

# MOBILITY MATTERS

*Ensuring Power Mobility is Available for People Living with Disabilities*  
September 22, 2010

## **A Budget-Neutral Change Will Ensure Access to Power Wheelchairs**

**WASHINGTON**—It's the 11<sup>th</sup> hour. Lawmakers, as well as medical equipment providers and consumer groups, are valiantly trying to ensure that Medicare patients who need power wheelchairs can continue to receive them as prescribed by their physicians. Healthcare reform legislation passed in the spring contains a provision that dramatically changes the way that businesses are reimbursed for providing power wheelchairs to Medicare beneficiaries. In the past, qualifying patients had an option to have Medicare purchase the equipment for them in the first month after receiving it. Since most have conditions that require long-term use of the power wheelchair, Medicare beneficiaries select this option 95 percent of the time.

But the new policy would eliminate this first-month purchase option. Instead providers would be reimbursed over a 13-month rental period. If there was ever an absolute wrong time for a policy, now is the time and *this* is the policy.

The elimination of the purchase option will produce a cash-flow nightmare for large and small providers, slicing their cash-on-hand by 40 percent in the first year. Even worse, with the nation suffering through a prolonged economic slump, providers have struggled to obtain loans that would allow them to purchase the equipment from manufacturers and do the necessary servicing so that Medicare beneficiaries have properly-adjusted equipment. It is likely that many Medicare patients would receive in stock chairs under this policy, and not equipment specially fitted to address their needs. Providers also may not be able to afford servicing the rental equipment.

Bipartisan efforts are underway in the House and Senate to delay the policy change for a year, granting providers the much needed time to adjust their business models to take into account the urgent need for more upfront cash. Without the delay, there are dire predictions that many providers will either go out of business or no longer offer power wheelchairs. This would severely limit access to power mobility equipment for Medicare patients, especially in rural areas.

There is a real sense of urgency to finding congressional support for attaching language that would enact a year-long delay in legislation that will be approved before Congress adjourns next week.

In the House, at least 33 Members have added their names to a letter supporting a delay. Sen. Arlen Specter (D-PA) is asking Senate colleagues to sign a similar letter.

The delay would be budget neutral - its cost would be offset by a one percent reduction to the Medicare consumer price index update to standard power wheelchairs.

Consumer groups are also weighing in.

Andrew J. Imparato, president and CEO of the American Association of People with Disabilities, wrote to senators, saying the impact on consumers in need of mobility assistance will be much less severe if an additional year allows providers, manufacturers and the Medicare program to adapt to this significant change.

“Without a delay,” he wrote, “we are concerned the outcome of implementing this policy on January 1, 2011 will create significant access and quality of care issues as providers of this equipment struggle to adapt to a business model that has the costs front-loaded but the payments from Medicare spread over 13 months.”

“Hopefully, Congress will recognize in time that this policy change will inflict unnecessary pain and suffering on

some of the most vulnerable people in our society,” said Tyler Wilson, president and CEO of the American Association for Homecare. “If there are fewer businesses providing power wheelchairs, that means that when a doctor prescribes mobility assistance for a patient, there will be no guarantee when or if the patient will actually receive the equipment. This is not the way that senior citizens and people living with disabilities should be treated. It would be a travesty and a black eye for our healthcare system at a time when the public has been promised dramatic improvements.”

“Providers of mobility products are reliant on timely payment from Medicare to provide costly products, such as power wheelchairs to Medicare beneficiaries,” Sen. Specter wrote in a letter that will be sent to the Senate Finance Committee. “The change to a mandatory rental requires providers to purchase standard power wheelchairs and wait 13 months to receive full payment, even though the costs are front-loaded. Transitioning to a mandatory rental model can only be accomplished over time and with financing available to purchase power wheelchairs in a manner that will not result in negative cash flow. With the credit markets still tight, lenders are unwilling to extend financing options to power wheelchair providers.”

Meanwhile, the House letter coauthored by Rep. Jim Langevin (D-RI) and Rep. Glenn Thompson (R-PA) reiterates the need for the one-year delay “to preserve access” for wheelchair users under Medicare.

“Unfortunately, power wheelchair providers do not have the capital or lines of credit in the current economy to bear the burden of paying the up-front costs to procure the appropriate wheelchairs from the manufacturers,” the House members wrote. “Without a one-year delay, this policy will create significant access and quality-of-care issues as providers of this equipment either struggle to make the significant changes to their business model to adapt to a new payment model that has the costs front-loaded with reimbursements from Medicare spread over 13 months – or simply go out of business.”

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***Mobility Matters* is published periodically by the American Association for Homecare (AAHomecare) to inform Congress, the administration, policymakers, consumer organizations and the media about Medicare’s power mobility benefit, and the need to sustain it. AAHomecare is committed to helping seniors and people living with disabilities regain their freedom and independence. To learn more about the Medicare power mobility benefit, go to [www.aahomecare.org/mobility](http://www.aahomecare.org/mobility). American Association for Homecare - 2011 Crystal Drive, Suite 725, Arlington, Virginia 22202 -703.836.6263**