

accordance with part 413 of this chapter.

(ii) For support services furnished by an independent ESRD facility, Medicare pays on the basis of reasonable charges that are related to costs and allowances that are reasonable when the services are furnished in an effective and economical manner.

(c) Payment limits for support services, equipment and supplies, and notification of changes to the payment limits apply prior to January 1, 2011 as follows:

(1) *Support services.* The amount of payment for home dialysis support services is limited to the national average Medicare-allowed charge per patient per month for home dialysis support services, as determined by CMS, plus the median cost per treatment for all dialysis facilities for laboratory tests included under the composite rate, as determined by CMS, multiplied by the national average number of treatments per month.

(2) *Equipment and supplies.* Payment for home dialysis equipment and supplies is limited to an amount equal to the result obtained by subtracting the support services payment limit in paragraph (c)(1) of this section from the amount (or, in the case of continuous cycling peritoneal dialysis, 130 percent) of the national median payment as determined by CMS that would have been made under the prospective payment rates established in § 413.170 of this chapter for hospital-based facilities.

(3) *Notification of changes to the payment limits.* Updated data are incorporated into the payment limits when the prospective payment rates established at § 413.170 of this chapter are updated, and changes are announced by notice in the FEDERAL REGISTER without a public comment period. Revisions of the methodology for determining the limits are published in the FEDERAL REGISTER in accordance with the Department's established rulemaking procedures.

[57 FR 54187, Nov. 17, 1992, as amended at 73 FR 20474, Apr. 15, 2008; 75 FR 49202, Aug. 12, 2010]

§ 414.335 Payment for EPO furnished to a home dialysis patient for use in the home.

(a) Prior to January 1, 2011, payment for EPO used at home by a home dialysis patient is made only to either a Medicare approved ESRD facility or a supplier of home dialysis equipment and supplies. Effective January 1, 2011, payment for EPO used at home by a home dialysis patient is made only to a Medicare-approved ESRD facility in accordance with the per treatment payment as defined in § 413.230.

(b) After January 1, 2011, a home and self training amount is added to the per treatment base rate for adult and pediatric patients as defined in § 413.230

[75 FR 49202, Aug. 12, 2010]

Subpart F—Competitive Bidding for Certain Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

§ 414.400 Purpose and basis.

This subpart implements competitive bidding programs for certain DMEPOS items as required by sections 1847(a) and (b) of the Act.

[72 FR 18084, Apr. 10, 2007]

§ 414.402 Definitions.

For purposes of this subpart, the following definitions apply:

Affected party means a contract supplier that has been notified that their DMEPOS CBP contract will be terminated for a breach of contract.

Bid means an offer to furnish an item or items for a particular price and time period that includes, where appropriate, any services that are directly related to the furnishing of the item or items.

Bidding entity means the entity whose legal business name is identified in the "Form A: Business Organization Information" section of the bid.

Breach of contract means any deviation from contract requirements, including a failure to comply with a governmental agency or licensing organization requirements, constitutes a breach of contract.