



First Month Purchase Option for Power Wheelchairs in the CHAMP Act

Congress should retain the policy of preserving Medicare beneficiaries' choice of purchasing power wheelchairs in the first month of use in order to ensure appropriate access to medically necessary equipment and to lower costs to the Medicare program. Specifically, Congress should remove section 608 from the House of Representatives' version of the Children's Health and Medicare Protection (CHAMP) Act of 2007. Section 608 would eliminate the beneficiary's option to purchase a power wheelchair item at the start of medical need and would force the beneficiary to rent the power wheelchair for 13 months before ownership would transfer to the patient.

Myth vs. Reality

MYTH:

REALITY:

<p>Eliminating the existing Medicare policy that permits first-month purchase option of power wheelchairs will save Medicare and taxpayers money.</p>	<p>The opposite is true. Medicare will pay approximately 5 percent more if the first-month purchase option is eliminated. The average Medicare payment for a Group 2 standard weight with captain seat (code K0823) is \$4,023.70. Eliminating the beneficiary's purchase option and requiring rental over a 13-month period increases the total rental payments to \$4,224.91.</p>
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MYTH:

REALITY:

<p>Eliminating the first-month purchase option makes sense because many beneficiaries require power wheelchairs on a temporary basis.</p>	<p>In fact, Medicare coverage criteria require a long-term need for use of a power wheelchair. Beneficiaries who are prescribed a power wheelchair suffer from long-term debilitating conditions that are not short-term in nature. More than 95 percent of beneficiaries choose the purchase option because those who meet the Medicare coverage criteria for power wheelchairs have long-term needs.</p>
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MYTH:

REALITY:

<p>Most beneficiaries of these services have terminal illnesses which will cause them to die before they are able to rent the device for the full 13-month term.</p>	<p>With few exceptions, patients with these conditions live longer than 13 months and once prescribed a power wheelchair, require its use throughout the remainder of their life.</p>
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MYTH:

REALITY:

This is good policy for Medicare beneficiaries.

This policy will eliminate choice and will create severe access problems for patients. Medicare beneficiaries currently have the choice to rent or purchase their power wheelchair. However, if additional uncertainty is added to this benefit category, providers will be unlikely to provide these types of items and services because they will not be able to secure appropriate financing to cover the up-front costs of the device and related services.

MYTH:

REALITY:

Consumers will not experience access issues or troubles related to this change in power wheelchair policy.

The beneficiary will likely encounter an array of problems and complications. Medicare rents equipment for 13 months. Durable medical equipment (DME) companies are responsible for maintenance and service during this period. When a beneficiary goes into a hospital or nursing home, Medicare coverage for equipment ceases. The DME company must retrieve the equipment. As part of the power wheelchair benefit, Medicare purchases custom accessories such as custom backs, seats, and tilt/recline systems. In the event of hospitalization, the durable medical equipment provider would be required to take all of these items off of the wheelchair, hand them to the beneficiary and take the actual wheelchair away. The rental period begins anew after a 61 day break in the rental period.

Recommendation:

Medicare beneficiaries currently have the choice to rent or purchase their power wheelchair. The American Association for Homecare recommends that **Congress retain this option and allow the beneficiary the option to purchase the equipment in the first month in order to ensure appropriate beneficiary access and lower costs to both Medicare beneficiaries and the Medicare program.**