

H.R. 10787 - Support Legislation to Protect Urological and Ostomy Patients in Medicare

OVERVIEW

On October 9, 2026, Representative **Greg Murphy, M.D.** and Representative **Brad Schneider** introduced the **Access to Medical Supplies Act (H.R. 10787)**. This legislation would delay the inclusion of urological and ostomy supplies in the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program for five years, establish a technical expert panel to analyze whether these items are appropriate for competitive bidding and how such a program should be implemented, and create a demonstration project to ensure Medicare beneficiaries maintain access to these critical medical supplies.

AAHomecare thanks Representatives Murphy and Schneider for their leadership on this issue and urges Members of Congress to support this important legislation.

BACKGROUND

On November 29, 2025, the Centers for Medicare & Medicaid Services (CMS) published a final rule making changes to the DMEPOS Competitive Bidding Program. The final rule makes significant structural, bidding, and other programmatic changes to the next round of competitive bidding.

CMS announced that the next round of bidding will consist exclusively of Remote Item Delivery (RID) Competitive Bidding Programs (CBPs), which will be national contracts covering seven product categories, several of which have never previously been subject to competitive bidding. These seven product categories include urological and ostomy supplies.

The RID CBP will shrink a market currently served by more than 800 suppliers to:

- 5 national contract winners for urological supplies
- 10 national contract winners for hydrophilic catheters
- 6 national contract winners for ostomy supplies

Reducing the supplier base this dramatically puts beneficiaries at risk of losing access to in-person fittings, emergency replacements, hands-on training, and the most clinically appropriate products. Rural beneficiaries and individuals with complex ostomy and urological needs face the greatest risk.

Prescribed ostomy and urological products are used to manage medical conditions that interfere with or prevent normal bowel and/or bladder function. These product categories are broad and highly complex, and the supplies are medically necessary for approximately one million Americans with compromised bowel and/or bladder function.

An ostomy, which may include a colostomy, ileostomy, or urostomy, is a surgically created opening (stoma) through which fecal matter or urine is diverted into a pouch. Incontinence has multiple causes leading to involuntary leakage of urine, inability to empty one's bladder, or inability to control the process of urination. This leads to the use of catheters which are inserted into the urethra to drain the bladder. A wide variety of products is required to meet the distinct and highly variable needs of patients in managing biological waste safely and effectively.

CMS completed a competitive bidding demonstration project in 2004 that included urological supplies and concluded that these products were **"not well suited"** for competitive bidding. CMS further concluded that **"quality may suffer"** and that ostomy and urological supplies offered limited competitive and savings potential relative to Medicare expenditures.¹

COMPETITIVE BIDDING SHOULD NOT MOVE FORWARD UNTIL ITS POTENTIAL ADVERSE CONSEQUENCES ARE FULLY ANALYZED

Including ostomy and urological supplies in the Competitive Bidding Program would significantly reduce the number of unique products available to meet beneficiaries' distinct clinical needs, potentially compromising patient health while failing to achieve meaningful cost savings.

Risk of Commoditization

The Competitive Bidding Program puts ostomy and urological supplies at risk of commoditization, meaning the loss of clinically important product differentiation. Ostomy and urological products are tailored to individuals' medical needs and should not be treated as interchangeable commodity products. When CMS included urological supplies in 1999 and 2001 in demonstration projects, CMS reported limited savings potential and warned of a **"deleterious effect on product selection,"** noting that some products within the same HCPCS code are better suited to certain individuals than others.

Adverse Health Effects

If product variation decreases, as CMS anticipated in its prior analyses, beneficiaries' health may be adversely affected. Ill-fitting or improperly sized products can result in severe skin damage, life-threatening infections, and other serious complications that can lead to hospitalization and increased healthcare costs. Reducing access to clinically appropriate products is neither sound policy nor effective program management.

Limited Savings, Increased Patient Risks

CMS' evaluation of demonstration projects involving urological supplies found that these products **"tended to have relatively low allowed charges and low numbers of suppliers. Both characteristics may not indicate sufficient potential for total savings and competition that would lead to significant price reductions."**

Patient advocacy organizations, including the **United Spinal Association, Spina Bifida Association, ITEM Coalition,** and the **United Ostomy Associations of America,** share AAHomecare's concern that including these products in the Competitive Bidding Program would negatively affect patient access to the wide variety of customized products needed to manage serious medical conditions and prevent life-threatening infections and complications.

CMS' own evaluation of its demonstration projects involving urological supplies identified several challenges associated with competitively bidding these products. CMS reported:

- *"In a product with relatively few suppliers, quality may suffer if several of the winning suppliers are inexperienced, perceived access may fall if patients prefer local suppliers and several of the winning suppliers are located outside the area, and product selection could be reduced if several winning suppliers adopt more limited product lines."*
- *"For urological supplies, it became apparent that suppliers need to be knowledgeable about this product and that beneficiaries would benefit from a wide selection of products to accommodate different needs."*
- *"Quality problems are most likely to occur in the urological supplies product category."*

- *"Because urological supplies are very personal items, patients often have brand and product preferences. Moreover, even within a single HCPCS code, some products may better match a patient's needs than others."*
- *"Some product categories, especially smaller ones such as urological supplies, may be vulnerable to a reduction in product selection under reduced prices. Some urological supplies are associated with strong patient preferences and therefore may be particularly vulnerable to supplier market strategies that narrow patient choice."*

CMS also acknowledged in its 2018 Interim Final Rule (CMS-1687-IFC) that its existing monitoring methods may not adequately identify present or imminent threats to beneficiary access. The Government Accountability Office (GAO) similarly noted challenges in monitoring delivery delays and resulting adverse health outcomes under the Competitive Bidding Program.

SOLUTION

On October 9, Representatives Greg Murphy, M.D. and Brad Schneider introduced the Access to Medical Supplies Act (H.R. 10787). The legislation would:

- Delay the inclusion of urological and ostomy supplies in the DMEPOS Competitive Bidding Program for five years;
- Establish a technical expert panel to evaluate whether these items are appropriate for competitive bidding and how such a program should be structured; and
- Create a demonstration project to ensure Medicare beneficiaries maintain access to these critical medical supplies.

OUR ASK

Congress should ensure that Medicare beneficiaries continue to have access to the broad array of ostomy and urological supplies necessary to meet their unique medical needs. AAHomecare urges Members of Congress to cosponsor the Access to Medical Supplies Act (H.R. 10787).

ⁱ U.S. Department of Health and Human Services. (2004). *Final report to Congress: Evaluation of Medicare's competitive bidding demonstration for durable medical equipment, prosthetics, orthotics, and supplies.*