

Common Sense is only a Whisper. What's really happening with Medicare?

This is so relevant to the day's discussion of fiscal responsibility and HealthCare but in the United States of America the more powerful your lobby the louder your voice. You may have the best solution to Healthcare but without the lobby your voice is a whisper. Home medical equipment and HomeCare is already the most cost-effective, slowest-growing portion of Medicare spending, increasing only 0.75 percent per year according to the most recent National Health Expenditures data. That compares to more than 6 percent annual growth for Medicare spending overall. Home medical equipment represents only 1.6 percent of the Medicare budget. However, CMS "Medicare" continues to release stories of Medicare Fraud in the Home Health and Home Medical Equipment Industries. However the CBO or Congressional Budget office says Medicare spending could be cut by 30% by using more conservative approaches to patients with Chronic Diseases. It only makes sense. Hospitals save lives but there is a continuum of care that produces the best outcomes and the lowest costs. All areas of our Health system are equally important. A visit to the Hospital for a one day stay for a COPD respiratory episode runs \$5500.00 dollars. If treated and managed in the home, it is only seven dollars a day. Home Care can provide almost all treatments that facilities can without the cost and risk of infection. Hospitals are also under pressure from Medicare and Insurance companies to prevent a patient from being admitted into the hospital more than once in a thirty day period for the same diagnosis. Home Care is an important piece of the continuum of care because chronically ill patients are treated in the home while drastically reducing recurring admissions to the hospital.

CMS currently is implementing "Competitive Bidding". Law makers are very skillful in naming bills and laws. The process is not Competitive at all. It allows National providers to low bid services while running out local Home Medical Operators. **HME insiders estimate that this process will cost an estimated 1 million jobs while presenting little savings to taxpayers.**

What does this mean for Medicare beneficiaries? Limited access, No choice, substandard equipment and services. What good can come from low bid providers being awarded contracts with Medicare? Some Savings sure, but at what cost? Extended hospital stays, patient's safety concerns, restricted number of providers, elimination of 90% of small business providers. **There is hope, H.R. 3790 has 140 Republican and Democrat co-sponsors to stop this "SUICIDE BIDDING" as of today Feb 8th 2010. Competitive Bidding is expected to cost taxpayers 25 million dollars in additional bureaucracy.**

HME is the most cost-effective and is the slowest-growing portion of Medicare spending according to the most recent National Health Expenditures data from CMS. HME accounts for less than 1.5% of the Medicare budget and **CMS hopes to expand Competitive Bidding to physicians, hospitals and other healthcare providers in order to cut cost and ration healthcare to seniors and people with disabilities.**

Competitive Bidding will likely increase spending, because it will shift cost from Medicare Part B (Home) to Part A (Hospital). Longer hospital stays and cost shifting from home to the institutional setting will surely follow service disruption and limited access for beneficiaries. Currently under Medicare, a day of oxygen therapy cost less than \$7 per day and a day in the hospital cost more than \$5500.

Home is the most cost effective way to treat most patients and home is where most people would rather be. HME is one solution to rising healthcare cost but once again the Federal government has put our Medicare beneficiaries at risk in order to eliminate providers because they cannot control cost, fraud or abuse in the system. Once again they want to say that providers are the crooks when they are the ones that issued the provider the supplier number and are responsible for policing the behavior.

Why is it the same story in the news of a little old lady that was charged \$1000.00 dollars for a wheel chair and *“the same chair can be bought of the internet for \$400.00”*. Who is going to provide the regular service for this *“internet chair”*? They don't tell you that the wheel chair Provided by the local Home Care Company is rented and if the patient only had it for a few weeks the company providing it would lose money. At an average of \$60 dollars a trip, that's \$120.00 round trip Medicare pays rental of 140.32 per month. No extra payments for middle of the night calls, because the brakes are locked or a tire is flat, that is all on the Home Medical Equipment Company. They don't tell you that those chairs described in the news stories are ultra light weight made of special alloy that allows a heart patient or someone with a stroke the ability to propel themselves. How about the patient, covered in bed sores, that is comfortable in their home with special Alternating Pressure Mattress and Bed for a grand total of 800.00 dollars per month? This would be Five thousand dollars a day in a facility. How about the people that cant swallow and are allowed to stay home with portable feeding pumps.

My daughter was one of the patients. At the age of 4 she was diagnosed with Acute Myeloid Leukemia. She responded well to the chemotherapy but contracted fungal lesions in her lungs. Her physicians said that the longer she was in the hospital the larger the risk of more of these infections. She was allowed to go home with home health services. A nurse came every day and administered the IV drugs that she needed. She received TPN or IV food as well as antifungal and antibiotics. This all cost a fraction of what we were paying for the same treatment in the hospital. Why the sensational news stories of fraud without the common sense success stories of survival and savings? Don't get me wrong there is fraud in all areas of Healthcare. Doctors, Hospitals, Nursing Homes, Home Health Agencies and Home Medical Equipment Companies all have a few rogues. But why is the value of Home Care never presented in the news and only the few fraud cases. CMS has made several good moves over the past few years running out the criminals. All Home Medical Equipment (HME) companies now have to be accredited. This costs about 16K per location and insures a CMS deemed accreditation body has gone completely through the company to make sure they are operating under a legitimate basis. It's almost like an IRS audit.

About 97,000 companies left the industry when this rule took place. Some needed to leave, though that may have not been the case with all. That leaves the rest of the HME industry. Despite the reports of gross overpayment we work off thin margins. An example being MSNBC's report on Home Oxygen Therapy, They reported that a oxygen concentrator can be purchased for around \$600.00 but Medicare pays 165.00 per month to providers. So over the 36 month rental cycle the HME provider is paid \$5940.00 They don't tell you that these machines require monthly maintenance, the 120.00 round trip cost we discussed earlier, licensed Respiratory Therapist on staff 24 hrs a day to help patients, Emergency back-up bottles in case of a power failure and regular deliveries of soft goods such as

cannula, tubing and connectors. It takes several hundred patients receiving this service from one HME provider before any profit is made. They also don't tell you that the HME provider is responsible for providing service for the rest of that patients life even after the 36 month rental cycle is over. How much would a nursing home or hospital charge for a lifetime of oxygen? It would be more than \$5900.00. Who benefits from the sensational stories? Is it CMS? It is not the taxpayers or beneficiaries. The Home Care Industry has been the scape goat for CMS Medicare for too long. Home Care is a sensible, valuable savings for Americans. Many members of Congress have a deep respect for what we do. That's why we have 140 co-sponsors for H.R. 3790. Usually their respect comes from experience with a family member that has received the services. The family member was able to live through their illness around family in a home setting or allowed to remain independent without burdening the family for constant care. Even the President of the United States has mentioned the value of Home Care after his grandmother's death in Hawaii. I believe she was receiving oxygen therapy. There are many that benefit from kicking around the smallest recipient of Medicare dollars, but the media should let common sense prevail. The truth will set us free and save us billions of dollars

Respectfully

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