

# Office of Management & Budget Executive Order 12866 Meeting May 23<sup>rd</sup>, 2023 9:30am

#### Agenda

### I. The United States Medical Compression Alliance (USMCA)

The USMCA is a collaborative effort by lymphedema industry members to improve the standard of care for venous and lymphatic patient populations by providing medically prescribed compression garments and supplies.

## II. Patient Population & Medical Necessity

Lymphedema is a chronic lifetime condition. There is no cure, and compression is to lymphedema patients what medication is to many other diseases, indispensable. Lymphedema occurs in many forms; it is not limited to patients post cancer treatment. ICD-10 codes include Q82.0, I89.0, and I97.2. Compression is the cornerstone of care regardless of etiology.

Clinicians prescribe a variety of products including bandages, adjustable wraps, circular or flat knit, nighttime garments, and efficacy aids to meet unique patient needs and enable independence. Frequent care, maintenance, and replacement is necessary, as these are intimate apparel items with continuous skin contact.

#### III. Utilization

- a. Clinicians determine what is needed for appropriate treatment including complete decongestive therapy (when accessible) and prescription of garments based on affected area.
- b. The DME entities provide fitting service, donning and doffing instruction and garment care education to the patient as well as complete the billing process.
- c. The decision for ready to wear or custom is made by clinicians or the Fitter/DME in conjunction with the prescribing clinician, and measurements are conducted by either clinicians or Fitters/DMEs.
- d. We believe a gap fill payment methodology is necessary as the existing HCPCS codes are not comparable to the items and services required for the lymphedema patient population. This specific population and the respective garments required for treatments have unique attributes and required features for medical efficacy not seen in other code descriptors.

## IV. Cost Savings

- a. Treatment consisting of compression, including bandaging and compression garments, reduced the average annual hospitalizations among study participants by 92%. <sup>1</sup>
- b. A study published in the New England Journal of Medicine in 2020 found that in the control group not receiving compression therapy, the rate of cellulitis recurrence was



three times greater, and the rate of hospitalization for cellulitis infection was double.<sup>2</sup> For patients with chronic leg edema and recurrent cellulitis, the risk for future cellulitis was reduced by 77% through the use of compression stockings or other compression therapy supplies.<sup>3</sup>

- c. An analysis performed by Avalere in 2021 estimated that Medicare would save \$130-\$150 million dollars annually through a reduction in lymphedema-related hospitalizations and related expenses if beneficiaries had coverage for their prescribed compression garments. 4
- d. An estimated 165,075 lymphedema-related hospitalizations occurred in the United States between January 1, 2012, and December 31, 2017<sup>5</sup>. For those of Medicare age, hospitalization can be up to \$10,000 per episode.
- e. After 10 years of experience with the Commonwealth of Virginia lymphedema mandate the reporting data showed increased access to care resulted in a more than 40% reduction in physician and therapy visits, and a more than 50% reduction in hospitalizations. The salient conclusion is that lymphedema treatment costs are less than one thousandth of the total claims costs in all types of insurance contracts. <sup>6</sup>

#### V. Closing

Patient access is key. The USMCA wants to ensure patients receive what the Lymphedema Treatment Act intended, which is access to medically necessary items to support their disease. If patients are treated with proper compression, there is an opportunity to reduce spending on other health care services.

<sup>&</sup>lt;sup>2</sup> https://pubmed.ncbi.nlm.nih.gov/32786188/

<sup>&</sup>lt;sup>3</sup> Compression Therapy Cuts Cellulitis Risk in Chronic Leg Edema (medscape.com)

<sup>&</sup>lt;sup>4</sup> https://lymphedematreatmentact.org/wp-content/uploads/2021/07/Lymphedema-Treatment-Act-Savings-Estimate.pdf

<sup>&</sup>lt;sup>5</sup> https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7893544/

<sup>&</sup>lt;sup>6</sup> https://healtheconomicsreview.biomedcentral.com/articles/10.1186/s13561-016-0117-3



### **Bibliography**

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- 6. Weiss, R. Cost of a lymphedema treatment mandate-10 years of experience in the Commonwealth of Virginia. Health Econ Rev 6, 42 (2016). https://doi.org/10.1186/s13561-016-0117-3