

LLOYD DOGGETT
25TH DISTRICT, TEXAS

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JOINT ECONOMIC COMMITTEE



Congress of the United States House of Representatives

December 15, 2011

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Acting Administrator Marilyn Tavenner
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Administrator Tavenner:

I support the use of well constructed demonstration projects and other methods to assure maximum efficiency and quality of services through Medicare and Medicaid. I am concerned, however, that only six weeks after a November 15 announcement, which came with no advance notice, CMS is implementing a broad demonstration project for the next three years that encompasses almost half of the power mobility device (PMDs) reimbursements in the country and all of those within my home state of Texas.

The Medicare Prepay Review and Prior Authorization Demonstration Project for Power Mobility Devices (PMDs) follows recent, significant reimbursement cuts and regulatory changes regarding power wheelchairs, some of which have been effective for less than a year, including:

1. Requiring a face-to-face examination with the patients' health care professional, a face-to-face examination report, a seven-element written prescription, a detailed product description and an in-home evaluation;
2. Implementation of supplier bonding increased quality suppliers standards, and a mandatory accreditation requirement;
3. Implementation of a National Competitive Bidding (NCB) process with significant cuts to power wheelchair reimbursement. Round 1 of the NCB program was implemented in nine cities in 2011. Round 2 of the NCB program will result in an additional 91 cities being under the program by mid 2013. With the implementation of the bidding program, power wheelchair reimbursement has been cut approximately 60% over the last five years;
4. Conversion to a rental model. The Patient Protection and Affordable Care Act mandated a rental program which spreads reimbursement for a power wheelchair over 13-months as opposed to a lump-sum payment. This effectively slows payment to suppliers for equipment already purchased and provided to beneficiaries. Pre-pay review would impose even further payment delays and credit costs on suppliers.

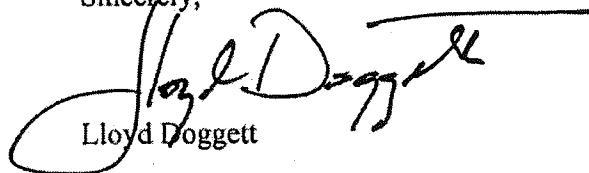
This demonstration project is being implemented with so much change, so quickly, for so many that a number of questions arise as to how the program can be effectively implemented and how promptly payment will occur:

1. What specifically will suppliers be required to submit to constitute a valid claim?
2. Does CMS plan to require additional documentation on all claims? If not, what are the standards or guidelines for when additional documentation is required?
3. On each claim for which additional documentation is required, based on prior experience, how many months of additional delay will occur before a supplier is paid?
4. Why not test this project initially in select areas and on select populations rather than begin with an area that encompasses almost half of nationwide reimbursements?

To protect access to care for seniors and individuals with disabilities and to assure that legitimate businesses that provide this access can continue to operate without unreasonable delay in payment for documented, necessary products and services, I respectfully recommend that this prepay review demonstration project not be implemented until there has been a thorough review of the impact on service access and an opportunity to comment by physicians, beneficiaries, and suppliers.

I look forward to your prompt response on this matter and these important specific questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lloyd Doggett", with a horizontal line extending to the right from the end of the signature.

Lloyd Doggett