

## DEPARTMENT OF HEALTH & HUMAN SERVICES

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## MEDICARE NEWS

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### **MEDICARE OPENS NATIONAL COVERAGE DETERMINATION TO MAKE SURE BENEFICIARIES WHO NEED WHEELCHAIRS GET THEM**

The Centers for Medicare & Medicaid Services (CMS) announced today it was opening a National Coverage Determination (NCD) to review its criteria for wheelchair coverage under Medicare, as part of a three-pronged initiative to make sure patients get the care and equipment they need and providers are properly paid while curbing abuse.

“We are fully committed to seeing that Medicare beneficiaries who need wheelchairs get one and get the right one,” said CMS Administrator Mark B. McClellan, M.D., Ph.D. “This is part of our comprehensive approach to pay accurately for wheelchairs, while bringing the benefits of the latest medical technologies to our patients with mobility impairment.”

In May 2004, CMS’ chief medical officer, Sean Tunis, M.D, MPH, brought together a multidisciplinary clinical team from several federal agencies to assist CMS to further clarify who should qualify for a wheelchair.

During a forum held by CMS in June 2004, CMS received a number of public comments asking the agency to adopt a function-based interpretation of “bed or chair confined.” A function-based interpretation might consider the beneficiary’s inability to safely accomplish activities of daily living, such as toileting, grooming, and eating with and without the use of a mobility device, such as a wheelchair.

An Interagency Wheelchair Workgroup (IWWG) was formed, comprised of federally-employed physicians, therapists, researchers, and policy experts with wheelchair expertise. The IWWG conducted a series of meetings starting in July 2004, and examined peer-reviewed scientific data, expert opinion, public comments, and the policies used by other public and private payers.

After the IWWG drafted its recommendations, CMS concluded it should review the recommendations and re-examine its own policies using the NCD process, a transparent, science based policy making process that assures opportunity for public input.

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“To get the right wheelchair for all beneficiaries who need them, we want to get timely input from the public and scientific experts,” McClellan said. “We’ll do this promptly, using our new accelerated timeframes for a transparent coverage process.”

“Our goal is to focus on a set of clinical and functional characteristics that are evidence-based and will better predict who would benefit from a power wheelchair or scooter,” Tunis said. Under the NCD process, CMS has six months to post a draft decision, although it does not necessarily take that long, followed by 30 days for public comment. Following the public comment period, CMS must post a final decision. If a new NCD is issued, it will be prospective in effect.

CMS also intends to issue a regulation addressing the requirements for ordering mobility equipment. The regulation would, in part, implement provisions of the 2003 Medicare Modernization Act. This rule would be designed to ensure that Medicare beneficiaries who get mobility devices receive a high-quality and timely evaluation, appropriate device choice and clear guidance in using the device.

Another area in which CMS is taking action is in billing and payment for power wheelchair and scooters, to assure that Medicare pays appropriately and that beneficiaries have access to them when needed. As McClellan noted, Medicare spending for power wheelchairs and power scooters has skyrocketed in recent years and topped \$1.2 billion last year.

The technology, range of products, and market for power wheelchairs have changed substantially since the current HCPCS codes for power wheelchairs were added in late 1993. The Healthcare Common Procedure Coding System, commonly referred to as HCPCS, is a standardized coding system for describing the specific items and services provided in the delivery of health care. Currently, most power wheelchairs are billed under a single code (K0011), for which Medicare has set a single ceiling amount of \$5,296.50, even though different models of these wheelchairs have substantially different market prices.

On September 1, 2004 CMS hosted a public meeting on power wheelchair codes. Based on input from that meeting, CMS expects to revise the power wheelchair codes to more accurately describe the wheelchairs currently on the market. Accurate individual payment ceilings would then be developed for each of the new codes.

CMS also plans to implement competitive bidding for a number of items of durable medical equipment in 2007, as authorized by MMA. CMS will consider which items, including power mobility devices, would meet the criteria described in the MMA for the competitive bidding program.

Another major goal is to ensure that there are strong quality controls for suppliers to assure that beneficiaries will receive high-quality power mobility services. CMS will revise the DMEPOS supplier standards to include additional quality measures as required by the MMA, building on existing standards adopted by the industry. CMS intends to finalize new standards in the fall of next year.

In addition, CMS will develop a proposal for an accreditation program, as part of the implementation of competitive bidding, to further ensure that power wheelchair suppliers meet industry and community standards for power wheelchair utilization. And through its contractor, the National Supplier Clearinghouse, CMS will continue its work to ensure thorough review of all applications for enrollment so that only qualified suppliers are allowed to bill the Medicare program.

“Operation Wheeler Dealer,” a collaboration of CMS and the Department of Health and Human Services’ Office of the Inspector General, was launched in 2003 in response to proliferation of fraud cases involving inflated billings to Medicare, charges for equipment and supplies not delivered, and the falsification of documents to qualify beneficiaries for wheelchairs and other equipment that they often did not need.

Earlier this year CMS announced an initiative to reduce improper payments through the use of enhanced electronic tools now available. Building on its current program integrity efforts, the agency is implementing new steps to analyze program data to detect improper payments and potential areas of fraud and abuse more quickly and accurately. CMS is using these analyses to more effectively educate providers and beneficiaries about ways to prevent and minimize waste, fraud and abuse. CMS also issued a proposed regulation for states to report improper payments for wheelchairs in Medicaid and State Children’s Health Insurance Programs.

The NCD tracking sheet, the IWWG proposed clinical guidance document, and the NCD process can be found at [www.hcfa.gov/coverage/](http://www.hcfa.gov/coverage/).

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