

## **Briefing: Stakeholder Concerns About CMS's Remote Item Delivery (RID) Policy Within the DMEPOS Competitive Bidding Program**

### **PURPOSE**

To outline how stakeholders view the newly finalized Remote Item Delivery (RID) framework within the DMEPOS Competitive Bidding Program (CBP) and why they believe it conflicts with the administrations stated priorities around small-business protection, rural access, and reducing federal regulatory burden.

### **BACKGROUND**

CMS finalized significant changes to the DMEPOS Competitive Bidding Program for the 2028 cycle, including the creation of a new Remote Item Delivery (RID) category and the addition of several new product categories. Stakeholders report that the RID model shifts fulfillment toward large national distributors and away from community-based suppliers who traditionally provide in-person setup, education, and follow-up for Medicare beneficiaries.

### **KEY STAKEHOLDER CONCERNS**

1. **Impact on Small Businesses** – Stakeholders argue that RID structurally advantages large national distributors with centralized logistics and high-volume operations. Community-based DME suppliers, many of which are small or family-owned report that they cannot compete on scale or distribution footprint. They warn that this dynamic could accelerate consolidation in the DME market.
2. **Reduced Access for Rural and Medically Vulnerable Populations** – Local suppliers emphasize that in-person delivery and education are essential for many beneficiaries, particularly older adults, individuals with disabilities, and rural residents. They believe RID may increase delivery delays, reduce hands-on support, and weaken the local provider networks that currently serve as access points in underserved areas.
3. **Increased Federal Administrative Complexity** – Industry groups note that the RID framework adds new accreditation, bidding, and compliance requirements. They view this as expanding CMS's administrative role at a time when the administration emphasized simplifying federal regulation and reducing burdens on small businesses.
4. **Misalignment With Broader Anti-Consolidation Messaging** – Stakeholders point to the administration's public focus on reducing consolidation in healthcare sectors such as PBMs, hospitals, and insurers. They argue that RID could unintentionally reinforce consolidation by shifting market share toward a small number of national distributors.
5. **Political and Constituent Sensitivity** – Advocacy groups representing seniors and veterans express concern that reduced local access and longer delivery times could negatively affect populations that rely heavily on DME. They warn that disruptions in access may be felt most acutely in rural and suburban communities.

## **STAKEHOLDER REQUESTS**

1. Delay implementation of RID and related CBP expansions to allow for additional analysis of access, cost, and market-impact implications.
2. Engage with industry and patient groups to develop alternative approaches focused on fraud prevention, program integrity, and beneficiary access.
3. Conduct a formal impact assessment on small businesses, rural communities, and supplier consolidation before proceeding with RID.