

Dear PMC Members:

This past week, both the House and Senate passed Medicare legislation designed to extend and expand the State Children's Health Insurance Program (SCHIP) and avoid a scheduled 10% cut in reimbursement for doctors by reformulating the Medicare physician formula. Yet, the House-passed version of the "Children's Health and Medicare Protection (CHAMP) Act," H.R. 3162, includes a number of Medicare "reforms" including a measure that would eliminate the first month purchase option for power mobility devices (PMDs). According to the Office of Management and Budget (OMB), elimination of the first month purchase option would save the Medicare program \$600 million over five years. This provision, however, **does not appear** in the Senate-passed version of the bill, the Children's Health Insurance Reauthorization Act, S. 1893.

The next step is for the two bills to get reconciled in a conference committee comprised of key members of the Senate and House that will work out the differences between the two pieces of legislation. The differences between these two bills are drastic. The scope of the SCHIP expansion provision in the Senate bill is less broad and less expensive than the House bill, the funding sources for the two bills differ and the House bill contains the aforementioned Medicare reform provisions, including the elimination of the first month purchase option. Complicating matters is the threat of a Presidential veto as the Administration has publicly stated that they are opposed to size of the expansion in both the Senate (\$35 billion to SCHIP) and House (\$55 billion to SCHIP) bills, instead supporting a much more modest SCHIP expansion that would cost \$5 billion over 5 years.

### **WHAT CAN PMD SUPPLIERS DO?**

With all the competing interests over the size and scope of the Medicare package, there is still an ample opportunity to contact your Member of Congress to voice your objection over the elimination of the first-month purchase option for PMDs. All PMD suppliers, manufacturers and their clients should contact their Congressional delegation, register their objections and urge their Congressman to tell the House and Senate conferees not to support a final Medicare package that includes the PMD rental provision. While the conferees have yet to be named, its likely that Senate conferees will include Senators Baucus (D-MT) and Grassley (R-IA) and that Representatives Rangel (D-NY), Dingell (D-MI), Stark (D-CA), McCrery (R-LA) and Barton (R-TX) will be named as House conferees.

To help formulate arguments against the proposal, the PMC has attached an issue paper which includes talking points that outline why the elimination of the first month purchase option for power wheelchairs is bad Medicare policy. Members of Congress can be reached by calling the Congressional switchboard at 202-225-3121. Additionally, since Congress is on their August recess, there may also be an opportunity to meet your Member of Congress in person during their district office hours, at town hall meetings, parades, fundraisers or other public events.

Current Proposal (CHAMP Act) for Power Wheelchairs