

Analysis of Competitive Bidding, Round One

Part II

Price Table Comparisons

SUMMARY:

This examination by the HME Media Group of 23 product codes across the 10 competitive bidding areas constituting round one of CMS's national competitive bidding program showed an average 29.53 percent decrease in pricing when compared with prices outside the NCB program.

Hardest hit in the review was the Mail Order Diabetic Supplies category, which showed an average 42.15 percent decrease in prices. Negative Pressure Wound Therapy Pumps and Related Supplies, Accessories, were the least affected category, showing an average 14.72 percent drop.

OVERVIEW:

For its report, the HME Media Group examined five of the 10 product categories that were part of round one of CMS's national competitive bidding program. The categories selected were:

- Category 1 - Oxygen Supplies/Equipment, which showed an average 26.88 percent decrease in prices.
- Category 4 - Mail Order Diabetic Supplies, which showed an average 42.15 percent decrease
- Category 5 - Enteral Nutrients Equipment Supplies, which showed an average 26.76 percent decrease.
- Category 6 - Continuous Positive Airway Pressure Devices, Respiratory Assist Devices, and Related Supplies, Accessories, which showed an average 31.23 percent decrease.
- Category 8 - Negative Pressure Wound Therapy Pumps and Related Supplies, Accessories, which showed an average 14.72 percent decrease.

METHODOLOGY:

To conduct the study of these categories, five codes were selected from each product category to examine (except for category 8, which only had three codes under round one). The codes were chosen based on their dollar value per all the CBAs in round one of NCB. The five codes with the highest average dollar amounts were picked.

For each code, the study compared the NCB round one fee schedules for each CBA with the current fee schedules available from Palmetto's DME classification system.

For CBAs in round one that were located in more than one state, those CBAs' round one fee schedules were compared with the average fees for the states listed using Palmetto's DME classification system.

For each CBA, the study calculated the price difference between the round one NCB fees and the standard fee schedule, and showed that change in terms of percentage decrease (or increase in some instances) in price, as well.

The overall average price differences and percentage decreases (or increases) per code are also provided for each of the categories.

Note that for two categories, Oxygen Supplies/Equipment and Enteral Nutrients Equipment Supplies, fees f

Oxygen Supplies/Equipment

Code	Charlotte, NC-SC				Cincinnati, OH-KY-IN				Cleveland, OH				Dallas, TX				Kansas City, MO-KS			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
E1390-RR	\$136.90	\$199.28	\$62.38	31.30%	\$130.00	\$199.28	\$69.28	34.77%	\$140.00	\$199.28	\$59.28	29.75%	\$150.78	\$199.28	\$48.50	24.34%	\$149.40	\$199.28	\$49.88	25.03%
E1391-RR	\$136.90	\$199.28	\$62.38	31.30%	\$130.00	\$199.28	\$69.28	34.77%	\$140.00	\$199.28	\$59.28	29.75%	\$150.78	\$199.28	\$48.50	24.34%	\$149.40	\$199.28	\$49.88	25.03%
E0424-RR	\$136.90	\$199.28	\$62.38	31.30%	\$130.00	\$199.28	\$69.28	34.77%	\$140.00	\$199.28	\$59.28	29.75%	\$150.78	\$199.28	\$48.50	24.34%	\$149.40	\$199.28	\$49.88	25.03%
E0439-RR	\$136.90	\$199.28	\$62.38	31.30%	\$130.00	\$199.28	\$69.28	34.77%	\$140.00	\$199.28	\$59.28	29.75%	\$150.78	\$199.28	\$48.50	24.34%	\$149.40	\$199.28	\$49.88	25.03%
E0560-NU	\$155.21	\$154.59	\$0.62	-0.40%	\$150.00	\$165.74	\$15.74	9.50%	\$153.51	\$171.52	\$18.01	10.50%	\$136.02	\$171.52	\$35.50	20.70%	\$118.48	\$154.68	\$36.20	23.40%

Code	Miami, FL				Orlando, FL				Pittsburgh, PA				Riverside, CA				San Juan, PR			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
E1390-RR	\$138.88	\$199.28	\$60.40	30.31%	\$129.97	\$199.28	\$69.31	34.78%	\$136.90	\$199.28	\$62.38	31.30%	\$154.55	\$199.28	\$44.73	22.45%	\$0.00	\$0.00	\$0.00	0.00%
E1391-RR	\$138.88	\$199.28	\$60.40	30.31%	\$129.97	\$199.28	\$69.31	34.78%	\$136.90	\$199.28	\$62.38	31.30%	\$154.55	\$199.28	\$44.73	22.45%	\$0.00	\$0.00	\$0.00	0.00%
E0424-RR	\$138.88	\$199.28	\$60.40	30.31%	\$129.97	\$199.28	\$69.31	34.78%	\$136.90	\$199.28	\$62.38	31.30%	\$154.55	\$199.28	\$44.73	22.45%	\$0.00	\$0.00	\$0.00	0.00%
E0439-RR	\$138.88	\$199.28	\$60.40	30.31%	\$129.97	\$199.28	\$69.31	34.78%	\$136.90	\$199.28	\$62.38	31.30%	\$154.55	\$199.28	\$44.73	22.45%	\$0.00	\$0.00	\$0.00	0.00%
E0560-NU	\$113.12	\$151.98	\$38.86	25.57%	\$119.27	\$151.98	\$32.71	21.52%	\$113.99	\$145.79	\$31.80	21.81%	\$115.61	\$145.79	\$30.18	20.70%	\$0.00	\$0.00	\$0.00	0.00%

Code	OVERALL	
	Average cost difference	Average percent saved
E1390-RR	\$52.61	29.34%
E1391-RR	\$52.61	29.34%
E0424-RR	\$52.61	29.34%
E0439-RR	\$52.61	29.34%
E0560-NU	\$23.84	17.03%

Mail Order Diabetic Supplies

Code	Charlotte, NC-SC				Cincinnati, OH-KY-IN				Cleveland, OH				Dallas, TX				Kansas City, MO-KS			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
A4253-NU	\$19.08	\$35.08	\$16.00	45.61%	\$21.00	\$35.97	\$14.97	41.62%	\$21.00	\$36.93	\$15.93	43.14%	\$21.72	\$34.55	\$12.83	37.13%	\$18.98	\$32.82	\$13.84	42.17%
A4256	\$6.18	\$11.44	\$5.26	45.98%	\$6.22	\$11.29	\$5.07	44.91%	\$6.18	\$11.44	\$5.26	45.98%	\$7.46	\$11.44	\$3.98	34.79%	\$6.07	\$10.87	\$4.80	44.16%
A4258	\$7.50	\$18.05	\$10.55	58.45%	\$7.50	\$18.05	\$10.55	58.45%	\$7.50	\$18.05	\$10.55	58.45%	\$10.91	\$18.05	\$7.14	39.56%	\$7.50	\$17.75	\$10.25	57.75%
A4259	\$6.99	\$12.06	\$5.07	42.04%	\$6.38	\$11.31	\$4.93	43.59%	\$6.25	\$10.83	\$4.58	42.29%	\$7.24	\$12.06	\$4.82	39.97%	\$6.96	\$12.02	\$5.06	42.10%
A4234-NU	\$2.62	\$3.63	\$1.01	27.82%	\$2.82	\$3.63	\$0.81	22.31%	\$2.62	\$3.63	\$1.01	27.82%	\$3.00	\$3.63	\$0.63	17.36%	\$2.62	\$3.63	\$1.01	27.82%

Code	Miami, FL				Orlando, FL				Pittsburgh, PA				Riverside, CA				San Juan, PR			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
A4253-NU	\$22.16	\$36.94	\$14.78	40.01%	\$21.58	\$36.94	\$15.36	41.58%	\$19.61	\$36.94	\$17.33	46.91%	\$17.80	\$36.94	\$19.14	51.81%	\$23.08	\$35.52	\$12.44	35.02%
A4256	\$6.33	\$10.55	\$4.22	40.00%	\$5.92	\$10.55	\$4.63	43.89%	\$5.66	\$9.72	\$4.06	41.77%	\$5.50	\$9.72	\$4.22	43.42%	\$6.86	\$10.10	\$3.24	32.08%
A4258	\$9.02	\$18.05	\$9.03	50.03%	\$7.50	\$18.05	\$10.55	58.45%	\$7.14	\$18.05	\$10.91	60.44%	\$6.25	\$17.75	\$11.50	64.79%	\$12.42	\$21.67	\$9.25	42.69%
A4259	\$7.00	\$12.06	\$5.06	41.96%	\$6.99	\$12.06	\$5.07	42.04%	\$4.98	\$10.83	\$5.85	54.02%	\$3.00	\$12.06	\$9.06	75.12%	\$7.46	\$11.94	\$4.48	37.52%
A4234-NU	\$2.50	\$3.63	\$1.13	31.13%	\$2.82	\$3.63	\$0.81	22.31%	\$2.62	\$3.63	\$1.01	27.82%	\$2.50	\$3.63	\$1.13	31.13%	\$2.90	\$3.63	\$0.73	20.11%

Code	OVERALL	
	Average cost difference	Average percent saved
A4253-NU	\$15.26	42.50%
A4256	\$4.47	41.70%
A4258	\$10.03	54.90%
A4259	\$5.40	46.06%
A4234-NU	\$0.93	25.56%

Enteral Nutrients Equipment Supplies

Code	Charlotte, NC-SC				Cincinnati, OH-KY-IN				Cleveland, OH				Dallas, TX				Kansas City, MO-KS			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
B9000-NU	\$990.00	\$1,313.52	\$323.52	24.63%	\$925.84	\$1,313.52	\$387.68	29.51%	\$946.45	\$1,313.52	\$367.07	27.95%	\$959.24	\$1,313.52	\$354.28	26.97%	\$1,023.18	\$1,313.52	\$290.34	22.10%
B9000-UE	\$742.50	\$985.14	\$242.64	24.63%	\$694.38	\$985.14	\$290.76	29.51%	\$709.84	\$985.14	\$275.30	27.95%	\$719.43	\$985.14	\$265.71	26.97%	\$767.39	\$985.14	\$217.76	22.10%
B9002-NU	\$972.03	\$1,313.52	\$341.49	26.00%	\$925.84	\$1,313.52	\$387.68	29.51%	\$946.45	\$1,313.52	\$367.07	27.95%	\$959.24	\$1,313.52	\$354.28	26.97%	\$1,023.18	\$1,313.52	\$290.34	22.10%
B9002-RR	\$97.20	\$127.22	\$30.02	23.59%	\$92.58	\$127.22	\$34.64	27.23%	\$94.65	\$127.22	\$32.58	25.61%	\$95.92	\$127.22	\$31.30	24.60%	\$102.32	\$127.22	\$24.90	19.57%
B9002-UE	\$729.02	\$985.14	\$256.12	26.00%	\$694.38	\$985.14	\$290.76	29.51%	\$709.84	\$985.14	\$275.30	27.95%	\$719.43	\$985.14	\$265.71	26.97%	\$767.39	\$985.14	\$217.76	22.10%

Code	Miami, FL				Orlando, FL				Pittsburgh, PA				Riverside, CA				San Juan, PR			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
B9000-NU	\$895.29	\$1,313.52	\$418.23	31.84%	\$1,001.06	\$1,313.52	\$312.46	23.79%	\$959.24	\$1,313.52	\$354.28	26.97%	\$895.29	\$1,313.52	\$418.23	31.84%	\$0.00	\$0.00	\$0.00	0.00%
B9000-UE	\$671.47	\$985.14	\$313.67	31.84%	\$750.80	\$985.14	\$234.35	23.79%	\$719.43	\$985.14	\$265.71	26.97%	\$671.47	\$985.14	\$313.67	31.84%	\$0.00	\$0.00	\$0.00	0.00%
B9002-NU	\$895.29	\$1,313.52	\$418.23	31.84%	\$965.64	\$1,313.52	\$347.88	26.48%	\$959.24	\$1,313.52	\$354.28	26.97%	\$959.24	\$1,313.52	\$354.28	26.97%	\$0.00	\$0.00	\$0.00	0.00%
B9002-RR	\$89.53	\$127.22	\$37.69	29.63%	\$96.56	\$127.22	\$30.66	24.10%	\$95.92	\$127.22	\$31.30	24.60%	\$95.92	\$127.22	\$31.30	24.60%	\$0.00	\$0.00	\$0.00	0.00%
B9002-UE	\$671.47	\$985.14	\$313.67	31.84%	\$724.23	\$985.14	\$260.91	26.48%	\$719.43	\$985.14	\$265.71	26.97%	\$719.43	\$985.14	\$265.71	26.97%	\$0.00	\$0.00	\$0.00	0.00%

Code	OVERALL	
	Average cost difference	Average percent saved
B9000-NU	\$322.61	27.29%
B9000-UE	\$241.96	27.29%
B9002-NU	\$321.55	27.20%
B9002-RR	\$28.44	24.84%
B9002-UE	\$241.16	27.20%

Continuous Positive Airway Pressure Devices, Respiratory Assist Devices, and Related Supplies, Accessories

Code	Charlotte, NC-SC				Cincinnati, OH-KY-IN				Cleveland, OH				Dallas, TX				Kansas City, MO-KS			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
E0470-RR	\$168.03	\$256.60	\$88.57	34.52%	\$160.00	\$256.60	\$96.60	37.65%	\$153.96	\$256.60	\$102.64	40.00%	\$169.36	\$256.60	\$87.24	34.00%	\$179.90	\$256.60	\$76.70	29.89%
E0471-RR	\$365.10	\$642.17	\$277.07	43.15%	\$380.00	\$610.06	\$230.06	37.71%	\$355.19	\$642.17	\$286.98	44.69%	\$360.25	\$545.84	\$185.59	34.00%	\$423.83	\$642.17	\$218.34	34.00%
E0472-RR	\$364.10	\$642.17	\$278.07	43.30%	\$430.00	\$610.06	\$180.06	29.52%	\$400.00	\$642.17	\$242.17	37.71%	\$382.09	\$545.84	\$163.75	30.00%	\$440.00	\$642.17	\$202.17	31.48%
E0562-NU	\$217.92	\$301.22	\$83.30	27.65%	\$199.50	\$301.22	\$101.72	33.77%	\$198.81	\$301.22	\$102.41	34.00%	\$225.00	\$301.22	\$76.22	25.30%	\$210.98	\$301.22	\$90.24	29.96%
E0562-UE	\$163.44	\$225.91	\$62.47	27.65%	\$149.63	\$225.91	\$76.29	33.77%	\$149.11	\$225.91	\$76.80	34.00%	\$168.75	\$225.91	\$57.16	25.30%	\$158.24	\$225.91	\$67.68	29.96%

Code	Miami, FL				Orlando, FL				Pittsburgh, PA				Riverside, CA				San Juan, PR			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
E0470-RR	\$159.90	\$232.94	\$73.04	31.36%	\$156.00	\$232.94	\$76.94	33.03%	\$150.00	\$218.11	\$68.11	31.23%	\$181.05	\$246.32	\$65.27	26.50%	\$98.87	\$109.86	\$10.99	10.00%
E0471-RR	\$354.80	\$545.84	\$191.04	35.00%	\$354.80	\$545.84	\$191.04	35.00%	\$353.10	\$545.84	\$192.74	35.31%	\$460.00	\$642.17	\$182.17	28.37%	\$578.31	\$746.29	\$167.98	22.51%
E0472-RR	\$382.09	\$545.84	\$163.75	30.00%	\$360.25	\$545.84	\$185.59	34.00%	\$382.06	\$545.84	\$163.78	30.01%	\$450.00	\$642.17	\$192.17	29.93%	\$578.31	\$746.29	\$167.98	22.51%
E0562-NU	\$210.84	\$301.22	\$90.38	30.00%	\$198.81	\$301.22	\$102.41	34.00%	\$201.82	\$301.22	\$99.40	33.00%	\$225.92	\$301.22	\$75.30	25.00%	\$289.15	\$361.44	\$72.29	20.00%
E0562-UE	\$158.13	\$225.91	\$67.78	30.00%	\$149.11	\$225.91	\$76.80	34.00%	\$151.37	\$225.91	\$74.55	33.00%	\$169.44	\$225.91	\$56.47	25.00%	\$216.86	\$271.09	\$54.23	20.00%

Code	OVERALL	
	Average cost difference	Average percent saved
E0470-RR	\$74.61	30.82%
E0471-RR	\$212.30	34.97%
E0472-RR	\$193.95	31.84%
E0562-NU	\$89.37	29.27%
E0562-UE	\$67.02	29.27%

Negative Pressure Wound Therapy Pumps and Related Supplies, Accessories

Code	Charlotte, NC-SC				Cincinnati, OH-KY-IN				Cleveland, OH				Dallas, TX				Kansas City, MO-KS			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
A6550	\$25.00	\$27.42	\$2.42	8.83%	\$23.20	\$27.42	\$4.22	15.39%	\$22.58	\$27.42	\$4.84	17.65%	\$21.94	\$27.42	\$5.48	19.99%	\$25.50	\$27.42	\$1.92	7.00%
A7000	\$8.43	\$9.37	\$0.94	10.03%	\$8.00	\$9.01	\$1.01	11.21%	\$7.60	\$9.01	\$1.41	15.65%	\$7.28	\$9.10	\$1.82	20.00%	\$8.50	\$9.54	\$1.04	10.90%
E2402	\$1,458.99	\$1,716.46	\$257.47	15.00%	\$1,373.17	\$1,716.46	\$343.29	20.00%	\$1,381.18	\$1,716.46	\$335.28	19.53%	\$1,373.17	\$1,716.46	\$343.29	20.00%	\$1,499.08	\$1,716.46	\$217.38	12.66%

Code	Miami, FL				Orlando, FL				Pittsburgh, PA				Riverside, CA				San Juan, PR			
	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent	NCB	schedule	difference	percent
A6550	\$21.94	\$27.42	\$5.48	19.99%	\$21.12	\$27.42	\$6.30	22.98%	\$22.58	\$27.42	\$4.84	17.65%	\$25.56	\$27.42	\$1.86	6.78%	\$30.50	\$27.42	\$3.08	-11.23%
A7000	\$7.28	\$9.10	\$1.82	20.00%	\$7.10	\$9.10	\$2.00	21.98%	\$6.83	\$8.33	\$1.50	18.01%	\$8.89	\$9.54	\$0.65	6.81%	\$10.18	\$10.90	\$0.72	6.61%
E2402	\$1,373.17	\$1,716.46	\$343.29	20.00%	\$1,192.94	\$1,716.46	\$523.52	30.50%	\$1,371.58	\$1,716.46	\$344.88	20.09%	\$1,587.72	\$1,716.46	\$128.74	7.50%	\$1,853.84	\$2,059.71	\$205.87	10.00%

Code	OVERALL	
	Average cost difference	Average percent saved
A6550	\$3.43	12.50%
A7000	\$1.29	14.12%
E2402	\$304.30	17.53%