

February 11, 2022

The Honorable Markwayne Mullin
U.S. House of Representatives
2421 Rayburn House Office Building
Washington, DC 20515

The Honorable Paul Tonko
U.S. House of Representatives
2369 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Mullin and Tonko:

The undersigned organizations would like to thank you for introducing H.R. 6641, the DMEPOS Relief Act of 2022. We fully support the legislation and look forward to working with you on its passage.

In 2018, the Centers for Medicare & Medicaid Services (CMS) paused the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP) because of design flaws that caused unsustainable payment rates. CMS used the two year pause to redesign the program. Unfortunately, CMS maintained the previously flawed payment rates during the gap period that were established in 2016, which were 50-60% lower than the unadjusted Medicare fee schedule rates.

We hoped that when the CBP restarted in 2021, payment rates would increase. At the end of 2020, CMS decided to pull 13 of 15 categories out of the current CBP, since according to CMS, the program did not achieve expected savings. The only product categories that moved forward were back and knee braces, which were new to the CBP. CMS indicated that it would continue to use the old payment rates from the flawed program until the next round of bidding (new round is anticipated to start on January 1, 2024). **The payment rates were low before the COVID-19 pandemic, but during the pandemic, these rates have become unsustainable. Unlike other industries, DME suppliers cannot pass on the additional costs to consumers because of the Medicare Fee Schedule.**

We are pleased that your legislation would establish a 90/10 blended rate (90% competitive bidding rates/10% unadjusted Medicare fee schedule rates) for the 13 DMEPOS categories that were removed from the current round of the CBP. This payment adjustment would only apply to the 13 categories in Competitive Bidding Areas (CBAs) until the next CBP round. We estimate that your legislation will result in an average 9% increase in payment rates.

Thank you again for introducing H.R. 6641. Your legislation will provide vital relief that DME suppliers and patients sorely need. **We will work to urge other members of Congress to support your important legislation.**

Sincerely,

AAHomecare --American Association for Homecare

NCART -- National Coalition for Assistive and Rehab Technology

VGM -- The VGM Group

OMEPA -- Oklahoma Medical Equipment Providers Association

NEMEP -- Northeast Medical Equipment Providers Association

CAMPS -- California Association of Medical Product Suppliers

ADMEA -- Alabama Durable Medical Equipment Association

Great Lakes Home Medical Services Association (Indiana, Illinois, Michigan)

OAMES -- Ohio Association of Medical Equipment Services

NAMPS -- Nevada Association of Medical Products Suppliers

MNCHA -- Maryland-National Capital Homecare Association

Big Sky AMES -- Big Sky Association of Home Medical Equipment Suppliers

PAMES -- Pacific Association for Medical Equipment Services

ATHOMES -- Association for Tennessee Home Oxygen & Medical Equipment Suppliers

ACMESA -- Atlantic Coast Medical Equipment Services Association

FAHCS -- Florida Alliance of Home Care Services

GAMES -- Georgia Association of Medical Equipment Suppliers

CAMES -- Colorado Association for Medical Equipment Services

HOMES -- Home Medical Equipment and Services Association of New England

PAMS -- Pennsylvania Association of Medical Suppliers

SWMESA -- Southwest Medical Equipment Suppliers Association

MAMES -- Midwest Association for Medical Equipment Services & Supplies

MSAMES -- Mississippi Association of Medical Equipment Suppliers