

## **Invacare fights new, strict wheelchair-payment rules**

January 31, 2004 - Invacare Corp. and others in the **power-wheelchair** industry are calling on Medicare to back off its recently tightened reimbursement rules for the expensive chairs.

Seven manufacturers and retailers on Friday started a coalition called RAMP - the Restore Access to Mobility Partnership. RAMP will work with groups representing disabled people to lobby for the policy change.

Last month, Medicare adopted a stricter interpretation of who qualifies for a power chair. RAMP says the guidelines are too narrow, leaving many people who need the chairs - which cost about \$5,000 - unable to buy them.

"Our expectation is that this new policy is going to make the vast majority of folks jump through a lot more hoops to get one," said Andrew Imperato, head of the American Association of People with Disabilities.

RAMP says the new guidelines mean, among other things, that people with progressive diseases like multiple sclerosis will be ineligible for power chairs until they are completely immobile.

Overall, perhaps 30 percent to 50 percent of Medicare beneficiaries who previously were eligible for the chairs might no longer qualify, said Cara Bachenheimer, who handles government relations for Elyria-based Invacare.

Tim Hill, chief financial officer of the Centers for Medicare and Medicaid Services, which oversees Medicare spending, disputed both those assertions. Because of aggressive direct-to-consumer marketing of power chairs on television, "it is sometimes the case that we are sometimes paying for wheelchairs that we should not be," he said.

News reports last year documented a sudden, sharp increase in Medicare reimbursements for power chairs in Texas and Louisiana.

Many people there got the chairs despite not being disabled enough to qualify for them, the reports said.

The government said in September that many of the claims were fraudulent and put the cost in the tens of millions of dollars.

Led by Invacare, the home medical equipment industry worked with the government to clean up the problem. Invacare said at the time that none of its chairs or dealers had been implicated.

Then, in December, the Centers for Medicare and Medicaid Services clarified its reimbursement guidelines. That made it much harder for dealers to get claims approved. The CMS position alarmed the industry, along with advocates for elderly and disabled people, and resulted in the creation of RAMP.

"The intention of RAMP and the industry is to bring enough force and attention to the issue that CMS will reconsider their position and how it's going to negatively impact consumers who need these chairs," Invacare spokeswoman Susan Elder said.

Invacare, the world's largest wheelchair manufacturer, expects the stricter guidelines to hurt sales this year, though Elder declined to say how much. She said the company's financial projections account for that.

Medicare paid claims for 159,000 power wheelchairs in 2002 at a cost of around \$845 million. Elder said Medicare pays for about two-thirds of all power chairs sold.