

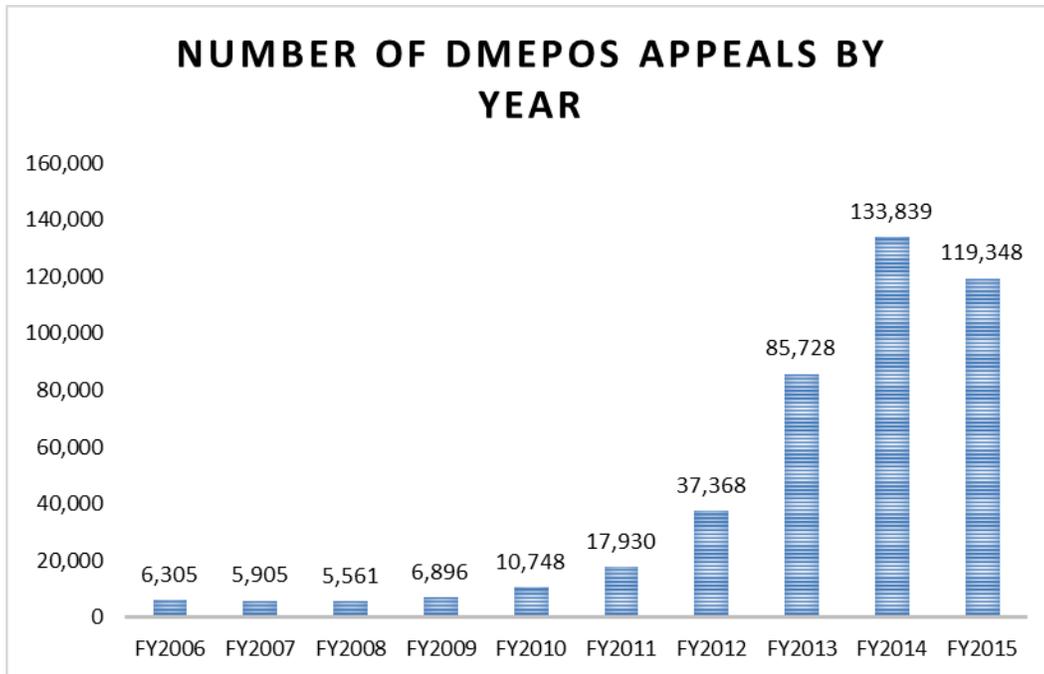
## AAHomecare's OMHA Data Analysis May 2016

*Data Reveals DMEPOS Audits Have Increased Over the Years*

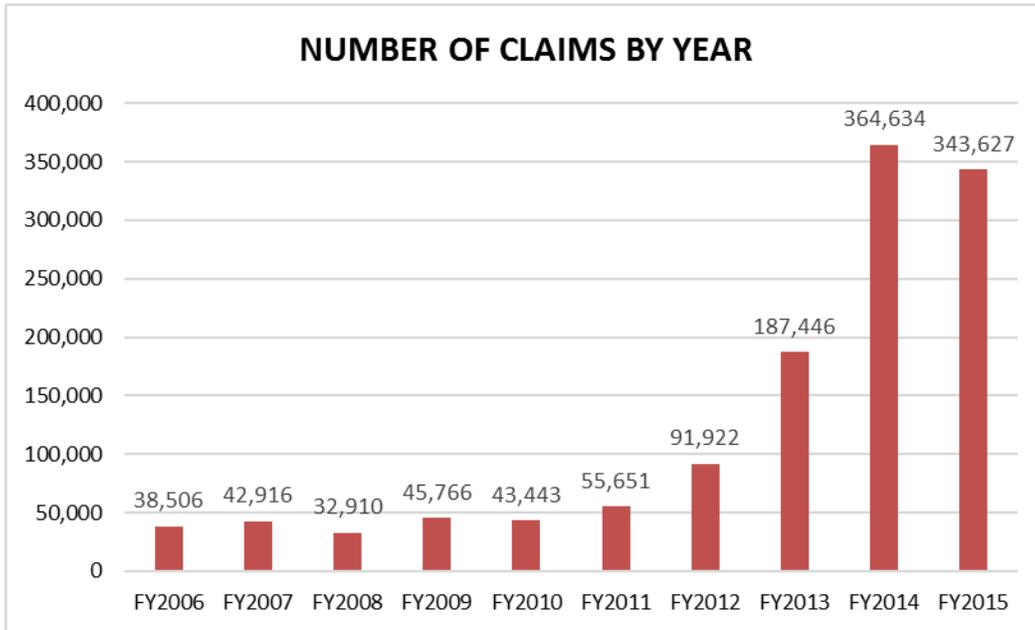
In a recent OMHA open forum call to update the healthcare industry on the state of the appeals backlog, the overall theme of the presentations was that things were improving. AAH took the opportunity to look in-depth at the data available on the OMHA website at <http://www.hhs.gov/omha/Data/index.html> and the Fiscal Year 2016 Congressional Justification to see what and how things have improved.

Even though OMHA indicated improvement, in actuality, the processing time has increased every quarter. The average processing time for the second quarter of 2016 is 860.6 days!

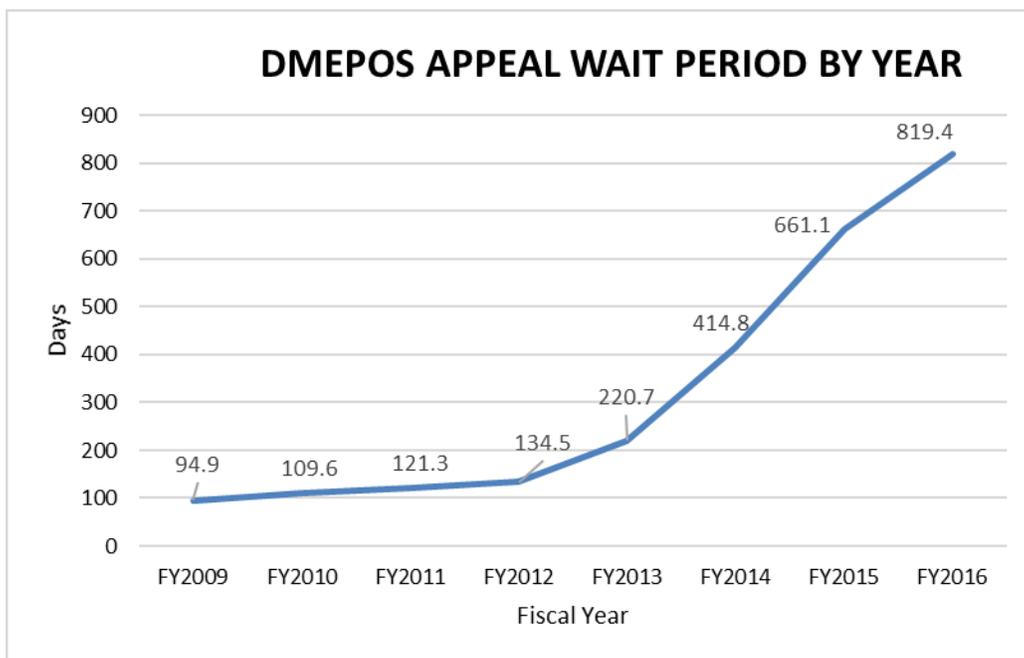
Here is what we found:



- DMEPOS appeals decreased by 11% from 2014 to 2015!
- In FY2006, there were 6,305 DMEPOS appeals at the ALJ, by FY2015, there were 119,348 appeals. This is a 1793% increase in 9 years.
- On average between FY2006-FY2015, DMEPOS appeals have accounted for 27.5% of the total appeals at the ALJ, ranging from 18%-50%.
- In FY2015, there were 119,348 appeals at the ALJ which is approximately 50% of all appeals.



- DMEPOS claims have decreased for the first time since 2010 by 6%.
- In FY2006, there were 38,506 DMEPOS claims pending at the ALJ, by FY2015, there were 343,627 claims. This is a 792% increase in 9 years.
- On average between FY2006-FY2015, DMEPOS claims accounted for 33% of all claims, ranging from 20%-58% over the years.



- While appeals and claims for DMEPOS items have decreased for the first time, the wait time has increased by 20% just in the last year!
- In FY2009, it took about 3 months to get a response, but by FY2015, the wait time increased to over 2 years.
- In the first quarter of FY2016, the average processing time for appeals at the ALJ was 796 days. By the second quarter it increased to 861 days.