## AAHOMECARE American Association for Homecare

# Quick Reference Guide: Competitive Bidding for Medical Products

# How the Proposed Medicare Competitive Bidding Program Affects End Users of Home Medical Equipment & Supplies

Medicare wants to restart a flawed program called "Competitive Bidding" that sets rates for home medical equipment (HME) & supplies by awarding a few contracts to the HME suppliers who bid the lowest – regardless of the true costs of providing quality care. In the past, this excluded 75% of suppliers from being able to provide care for end users & resulted in 37% HME locations closing across the country, leaving end users with fewer choices, longer wait times, or no access at all. After pausing the program due to problems, Medicare wants to restart it with changes that would make access even worse. If you or a loved one use HME & supplies, submit comments to voice concerns on the proposed rule for the new round of the bid program by the 8/29/25 deadline.

#### **Key Issues**

- Fewer Contracted Suppliers Means Less Choice and Access

  Fewer contracted suppliers is a cost cutting move, not a care-centered model to meet the needs of communities. Drastically limiting the number of companies reduces access and choice.
- <u>Unrealistic Prices Force Unsustainable Tradeoffs in Care</u>

  The program drives prices below what it actually costs to provide quality products and services.

  This can lead to lower quality, fewer product choices, less support, and reduced access to care.
- No Safeguards Against Inexperienced or Unqualified Bidders

  Guardrails were removed that ensured bidders had product experience or local presence. This puts
  your care in the hands of suppliers who may not know how to safely/effectively meet your needs.
- <u>High-Risk Products Included Under Untested Program Model</u>
  This expands product categories into an unproven, risky, Competitive Bidding Program. Putting high risk products into a flawed program model puts end user's health at risk.
- Loss of Local Suppliers Means Loss of Trusted Support in Natural Disasters
   This disrupts the continuity of care with local companies who serve their communities. Excluding local companies puts lives at risk when time-sensitive, community-based support is needed most.
- Competitive Bidding is Not a Tool to Fight Fraud & Abuse
   The program is designed to cut costs, not prevent fraud. The program's focus on low costs limits access to trusted, quality HME suppliers who provide real care.
- Program Changes Erodes Access for All, Not Just Medicare Beneficiaries
   This affects all payers who follow Medicare, resulting in fewer suppliers & choices for everyone.
   Over 37% of HME supplier locations already closed as result, shrinking access for everyone.

### SUBMIT COMMENTS BY 8/29

- 1) Scan QR Code for the Medicare comment page.
- 2) Click the green box that says "Submit a Public Comment".
- **3)** Enter your comment in the text box or upload a file in the "+ Add a File" green box. Do not include personally identifiable info
- 4) Under "Tell Us About Yourself", choose either "An Individual" or "Anonymous".
- 5) Check the box that you've read & understand the statement.
- 6) Click "SUBMIT COMMENT".

