

# Transitioning Beneficiaries

A beneficiary who is renting durable medical equipment or oxygen equipment may switch to a contract supplier at any time during the Competitive Bidding Program contract period. For example, the switch may be the result of:

- Beneficiary or caregiver's decision to change suppliers
- Beneficiary moves and must change suppliers
- Current supplier no longer in business
- Termination of a supplier's competitive bidding contract
- Beneficiary changes from a Medicare Advantage plan to Original Medicare
- Current supplier was not awarded a contract for the Competitive Bidding Program and decided not to become a grandfathered supplier

In the event a beneficiary changes suppliers for any of the other reasons stated above, the current supplier who is transitioning the beneficiary to a contract supplier should coordinate the pick-up of its existing rental equipment and the delivery of the new rented equipment with the new contract supplier and beneficiary. The pick-up and delivery of such equipment should occur on or after the anniversary date of the initial delivery, which is explained in further detail below.

Service to the beneficiary should not be disrupted. A supplier should pick-up its rented equipment after making arrangements with the new contract supplier for the delivery of the new equipment. Suppliers should be sure that these arrangements meet the beneficiary's needs. The current supplier should assist the beneficiary in locating a contract supplier, if necessary. The contract supplier is obligated by the terms of the contract to accept the Medicare beneficiary as a customer.

## Pick-Up and Delivery Process

The pick-up of the existing rental equipment and delivery of the new equipment with the new contract supplier should occur on the anniversary date of when the item was first delivered to the beneficiary by the current supplier or another date agreed upon by the beneficiary. The anniversary date is the date when a new monthly rental period begins. For example, if the anniversary date is March 27<sup>th</sup>, the current supplier would pick-up its equipment on April 27<sup>th</sup> and the new contract supplier would deliver equipment on April 27<sup>th</sup>.

## Billing and Documentation Guidelines

Medical documentation requirements apply when transitioning a beneficiary to another supplier. The new contract supplier should acquire all supporting documentation, such as the physician order or the certificate of medical necessity form, when applicable, from the current supplier. Please see Chapter 5 of CMS' Program Integrity Manual or contact your DME MAC for specific guidance.

## Transitioning from a Grandfathered Supplier to a Contract Supplier

Beneficiaries who are receiving their rented competitive bid item from a grandfathered supplier may choose to transition to a contract supplier at any time. In these situations, the contract supplier may be entitled to additional payments depending on the type of equipment. For more information, please refer to the [Grandfathering for Rented DME](#) or the [Grandfathering for Oxygen and Oxygen Equipment](#) fact sheets.

