



February 19, 2016

**VIA ELECTRONIC SUBMISSION ([www.regulations.gov](http://www.regulations.gov))**

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: CMS-1653-NC  
P.O. Box 8013  
Baltimore, MD 21244-8013

**RE: CMS-1653-NC—Medicare Program; Request for Information Regarding the Awarding and the Administration of Medicare Administrative Contractor Contracts**

The Independence Through Enhancement of Medicare and Medicaid Coalition (ITEM) appreciates the opportunity to provide comments on the award and administration of Medicare Administrative Contractor (MAC) contracts, including the contracts for the Durable Medical Equipment MACs (DME MACs). ITEM Coalition is a national consumer and clinician-led coalition advocating for access to and coverage of assistive devices and technologies for persons with injuries, illnesses, disabilities and chronic conditions of all ages. Our members represent individuals with a wide range of disabling conditions, as well as the providers who serve them, including such conditions as multiple sclerosis, cerebral palsy, spinal cord injury, brain injury, stroke, limb loss, and other conditions. ITEM is committed to ensuring that Medicare beneficiaries and all individuals have access to and coverage of the full spectrum of services and devices medically necessary and most appropriate for treatment, rehabilitation, and meeting the functional needs of daily living and independence, which for amputees includes professional orthotic and prosthetic care.

In light of this commitment, we wish to express our thoughts about the proposal to incentivize MACs for exceptional performance with extended terms on their contracts with the Centers for Medicare and Medicaid Services (CMS). Specifically, ITEM supports the full or partial replacement of award fees with the alternative “award term” proposed for the purpose of incentivizing well-performing MACs. Depending on the criteria used to measure a MAC’s performance, financial incentives such as award fees could set the stage for unintended consequences such as overly broad or aggressive auditing, similar to what has occurred in the Recovery Auditor Contractor (RAC) program. Switching to the use of award terms, and reducing the use of such financial rewards, could help alleviate such perverse incentives and simultaneously improve provider/supplier-MAC coordination and cooperation by creating a more stable and long-term relationship with less frequent turnover.

ITEM Coalition  
Public Comments on CMS-1653-NC

In any case—employing award fees, award terms, or a combination of the two—it is critical that CMS determine and reward the MACs’ performance based on the correct criteria. In addition to the customer service criteria cited by the Request for Information, ITEM maintains the following criteria to be highly reflective of the quality of a MAC’s performance and service:

- Responsiveness to provider/supplier and beneficiary claim inquiries, including those regarding the status of pending requests for redetermination or reopening;
- Willingness to accommodate communication by providers/suppliers and beneficiaries with the MACs’ medical directors;
- Transparency and opportunity for public and stakeholder input on policy and coverage issues, including during the development of local coverage determinations or other guidance materials; and
- Accuracy of audit findings, as determined by appeal statistics.

Failure to adequately engage with and address the concerns of the provider/supplier community and other stakeholders in Medicare coverage issues can lead to poor coverage policies that do not address the needs of Medicare beneficiaries, undue burden on providers and suppliers, confusion, anger, and distrust. It is vital to maintaining good working relationships between the MACs and providers and suppliers for strong communication, as well as transparency and responsiveness, to be fostered. To this end, ITEM strongly encourages CMS to adopt or reaffirm such criteria in judging MAC performance.

With respect to transparency, ITEM encourages CMS to publicly publish all results of each MAC’s performance evaluation. In particular, information regarding the following categories should be publicly available:

- Audit and appeal metrics, broken down by benefit category;
- Any scoring with respect to provider/supplier and beneficiary communications and interactions;
- Scoring on clarity of guidance or education and related resources;
- Overall performance, as compared against other MACs; and
- Any award incentives made to the MAC based on the published performance scores.

ITEM believes that making this information available is critical to keeping the MAC contracting process as transparent as possible and maintaining a high level of accountability among the MACs and the CMS personnel responsible for administering the contract procurement process.

ITEM Coalition  
Public Comments on CMS-1653-NC

We greatly appreciate your attention to our comments. If you have further questions, please contact Peter Thomas or Sara Rosta by emailing [Peter.Thomas@ppsv.com](mailto:Peter.Thomas@ppsv.com) or [Sara.Rosta@ppsv.com](mailto:Sara.Rosta@ppsv.com), or by calling 202-466-6550.

Sincerely,

**ITEM Coalition Steering Committee**

Mark Richert, American Foundation for the Blind ([MRichert@afb.net](mailto:MRichert@afb.net))

Dan Ignaszewski, Amputee Coalition ([Dan@amputee-coalition.org](mailto:Dan@amputee-coalition.org))

Rachel Patterson, Christopher and Dana Reeve Foundation ([RPatterson@christopherreeve.org](mailto:RPatterson@christopherreeve.org))

Laura Weidner, National Multiple Sclerosis Society ([Laura.Weidner@nmss.org](mailto:Laura.Weidner@nmss.org))

Lee Page, Paralyzed Veterans of America ([LeeP@pva.org](mailto:LeeP@pva.org))

Alexandra Bennewith, United Spinal Association ([ABennewith@unitedspinal.org](mailto:ABennewith@unitedspinal.org))