



June 15, 2021

Administrator Chiquita Brooks-LaSure
U.S. Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

submitted via e-mail

Dear Administrator Brooks-LaSure:

Congratulations on your recent appointment as Administrator for the Centers for Medicare & Medicaid Services (CMS). The American Association for Homecare (AAHomecare) looks forward to working with you and your colleagues at CMS to ensure appropriate access to health coverage. AAHomecare is the national association representing DMEPOS suppliers, manufacturers, and other stakeholders in the homecare community. Our members are proud to be part of the continuum of care that assures Medicare beneficiaries receive cost effective, safe and reliable home care products and services. As you settle into your new role, we would like share with you the state of affairs of the DMEPOS industry and the current issues facing the industry. We would like to formally request a meeting with you either in-person or virtually.

Our members provide the full range of DMEPOS products, including home oxygen therapy, home ventilation, and other respiratory therapy services to patients in their homes. Many COVID-19 patients are being prescribed home oxygen and other respiratory therapy, and our members are on the front lines assisting in ensuring that many of these patients avoid hospitalization and receive their health care in their homes. At the same time that our members were on the front lines in helping patients who needed home medical equipment during the pandemic, our members were also significantly impacted by the pandemic due to supply chain disruptions; inability to access PPE; and uncertainty surrounding the eligibility of our members for payments under the Provider Relief Fund.

In our meeting with you, we would like to address several topics. First, AAHomecare requests that CMS finalize the DMEPOS proposed payment rule as quickly as possible.¹ In light of the current COVID-19 public health emergency (PHE), it is more important than ever that the Medicare payment system provide stability to suppliers to ensure that patients who require medically necessary care treatments in the home have access to the equipment and services they need. We support the flexibilities CMS has provided during the pandemic.

Second, while the flexibilities are important, we also would like to use our meeting to discuss payment issues. It is important to provide certainty in the payment system. Finalizing the proposed policy to make permanent the 50-50 blended rate for rural areas to address the higher costs for furnishing items and service in these areas is particularly important to providing such certainty.

¹ CMS issued the proposed rule on November 4, 2020 (85 Fed. Reg.70358).

In addition, we urge CMS to provide a slight increase to rates in former competitive bid areas (CBAs), and a small increase to rates in non-rural, non-CBAs. AAHomecare strongly opposes continuation of the current rates in former CBAs because they are based on single payment amounts (SPAs) that were established by a flawed bid methodology that were developed over six years ago. Since those payment rates were created, CMS has made significant structural improvements to the payment methodology. CMS has abandoned the payment methodology which established the current rates and replaced it with a methodology that more closely resembles standard auction bid methodology. AAHomecare also does not support maintaining the current payment levels in non-rural, non-CBAs, for the same reasons we do not support them in former CBAs. It simply does not make good policy sense to continue to use payment rates that were based upon a flawed bid program, and that were established over six years ago. We provided the agency more detail on these issues in our comments to CMS on the DMEPOS proposed payment rule.

We urge CMS to implement these small payment increases to better assure beneficiary access to medically necessary items and services.

Again, we thank CMS for the flexibilities it has provided, particularly in the area of home oxygen and respiratory therapies during the pandemic. Our members remain committed to prioritizing patient access and care despite the unprecedented challenges they face each day. We would like to meet with you either virtually or in-person to discuss the issues shared above. I can be reached at (202) 372-0753 and TomR@aahomecare.org. We look forward to future opportunities for collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Ryan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tom Ryan
President & CEO
American Association for Homecare

cc: Jason Bennett, Acting Director Technology Coding and Pricing Group
Jonathan Blum, Principal Deputy Administrator