any kind of an answer. The answer that was provided by telephone didn't match the letter notification. The letter said that our bids were not priced within the selected range. We were then told verbally via telephone to not worry about it because our bids were not even considered due to a slight difference on our financials from our tax returns.

**If you weren't offered a bid, did you request a re-review?**

No... Too discouraged by that time to try and we weren't told about it.

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

Perhaps we could have been told about the review process when we called in on several occasions for answers as to why our bids were disqualified. Not one word of help from those people. We were told to submit bids next time... In three years.

## **Survey Respondent #52**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

As a supplier specializing in diabetes testing supplies, we were part of the national bidding program. During the process, we spent thousands of dollars acquiring licenses in states that we had never previously had done business. 100% percent of our business had been in Texas and primarily in our local area. We participated in the bidding program because we had built our family business over 10 years and wanted to continue taking care of our customers. We made sure that we bid a fair price that would help us to sustain our business and keep our employees. The bid process was very time consuming and costly.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Feedback on items submitted. Confirmation that it was received and met their parameters. An opportunity to correct and re send any missing information.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Financial standard requirements. How did CMS or did they use this information in their awarding process? It is my understanding that some companies that were awarded the bid were in financial straits.

### **List other recommendations for improving the bid process.**

Transparency in the process used to award the bids. Hold winning suppliers to the brand of supplies they stated they carried as per Medicare requirements. Many customers go the the website of the supplier who carries their brand of strip and are told that they are on back-order, but that they can use another brand. It happens on a consistent basis which I find interesting.

### **Did CMS clearly communicate their reasoning for bid denial?**

Our bid price. Had we been offered the contract, we would not have been able to sustain our business at the winning bid amount.

### **If you weren't offered a bid, did you request a re-review?**

No, as per above.

### **What was your experience with the re-review process?**

### **List recommendations for increasing transparency and fairness in the re-review process:**

### **Survey Respondent #53**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

It was a very costly endeavor. We put a lot of time into looking at our costs to submit a bid, which was not approved for the price we submitted. The manpower hours along with the financial statements and credit report were an additional expense, which went to the way side if you did not receive a contract. You are not even guaranteed additional business if you go through this whole process. The reduced rates of reimbursement do not make it easy to survive even winning a bid.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The information is available, for those who have access to the internet and website. The information is there, but could be laid out in a more basic format, for those people that do not work in this area or have not had any experience with this type of system.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The should list all of the bids that were submitted, then list those companies that were eliminated from the bid process. They should also have listed the bid amounts proposed by each of the companies who were used to compile the payment averages for reimbursement. If prices are going to be set at a certain rate, but no explanation as to how they got that number.

#### **List other recommendations for improving the bid process.**

If the government is going to be transparent, then why don't they show how they qualify a bid and the amounts that were offered. Also the expertise of the bid winner.

#### **Did CMS clearly communicate their reasoning for bid denial?**

No.

#### **If you weren't offered a bid, did you request a re-review?**

We did not. Once the government makes a decision, they do not change. Why waste the time and money on a losing cost for large cuts in reimbursements.

#### **What was your experience with the re-review process?**

N/A

#### **List recommendations for increasing transparency and fairness in the re-review process:**

Stop competitive bid and start making smart decision on what quality health care at home is worth. I noticed that Medicare did not make hospitals compete through the Competitive Bid process to take care of patients. For that fact, they did not do for Doctors either. The biggest health care cost for Medicare is HOSPITALS!

**Survey Respondent #54**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

It does not matter, because if we get these bid rates we will not be able to keep our doors open.

Clay Johnson Jones County Medical Supplies, Inc. Laurel, Ms. 39440

## **Survey Respondent #55**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The application was unbelievably difficult and burdensome to fill out. It was confusing and without 3 of our key employees working on this for over 4 months, we would have never gotten it submitted, and this doesn't even include the price bidding we had to submit, that took an owner of the company and the Director of the HME department, to sit in on 4+ webinars, consulting with top industry consultants, then spending over 100+ hrs. completing this part of the bid.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

We would like to see the bid prices that were submitted, I still can't believe we did not get a bid with the 35-40% we submitted for all categories

### **List other recommendations for improving the bid process.**

The bidder must have a location in the bid area where the bid is being submitted. I have been providing healthcare services to patients in our area in southern Indiana for over 25 years, and now I've had to subcontract with providers from Florida and California, to provide care to these same patients without these providers ever entering the area.

If a bid is won by a supplier, they must be forced to provide their services to this market in a timely fashion. I was told by one bid winner, they didn't know if they were going to actually service the area they won a bid in, they were going to wait and see who else is going to service the area!

### **Did CMS clearly communicate their reasoning for bid denial?**

They did not!

### **If you weren't offered a bid, did you request a re-review?**

I didn't know we could.

### **What was your experience with the re-review process?**

### **List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #56**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The process was cumbersome and very confusing. We tried to do it the right way and companies who had no idea what they were doing won the bids and are currently closing or providing awful service.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Honestly I am not sure if can be made less confusing. It is so much red tape and paperwork. Why not do a national across the board cut of 20% off the pre bid fee schedule. I am sure with all the expenses associated with CMS monitoring/changing/implementing this program plus the readmissions and delays affecting hospitals CMS can in no way be saving money if they truly look at the big picture.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

I have no idea why I did not win a bid.

**List other recommendations for improving the bid process.**

Eliminate the program and just do across the board cuts.

**Did CMS clearly communicate their reasoning for bid denial?**

NOOOOOOO

**If you weren't offered a bid, did you request a re-review?**

NO . I didn't realize it was an option. Honestly the CMS audit mess made me not want a bid now. I cannot handle more cash flow being unfairly held in audit so I would not be able to financially meet the bid requirements in this environment. Currently CMS has been holding my money for over 2 years unfairly.

**What was your experience with the re-review process?**

None

**List recommendations for increasing transparency and fairness in the re-review process:**

Thank you for fighting for our industry. We are mainly honest working small business owners with no way to pay big lobbyists to help us. Small providers are closing at an alarming rate and our elderly will soon be the national crisis we are seeing now with the VA.

Regina Gillispie  
Best Home Medical, WV

## **Survey Respondent #57**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We submitted a bid in round one. We received only respiratory and were unable to compete because other local companies received multiple contracts.

Discharge planners in hospitals we served for 30 years stopped calling us for referrals.

They preferred to only call one supplier with Multiple contracts even though we provided superior service for over 30'years because of the way CMS released the bidding information.

Our business dropped over 75% almost overnight.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bid software did not work well and in the second round we were denied our respiratory bid, even though we were within bid parameters, because it was unclear that we would be penalized for not providing our costs on an oxygen face tent which is almost never used.

We objected in writing and asked for a review by CMS BUT TO DATE HAVE HEARD NOTHING!

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

See previous answer

### **List other recommendations for improving the bid process.**

A revolving bid process would be better as outlined in our proposed legislation. Offer any willing provider who is qualified. Works because it helps the delivery time With respect to increased numbers of providers. Plus it fosters competition throughout the industry.

### **Did CMS clearly communicate their reasoning for bid denial?**

See previous comments..

Cms did not communicate effectively with this Supplier & refuses to answer questions

About why we were denied a bid

### **If you weren't offered a bid, did you request a re-review?**

Yes

See previous answers.

### **What was your experience with the re-review process?**

Non existent...

No response

### **List recommendations for increasing transparency and fairness in the re-review process:**

Ask CMS to release the real formula for financial weight and how they decide which providers are financially stable. Plus how can they give contracts to publicly held companies in bankruptcy

## **Survey Respondent #58**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

very complicated. we had to engage a consultant to navigate the process

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

the bid process is broken completely. there is no point in trying to improve the application materials to fix a broken process. Trying to fix the application is another waste of money and time.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

is there any effort in the selection of vendors chosen to be sure that they comply with all the cms 30 supplier standards?

### **List other recommendations for improving the bid process.**

Splitting the patient between providers seems to be confusing for the patient, and generally as a negative impact on the providers business.

### **Did CMS clearly communicate their reasoning for bid denial?**

no they indicated we did not receive the bid. there may have been a number to call for more information if do not remember

### **If you weren't offered a bid, did you request a re-review?**

no

### **What was your experience with the re-review process?**

n/a

### **List recommendations for increasing transparency and fairness in the re-review process:**

There currently is only chaos in the bid process. Providers who get the bid are losing money, providers who don't get the bid are losing money. Patients are confused by the process of needing to access various Providers.

Repair / replace of equipment is the worst hatchet job of all. Patients call to have their wheelchairs or other equipment serviced and we have to tell them even though we sold it to them we can replace any broken parts. Call a provider that got the bid, problem is they don't want to repair equipment they didn't sell. Best/worst example of this debacle is Scooter Store Patients. They call us by the droves in utter despair. Who at CMS is thinking up these rules???

**Survey Respondent #59**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

according to the CBIC we needed to have licenses in all 50 states American Samoa the Virgin Islands or Puerto Rico, etc. the CBIC allowed unlicensed bidders with no previous experience to bid. it is my contention that CMS' actions violated their own guidelines. It is also my contention that every contract awarded following the violation of their own statutes and guidelines are illegal and immoral. I for the contend that CMS was only interested in lowering the pricing for the durable medical equipment put up for bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

every bidders submitted bid ought to be made public including the bid amount and the bidders name.

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

Yes

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

not applicable

**List recommendations for increasing transparency and fairness in the re-review process:**

my company served Medicare patients for 19 years. We had a stellar track record. all contracts awarded under this CBIC process need to be thrown out and the companies that were put out of business need to be compensated for their loss.

**Survey Respondent #60**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The challenge was not getting a good reason why we did not win the bid. if they want it exclusively on price if will bid accordingly discounted everything else CMS tells me is important in determining the winning bid amount.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I would have liked them to establish some specific financial standards that need to be met before a provider can be allowed to bid. The only local provider located in our area was probably the weakest in regards to sales and financial strength but they won the bid solely on price.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

if would like a clear explanation on how the winning bid amount was actually acquired and how each of the requirements were factored in arriving the winning amount.

**List other recommendations for improving the bid process.**

if they are requiring us to meet certain financial standards they need to judge on these standards in awarding a bid. Price seems to be the only factor in winning or losing. I think they should also establish some form of activity based costs analysis so that it is required to establish a bid amount. Moreover, CMS should require a bare minimum activity cost per product category to ensure a level of quality of service in determining a bid amount. if can bid as low as if want if if plan on providing the least amount of service knowing that this activity cost does not comprise of much of my overall cost other than my purchase cost of my equipment.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

NA

**List recommendations for increasing transparency and fairness in the re-review process:**

NA

## Survey Respondent #61

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

- 1) Both the NSC and the CBIC made errors in assessing whether we had the right state licenses or not. This was true both during the application process and afterward as a contract supplier. It got so bad that we had to go to the head of the CBIC to resolve our concerns.
- 2) During bidding, Medicare focuses too much on the acquisition cost of the product and does not consider all of the non-product costs in its evaluation of prices. They say they look at the price to consider overhead, labor, etc., but they have no way of knowing if the prices are viable or not. In the Round 1 Rebid, we are not kidding when we say that a bid price that was just one penny above our acquisition cost for a minor supply item won, but if it was accidentally one penny below, we lost.
- 3) It is wrong that a provider's entire bid can be disqualified if a minor, low-utilization, low-bid-weight item is priced low when all of the utilization is likely to be on the main (base) item.
- 4) Transition patients -- enteral nutrition and PAP patients who were forced to switch providers due to a no-grandfathering provision were put into a terrible situation. Medicare would not provide any relief to the receiving provider in terms of the administrative paperwork, copies of test results, doctor's notes, etc., so we had to admit the patients as though they were brand-new to the therapy. Many were forced to go back to their doctors or for additional, expensive overnight sleep tests (PAP) and swallow tests (enteral). Neither their doctors nor their previous suppliers had the paperwork to give us. They called us crying and begging for supplies, and complaints skyrocketed. CMS did not plan adequately for the tens of thousands of patients who would be forced to switch, and we were not prepared for the volume because CMS does not promise any volume (unlike private managed care organizations).
- 5) Providers Going Out of Business -- we experienced situations where existing oxygen companies closed their doors or otherwise abandoned their patients. Because of the 36-month cap on oxygen and CMS' poor regulations concerning the same, the patients were often unable to find another company unless CMS intervened. It took 10 months for CMS to issue a rational policy which will not leave oxygen patients in a lurch when their provider goes out of business.
- 6) Greatly increased administrative burdens and costs imposed on providers in the years since we submitted bids in good faith -- No bidder could have predicted that Congress would pass the ACA, which includes all-new paperwork burdens for providers (both winners and non-winners). The new Written Order Prior to Delivery (WOPD) and Face to Face (F2F) requirements are arduous, expensive to administer, confusing for referral sources and the regulations themselves were poorly introduced by CMS and its contractors, the Durable Medical Equipment Medicare Administrator Contractors (DMEMACs).
- 7) Referral agent and Medicare patient satisfaction have decreased significantly and consistently every quarter since Competitive Bidding has been introduced.
- 8) Additional 2% Sequestration Cut to Continue Indefinitely -- as though the average price cuts of 40%+ are not bad enough, Congress added the 2% sequestration cut to the rates. This is unconscionable. No other healthcare segment took as large a hit as the DMEPOS one and yet we were still subject to the sequestration cut. In the private sector, when we sign a managed care agreement at a discount, there are no other arbitrary cuts added on top of it during the contract period.
- 9) We have laid off 1,100 employees across the United States in the past year to cope with the Medicare Competitive Bidding and sequestration cuts. We have moved jobs out of Ohio, New England,

Texas, Florida, the Carolinas, California and the Midwest and into large centers located in just five states. Phone responsiveness has diminished due to having fewer employees on staff, but we have no choice if we want to survive into the future.

10) We are losing money on every single Medicare patient now, and we are one of the most efficient providers in the industry. This is not what we projected three years ago when we submitted our bids, and we are going to have to seriously consider whether we can remain as a Medicare provider in the future.

11) CMS should not have the authority to determine that it needs more suppliers but as it adds them, they must accept the SPA that was derived from an initial pool of winners. CMS should be required to recalculate the SPA when it adds suppliers from the list of winners. Since CMS alone developed the SPA and median bid methodology (Congress DID NOT MANDATE IT), CMS has the authority to recalculate the SPAs to be fair to new winners. It will not change the massive savings projections.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

1) CMS needs to give bidding suppliers a three-year view of new forms, documentation, audits, policies, procedures, etc. that it is planning or contemplating. Well after bids were submitted, CMS introduced all-new medical necessity documentation requirements for many bid products and the sheer volume of pre-payment audits increased by over 500% since then. A bidder can't be expected to sign up for a three-year contract with fixed pricing and not even a cost of living escalator when CMS continues to add to suppliers' administrative costs.

2) CMS should required that the financial reports submitted be AUDITED financials. That way, CMS could feel more confident publishing the financial standards by which they are going to evaluate bidders. Today, the financials do not have to be audited, and so CMS is naturally concerned that bidders may falsify their financials in order to mirror the standards or metrics it will use. CMS could avoid this by requiring AUDITED financials (which ours are).

3) CMS and the CBIC needs to hire higher-level experts who understand state and federal licensing requirements for this business. They rely on lower-level people far too much, and those people make mistakes interpreting state pharmacy, business and DMEPOS licenses for our industry.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

1) CMS should publish the financial metrics it will use to evaluate bidders' financial viability. It is completely shrouded in secrecy to this day.

2) CMS should publish the profitability metrics it will use to evaluate the bidders' prices from a bona fide bid process. Today, if a bidder bids even one penny above the provable acquisition cost of an item, the bidder will be granted the contract.

3) CMS needs to require more bidders to provide proof that they can provide items at their bid price. Today, such requests are limited and it is unclear what criteria CMS uses to determine if/when it will ask for such proof -- the exact same bid price in Charlotte could generate a request from CMS to provide proof that it can be provided at that price but in Riverside, CA it does not prompt such a request. This is silly.

4) CMS needs to provide bid winners with concrete data about how many patients it might be requested to serve if it wins. All of the private payers do this when we sign contracts -- they either guarantee volume or they tell us how many potential transition patients may be involved. That way, we can staff appropriately to ensure customer satisfaction. Instead, we were flooded with requests from over 5,000 Medicare beneficiaries who needed PAP supplies (masks, etc.) and were clearly compliant with their

therapy, and we became so backlogged that referral agent and patient satisfaction was greatly diminished.

5) CMS is misleading Congress with its report about the number of patient complaints it has received about the program. It determined that "inquiries" to 1-800-MEDICARE only become complaints if the issue is not resolved. This is unacceptable. All of the accreditation bodies require us to have a patient complaint/resolution process; they don't call them "inquiries." Our company alone has recorded more patient complaints about Competitive Bidding than the Medicare program reports for the entire country.

6) CMS is misleading Congress and the Congressional Budget Office (CBO) about the projected savings from the program. First, the program and other CMS rules are leading to huge increases in physicians' office visits for patients who feel quite well but must go back to an MD so he/she can make a certain note in his/her record. The same holds true for certain repeat tests, such as sleep apnea overnight tests. Second, because of all of its documentation requirements, utilization for every product line went down in the Round 1 Rebid markets and the same is manifesting itself in the Round 2 markets. Yet, the projected savings are based on Round 1 Rebid and Round 2 prices alone. CMS is grossly overstating the 10-year savings for this program. Also, it should be required to report the net savings after it accounts for the massive expenses associated with implementing the program. That's how any normal business in America would work.

#### **List other recommendations for improving the bid process.**

1) Make bids binding -- far too many speculative bidders were allowed to win. Tiny little companies with \$2 million in annual revenues were awarded 400 contracts, while a major New York regional provider with over \$100 million in annual revenue was deemed to be "financially unstable." CMS' determination led to that company's later bankruptcy.

2) Investigate the extent of subcontracting -- This industry never needed subcontracting to serve Medicare patients before. It has detracted from service provided to patients. We are aware of markets where the contract suppliers and subcontractors are violating the rules as to who is responsible for what (e.g., New York City).

3) Require all contract suppliers to validate the prices they submit by requiring a standard P & L format to account for both product costs and all of the non-product costs.

4) Do not allow winners from 6,000 miles away. The Hawaii CBA includes PAP and hospital bed winners from Boca Raton, FL and Virginia. This is unconscionable, and it led to CMS having to add more contract suppliers to the mix, but at the same SPA. This is also patently unfair, because if CMS had done its job right, those extra suppliers would have been in the original mix and the SPA would have been higher.

5) Change the [www.medicare.gov](http://www.medicare.gov) website. Contract suppliers should not be listed in order of distance from the patient's zip code. That means that the 6,000 mile distant winners will never be called anyway, so why include them in the winners' pool in the first place?

6) Contract Suppliers should be exempt from certain pre- and post-payment audits. Theoretically they have undergone a higher level of scrutiny and vetting by CMS/CBIC and therefore they should not be subject to the same volume of audits. When we contract with commercial insurers, we offer price discounts in exchange for 1) volume and 2) administrative simplification. That is simply not the case with Medicare or the CB program.

#### **Did CMS clearly communicate their reasoning for bid denial?**

Somewhat clearly. A cover letter arrives with an attached grid which shows why the bidder was not offered a contract. If the reason is that the submitted price was high, that is clear. But, if the reason is due to licensure, it is not clear at all. A provider who receives the letter has to call the CBIC and beg for

information. If the CBIC is the one that made the error, the SPA is not recalculated when the bidder is added back to the pool -- again, patently unfair.

**If you weren't offered a bid, did you request a re-review?**

In the Round 1 Rebid process, yes. We completed an extensive appeal letter with a financial analysis and supporting data, but CMS denied the request.

**What was your experience with the re-review process?**

We spent a lot of time, energy and money on submitting an appeal/request for rereview when in fact CMS had no intention of paying serious attention to it.

**List recommendations for increasing transparency and fairness in the re-review process:**

See all of the above comments. CMS holds all of the cards, and the supplier is expected to just "suck it up" and accept all of its decisions, however flawed they may be. No payer in America administers a Competitive Bidding program like CMS does, and its the beneficiaries and referral agents who are suffering as a result of it. They may be suffering in silence, however, since CMS believes that complaints have been few and infrequent. That is not the case at all -- DMEPOS providers are the ones "propping up" this program through grandfathering and the desire to provide quality service to patients in need.

## Survey Respondent #62

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The whole weighted averages. Bidding on items broken down into individual pieces that are almost never sold that way.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

### **List other recommendations for improving the bid process.**

I do not believe in the bid process by product. As a supplier just delivering hospital beds at the rates in the bid areas would not be enough to make any profit. As a supplier you need to be able to deliver all the items a patient needs. A large part of the cost is delivery. If I can deliver more than 1 item then I would be able to make a profit at lower prices. Patients now have to deal with 4 or 5 vendors for their items. The deliveries happen at different times and then the patient or care giver has to sit through 20 to 30 minutes of paper work 4 or 5 times, instead of 1. I think there needs to be service levels included.

If Medicare just cut reimbursements there would be no need for the bidding administration. Those administration costs should be used to take care of patients not expand Medicare's overhead. You should let the market take care of who can deliver to Medicare patients. Patients should have a choice as they use to. Less competition always means less service for the patient. I know of patients waiting weeks for equipment because those that won the bid are not servicing the area because the reimbursements are too low for them to make a profit. Our elderly and their families are suffering because they cannot get the products paid for my Medicare, and there is no reason for them to suffer. Patients that need a walker in the bid areas cannot get them delivered because it costs too much to deliver. So suppliers are using UPS to deliver the walkers. Then it is up to the patient to adjust the walker themselves. Many are unable to adjust the walkers since the buttons to push in to adjust them is too difficult for their weakened fingers. Many elderly cannot even button shirts never mind do these adjustments. This is just one example. Some CPAP suppliers just UPS the equipment with a video for the patient to setup themselves. That doesn't work for most since they do not understand how to put the items together or if the mask even fits properly. It is a waste of Medicare money if we are not going to be sure the equipment fits and works properly for the patient. I have diabetic patients come into our office complaining of the mail-order provider saying they are sending them extra things they don't need and did not order, and are getting quite upset with the mail order process.

If you want to save money you should be awarding contracts to vendors that can supply more areas of equipment. If you have 1 vendor that can supply oxygen, CPAP, and DME equipment like hospital beds and accessories, wheelchairs and accessories, walkers, commodes; you would be able to get reduced rates since many patients need more than one item.

**Did CMS clearly communicate their reasoning for bid denial?**

They just sent a letter indicating we were not accepted.

**If you weren't offered a bid, did you request a re-review?**

No, I did not know you could ask for one.

**What was your experience with the re-review process?**

Did not know there was a review process.

**List recommendations for increasing transparency and fairness in the re-review process:**

Only licensed and accredited vendors that have a presence in the bid area should be allowed to bid. There should also be some service level requirement. There are many areas where companies are not in the area so they are not servicing the patients or if they do then they just UPS the equipment. If there are any problems it puts the responsibility on the elderly patient instead of the provider.

**Survey Respondent #63**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

You simply can not put \$1200.00 to \$1500.00 worth of Oxygen in a patients home and be paid \$41.00 for the concentrator and \$9.00 for the portables.

As you know the tank cost are \$50.00 average all sizes included.

Average cost to refill is minimal of \$5.00 each X's 6 tanks = \$30.00 my cost every time the patient comes in to get portables. ( could be weekly or even more often)

So even if the patient only comes in once a moth Medicare is paying me \$9.00 and I am giving the patient \$30.00 worth of oxygen ,my cost.

That does not take into account my cost of tanks, any overhead or if the patient comes in weekly in which case I lose \$120.00 and am paid \$9.00 from Medicare for doing so.

Something is not right..... maybe CMS needs an accounting class ?

Its hard to believe this process has been going on for almost a year here in Va. and it has not been stopped by Congress.

Eight DME companies have either closed doors and walked away or sold out here in Richmond.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #64**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I found overall process of bid submission was cumbersome. They were a lot of codes which could have been supplied by using the codes with the highest rate. For example Oxygen

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

They asked for financials and license, but did not go by their own rules. Like awarding bids to companies that had filed bankruptcy

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

CMS did not follow their own rules. Our company bid responsibly (26% reduction overall). Tennessee requires that a provider has a physical location in order to be granted a license. 33 companies which did not meet this criteria sent in low ball bids which drove the mean price down. These companies were kicked out due to not meeting license criteria, however the mean price was not recalculated and we found ourselves not awarded a bid. Since then we have seen a significant reduction revenue resulting in the layoff (a staff 27 reduced to 20) of some good people.

**Survey Respondent #65**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I made a \$80.55 clerical error on my application. My bid was rejected as a result.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Bid packages (not actual bids) should be approved before the actual bidding begins. There should be an opportunity to address any deficiencies identified prior to the actual bid.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

In Tennessee many bidders were rejected after awarding bids to these companies due to a lack of a TN license. CMS accepted these bids, even though they were not state licensed, and included these bids in the calculation of pricing. Since the bids were not recalculated, the pricing of the bid amounts are artificially low.

**List other recommendations for improving the bid process.**

Binding bids. If your bid is accepted, you should be paid at the amount you bid. The number of Out of state providers awarded bids should be limited. Make the bid winners provide the services. Take into consideration the past work of providers submitting bids particularly in specific geographic areas. There was no consideration of quality of provider in the process.

**Did CMS clearly communicate their reasoning for bid denial?**

no. It took me 4 months to find out why my application was denied.

**If you weren't offered a bid, did you request a re-review?**

yes. My application was kicked out for a \$80.55 clerical error made by my accountant.

**What was your experience with the re-review process?**

Took a long time. Never spoke with an accountant even though the application was denied due to an accounting error.

**List recommendations for increasing transparency and fairness in the re-review process:**

There was a general unwillingness to try to find good suppliers of which my company is and has been for a long time. The rereview process was merely going through the motions without trying to correct the problems. Why could not a \$80.55 error be corrected if it was rereviewed?

## Survey Respondent #66

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The greatest challenge was to accept the idea that I was going to have to accept even lower payment for my services if I wanted to serve Medicare patients.

I then hired a company to help me submit my bid. I used this company's spread sheet method to calculate and determine my bid for each code. I felt I bid very low.

I am very glad now that I did not sign a contract for the current prices or even for the prices that I bid. My store is financially healthier without Medicare. My Medicare revenues have dropped by more than 70%. Revenue is down and profitability is up. The big downside is that I see many patients go without services and repairs. Many patients must now pay cash for products and repairs that were previously covered.

CMS has succeeded in their push to save money. All of it at the patient's expense.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I submitted all of the requested documentation. I prepared a bid sheet for bed and accessories. Only after trying to submit the bid was I told that my record showed that I was not accredited for beds. We have been accredited continuously for many years. This was an input error that could not be corrected at the last minute. My Bed bid did not even go in.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

shaking my head  
What can I say.

### **List other recommendations for improving the bid process.**

Do business properly. Look at the documentation and audit it before you purchase. Prior authorize and stop the auditing for subjective verbiage. Determine if the verbiage is good enough before you buy. Audit for eligibility and fraud.

It is totally unfair for commissioned(% of recovered) auditors to pick at the chart note wording two years after delivery. Especially when the patient has used a power chair since childhood.

I have more than 15 patients waiting on an ALJ hearing before they can be eligible to get repairs to their chair. It looks like they will be eligible for a new chair before they ever get their current one paid for.

### **Did CMS clearly communicate their reasoning for bid denial?**

Just said that we did not win the opportunity to sign a contract.

They don't want anyone to know how they decided this.

I am not comfortable signing a contract with the outrageously unfair program that Medicare has become.

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

I am so tired of trying to do the right thing and being punished for it. I just want to get paid a fair price for the products and services I provide to my community. My staff and I do good work for the mobility challenged in central Ohio. There is growing number of Medicare patients that wish I would have been able to help them.

Carl A Mulberry President Columbus Medical Equipment

Founded in 1975

Challenges Met with Excellence

## **Survey Respondent #67**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Our business is outside of the most recent bidding area but many of our customers live in the counties afflicted by the poison that is Competitive Bidding. Not one business in our county has a bid contract for anything. Not a single one. Now instead of being able to attend to the needs of our friends and neighbors we have to send them to Little Rock to some national chain. You know what older people love? Driving on the interstate, the traffic of larger towns, and dealing with strangers. They just love it. Example. Leola, Arkansas is roughly 25-30 miles south of Malvern, Arkansas, our town. Thanks to competitive bidding, those residents have to drive right past my store and keep going another 20 miles to get something as simple as a cane or a walker. Who are they mad at when I explain the situation? Me. I've had more than one sweet little old lady curse me worse than when I was in boot camp because I "wouldn't" help them, then flip me the bird. Is that funny? Ok... yeah, a little until I think about the bad mouthing our company will receive and the revenue lost.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Information? There was information available? Since our small business is outside of the bidding area, we were not aware that we could even submit a bid. If there had been a webinar, training, a letter, a smoke signal, anything letting businesses know what needed to or could be done, we may not be sending our customers and business (money) to large companies with a legal teams that are able to decipher what needs to be done.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Letting small businesses like ours know exactly what needs to happen and when it is to be handled sounds like common sense. Does it happen that way? Eh, not so much. Explaining to everyone WHY their bids were denied would be helpful. I've heard far too many stories from friends that were denied for no good reason, one resulting in a store closure.

### **List other recommendations for improving the bid process.**

Why wouldn't Medicare as a whole just say "look guys, we are now paying this much for this piece of equipment. If you don't like the allowable then you can get over it." Instead, when a company inside the bidding area does NOT get a bid, you have basically cut the life blood from them. How is it fair to take business away from these over here and give it to those over there? We operate month to month, check to check, always doing what we need to, right by the letter of the law. This type of business will not make anyone wealthy but we are at least trying to cash our paychecks, which doesn't always get to happen.

### **Did CMS clearly communicate their reasoning for bid denial?**

### **If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #68**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The time and money spent to insure that the process was understood cost me thousands. CMS was not transparent in regards to the numbers or how the numbers were formulated. Trying to compete with 100's of companies that have no location within 100's or 1,000's of miles with no intent to fulfill any obligation of their bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Financial standards were not transparent. Some companies that on paper appear to be bankrupt were allowed to bid and received contracts.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Financial statements

Keeping of deadlines

The bid amounts from competitors that were used to average the allowable rates

**List other recommendations for improving the bid process.**

The entire process is flawed

**Did CMS clearly communicate their reasoning for bid denial?**

Yes and No

The areas that we did not receive contracts stated that our bid was too high, but when we look at some categories where we do not have a local supplier within 100 miles has no reasoning.

**If you weren't offered a bid, did you request a re-review?**

I did not request a review. Many of the bids were so low I am glad I did not receive an offer

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

Bids must be binding and the bid amount must become the allowable amount for that supplier.

**Survey Respondent #69**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We had to turn away numerous clients because of the ridiculous reimbursement and stupid rules on delivery for testing supplies. Patients I have had for over 20 years who are home bound had to change to a mail order pharmacy because my delivery people are now considered committing mail order - stupid! Wrong! Bad for small business who follow the rules.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bidding process does not work. The companies winning the bids do not have to have a proven track record for doing the job

(IE first round The Scooter Store won enteral nutrition in our area, then had to call around and find someone to show them how to do it.)

The bidding process must be scrapped because everyone at CMS is aware credible auction experts have impugned the methodology as seriously flawed. Information about a wrong bad process will not do anything to improve it.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

See Above more information does not fix the problem.

**List other recommendations for improving the bid process.**

Vet the suppliers. Get realistic about what DME providers do. We go to the homes, we educate the patients and the small suppliers educate their staff. I am present on site and I hold all the certifications. Require that the certified staff person be within 30 minutes of the patient. Two hours is too long to wait for a patient having an oxygen problem.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

## **Survey Respondent #70**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We used to be able to help patients in need. We used to be able to help our doctors and hospitals with fast and efficient service. Patients did not have to wait 3 months for any piece of medical equipment. I have a gentleman who has waited 6 months for a bed and can not afford any other means of acquiring the bed.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Medicare has already educated all of the non-bid winners as to the processes that have to take place. They have also educated their bid winners on the process and non in our area are following the guidelines. They are stalling and making things up so they do not have to deliver the items at the prices they agreed too.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

We needed to know what the actual bids were and how much over we were. We needed to know why they did live up to their promises of using small businesses over multi-national companies to fill the bid winner spots. They promised 30%. This was not done. They used non-licensed bidders and out of area bidders to fill the local spots. No patients have no choice in the company they would like to use. Reputations have been tossed to the side and relationships as well. Local companies are no longer able to help their communities.

### **List other recommendations for improving the bid process.**

Medicare needs to have accurate bids by companies who have had experience for a couple of years bid on the items they know. They should not have allowed companies who have never done a certain product bid and win and low ball because they do not understand the work involved. If they wanted to lower prices they should have allowed companies with experience to bid, posted the bids publicly and then taken an average of the bids for the set price and allowed every provider that could provide the item for that amount to still remain in the program as a provider. It keeps everyone honest and still allows for customer choice and physician choice of providers because of reputation and relationships. This program is a nightmare and for Medicare to continue lying about its success is nauseating. The reason it has been successful is because no one including bid winners are putting out equipment period.

### **Did CMS clearly communicate their reasoning for bid denial?**

yes, we our bid was to high. No info on what the winning bid actually was.

### **If you weren't offered a bid, did you request a re-review?**

No, no need to because is was price.

### **What was your experience with the re-review process?**

n/a

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #71**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Getting low enough prices from suppliers to compete with the larger companies.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Have a template as to exactly what they wanted as far as info and materials.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How they arrived at the bid amounts with all of the unlicensed bidders bids being counted in. Why were small towns like mine included and large cities 15 miles away from Greensboro not included!!

**List other recommendations for improving the bid process.**

Use the MPP or set a price and any willing provider can participate.

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No, my bids were not close enough to do that.

**What was your experience with the re-review process?**

N?A

**List recommendations for increasing transparency and fairness in the re-review process:**

N?A

**Survey Respondent #72**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

it was very difficult to obtain purchase information on products required for the bid that we don't normally supply to our patient population but it was necessary to include because it was an item listed in the bid category.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

simplify the process - just ask for HCPS code and bid amount or better yet just reduce the rates for payment and let all suppliers provide service

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

I lost the rebid in round 1 because I listed a price in error (1 out of hundreds I might add) - it was less than I pay for it b/c it was a typo - I was clearly an error and I was not given an opportunity to correct it. Had the bid been returned as "not a bonafide bid" as listed I could have had the opportunity to bid w/ correct rates.

**List other recommendations for improving the bid process.**

eliminate the bid and just reduce the amounts paid. allow all providers to provide service and the new reduced rates. It will eliminate the need for the whole bid process.

**Did CMS clearly communicate their reasoning for bid denial?**

no

**If you weren't offered a bid, did you request a re-review?**

no

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #73**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We lost 2/3 of our oxygen business. I am in the process of laying off 10 employees. In 34 years of owning my business I have never had to lay anyone off until now.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Medicare never made the bid process clear about how bad the effects would be on our business and my patients that have used me for 34 years.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS needs to wake up and understand they have cut quality care out of HME not just dollars as this administration has shown money has no meaning with the federal debt as high as he has pushed the ceiling.

**List other recommendations for improving the bid process.**

Pay all companies enough to provide quality care so we can keep people out of the hospitals but this administration would rather see the elderly die instead of helping with quality life no matter what the patients age.

**Did CMS clearly communicate their reasoning for bid denial?**

NO!!!!!!!

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Pay suppliers enough so all companies can grow and hire more employees, these employees will pay more taxes, buy more houses, buy more cars and etc. so we can really get this economy growing again.

## Survey Respondent #74

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I'm a Registered Respiratory Therapist and the sole proprietor of my company of then 14 employees (11 now). We specialize in treating people who have sleep disorders and provide noninvasive ventilation to people suffering from neuromuscular disorders. I'm proud of the reputation that we have for providing excellent patient care. Due to our vigilant follow-up, about 90% of our patients acclimate to sleep treatment thus saving long term healthcare expenses of heart attacks, strokes & falling asleep at the wheel. Our ALS patients need very specialized ongoing care and follow-up as they progress into full respiratory failure; we keep them alive for longer! Respiratory care services are inextricably associated with the medical devices but are not recognized nor paid for by Medicare. However, up until CB there was enough profit to cover it; a win-win for all concerned. I can't and won't exclude it. My husband & I spent hours scrutinizing all of our costs in order to come up with a realistic bid that we could survive with. Besides the obvious direct cost of goods sold, we took into consideration the respiratory care services, high administrative costs that have been inflicted on us for PAP devices, employee benefits that include health insurance (that have gone up double digit for many years), pension plan, etc., rising gas costs, increasing shipping costs, rent and other overhead. THE DIRECTIONS CLEARLY STATED THAT ULTRA LOW BIDS WOULD BE CHALLENGED AND WOULD NEED TO BE JUSTIFIED! The Single Payment Amounts (SPA) did NOT reflect that this was ever done! Some SPA were less than what we pay for the items! When sequestration is added into the SPA the fees for PAP were cut by 50%. When these fees were announced, it was completely shocking and an insult to the entire industry.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

It should be "equal opportunity deadlines". CMS gave the suppliers deadlines. On the other hand, they gave themselves "target dates" that they didn't always meet with absolutely no consequences to themselves. There were some suppliers who hired a company to submit bids on their behalf to find out that the hired company missed the bid deadline. Under these circumstances the deadline should have been extended.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

1. Demonstrate that the SPA include all necessary costs: material, labor, administrative & regulatory (including audit time).
2. Complete transparency of bidder financial qualifications. Many winning bidders were on credit hold with major suppliers and others had no history of selling the products for which they bid and thus could not have had credit with those manufacturers. Some bidders won many large contracts but did not have the credit to purchase such quantities of merchandise.
3. Lay out the criteria for financial worthiness.
4. Complete transparency of how the SPAs were determined.
  - a. Which bids from which companies were used to calculate the SPAs? If they were extremely low, show the public how they justified these bids.
  - b. To which companies were bids awarded? What did those companies bid?

c. How could they accept allegations of large capacities for products for which bidders had absolutely no history?

5. Some companies who submitted low bids were offered contracts but turned them down because they were non-binding bids. Show how the SPAs would have been recalculated with those bids excluded.

6. Reveal all the bids. How many companies were offered contracts, above and below their bids, then accepted or rejected them?

**List other recommendations for improving the bid process.**

Immediately stop the program. Consult bid experts. Consider ALL the costs of the suppliers; do NOT ignore required respiratory care services, considerable administrative time inflicted by new regulations, increasing costs of gasoline and other expensive, time consuming regulations that CMS inflict. Only allow companies with brick and mortar locations within the CBAs. Awarding oxygen & PAP contracts to companies located thousands of miles away is absurd and dangerous to the beneficiaries. Grandfather the present beneficiary/provider relationships indefinitely. My patients are EXTREMELY upset that they can't stay with us. Those who can afford are paying out-of-pocket but CMS is not capturing this statistic.

**Did CMS clearly communicate their reasoning for bid denial?**

No.

**If you weren't offered a bid, did you request a re-review?**

No. This option was not made public. The SPAs were so low I wasn't interested

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #75**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I had to layoff three people to lower costs

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Bid is complicated

No one understands how it's done

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Never said how it's done

Never explains how it works and all answers were vague

**List other recommendations for improving the bid process.**

Bid not be mixed with other items

Out if state guys got bids with no experience

**Did CMS clearly communicate their reasoning for bid denial?**

Never did

**If you weren't offered a bid, did you request a re-review?**

Yes but no answer

**What was your experience with the re-review process?**

Very poor

Too much secret and vague answers

**List recommendations for increasing transparency and fairness in the re-review process:**

More prep seminars required

Quality of services to be considered

Low payments will result in poor services

**Survey Respondent #76**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The bid was so confusing that I hired a company to assist me on the process. As a small provider I did not have the time or expertise to figure out the confusing bid process.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

One of the reasons I lost the bid was because CBID said they did not receive my financial statements by the cut off time. I have a letter from CMS indicating they did receive the information so I was given two different answers. There is no one to discuss or talk to about the problems. I wrote my NC State Senators and that is the only reason CMS did respond back to me. But their hands are tied because CMS can do anything they want to do and you have no recourse.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Be honest and have a specific office that is experienced and can help with questions and problems.

**List other recommendations for improving the bid process.**

Dissolve the bid process- Simply give suppliers a price and let any supplier provide the equipment. Providers should only be bid if they are operating a business in our state.

**Did CMS clearly communicate their reasoning for bid denial?**

No- They don't have to do anything

**If you weren't offered a bid, did you request a re-review?**

Yes

**What was your experience with the re-review process?**

Again, very transparent

**List recommendations for increasing transparency and fairness in the re-review process:**

I am not qualified

**Survey Respondent #77**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Complicated formulas, research and an excessive amount of time needed to properly complete a bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Have people on the phones that really understand what the bid process is.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

If you loose the bid and then submit the information that they say was missing or incorrect CMS should have to respond in a certain number of days to our information. I was told many times that CMS had no time frame in which they had to respond to me. Why am I held to a time table when they are not?

The entire bid calculation process does not make sense. Why are certain codes weighted higher than others, why is the median bid amount chosen per category, why cant CMS just reduce the entire fee schedule a certain % and let everyone stay in business....

Why are suppliers allowed to bid in a region they have never serviced?

Why are out of state bidders allowed?

Why are suppliers allowed to win a bid and then sell their business after they low balled prices for everyone else?

Why are national companies that are financially unstable allowed to win a bid?

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

Yes

**What was your experience with the re-review process?**

I was told they would get back to me when they reviewed my information. There was no time frame and no one I could call to discuss my review with. I was told my response would be in writing when they completed the review.

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #78**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Clients and caregivers confused about where and how to get equipment.  
Reimbursement rates are too low to provide the products and services

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

- only allow providers that actually service the areas they are bidding in. A supplier from Texas cant provide a product in New England very easily
- bid process in general is flawed. What a provider bids is not the same as the contract award amount.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #79**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We are on the border of TN and GA and were adversely affected by the state licensing issue. We contacted the state of TN regarding licensing but only got one option--build a store in state. This turned out to be incorrect as all we needed, and ultimately obtained(albeit too late), was a "Certificate of Authority." This cost us 3 "winning" bids.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Only allow 1 bid per company. We have a small, one location, facility whereas the nationals have hundreds from which they can submit a bid. We got 1, they got HUNDREDS. How can we compete? This process was rigged from the beginning to weed out the small providers. Before the bidding program started, we had many customers switch to us from the nationals due to their poor service.

On the financials issue, 2 companies were awarded multiple bids in all CBAs and were DEEPLY in debt. One was continually filing extensions on the bankruptcy status, and the other owed hundreds of millions due to fraud, waste, or abuse. How would they ever qualify? Easy. If they don't win bids then the government will never get paid back. "Too big to fail" usually means they should be allowed to close their doors so not to cost the rest of us who run things responsibly.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

financial requirements were completely cloudy. How bid winners were selected. How the single pay amounts were calculated(no way people bid that low).

**List other recommendations for improving the bid process.**

not allow companies 2000 miles away bid on the local market. Make providers do the work, not sub it out. Limit companies, no matter how many locations, to ONE bid per area(they call it COMPETITIVE bidding, but nobody can compete with companies bidding that many times).

**Did CMS clearly communicate their reasoning for bid denial?**

Yes

**If you weren't offered a bid, did you request a re-review?**

No, due to denial reason. We have been in contact with our congressmen due to the way we were handled.

**What was your experience with the re-review process?**

NA

**List recommendations for increasing transparency and fairness in the re-review process:**

CMS gave us a grace period to complete our licensing issue with TN. We completed it within days (and paid fees, fines, etc. of over \$2000.00). After submitting the license and receiving approval, CMS then came back and overturned their decision to give us the grace period!!

**Survey Respondent #80**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

I placed a bid significantly lower than some of my peers. They got bids and I did not. Out of state providers are not providing service. Suicide bids are one of the biggest problems.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

If you set deadlines, stick with them. Do not make the playing field un-level.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

We need to see the actual financial parameters and the ways the bids were awarded. We know of suppliers with much higher bids than us that received bids and we did not. Access has been a problem.

**List other recommendations for improving the bid process.**

Use the median price and let any willing provider participate.

**Did CMS clearly communicate their reasoning for bid denial?**

We bid on 7 categories. Received NO bids and just got a letter saying our bid was too high. Some of our neighbors got bids submitting significantly higher bids.

**If you weren't offered a bid, did you request a re-review?**

NO

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

Make the rules public so we can see what we need to qualify or why we didn't. Make the bids public so there is trust. Right now there is no trust in the process.

**Survey Respondent #81**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Lost of Medicare business as well as financial strain.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Why the supplies for Respiratory items have to be included in the bid?

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

If documents are missing why not inform the Suppliers ahead of time what is still needed.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes, after the fact.

**If you weren't offered a bid, did you request a re-review?**

Yes

**What was your experience with the re-review process?**

Of course dissatisfied. How can so many Providers have the exact same documents missing?

**List recommendations for increasing transparency and fairness in the re-review process:**

At least give the Providers a second chance to submit the documentation they claim was not received. Instead of out right denying them for lack of documentation.

## Survey Respondent #82

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Dear Congressman,

As a business owner, I have never before seen such obstacles thrown in the way of efficiency. With no baseline, we are asked to submit the lowest possible price for an item (which with or without acknowledgement from CMS includes a significant service component). Then we find that we are bidding against others who submit unrealistically low prices in an effort to merely create some value for themselves. Once bids are awarded, these low bidders do not need to accept a contract, yet their bids remain in the mix to determine the final price.

Others, out of fear of losing a significant amount of their revenue and referral base to outsiders, are coerced, in effect, to accept the artificially determined price. At that point, and to remain viable, there must be service cuts, job cuts, and negative impacts to end users.

We have seen the discontinuation of certain oxygen modalities such as liquid. We have seen providers scrambling to other product categories that are not included in the bid. We have seen the impact ultimately on the ability of seniors to access any responsible level of care.

There is no transparency to this unfortunate process. This does not replicate either a silent bid process or a live bid process. Ultimately, the process will eliminate providers and force others to cut their workforce.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We are concerned that the focus will be only on the process and not the flawed system. Yes, the financial standards are confusing; however, the bigger issue is to allow bids from providers who, without sufficient underlying support, suggest that they can provide service to an area and a population when they have neither a foundation in that area nor a clear path to put a foundation in place. This is in lieu of existing business in the jurisdiction that could be offered a contract at a fair price. The process of determining a fair price should be scrutinized.

As a company providing goods and services in this industry for over 30 years, this current state of affairs is irrational and arbitrary. We should look in our governmental representation to assist and support the hardworking people in jobs and companies within their respective jurisdictions and not merely look for an arbitrary price from whomever might give it.

Find the fair price and support local and regional business.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Seriously? There is no transparency with regard to what companies are bidding. There is no transparency with regard to the winning bidders and how they were chosen. There is no transparency as to whether the low bids were in fact put forth by reputable companies or whether they were merely put forth to look for a contract that could be somehow transferred and sold.

This process was completely without transparency from start to finish.

**List other recommendations for improving the bid process.**

First, discern the intent behind the process. If it is to find a competitive price, there are ways to do that that may not involve blind bidding out of fear. Look at alternate ways to scrutinize the fee schedule and find the appropriate price taking into consideration all the components of what is being provided. For example, a bed is not picked up by the patient and the service component is costly. Further, enforce the accreditation process and ensure that companies have a footprint in or close to the jurisdiction that they plan to serve.

Why would we want some of our most fragile population to be sold to the lowest non-local bidder without a commitment to the area? These providers are merely looking to find profitability at the expense of long term committed providers that have devoted their energy and resources for years to support their communities.

I invite you and your colleagues to visit some of us who are so committed. Senator Donnelly is always complimentary of our business here in South Bend, and other cities in Indiana. Yet, this program jeopardizes the progress that we have had over the 30 years of service we have given.

**Did CMS clearly communicate their reasoning for bid denial?**

I would need to review the denial letters; however, I believe it merely indicated that we did not win.

**If you weren't offered a bid, did you request a re-review?**

We did not request a rereview and I am not certain that process was clearly spelled out.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

This is an ill advised and unfair process. Suppose instead of voting we find those who, without living in the jurisdiction, would serve in Congress at a lower (or no) salary. Then we would supplant the existing Congress with those that would "serve" for practically no income. Your response should be that it is a service job and not one that can be bid (such as the products we provide). Unfortunately, here is the irony. Because there is an ignorance of how this industry operates, there is a sense that, because a product can be purchased online or in a big box store for less, somehow this industry is overfunded. Yet, if it is a mail order business that we want to pay for, it will be a mail order business we get.

Eventually, there needs to be some recognition that this industry, when properly run, includes a heavy service component and repair component and follow up component. Yet, we have allowed certain companies to "drop ship" oxygen to beneficiaries. We put all at risk when we laud these models as cost effective and appropriate.

Weight must be given to the ability of a provider to "service" your constituents in the manner you would like to see your loved ones serviced. This has not heretofore been the case. Thank you for your review. If you would like to contact me, my email is [nafe.alick@alicks.com](mailto:nafe.alick@alicks.com).

### **Survey Respondent #83**

#### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We have had to completely overhaul our business strategy. Not only did we lose all our Medicare customers, who call us still repeatedly wanting us to send supplies and we have to turn them away; but, we have also lost our Medicare replacement customers. This is because the Medicare Replacement insurers are using the competitive bid rates which are below the cost of the supplies and shipping.

#### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

There was no reason to implement Competitive Bidding. If Medicare wanted to lower the allowable rate, they should have just done that. The DME suppliers would then be able to make a sound business judgment if they wanted to pursue this line of business. The competitive bid rate is so low, that no one can sustain this business model. Volume doesn't make up profitability when you lose money on each patient. The only reason the bid became this low was that DME providers were afraid that they wouldn't win a bid; or they just bid a low price and then sold their business as a Competitive Bid winner.

#### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

They could have told each bidder why they lost the bid and give everyone a chance to correct the error if they still were interested in obtaining a bid; once the bid price was known.

#### **List other recommendations for improving the bid process.**

There are none. The bid process was a complete waste of time for both the DME provider and the only people that were hurt, were our senior citizens.

#### **Did CMS clearly communicate their reasoning for bid denial?**

Absolutely not.

#### **If you weren't offered a bid, did you request a re-review?**

No, you can't make any money at the bid rate for diabetic testing supplies.

#### **What was your experience with the re-review process?**

N/A

#### **List recommendations for increasing transparency and fairness in the re-review process:**

Since we lost the bid and our company didn't fold; Medicare is now conducting an audit for 2011 transactions of 100 previous customers as a punishment for us not going away. They are conducting an audit so far back; if we inadvertently missed some documentation, we have no way of retrieving or reconstructing the documentation. Some patients have died, USPS tracking has been deleted out of the USPS database; and they are asking for medical records on patients that were not considered over-

utilizers; and the timeframe of 40 days for a small DME provider is unrealistic with no chance of an extension.

Medicare hates DME providers. Previous to entering into the DME world, I was a mortgage banker. We have a mutual agreeable relationship with our regulators. If you did a good job in providing services to your customers and your underwriting and files were well documented, you were never harassed by your regulator. However, in the DME world, there is an adversarial relationship between the provider and Medicare. Medicare is conducting audits that are probably costing millions of dollars, only to recoup \$20.00 per claim. Where is the logic in this.

**Survey Respondent #84**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Website issues were the primary challenge -- especially initial registration. Also, it is a cumbersome, time-consuming process.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Simplify things. Dozens upon dozens of pages of regulations written in a way that only an attorney can understand are unnecessary administrative bureaucracy.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

A list of the bids and quantities, number of people rejected for financial stability, pretty much everything. This is a "closed door" process, proven to be flawed, given the number of people that shouldn't have been awarded contracts.

**List other recommendations for improving the bid process.**

Make bids binding to avoid the "low-ballers" that harmed the process and beneficiaries. Require a physical presence in the markets in which suppliers are bidding. A lot of bidders had no intent whatsoever to establish a presence in markets where they awarded contracts, and were incapable of sub-contracting due to award amounts. Beneficiaries have unquestionably lost access to quality suppliers, and their choices are fewer, service levels worse, and quality of product is deteriorating.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes.

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #85**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Trying to accurately predict the bids for each item.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Local educational in services and seminar's with hands on experience.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The expected reduction in reimbursement was unrealistic for small mom and pop providers.

**List other recommendations for improving the bid process.**

More Local in services by professional CMS personnel.

**Did CMS clearly communicate their reasoning for bid denial?**

Yes.

**If you weren't offered a bid, did you request a re-review?**

n/a

**What was your experience with the re-review process?**

n/a

**List recommendations for increasing transparency and fairness in the re-review process:**

n/a

## Survey Respondent #86

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

A complete lack of communication from CMS. CMS still to this day has not disclosed how they came to the decision of awarding competitive bid contracts. This is a huge concern. During the round 2 bid process a large number of providers nationwide were awarded contract without meeting the standard guidelines that were established by CMS. If there is nothing wrong with the program or process how does something like that occur. We don't know, because CMS refuses to release how they determined the winning bids. Congress on a number of occasions have requested that CMS be transparent and release this information to public. No such luck! There is a problem when a government agency has no oversight, can break it's own rules, defy Congress and not be obligated to answer to the American people. Something has to be done to correct this.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I believe this portion of the process worked pretty well. The only concerns we had as a hospital owned DME was how CMS determined your financial stability. We were told that we were denied a bid because we did not meet the financial standards that were established. We had a high rating with all of our commercial vendors, never had financial issues, and had never filed for ch. 11 bankruptcy. Some of the larger national DME providers were awarded contracts even though at the time they had filed for or were already in chapter 11 bankruptcy proceedings. A couple of those organizations have since gone out of business. (i.e.. Scooter Store) So you can understand our frustration in trying to make sense of how CMS determined the financial stability of an organization.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

All aspects. They should be required to publically show how the bidding process is done and how they determine the winners.

- 1) Need to have specific financial standards established and documented as part of the bidding enrollment process.
- 2) List an explanation on why out of state DME's were selected over similar qualifying DME's located within the actual CBA.

### **List other recommendations for improving the bid process.**

- 1) Binding Bids
- 2) Brick and mortar rule (provider must have a facility located within 3 hours of the CBA being serviced)
- 3) Exempt hospital owned DME's. (DME must agree to bid rates for the area. Hospital owned DME's have an obligation to care for patients being discharged from the hospital regardless of CB, must prevent extended length of stays. Also affects the continuum of care and coordination of care that will lead to a higher number of readmits, driving healthcare costs up)

### **Did CMS clearly communicate their reasoning for bid denial?**

Not clearly. Still don't know how we were disqualified based on financial standing.

**If you weren't offered a bid, did you request a re-review?**

No. Weren't aware of that process at the time.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #87**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We did not win any contracts. So far, we have reduced our staff from 55 FTE, to currently 20 FTE. Today, most of those that were laid off, are still un-employed.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

CMS needs to show Congress and the industry how the process was conducted, behind the closed door.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The entire program. I have not heard of ANY WINNER provider that bid the current rates. CMS needs to show the process to Congress and the industry.

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

No

**If you weren't offered a bid, did you request a re-review?**

No, we were aware there was a review request.

**What was your experience with the re-review process?**

Unaware there was a review process.

**List recommendations for increasing transparency and fairness in the re-review process:**

CMS just needs to open their doors, and explain to Congress and the industry, why they feel that the program has been a success. We at the ground level, are seeing the failed program everyday. Delayed discharges, patients paying out of pocket, patients going without products/service, and the list goes on. I would like to see the increase in part A, due to the failed NCB program. CMS is saving pennies and wasting dollars.

**Survey Respondent #88**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The enrollment process is cumbersome; simplify the enrollment process.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Clear, concise instructions would benefit all. A more transparent and definitive explanation of the qualifying criteria.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS could provide a clear and transparent explanation of the bid evaluation process, providing all suppliers with information on specifically how each bid is evaluated, items/scoring/criteria that will result in rejection of the bid, and minimum standard requirements for all suppliers to be successful in winning a bid. The evaluation process was slightly better defined in Round 2 than it was in Round 1, however, the improvements did not provide enough information for suppliers to feel that they have a solid grasp on specific evaluation criteria.

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

No. The information provided was a chart with a check-off block for the denial reason. No additional information on the reasons for denial were provided.

**If you weren't offered a bid, did you request a re-review?**

No.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

See above.

**Survey Respondent #89**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

They want to know what makes and models of certain codes you will be distributing as your DME equipment. This takes a lot of time and I don't know of any beneficiary that has ever even looked at that list or even a Dr.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I think that every ombudsmen should have to have available 2 published dates that if providers have questions we could actually sit down with them face to face with any questions they have. I also would want an additional person there that could type of their answers and have them sign off on them.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

I can not think of any at this time.

**List other recommendations for improving the bid process.**

I do not think out of state providers should be allowed to bid in any state where they do not have a physical presence or they have to be within 50-75 miles of the border of the zip codes. Over half of the winners are out of state and are refusing to do business with them patient and on top of that they are telling them they are giving them our companies name for walkers every day.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #90**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The rules of the bidding require you to throw out common sense. With non-binding bids and median pricing, rather than the true clearing price, it no longer becomes about what is the true market value of what you are providing but simply what do I have to bid to win the contract. This leads to prices that are well BELOW the actual market price of what we are providing. Then, you have to figure a way to make it work and stay in business. Usually these ways involve less service, cheaper products, more stringent co-pay collections, etc.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

It is all confusing. I have a JD/MBA and I was confused. And they didn't seem to follow their own rules. At a minimum they need to tell people what requirements they need to meet to bid in each market.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

Binding bids and clearing prices. Period. If CMS followed basic rules of auction theory, they would get bids and reach new pricing that reflected the "true" market value of the goods and services they are purchasing. What they have set up with their auction process guarantees below-market prices. While that may seem good for CMS and patients in the short run, it is not sustainable and guarantees disaster in the long run. It is truly ironic that as we sit on the edge of explosive growth in the number of people who are reaching Medicare age and will require DME, CMS is drastically cutting the number of companies that can serve this population. It is truly mind-boggling.

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #91**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

My challenges were both financial and time related. We did not have enough staff to care for existing patients and do a sufficient job of assessing the bid process so we had to hire an outside company to do it for us. This cost us about 10 thousand dollars and we did not receive a bid offer after all was said and done.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

In my opinion the entire process being so flawed really prevented the suppliers from getting a fair shake to begin with. Therefor, I don't believe any addition or improved material would have made a difference in whether or not a supplier would receive a bid offer that would allow for good outcomes for that supplier.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

1. The fact that companies well outside of CBA's won bids.
2. The indication that 30% of bid winners would be small businesses was misleading and frankly impossible to these companies to stay afloat. The industry will be nothing but large companies.

**List other recommendations for improving the bid process.**

Change it completely. An auction process that allows for any willing provider will be just as affective and much much better for beneficiaries.

**Did CMS clearly communicate their reasoning for bid denial?**

No they did not and even if they tried it was bad reasoning as the program was conceived form bad ideology.

**If you weren't offered a bid, did you request a re-review?**

I was so exasperated at that point I did not. I had to spend the next 6 months making sure my patients landed in a good place and planning on how I was going to feed and clothe my family after the closure of my business of 16 years.

**What was your experience with the re-review process?**

NA

**List recommendations for increasing transparency and fairness in the re-review process:**

NA

## **Survey Respondent #92**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The blind bidding process itself left open the process to bids, which could devastate the market place. The entire process was very elaborate to push onto already overloaded small businesses, making educated and sound bids highly unlikely.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Inclusion of sample bid documentation, sample financial statements (with explanation on detail required) and further details on the process would have been beneficial and decreased the load on resources to handle the bidding process.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

The bidding system was not clear about the median bid calculation. Alternate spreadsheets with pre built formula's had to be utilized to verify actual median bid. There was no method to verify our median bid calculation matched the submitted bid.

### **List other recommendations for improving the bid process.**

The most relevant recommendation would be CMS following it's own rules, especially in reference to allowing only state licensed providers to be involved in the bidding process.

### **Did CMS clearly communicate their reasoning for bid denial?**

No explanation for any bid denial was received. Only received a contract for one category of the six total categories in each of two CBA's was received.

### **If you weren't offered a bid, did you request a re-review?**

No notice at all was given that a re-review could be completed. No information on this option is listed in the bid instructions as well.

### **What was your experience with the re-review process?**

N/A

### **List recommendations for increasing transparency and fairness in the re-review process:**

N/A

**Survey Respondent #93**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The process was very extensive for no reason. They based the bidding on the main product categories, but they made us bid on every attachment.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I had no problems with this process

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

I don't know where they got these low bids and they should look at the companies submitting the lower bids. They don't even service these areas in most cases

**List other recommendations for improving the bid process.**

Use the Market Pricing Plan or let all providers service their area at the bidding rate.

**Did CMS clearly communicate their reasoning for bid denial?**

yes

**If you weren't offered a bid, did you request a re-review?**

No. I didn't know that I had that option.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #94**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We, as a Company, are unable to provide services in the competitive bidding area. Though I live in a county that does not have competitive bidding, I am unable to help those patients who are unhappy with the service they are receiving from their supplier in a competitive bidding area.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

I believe it is NOT appropriate to require the DME to furnish information requested by CMS personnel who do not have a clue as to what really goes on in the real world of DME. I am convinced the information we are being asked for is coming from Master's degreed or PhD degreed people who do not work in the field. There is nothing that can be done to make it less confusing!

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Transparency has nothing to do with it.

**List other recommendations for improving the bid process.**

There are no recommendations. If somebody could explain the 36 month cap on oxygen in a 60 month mandatory time period.....this would be a start.

**Did CMS clearly communicate their reasoning for bid denial?**

NO

**If you weren't offered a bid, did you request a re-review?**

NO

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

NA

## Survey Respondent #95

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

While submitting the bid, the challenge was to actually understand and grasp what bid needed to be done. However, that being said, all those who went for all the courses, inservices webinars etc., were not the ones that undercut the crowd. We were trained to make a fair but livable bid. Some of us, thought they knew better.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bid process could be simpler, more equitable and reasonable. there is no earthly reason that we as providers are painted as the "bad guy" and treated as criminals. Yes, there are criminals who lurk, in all areas of government, not exclusive to DME. But the fact that our public has been served, and served well by the majority of good people trying to help others and also make a living far outweighs any nasty people in this business.

that being said, I do think Medicare was able to inform us on a regular and clear basis of the different deadlines etc. that were required.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

They can do a normal bid process with normal ranges, not the crazy way they determined the successful bidders. They can also have any vendor honor the price if they so choose. In addition, the vendors that service an area should clearly be given priority. It is insane to have companies halfway across the country all of a sudden start bidding and stating they can delivery properly. Not possible. this is a local business and dealing with the referral hospitals and rehab centers is very personal. Each person ,each wheelchair, each cushion is special for that particular client and their situation.

### **List other recommendations for improving the bid process.**

Throw it out. The whole thing is a sham. It is not sustainable and the only thing it serves to do is cause monopolies of the few companies that remain and have merged. At some point, and soon, they will now be in a position to dictate to Medicare what Medicare has to pay them, not vice versa. Is this what Medicare had in mind really? Yes it cuts down on the number of vendors they have to oversea, which they do not do properly anyway, but it also puts those vendors in a unique powerful position.

### **Did CMS clearly communicate their reasoning for bid denial?**

sure

### **If you weren't offered a bid, did you request a re-review?**

no. The rates that came in were so outrageous, unsustainable and insulting, that I chose to change my entire business model then do business with Medicare.

### **What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #96**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The greatest challenge in preparing our bid was that they incorporated all of the different types of equipment into a singular category. Their ability or lack of ability to understand that all oxygen is not the same and the cost is not the same, however they bundled all of the oxygen equipment under one payment.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We would need to bid each item out separately in order to reflect the true cost of the item and to determine the proper reimbursement.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Capacity, financial stability of the organizations who were awarded the bids. Certification of actual licenses to do business in the state of which the bid was awarded. Confirm that the winning bidder has the actual facility, staff, credentials, inventory, and vehicles to provide the services they were awarded. Make the bids binding!

Award only providers who have physical locations in the bid areas

**List other recommendations for improving the bid process.**

Re-calculate the bid rate when a provider does not accept the contract or does not qualify for the bid they were awarded.

Allow women owned small businesses into the program- if they meet all of the standards required

Follow the small business definition of a "small business" which is \$6 million dollars or under not \$3.5 million

**Did CMS clearly communicate their reasoning for bid denial?**

Yes, price!

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

## **Survey Respondent #97**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

First of all it was the fear with all the documentation needed and how difficult, and how little time there was. We paid a company to do it for us in excess of \$4000 only to find out at the last minute their software did not work and we had to do it ourselves based on what we thought might be workable. Needless to say because of the suicide bidding from out of state companies the bids were much lower than we anticipated. We won nothing and lost our business with CMS.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bidding is a farce because contracts are not binding and contractors are not providing good quality equipment or simply walking away from patients that are in need. Hundreds of patients have switched to Medicare Advantage plans, and those that can afford to buy are doing so on their own. Those that cannot are going with little or nothing at all.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

We don't know what supplier can stay in business regarding of the volume at 50% discount. The bidding program is a farce and does not work for patients nor providers.

### **List other recommendations for improving the bid process.**

Cancel it and you may get some providers back, others will not want to do business with CMS under any circumstances.

### **Did CMS clearly communicate their reasoning for bid denial?**

No not at all we received a letter telling us that we were too high although everything we bid was at around 27% discount. But they have never come clean on how they came up with the crazy discounts they used to award contracts.

### **If you weren't offered a bid, did you request a re-review?**

Yes and they letter simply said you were higher than those that got awards. It made no difference that we were the provider of choice for many hospitals and senior care centers that are now having trouble getting equipment.

### **What was your experience with the re-review process?**

It was like dealing with the gestapo, you are afraid to bring anything up for fear of retribution and more harassment, and audits.

### **List recommendations for increasing transparency and fairness in the re-review process:**

Tell us who the bidders were and what percentages were they bidding at so we can be sure those low bids were valid or simply made up by CMS

## Survey Respondent #98

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

the website was extremely difficult to use. we submitted all requested data and still did not win a bid. we submitted required financials only to be told they did not receive them. typical government bureaucracy and complete incompetence.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Follow what private companies do, take out all the information that is not necessary. Have a website that is user friendly (not designed by someone in the gov't) that understands our industry. Don't change deadlines...make the guidelines and stick to them. Make very clear, in writing, what financials are required. Have a way for a supplier to call and confirm all the information is received, then if their bid is denied b/c something wasn't received, there should be a way to allow the supplier to prove, they did in fact, supply all the required documents. The supplier should not be punished b/c CMS lost the paperwork.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

how did they choose the winners, it does not appear they followed their own guidelines and they certainly won't divulge any information to let us know what they did. How is CMS allowed to publish guidelines, then blatantly not follow these guidelines with no repercussion? All bids should be public information.

### **List other recommendations for improving the bid process.**

Make contracts binding to bid winners. Take out "suicide" bids....if all bids were transparent, this would help weed out the suppliers that did not have a clue about what they were bidding on. Require suppliers to have experience in the products they are bidding on.

### **Did CMS clearly communicate their reasoning for bid denial?**

no

### **If you weren't offered a bid, did you request a re-review?**

yes

### **What was your experience with the re-review process?**

typical of the entire process.....they did not have a clue what they were doing.

### **List recommendations for increasing transparency and fairness in the re-review process:**

Have an assigned liaison to companies based on product lines. That way, the CMS liaison would have experience and knowledge about that particular part of the business. Dispensing wheelchairs are very different than dispensing oxygen equipment or diabetes supplies.

## **Survey Respondent #99**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We submitted all of the required paperwork in time for the document review. At which time we were told that we had not submitted out financials. So we called and were told not to worry about it to just submit again. So we did. When we lost the bid the reason given was that we had not submitted the financials.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

We followed all of the application guidelines as well as the financial standards to the tee and were told that we did not submit financials even when I included a letter of explanation in round 1 rebid letting them know this had happened to us in round 2. Again, we were denied the bid only on the grounds that we had not submitted proper financials. We are part of a large management company and so part of our financials were combined. Therefore, that was explained and outlined in the letter to no avail. According to both rejection explanations we would have won based on bid amount and all other categories. Very sad to lose a bid because someone did not accept valid documentation.

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

They could have had forms for the financials that the supplier just filled out. There are a lot of vague rules in DME that would be completely resolved with CMS forms.

### **List other recommendations for improving the bid process.**

The current bid process completely eliminated the need for the bid winner to provide good customer service. They are going to get the orders regardless of their service and care for the patient. Competition keeps everyone on their toes to provide excellence. I wish there would have been the new fee schedule based on average operating expenses so that DME's would not go out of business providing items at absurd rates. Then all DME's could chose to provide that item and if they did chose to provide it they can not deny service. That is another issue with the new process. We try and refer out items all the time to bid winners who say that they no longer provide that item- because they could not afford too!

### **Did CMS clearly communicate their reasoning for bid denial?**

Yes, but again as outlined above, they did acknowledge legitimate documentation.

### **If you weren't offered a bid, did you request a re-review?**

Yes I did and was not responded to at all.

### **What was your experience with the re-review process?**

Did not happen.

### **List recommendations for increasing transparency and fairness in the re-review process:**

If someone writes and asks for a review they should be told how to submit, instead of being completely ignored.

**Survey Respondent #100**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

The entire process is very tedious; but perhaps the most frustrating fact is the outcome. Our composite bid was actually right on the CB composite bid for the Round One Re-bid, but in spite of being an original Round One winner and Provider, we did not get a contract for the Round One re-bid, yet approx. 1/2 of those awarded contracts in the KC area for CPAP/O2/Nebs DID NOT AND STILL DO NOT HAVE A PHYSICAL LOCATION IN KC. In fact one of the winning bidders only wanted the CPAP re-supply patients with no intention of providing the rest of the contracted items, which I thought was required by Medicare.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

A simplified form would help with a reliable website, plus a provider MUST have a physical location in order to bid in a region.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

They should tell each non-winning supplier EXACTLY why they did not get a bid contract.

**List other recommendations for improving the bid process.**

1. Not allow out of town bidders that only do mail order.
2. Make sure that ALL winners are accredited for the specific site in the specific region.
3. CMS can tell the truth about the increased cost to administer the CB program. They run a smoke and mirrors campaign in true government fashion.

**Did CMS clearly communicate their reasoning for bid denial?**

NO

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

None

**List recommendations for increasing transparency and fairness in the re-review process:**  
see above

## Survey Respondent #101

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Capacity

- The bid requires providers to self report their estimated capacity; this self reported capacity is used against an undisclosed CMS capacity level to determine the bid awards, thus directly affecting the calculation of the single payment amounts.
- Additionally, there is a complete lack of transparency around how CMS substantiates the reported capacity of each individual bidder to ensure that all beneficiaries can be served on "Day One" of the contract. The following examples are evidence that the capacity used to determine the original bid awards were incorrect in some areas:
  - o A third party "secret shopping" investigation at the onset of Round 2 revealed that many contracted providers in multiple CBAs for multiple product categories were not ready or refused to accept patients in the first several months of the contract period.
  - o In April 2014, a full 9 months after the implementation of Round 2, CMS awarded two additional contracts in the Honolulu CBA to ensure beneficiary access to the necessary items and services in the Standard Wheelchairs (Power and Manual) product category. "

**List other recommendations for improving the bid process.**

Eliminate Combined Product Categories

- The unexpected expansion of Round 1 Recompete to include new products and combined product categories (such as "General Home Equipment and Related Supplies and Accessories"• which includes hospital beds and related accessories, group 1 and 2 support surfaces, transcutaneous electrical nerve stimulation (TENS) devices, commode chairs, patient lifts, and seat lifts) forced providers to either refrain from bidding or to expand their offerings to products that they had not formerly provided or had little or no experience in providing.

Eliminate Multi-State CBAs

- Multi-state CBAs offer unequal bidding opportunities and place hardships on local providers.
  - o Providers that already have a presence in all the states in a CBA would not need to incur additional costs for licensing and business expansion into additional states, and would therefore be able to submit lower bids than providers that must expand their service areas to qualify to bid in the multistate CBAs.
  - o Some CBA designations forced long standing experienced local providers to extend their service territory across multiple state lines or relinquish their opportunity to continue servicing the Medicare market for the next three years. For example, the Philadelphia-Camden-Wilmington PA-NJ-DE-MD CBA required bidding providers to service and be licensed in 4 states. So for example, a Delaware exclusive provider would be forced to become licensed in 3 additional states and to expand their

service area to Pennsylvania, Maryland and New Jersey to participate in Competitive Bidding. Additionally, Maryland had a backlog in issuing new licenses which made it nearly impossible for expanding providers to meet the bidding licensure requirements and submission deadlines for bidding in the Philadelphia-Camden-Wilmington PA-NJ-DE-MD CBA .

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #102**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Very confusing to the Medicare Beneficiary!

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Bids are non-binding. What other bid process allows for a non-binding bid to be accepted?

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How did they arrive at the bid pricing? It was not even close to the amount that we bid!

**List other recommendations for improving the bid process.**

Better education for the Medicare Beneficiary. It has been a year and clients and referral sources STILL do not know about the bid process and get very angry when we cannot assist them with all of the discharge equipment. Binding bids should be required. Not accepting bids from companies that have financial problem!

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #103**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

We have not submitted a bid as we are not in a participating area yet. We have heard, however, about unethical practices by bidding companies such as: Submitting the lowest bid and then tacking on different fees. Also: Large nationals combining to submit a bid and then one of them undercutting their own participating bid.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Eliminate the process. It is having an adverse impact on clients. Especially oxygen clients. Example: Clients being allowed a set amount of tanks per month with one or two deliveries per month. This process eliminated ambulation for the client.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

Eliminate the process. Lower the reimbursement rates to cut costs and stop shrouding this effort to reduce suppliers. Let the free market balance out.

**List other recommendations for improving the bid process.**

Eliminate the process. Lower Medicare reimbursement rates and allow the free market to balance out.

**Did CMS clearly communicate their reasoning for bid denial?**

N/A

**If you weren't offered a bid, did you request a re-review?**

N/A

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

N/A

## **Survey Respondent #104**

### **What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Not having won in KC's first round in the Consumer Power category definitely hurt our business and led to confusion among our customers where to get service for the chairs they had previously acquired through Medicare. As a Rehab Provider, it is important to step our clients through all wheelchair mobility means when assessing them for a proper wheelchair. Not having a contract to provide consumer power negated that step and forced us to work with fewer options. This hurt us and our Medicare clients. Additionally, the Medicare's inability to decipher their own rules early on regarding repair and replacement parts put tremendous burden on Medicare beneficiaries to get their repairs. I'm confident that many today who did get chairs through bid winners such as The Scooter Store, who has gone out of business, are left with inoperable chairs because the repair situation revolving around bid winners not being able to provide service.

### **Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Frankly, we had no problem negotiating the bid process. I know there were some suppliers who did so we consider ourselves lucky in that regard. However, we didn't win any contracts so perhaps we weren't as successful navigating it as we think. Medicare's lack of transparency shines brightly in this regard. Since we don't know why we didn't win and have no means of discovery, who knows what happen?

### **List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

I can't emphasize enough that transparency in the process is sorely lacking and frankly, incomprehensible in a government bid process. Transparency not only leads to trust in a process, it allows winners and losers to check for errors in the process itself. There has been so many instances where proper vetting of contract winners/losers by outside sources could have saved companies that were forced out of business by contract winners that didn't exist in their CBA or bid below cost. Proper transparency would have been a game changer in almost every regard in this ill-conceived bid process. CMS's lack of willingness to share the bid info highly suggests they're aware of the errors and problems.

### **List other recommendations for improving the bid process.**

Where to start? First, bids should only have been taken by business that already had a brick and mortar business in the CBA. Allowing companies to bid in a market with no experience serving that market diluted the bids and hurt beneficiaries when they won and didn't set up their companies. Second, TRANSPARENCY! Third, a bonded bid process ensuring that if a bid winner didn't operate in the CBA by the beginning of the contract term, it would have to pay a severe penalty.

### **Did CMS clearly communicate their reasoning for bid denial?**

Never.

**If you weren't offered a bid, did you request a re-review?**

No

**What was your experience with the re-review process?**

Not Applicable

**List recommendations for increasing transparency and fairness in the re-review process:**

Not Applicable.

**Survey Respondent #105**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Our balance sheet account (retained earnings) did not match our P&L net income - it was off by \$100. So, our bid was denied. Our company is large, generating \$9.5 million in revenue for 2012.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

How did Rotech get a bid? They were in Chapter 11 bankruptcy? Over 2/3rds of the bid winners for Arizona were out-of-state. Most of the winners from out of state are not providing services. That seems to hurt local patients and local providers.

**List other recommendations for improving the bid process.**

The current bid process encourages suicide bidding. Congress will pat itself on the back for saving money, and many small ma & pa providers are closing the doors. Create a bid process that doesn't cause winners and losers, but that sets prices that the providers can accept or reject. Why would the government accept bids where the gross profit is negative on a product? That doesn't make sense. There should be a floor for pricing - common sense. The bid process is flawed and needs to be fixed - ASAP.

**Did CMS clearly communicate their reasoning for bid denial?**

No. They wouldn't tell us anything. We lost a bid.

**If you weren't offered a bid, did you request a re-review?**

Didn't know that was possible.

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #106**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Information given as required by bid. A message was by sent re: our financials was not clear. complied with request. We are a solvent company with annual sales of 2 million dollars. We were told we do not meet the criteria, Why? No one could answer.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

Have a format as to what financial are required.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

There is no way that nationwide the bid amount could be as close in average as awarded. I suspect the number was already agreed too prior to bidding. I would like to CMS dismiss the claim that it was rigged from the start by showing us how the rates were achieved.

**List other recommendations for improving the bid process.**

The bid should be only providers who at the time of the bid have an existing location in the area. CMS states in order to be a supplier the door must be open, manned for 30 hours a week. It a double standard to award contracts to those who do not comply. There was ample time for those bidding to open a store front. How many bid winners worked out of a "garage." A practice that may still be going on today.

**Did CMS clearly communicate their reasoning for bid denial?**

NO

**If you weren't offered a bid, did you request a re-review?**

NO, we felt the low reimbursement was not sustainable.

**What was your experience with the re-review process?**

N/A

**List recommendations for increasing transparency and fairness in the re-review process:**

In a "bid" there is a formula for awarding bids. There is no transparency, then there cannot be any fairness.

**Survey Respondent #107**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

With the low reimbursement rate, we would not be able to educate and follow our Medicare patients. We would not be able to show efficacy either and that is why we could not accept the rates that CMS offered. In effect, CMS is willing to throw away money spent to test and purchase equipment (not always the appropriate kind of equipment) with not results. I can not be a part of this process and still sleep at night.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

The bid application was so complicated that only a bunch of Washington lawyers could think of this process. I support H.R. 1717, the Medicare DMEPOS Market Pricing Program Act of 2013.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

**List other recommendations for improving the bid process.**

This objective of competitive bidding cannot be met because the Centers for Medicare and Medicaid Services (CMS) has designed a program that does not hold bidders accountable, does not ensure that bidders are qualified to provide the products in the bid markets, and produces bid rates that are financially unsustainable.

Separate the cost of the equipment and the cost to service the recipient. CMS only looks at the purchase of equipment and does not take into account the overhead and cost to educate and follow these patients - in an effort to keep them out of the hospital.

**Did CMS clearly communicate their reasoning for bid denial?**

CMS said our pricing was too high! I am a business person, why would I provide equipment and service at a loss?

**If you weren't offered a bid, did you request a re-review?**

No. CMS only paid for the product and not for the service portion

**What was your experience with the re-review process?**

n/a

**List recommendations for increasing transparency and fairness in the re-review process:**

**Survey Respondent #108**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Web site was difficult to navigate.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

They gave contracts to companies that were not licensed

**List other recommendations for improving the bid process.**

**Did CMS clearly communicate their reasoning for bid denial?**

**If you weren't offered a bid, did you request a re-review?**

**What was your experience with the re-review process?**

**List recommendations for increasing transparency and fairness in the re-review process:**

There was no transparency whatsoever

**Survey Respondent #109**

**What challenges have you, as the supplier, encountered during the process by which you have had to submit your bid?**

Submission was complicated and time consuming. It required information that was difficult or impossible to determine.

**Describe information that could be provided to the suppliers in an effort to reduce confusion over bid application materials, financial standards, deadlines, etc.**

simpler forms. Financial standard requirements should be based upon the actual number of patients currently serviced by provider.

**List specific instances in the bid process in which you feel CMS could be more transparent with the supplier.**

CMS blindly awarded bids with no regard for the size of both the Medicare and Medicaid populations in the region and where they were concentrated. Some bid winners were many miles from the service area. Other bidders had no physical presence in the state.

**List other recommendations for improving the bid process.**

CMS must protect community providers and guarantee local patient access. The Final Rule must be reworked to assure that pricing does fall below fair market value, i.e. the average of bid prices in the region.

**Did CMS clearly communicate their reasoning for bid denial?**

Absolutely not

**If you weren't offered a bid, did you request a re-review?**

We did not know this was available

**What was your experience with the re-review process?**

NA

**List recommendations for increasing transparency and fairness in the re-review process:**

All bidders should be evaluated based on geographic location and easy patient access. No more than 20% should be eliminated