



## INSULIN PUMPS AND THE AADE “SECRET SHOPPER” SURVEY

### The Issue:

- Medicare has instituted a competitive bidding process for many durable medical equipment (DME) products. Previously it included diabetes testing supplies and equipment, but now it also includes insulin infusion pumps and related disposable supplies.
- The goal of the program is to contain Medicare spending by applying market driven pricing determined through an open bidding process. AADE has, however, heard consistent reports from its members that winning DME suppliers contracted through the competitive bidding program (CBP) have not made available all of the products that beneficiaries were promised. Without proper access to necessary therapy, including insulin pumps and related supplies, care of diabetes beneficiaries may be at risk.

### What We Did:

- Members of the American Association of Diabetes Educators conducted telephone surveys of the winning suppliers listed on the [www.medicare.gov](http://www.medicare.gov) website as of January 16, 2014.
- For each survey, the surveyor contacted the contract supplier, identified himself/herself as a diabetes educator and inquired about the availability of specific brands and models of insulin pumps and replacement supplies.

If the supplier confirmed that the product was available, the surveyor noted that on the survey. If the supplier reported that the product was not available, the surveyor inquired as to whether the supplier ever carried that brand and the reasons why that product was not available.

### What We Found

- Twenty-nine different suppliers were contacted across the nine markets included in the competitive bidding region. Of these 29 different suppliers, only 17 reported carrying insulin pumps and 18 reported carrying replacement supplies and reservoirs. (Since the time these suppliers were contacted, additional suppliers are listed in the Medicare Supplier Directory and some of these additional supplier report carrying insulin pumps and replacement suppliers. However, there are still a number of suppliers who do not carry these products.)

- Despite the requirement that winning suppliers carry all products within a specified category, many contract suppliers are not providing all of the product codes in the “infusion pump” product category. Specifically, AADE found that many contract suppliers in each of the competitive bidding areas (CBAs) do not carry insulin pumps and/or related supplies.

### **What do we do now?**

- AADE will advocate for CMS to resolve these problems by making modest changes to the DME CBP:

First, CMS should immediately enforce the requirement that contract suppliers make available *all* Healthcare Common Procedure Coding System (HCPCS) codes within the product category to increase the number of suppliers from which a beneficiary can obtain insulin pumps and replacement supplies. CMS may also consider the need to suspend or remove insulin pumps and supplies from the competitive bidding program until appropriate access can be established.

Second, in order to ensure that suppliers are encouraged to carry the full range of products, in future bidding rounds, insulin pumps and related supplies should be removed from the current product category “*Infusion Pumps*” and included in a new product category “*Continuous Insulin Infusion Systems and Supplies.*”

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