

CMS-1828-F Final Rule Competitive Bidding Program and other Provisions

VGM Webinar
December 3, 2025



CMS-1828-F

Changes to CBP – What we know

- New product categories
- Payment category change for Continuous Glucose Monitors (CGM) class II & Insulin Pumps
- Allows reduction of required contracts per product category
- Method to Set Single Payment Amount (SPA) Rates
- Lead item methodology
- Method to set bid ceilings
- Requirements to submit a bid (\$50K surety bond per CBA, credit report)
- Bid submission consolidated into one platform
- Program Timeline
- New Remote Item Delivery (RID) CBP
- RID CBP product categories for next round
- Expected timeframe for DMEPOS DBP product categories
- Six-month transition period to switch to contracted supplier



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What we do not yet know

- If there will be any additional products added besides what is listed
- Ratios for non-lead item reimbursement
- Lead-item product for each category
- Exact number of contracts to be awarded per product category
- RID CBP – national or regional



New Product Categories

- CGMs class II & Insulin Pumps
- Ostomy supplies
- Urological supplies
- Hydrophilic urinary catheters
- OTS Upper extremity braces

*All new products included in RID CBP along with off-the-shelf orthotic back and knee braces



Change to CGM and Insulin Pump Payment Category

- Payment category changed from Inexpensive and/or Routinely Purchased (IRP) to Frequent and Substantial Servicing (FSS)
 - Continuous monthly payment
 - Bid based on bundled rate for the CGM receiver, supplies and accessories



Remote Item Delivery CBP

Creates a Remote Item Delivery (RID) CBP

- Items may be shipped or delivered to patient's home, or the item could be picked up locally at a contracted supplier
- Bid categories will include CGM, insulin pumps, ostomy, urological, hydrophilic urinary catheters, and OTS upper extremity, back, and knee bracing

What does this mean?

- National versus regional program TBD
- Previously there were 500-1000+ suppliers who were able to provide products to Medicare patients across the country – for any item included in the RID CBP
- Could be as few as 5-10 providers in the country who would win bids for a given category



SPA Calculation & Bid Ceiling

Bid Ceiling

- Round 2021 utilized the unadjusted fee schedule as bid ceiling
- Next round:
 - Lead-item products previously included (e.g. knee and back braces)
 - Lesser of 110% of previous SPA or 2015 fee schedule; and
 - Most recent SPA plus CPI-U increases plus 10% for items where it has been greater than 1 year since the SPA was bid in a prior CBP
 - Items bid for the first time
 - The then current fee schedule (e.g. the fee schedule at the time bidding opens)

SPA Calculation

- Changes from maximum winning bid to **75th percentile of winning bids**



Reduces Required Number of Contracts Awarded

Product Categories Bid Previously

- CMS will announce the number of contracts to be awarded per category
- No more than 75% of the total number of contract suppliers that furnished the lead item in previous rounds rounded down to nearest whole number

New Bid Product Categories

- Number of contracts will be 125% of the suppliers that filled at least 3% of the total utilization of the lead item in the product category and CBA during most recent calendar year prior to bidding
 - e.g. 8 suppliers furnished 3% of services for a code: $8 \times 125\%$ results in an additional 10 suppliers

Reduces Number of Required Providers

- Gives CMS discretion to proceed with no less than 2 contract award winner per CBA category - Previously required a minimum of 5 providers



CMS-1828-F Final Rule Timeline

- December 2025 – CMS begins pre-bidding awareness program
- Late spring/early summer 2026
 - CMS to announce specific dates for registration and bidding
 - Announce lead items for DMEPOS CBP product categories and number of contracts to be awarded
 - Begin bidder education program
- Late Summer/early fall 2026 – bidder registration period begins and bid window opens
- Late Summer/early fall 2027 – Contracts awarded and SPAs announced
- No Later than January 2028 – Contracts and SPAs are in effect, 6-month transition period begins for beneficiaries to switch to contracted suppliers

Source: CMS [Fact Sheet](#)



CMS-1828-F Final Rule Transition

Non-contracted supplier to a contracted supplier

- During the initial 3-month contract period, contracted suppliers should obtain medical necessity documentation from non-contracted supplier
- If not successful, the contracted supplier has 6-months to obtain new orders and medical necessity documentation
- 6-month grace period does not apply to OTS braces



CMS-1828-F Final Rule Other Provisions



Other Provisions in Proposed Rule

Accreditation

- Require annual surveys and reaccreditation instead of every three years

Revises provider enrollment provisions

- Expands retroactive PTAN revocation authority
- Expands stay of enrollment reasons
- Modifies grounds for denial, revocation, or deactivation

Creates Prior Authorization Exemption Program

- Exemption of prior authorization for certain DMEPOS products for suppliers that reach an affirmation threshold of 90%
- Suppliers can decline to participate if so choose



Next round preparedness

- Review Accreditation and Enrollment Compliance
- Scenario Planning and Financial Modeling
- Strengthen Operational Efficiency
- Stay informed through VGM updates and CMS education



Proposed Rule & CBP Resources

Final Rule [2025-21767.pdf](#)

CMS Fact Sheet [Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program – Updates and Important Information | CMS](#)

VGM Competitive Bid Resource Website [Competitive Bidding | VGM & Associates](#)

van Halem Group [van Halem Group - Competitive Bidding Program](#)

CBIC Website [Home - Durable Medical Equipment, Prosthetics, Orthotics and Supplies \(DMEPOS\) Competitive Bidding Program](#)

Medicare Competitive Bid Guide [https://www.medicare.gov/sites/default/files/2022-02/11461-DMEPOS-Competitive-Bidding-Program-Guide.pdf](#)

Medicare Competitive Bidding Website [https://www.cms.gov/medicare/payment/fee-schedules/dmepos-competitive-bidding](#)

VGM Government Relations Website [https://www.vgm.com/services/government-relations/news/](#)



THANK YOU!

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