

35% Reduction in Portable Oxygen allowed in Medicare’s “Competitive” Bidding, proves limited patient access

This document details Medicare’s Portable Oxygen reimbursed in Round One bidding areas in 2008, compared to the 2011 Calendar Year, the first year of the bidding program. The table below proves an average 35.3% reduction in portable oxygen provided to Medicare beneficiaries in the first nine areas of the program.

This data is consistent with the industry’s claims that Medicare’s flawed bidding program has limited patient access to care, because Medicare awarded contracts to out-of-area, inexperienced bidders with non-binding bids. Unrealistic rates were created and portable oxygen reimbursements including cost to bill Medicare, equipment, delivery and unlimited liquid & gaseous fills were reduced to an average of only \$20.82 per month. As a result, many local, established providers including “bid winners” closed, further limiting patient access.

Portable Oxygen - Class B (Gaseous and Liquid Portable Systems) and Class E (Refills)				
Bidding Area	Items	2008 Allowed Units	2011 Allowed Units	Reduction in Utilization
Charlotte	Class B Portable O2	39,253	22,866	
	Post 36 Month Fills	N/A	4,971	
	=Total Portable O2	39,253	27,837	29.1%
Cincinnati	Class B Portable O2	44,103	32,242	
	Post 36 Month Fills	N/A	5,168	
	=Total Portable O2	44,103	37,410	15.2%
Cleveland	Class B Portable O2	51,773	31,544	
	Post 36 Month Fills	N/A	4,380	
	=Total Portable O2	51,773	35,924	30.6%
Dallas	Class B Portable O2	130,661	75,420	
	Post 36 Month Fills	N/A	4,971	
	=Total Portable O2	130,661	80,391	38.5%
Kansas City	Class B Portable O2	44,036	26,523	
	Post 36 Month Fills	N/A	5,418	
	=Total Portable O2	44,036	31,941	27.5%
Miami	Class B Portable O2	112,795	50,397	
	Post 36 Month Fills	N/A	5,660	
	=Total Portable O2	112,795	56,057	50.3%
Orlando	Class B Portable O2	42,981	23,341	
	Post 36 Month Fills	N/A	4,172	
	=Total Portable O2	42,981	27,513	36.0%
Pittsburgh	Class B Portable O2	35,761	20,764	
	Post 36 Month Fills	N/A	3,954	
	=Total Portable O2	35,761	24,718	30.9%
Riverside	Class B Portable O2	49,954	29,916	
	Post 36 Month Fills	N/A	5,123	
	=Total Portable O2	49,954	35,039	29.9%
TOTAL		551,317	356,830	35.3%



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Up to 65% Reduction in Walkers allowed in Medicare's "Competitive" Bidding, proves limited patient access

This document details top walker items reimbursed in Round One bidding areas in 2008, compared to the 2011 Calendar Year, the first year of the bidding program. The tables below prove an average 56.7% reduction in E0135 Folding Walkers and a 65.1% reduction of E0141 Rigid, Wheeled Walkers provided to Medicare beneficiaries in the first nine areas of the program.

This data is consistent with the industry's claims that Medicare's flawed bidding program has limited patient access to care, because Medicare awarded contracts to out-of-area, inexperienced bidders with non-binding bids. Unrealistic rates were created and E0135 walker reimbursements were reduced to a Round One average of only \$49.84. That reimbursement cannot cover costs for equipment, delivery, patient sizing, training, collecting prescribing physician documentation and billing Medicare; not to mention overhead.

As a result, hospital discharge planners, home health agencies and physician offices have found it nearly impossible to get walkers delivered by "bid winners". Additionally, many local, established providers including "bid winners" closed their businesses since the program began, further limiting patient access.

E0135 - Walker, Folding, Adjustable Or Fixed Height			
Bidding Area	2008 Allowed Units	2011 Allowed Units	Reduction in Utilization
Charlotte	314	160	49.0%
Cincinnati	822	260	68.4%
Cleveland	1115	426	61.8%
Dallas	460	238	48.3%
Kansas City	210	82	61.0%
Miami	564	256	54.6%
Orlando	433	199	54.0%
Pittsburgh	655	360	45.0%
Riverside	102	44	56.9%
Total	4675	2025	56.7%

E0141 - Walker, Rigid, Wheeled, Adjustable Or Fixed Height			
Bidding Area	2008 Allowed Units	2011 Allowed Units	Reduction in Utilization
Charlotte	11	1	90.9%
Cincinnati	76	1	98.7%
Cleveland	7	2	71.4%
Dallas	110	2	98.2%
Kansas City	36	1	97.2%
Miami	805	413	48.7%
Orlando	18	1	94.4%
Pittsburgh	4	2	50.0%
Riverside	430	99	77.0%
Total	1497	522	65.1%



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