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**MEDICARE'S REVISED FEE SCHEDULE FOR PMDs FAILS TO ADDRESS
CONCERNS OVER UNREASONABLE AND UNSUSTAINABLE CUTS**
Beneficiary Access At Risk As Suppliers Will be Forced to Close Doors

Washington, DC – After an outcry from power mobility device (PMD) beneficiaries, manufacturers and suppliers the Centers for Medicare and Medicaid Services (CMS) released a revised fee schedule for Medicare PMDs. Unfortunately, this new reimbursement still establishes drastic and dramatic cuts in the PMD benefit and fails to address concerns regarding beneficiary access to these much needed products. While CMS did raise payment levels for some PMDs, reimbursement for the most often prescribed power wheelchairs are still 15-35% less than current allowables. If this revised fee schedule goes into effect as scheduled on November 15th, PMD suppliers will be forced to withdraw from the Medicare program, leaving many beneficiaries, especially those in rural and underserved areas, without access to life-enhancing PMDs.

In October, CMS issued a Medicare fee schedule for new PMD codes that resulted in 25-42% cuts in reimbursement depending on the product. After PMD manufacturers noted errors in the methodology used to determine the new fees along with protests from Congress and disability groups, CMS revised the fee schedule. For the most widely prescribed category 2 chair (standard weight with captain's seat) the revised fee schedule reflected a \$300 increase in payment, which still translates in a 25% cut from current levels. According to CMS, 90% of Medicare spending for PMDs is on category 2 chairs.

While this slight bump in price for category 2 PMDs is welcomed, the revision does little to alleviate concerns that steep price reductions will force suppliers to close their doors and beneficiaries to have few, if any options, for quality equipment and service.

PMC supplier member Ivan Tuttle of Scooters America, Post Falls, Idaho expressed disappointment in the revised fee schedule noting that CMS had missed an opportunity to ensure fair and equitable pricing for PMDs. "We may no longer be able to serve our clients, mostly the disabled and elderly, leaving many with no alternative for quality equipment," stated Tuttle. "Without access to power wheelchairs many of these patients will lose their independence and probably end up in a nursing home or some other institutional setting." Scooters America serves beneficiaries in Wyoming, Idaho, Missouri, Washington, Montana and Oregon.

The PMC continues to work with CMS, Congress, beneficiary advocates and other policy makers in ensuring that PMD reimbursement is reasonable, fair and will ensure eligible beneficiaries access to quality PMDs. Access to PMDs actually saves the Medicare program resources by keeping beneficiaries safe in their home environment. A recent detailed study by health care economists RRC, Inc. quantifies the restriction in access posed by a large cut in reimbursement, finding decline in access for power chairs of between 30% and 50%, with at least a fourth of power chair suppliers being forced to leave the market. The complete RRC study title, *Medicare Reimbursement for Power Mobility: An Assessment of the Proposed Reductions* can be found at: www.aahomecare.org/displaycommon.cfm?an=2.

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The Power Mobility Coalition (PMC) is a nationwide association of manufacturers and suppliers of motorized wheelchairs and power operated vehicles based in Washington, DC.