Welcome to your Washington Update
ABOUT AAHOMECARe

The national voice for homecare providers and HME manufacturers in Washington.

AAHomecare fights for better Medicare policy that is good for homecare.

We are a member-driven association.

YOUR VOICE IN DC
Factors in Washington, DC that will Affect Homecare

- Highly partisan healthcare environment
- Deficit pressure at all-time high
- Increased scrutiny on health care overpayments and fraud
- Huge “to-do” list for CMS and Congress
- SGR, tax and entitlement reform battles
- Congress and President continue to discuss entitlement reform, including ACA, Medicare and Medicaid
- 2016 Elections are right around the corner
AAHomecare Legislative Agenda for the 114th Congress

- Competitive Bidding/MPP
- Audit Reform Legislation
- Prior Authorization
- CRT/Separate Benefit Legislation
- Bricks and Mortar State Legislative Effort
Competitive Bidding/MPP

- Work for the reintroduction of the House and Senate binding bid bills (Sen. Portman and Cardin/Reps. Tiberi and Larson). Also includes working with House and Senate committees of jurisdiction and leadership to pass bills under suspension of the rules (House) and unanimous consent (Senate).

- Work for the passage of legislation that would create a MPP Demonstration Project (Rep. Tom Price)

- Work with key members of Congress on legislative proposal to address reimbursement cuts in non-CB areas starting on January 1, 2016.
Audit Reform Legislation

• Work for the reintroduction of the AIR Act (Reps. Ellmers and Duckworth)
• Work with W&Ms Committee to include AIR Act provisions in committee bill
• Work for the introduction of Senate Air Act companion bill
• Work with SFC on audit hearing and legislation
Prior Authorization

• Work with House and Senate on legislative language to make the PMD Demo permanent and nationwide.

• Work with House and Senate on the introduction of legislation to create a prior approval process for DME. This legislation exempts suppliers for audits if they receive prior approval. The legislation also includes patient and supplier protections to ensure the process works efficiently.
CRT/Separate Benefit Legislation

- Work with broad coalition on the reintroduction of the CRT bill in the House and Senate.
- Work with Ways & Means and Senate Finance to include CRT language in a moving legislative vehicle.
Bricks and Mortar State Legislative Effort

• Work with the EC and state associations to evaluate AAHomecare’s role in supporting state bricks and mortar licensure requirement.

• AAHomecare is working with key members of the House and Senate to address these drastic cuts.
On January 12, 2015, Reps. Patrick Tiberi (R-OH) and John Larson (D-CT) in the House and Senator Rob Portman (R-OH) and Ben Cardin (D-MD) introduced H.R. 284/S. 148 - Medicare DMEPOS Competitive Bidding Improvement Act of 2015. The House bill has 63 cosponsors and the Senate bill has 8.

On February 26, H.R. 284 was considered by the House Ways and Means Committee and was passed by a unanimous vote.

On March 16, H.R. 284 was considered on the House Floor and passed unanimously by voice vote.

To increase the chances of the bill being passed in law, H.R. 284 was included in the SGR permanent fix bill.

H.R. 284/S. 148

- Requires the bidders to obtain a bid bond, which for the purposes of this auction system is set up similarly to a surety bond.

- The current CB program is the only auction system that does not require bidding parties to put down a bid bond. Research shows that without some stake in the auction, via a bid bond, auctions are more likely to attract participants who simply want to drive the price up, or down.

- Requires CMS and their contractors to verify all licensure PRIOR to accepting a bid.
Reimbursement Cuts in Non-CB Areas

• On October 31st, 2014, the Centers for Medicare & Medicaid Services (CMS) released the final rule on “Medicare Program: End-Stage Renal Disease Prospective Payment System, Quality Incentive Program, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies,” which establishes the methodology for making national price adjustments to payments for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) paid under fee schedules based upon information gathered from the DMEPOS competitive bidding programs (CBPs) and phase in special payment rules in a limited number of competitive bidding areas (CBAs) under the CBP for certain, specified DME and enteral nutrition.
Reimbursement Cuts in Non-CB Areas

- For qualified DME items, the final rule phases in, over 6 months, a new reimbursement rate for non-competitive bidding areas.

- On January 1, 2016, the reimbursement rate for these claims (with dates of service from January 1, 2016 through June 30, 2016) will be based on 50 percent of the un-adjusted fee schedule amount and 50 percent of the adjusted fee schedule amount which will be based on the regional competitive bidding rates.

- Starting on July 1, 2016, reimbursement rate will be 100% of the adjusted fee schedule amount which will be based on regional competitive bidding rates. For example, if the unadjusted fee schedule amount on January 1, 2016 is $100.00 and the regional competitive bidding rates is $75.00, the fee schedule amount established by the ESRD rule will be $87.50. Beginning on July 1, 2016, the fee schedule established by the ESRD rule will be $75.00.

- AAHomecare is working with key members of the House and Senate to address these drastic cuts.
Audit Reform Legislation

- Audits Out of Control
- The number of Medicare audits is skyrocketing and will continue to increase.
- In FYs 2010 and 2011, RACs reviewed 2.6 million claims from approximately 292,000 providers.
- During this period, RACs identified approximately 1.3 million claims with improper payments (50 percent) that totaled nearly $1.3 billion.
- Of this amount, $903 million was recovered from or returned to providers in FYs 2010 and 2011.
- Approximately $768 of the $903 million was recovered from providers ($53 million in FY 2010 and $715 million in FY 2011). The remaining $135 million was returned to providers ($15 million in FY 2010 and $120 million in FY 2011).
The Audit Reform and Improvement Act (AIR Act)

- Introduced by Rep. Ellmers (R-NC) and Rep. Duckworth (D-IL)
- Create an improper payment outreach and education program
- In order to reduce improper payments under this title, each Medicare administrative contractor shall establish and have in place an effective improper payment outreach and education program for physicians, referral agents of services and DME suppliers.
- Reduce error rates by targeting audits by Medicare audit contractors with respect to high error DME suppliers identified.
- Reinstate clinical inference and clinical judgment in the audit process.
- Limit documentation look-back periods to 3 years.
- Require application of timely filing limits to claims subject to payment
- Allows for a timely filing over-ride by the DME MACs for any claims related to an initial claim that is subject to a prepayment or RAC post payment audit.
- Require the Secretary to provide a 6 month grace period for policy changes or clarifications for DMEPOS audit requirements.
Broad Support for the AIR Act – Supporting Organizations

- American Association for Homecare (AAHomecare)
- National Coalition for Assistive and Rehab Technology (NCART)
- American Podiatric Medical Association (APMA)
- National Home Infusion Association (NHIA)
- National Association for Medical Direction of Respiratory Care (NAMDRC)
- American Orthotic & Prosthetic Association (AOPA)
- American Association for Respiratory Care (AARC)
- Advanced Medical Technology Association (AdvaMed)
- The VGM Group
- North Carolina Association of Medical Equipment Services (NCAMES)
- Association for Home and Hospice Care of North Carolina
- North Carolina Orthotics and Prosthetics Trade Association (NCOPTA)
- Georgia Association of Medical Equipment Suppliers (GAMES)
- Alabama Durable Medical Equipment Association (ADMEA)
- Arizona Medical Equipment Suppliers Association (AZMESA)
- Association for Tennessee Home Oxygen & Medical Equipment Services (ATHOMES)
- Big Sky Association of Medical Equipment Services
Broad Support for the AIR Act – Supporting Organizations - Continued

- California Association of Medical Product Suppliers (CAMPS)
- Colorado Association for Medical Equipment Services (CAMES)
- Florida Alliance of Home Care Services (FAHCS)
- Florida Association of Medical Equipment Suppliers (FAMES)
- Great Lakes Home Medical Services Association
- Healthcare Association of Hawaii
- Home Medical Equipment and Services Association of New England (HOMES)
- Jersey Association of Medical Equipment Suppliers (JAMES)
- Kentucky Medical Equipment Suppliers Association (KMESA)
- Michigan Association for Home Care
- Midwest Association for Medical Equipment Services (MAMES)
- New York Medical Equipment Providers Association (NYMEP)
- Nevada Association of Medical Products Suppliers (NAMPS)
- Ohio Association of Medical Equipment Services (OAMES)
- Pennsylvania Association of Medical Suppliers (PAMS)
- South Carolina Medical Equipment Services Association (SCMESA)
- Virginia Association for Durable Medical Equipment Companies (VADMEC)
- Wisconsin Association of Medical Equipment Services (WAMES)
- West Virginia Medical Equipment Suppliers Association (WVMESA)
Prior Authorization

• Legislation to make the Power Mobility Project permanent and nationwide
  – Require the Secretary to make permanent the PMD Prior Authorization Demonstration; expand to all power mobility devices and include accessories and options; and begin expanding the PMD Prior Authorization nationally for initial claims for reimbursement under this title for all power mobility devices, accessories, and options

• Legislation to create prior authorization for other DME items
  – The Secretary shall begin the process to develop and implement a prior authorization process for certain durable medical equipment, prosthetics, orthotics, and supplies. A claim for an item of durable medical equipment, a prosthetic, an orthotic, or a supply that has received prior approval through the prior authorization process shall be exempt from subsequent pre- and post-payment audits and only subject to audits for systematic fraud and abuse.
CRT Legislation

• A separate benefit category for Complex Rehab Technology (CRT) must be established within the Medicare program so that continued access to this critical technology and related services can be assured. These specialized products are currently included within Medicare’s broad durable medical equipment (DME) benefit category which does not provide adequate differentiation of CRT devices and prevents focused policies and safeguards.

• A separate benefit category for CRT will provide appropriate segregation to better address the unique needs of individuals with disabilities and chronic medical conditions who require these specialized products. This will allow for needed improvements in coverage policies, coding, and quality standards.

• On March 19, 2015, Reps Sensenbrenner (R-WI) and Crowley (D-NY) introduced H.R. 1516, legislation that will create a Separate Benefit for Complex Rehab Technology in Medicare.
REGULATORY UPDATE
• Called the HME Audit Key, this new audit tracking system will quantify the impacts of audits and present compelling data that policymakers cannot ignore.

• This is a massive, long term commitment that will benefit the entire industry and AAHomecare is committed to making sure it is given the resources it needs to succeed.
STATE OF THE AUDIT KEY

- First phase of testing complete – focus on functionality
- Second phase of testing in process now – 25 companies participating with real data
- Webinars/education to roll out in April
- Industry wide roll out in May
- Quarterly report to be developed
FACTS OF THE AUDIT KEY

- Web based application with validation, anonymity and security
- Compiles audit activity and date going back to January 2014
- Requires suppliers be able to track audit activity cumulatively
- Includes operational questions to be able to report based on size of an organization
DATA ELEMENTS OF THE AUDIT KEY

• # of unique patients
• # of unique Medicare fee for service patients
• Net revenue (aggregate audit impact on small businesses)
• # of claims submitted to Medicare fee for service
• # of patients setup by product category (establish universe)
• # of audits received from MAC and RAC contractors pre and post pay
• # of appeals to redetermination, reconsideration and ALJ
• Status of appeal activity at redetermination, reconsideration and ALJ
Welcome!

Thank you for visiting American Association for Homecare’s HME Audit Key, an audit tracking system to collect data that will completely and accurately track the impact of Medicare audits on HME providers and present compelling data that policymakers cannot ignore.

AAHomecare encourages all HME Providers to sign-up for AUDIT KEY to experience the benefits of the survey and contribute to the success of AAHomecare’s advocacy efforts.

Click here to get started »
Welcome!

You may complete the survey via manual entry or upload data via a CSV file. CSV files can be created by various vendors in the marketplace offering AUDITKEY compatible applications. For more information on AUDITKEY compatible vendors visit www.XXXXXXXXX.

Data collection is only open for 2-4 weeks after the end of each quarter. Once data collection status is set to "open" you may report your experience data. Please ensure that you are summarizing your data for the current quarter being requested. For example, Q1 2015 is for data December 1, 2014 thru February 28, 2015.

For additional AUDITKEY information, visit the RESOURCES page. Any other questions about AUDITKEY may be directed to the AUDITKEY Support email, support@HMEAuditKey.com or call 888-xxx-xxxx.
1.) Select the range which best describes the total number of company full time equivalent employees (FTEs) at the end of the most recent quarter.

- 0 to 10
- 11 to 25
- 26 to 100
- 101 to 250
- 251 and over

2.) Total number of *unique* patients served by the company in the most recent quarter.

Number expected

2.1) Total number of unique Medicare fee-for-service beneficiaries served by the company in the most recent quarter.

Number expected
Pre Payment DME MAC Audit Activity - Product Category 1

1.) Product Category 1

Please Select

2.) Pre Payment Audit Activity

2.1.) Total # of additional documentation requests (ADRs) received for pre pay audit from your DME MAC

Number expected

2.2.) Total # of claims subject to pre-pay review with no improper payment identified (paid)

Number expected

2.3.) Total # of claims subject to pre-pay review denied

Number expected

2.4.) Total # of claims subject to pre-pay review pending a decision by the contractor

Number expected
Phase II Testers – Thank you!

A Plus Medical
Advanced Homecare
Agnesian HealthCare
Allcare Medical
Apria Healthcare
BLACKBURN’S
Byram Healthcare Centers
Ellis Home Oxygen & Medical Equipment
Fairmeadows Home Health Center, Inc.
Fairmont Home Medical
Har-Kel, INC.
HomeMed, LLC.
Hoveround Corporation
Inogen, Inc.
KYTO Inc. dba Mobility & More
Laurel Medical Solutions
Liberty Medical Specialties, Inc
Medical Modalities
Medical Service Company
New Hampshire Pharmacy and Medical Equipment
Reliable Medical Supply
Seeley Medical
Shield Healthcare Centers, Inc.
AAHomecare Regulatory Goals 2015

• Focus on issues associated with Medicare’s (ACA) WOPD requirements identifying issues, prioritizing and actively pursuing changes that would benefit AAH members and the beneficiaries they serve.
  – Signature date on electronic orders
  – WOPD Definition – 5 elements
  – Date Stamp
  – Face to Face Requirement Only on Initial Order
  – Face to Face HCPCs Recommendation

• Improve/influence CERT oversight, understanding framework of CERT contractor and authority. Develop relationship with CMS oversight contacts.
  – Control what we can Control
  – Written Order Prior to Delivery
  – Detailed Written Order
  – Proof of Delivery
AAHomecare Regulatory Goals 2015

• Focus on issues associated with Medicare’s documentation requirements related to accessories and supplies identifying issues, prioritizing and actively pursuing changes that would benefit AAH members and the beneficiaries they serve.
  – Repair documentation
  – Change of supplier documentation

• Evaluate, review and respond to all issues advanced notices of proposed rules, proposed rules within the timeframe specified. Follow-up with CMS and other entities on comments submitted.
  – Expansion of prior approval DME proposed rule
  – Expansion CB pricing non-CB areas/bundling
AAHomecare Regulatory Goals 2015

- Participate in HCPCS coding initiatives by participating with HCPCS Coding Alliance, working with the PDAC and Dr. Hughes, researching coding history, etc.
  - HCPC annual coding meeting
  - Meet with Dr. Hughes

- Identify key CMS contacts on Medicaid oversight issues and work to meet with them on identified Medicaid issues.

- Medically Unlikely Edit (MUE) requests from CMS to be evaluated and responded to in a timely manner by the Medical Supplies Council.
  - Two requests received 2015, prevented Medicaid limits
AAHomecare Regulatory Focus 2015

- Sale replacement PMD components on group 2 chairs capped
- Recognition of the TO date of service on DMEPOS claims
- Timely filing limit exemption for claims where initial claim in audit status
- RAC oversight with new dedicated contractor
- Proof of delivery requirements when payer change
- Repair documentation requirements
- Clarification on filing oxygen claim for denial when patient does not qualify
- CMN/DIF requirements removed
- OMHA appeals backlog recommendations and follow-up
- OIG competitive bidding report on access to care for beneficiaries
- PMD PA demonstration ending 2015
- EHR limitations and Medicare DMEPOS requirements
- ICD10 implementation
AUDIT REFORM

• Remove ability for MACs to issue ‘clarifications’
• Enhance review of DME providers who do not respond to audit requests
• Limit the number of audits a DME supplier can receive
• Reinstate “clinical inference” and “clinical judgment”
• Require that electronic health records include DMEPOS medical necessity documentation
• Mandate use of a template in power mobility device (PMD) prior authorization demonstration.
Contact Information:

Kim Brummett
Vice President, Regulatory Affairs
American Association for Homecare
Kimb@aahomecare.org
(202) 372-0750
The Reality

• In any given year, only about 3 percent of constituents contact their Senator or Representative.

• The game has changed – social media now plays a significant role in advocacy.

• Digital tools have become a central component of almost any movement.
Why Your Voice Matters to Your Senators and Reps

• If you want to change the status quo—Congress must know that they answer to YOU → their constituents.

• Members of Congress want to hear from their constituents about important matters.

• You help care for seniors in your community, and you are an expert about homecare in your community.

• You represent a local employer and jobs that are part of your community’s economy.
How You Can Help

• Email or call the DC office of your Representative and Senators asking for support for a specific issue.

• **Action.AAHomecare.org** has everything you need to email or call your elected officials.

• Share your personal story and emphasize the specific role of homecare in your community.

• Don’t give up. Keep up the volume.
You Can Do Even More on Social Media

• Just by sharing AAHomecare or Save My Medical Supplies information on your Facebook page, you are helping build awareness about our issues in your community. This is priceless PR and just one post can have a dramatic effect.

• A recent Save My Medical Supplies Facebook post was shared 39 times- it reached more than 7,000 people.

• Imagine if 20 more HME companies had shared that on their Facebook pages?
What’s the Deal with Twitter?

• I have a Twitter account, but what do I tweet?
• AAHomecare makes it easy! Just retweet @AAHomecare!
• Who should I follow? We’ve got a list:
• https://twitter.com/aahomecare/lists/hme-industry-tweets
Talk to Congress on Twitter

• Look up your Congressional delegation at the Action.AAHomecare.org Congressional Directory
• Click on your official’s name
• There’s a premade Tweet – just click and send!
• It might seem like a drop in the bucket, but staffers love Twitter and they are monitoring their bosses account.
Congressional Directory

U.S. Senators: Virginia

- **Sen. Tim Kaine**
  - Democrat

- **Sen. Mark Warner**
  - Democrat

U.S. House Delegation: Virginia

- **Rep. Robert J. Wittman**
  - District 1
  - Republican

- **Rep. Scott Rigell**
  - District 2
  - Republican

  - District 3
  - Democrat

- **Rep. J. Randy Forbes**
  - District 4
  - Republican

- **Rep. Robert Hurt**
  - District 5
  - Republican

  - District 6
  - Republican

- **Rep. Dave Brat**
  - District 7
  - Republican

- **Rep. Don Beyer**
  - District 8
  - Democrat

- **Rep. Morgan Griffith**
  - District 9
  - Republican
Click and Send!

Senator Mark Warner
U.S. Senate - Virginia

Send an Email
Constituents can send a message directly to Sen. Warner

Send Sen. Warner a Tweet
Post a message on Twitter.

Call to Action
Help Protect CRT: Ask Your Representatives to Sign the Letter to CMS by Noon on Friday

Fix the Biggest Flaw in Medicare Competitive Bidding Program
Require bidders to stand by their bids!

Binding Bid Legislation Set for Reintroduction in New Congress; Help Us Add Original Co-sponsors!
Action Needed by January 9 For Your State!
Going Further: Engaging and Mobilizing Your Patients

• Providers cannot be the only voice in the homecare debate.
• We need our patients to speak up! They have the numbers that can prompt action.
• AAHomecare has an entire campaign devoted to mobilizing patients—**Save My Medical Supplies**.
Save My Medical Supplies

- Save My Medical Supplies has everything you need to educate and mobilize your patients.
- Share SaveMyMedicalSupplies.org with patients and on social media.
- Flyers, box stuffers, media kits, and logos for your website are available.
- Working with Save My Medical Supplies is a great way to show your community and your customers that you care.
Questions?

• I’m happy to help AAHomecare members with social media.

• Beth Ludwick  
  Senior Director, Communications  
  bethl@aahomecare.org

• Show You Support! Send a Letter at Action.AAHomecare.org

• Download the AAHomecare app at AAHomecare.org/app
THANK YOU FOR YOUR SUPPORT
AAHOMECCARE POWER PANEL
Welcome

AAHOMEERCARE POWER PANEL

Cara Bachenheimer, Senior Vice President, Government Relations, Invacare Corp.

John E. Gallagher, Vice President, Government Relations, VGM Group, Inc.

Wayne Grau, Vice President, Legislative Affairs, Managed Health Care Associates, Inc.

Mark J. Higley, Vice President, Regulatory Affairs, VGM Group, Inc.

Seth Johnson, Vice President, Government Affairs, Pride Mobility Products Corp.

Robert Steedley, Jr., President, Barnes Healthcare Services & Chairman, AAHomecare Board of Directors

Moderated by: Tom Ryan, President and CEO, AAHomecare