

Sample Letter to Urge Member of Congress to Co-Sponsor HR 3790

Dear [INSERT MEMBER OF CONGRESS HERE]

As one of your constituents and as a provider of home medical equipment and services to seniors and people with disabilities in your district, I am writing to ask you to please cosponsor the bipartisan legislation to eliminate the Medicare competitive bidding, program, H.R. 3790.

This is a fiscally responsible bill that would eliminate the misguided and flawed Medicare competitive bidding program for durable medical equipment. “Competitive” bidding in Medicare is a proposal that sounds good, but, in fact, increases Medicare costs, and reduces access to care, patient choice, and quality of care. This legislation would help reduce spending in Medicare, while also saving thousands of small businesses, and ensuring that seniors continue to have access to cost-effective home-based care.

Durable, or home medical equipment, such as oxygen, wheelchairs, diabetic supplies, and hospital beds, enables seniors and people with disabilities to receive quality care at home. Home-based care is a cost-effective alternative to institutional care, and seniors prefer to receive care at home rather than in an institution.

To ensure that seniors and taxpayers receive the savings projected for the bid program, the bill would reduce Medicare reimbursements to home medical equipment providers in 2010, 2011, 2012, 2014, and 2015. The bill will allow thousands of home medical providers to keep their doors open to serve the millions of Americans who require home-based care and will allow patients to continue to receive services from the providers of their choice.

The bill, introduced by Rep. Kendrick Meek (D-Fla.), has bipartisan support in the House and is supported by disability groups such as the National Spinal Cord Injury Association and United Spinal Association.

As you may know, the Medicare bidding process is under way in nine metropolitan statistical areas (MSAs) across the U.S. The bid prices and bid winners would be selected in 2010 and the new prices would become effective January 1, 2011. Another round of bidding would begin shortly after that in 100 MSAs across the U.S.

While we agree that costs must be controlled in Medicare, please remember that the home medical equipment sector has seen far more than its fair share of reimbursement cuts over the past 10 years. Medicare spending growth in our sector is less than one percent per year. The Medicare bidding program is designed to selectively contract with a small fraction of the nation’s home medical equipment providers and put the vast majority of them out of business – even if they agree to new, lower reimbursement rates.

The initial roll-out of the bidding program in 2008 produced disastrous results for home medical equipment patients and for providers (mostly small businesses) who were excluded from Medicare as a result of the first round of bidding. During the 2008 implementation, serious problems were encountered, such as:

- **Disruption to patient services** – Patients were forced to go to multiple, unfamiliar providers for different items and services. Informal surveys showed that some winning providers were unable to provide care to beneficiaries.
- **Greater costs to Medicare due to longer hospital stays** – Confusion about the restricted list of contracted home medical providers delayed hospital discharges and triggered unnecessary emergency room visits.
- **Non-local providers** – Providers with no history of servicing a geographic area or no operations in a bidding area were awarded contracts.
- **Inexperienced/unlicensed providers** – Companies were awarded Medicare contracts to provide equipment and services for which they were not licensed in their states and for which they had no previous experience providing.
- **Desperation bidding** – Structural flaws in the bidding program caused providers to submit artificially low bids because they were faced with the threat of losing their businesses if not awarded a contract. Winning contracts also were viewed as commodities that could be sold once a bid was won.

Due to these problems, Congress delayed the bid program when it enacted the Medicare Improvements for Patients and Providers Act of 2008, in hopes that the federal Centers for Medicare and Medicaid Services would substantially improve and reform the program. However, the fundamental problems still remain in the bid program. Remember that congressional action last year to delay the bidding program required that the home medical equipment sector accept a 9.5 percent reimbursement cut effective January 1, 2009 to pay for the savings the bid program would have reaped.

Please call me if you would like details about how this bill will help preserve access to cost-effective home-based care in our community. A strong community of home medical equipment providers helps to move seniors out of hospitals for post-acute care more quickly and keep seniors out of nursing homes. In short, home-based care is part of the solution to the nation's healthcare problem.

Thank you.

Sincerely,