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For Immediate Release

**Industry Coalition Releases Testimony on Power Mobility;
Answers Questions About Medicare Costs for Power Mobility Products**

WASHINGTON -- The Power Mobility Coalition (PMC), a national alliance of manufacturers and suppliers of power wheelchairs and scooters, has released testimony in advance of a Senate Finance Committee hearing focusing on the Medicare power mobility benefit. At the hearing, lawmakers will hear about instances of fraud and abuse by scam operators who exploited Medicare beneficiaries and ripped off the American taxpayers.

In releasing its testimony, PMC Director Eric Sokol stated that the hearing presents an opportunity for the power mobility community to clarify some of the issues to be addressed at the hearing. "The majority of power mobility suppliers and manufacturers are above-board and play by the rules," Sokol stated. "Legitimate suppliers have noted with concern isolated instances of fraud by fly-by-night operators. In fact, as early as April 2003, PMC members provided a warning to Medicare about potential fraud taking place in Texas. We want to continue to work with the government to identify fraudulent operators as quickly as possible."

"In addition to providing freedom, independence, dignity and enhanced quality-of-life to millions of our Nation's seniors and disabled, power mobility equipment has

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been shown to save the Medicare program money by reducing Medicare expenditures for hospitalizations, home health and skilled nursing,” Sokol continued. “Without power mobility equipment, many of these beneficiaries to unnecessarily enter a nursing home or other institutional setting at much greater cost to the Medicare program.” PMC’s testimony will cite a study by health economists, RRC, Inc., which found that power mobility saves the Medicare program more than \$11,000 over a three year period when comparing Medicare beneficiaries with power mobility with similarly situated Medicare beneficiaries without power mobility.

The PMC also takes exception to the notion that Medicare is paying too much for power mobility products when compared to other payers or that suppliers are responsible for price differences. In fact, the Medicare program sets the price for power mobility equipment, not the suppliers or manufacturers. In addition, there are costs involved in meeting government requirements for products delivered through the Medicare program that are not encountered in the private market. Such additional costs include: servicing the power chair; requiring an assessment of the patient and the patient’s surroundings; and compiling, completing and filing all the necessary paperwork; along with the additional overhead costs of complying with the numerous Medicare standards.

Absent fraud, the PMC asserts that there are plenty of legitimate factors that have contributed to growth in the Medicare power mobility benefit. These factors include technology that has shrunk the size of the chairs and allows them to be primarily used in the home, as well as the aging of the population, increases in the number of Medicare beneficiaries suffering from diabetes and morbid obesity, and increased acceptance of power mobility products and services.

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