



October 9, 2009

The Honorable Henry Waxman
Chair
Energy and Commerce Committee
U.S House of Representatives
Washington, D.C. 20515

The Honorable Joe Barton
Ranking Member
Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

Chairman Waxman and Ranking Member Barton:

On behalf of the undersigned organizations – that represent both patients and physicians who treat patients with severe respiratory disease - we would like to comment on draft proposals to reform how Medicare reimburses home oxygen services. We believe the draft proposal being considered has improved considerably from earlier versions; however, further changes are needed.

Overall, we support the goal of the legislation to end the arbitrary 36 month cap on home oxygen payments. We believe strongly that by eliminating this cap, in a budget neutral fashion, we help improve both the care and service options available to Medicare beneficiaries who require supplemental oxygen. We recommend that future payment rates for home oxygen services appropriately calibrate payments to recognize the lower costs associated with stationary oxygen system and the higher costs associated with highly portable oxygen delivery devices.

We are pleased that the draft under consideration includes vigorous patient protections and a patients' rights and responsibilities section. We believe inclusion of the patient protections and patient rights and responsibilities section will serve to better educate Medicare beneficiaries and help provide clear expectations for both patients and suppliers, as well as providing a predictable pathway for addressing issues when expectations are fulfilled.

We support the inclusion of the strong quality reporting mechanisms and certification requirements for providers of home oxygen services. We believe enhancing the quality reporting and certification requirements for suppliers of home oxygen services will improve Medicare beneficiary services and help lower Medicare costs.

We are also pleased the revised legislation more carefully describes the clinical role played by physicians who initiate oxygen prescription and the service roles played by home oxygen suppliers. Providing quality service to patients on

supplemental oxygen requires a team-based coordinated care approach involving patients and their families, physicians, allied health professionals and home oxygen suppliers. Information and reporting must flow in both directions in this team-based care approach. The legislation helps support this team-based coordinated care approach by more accurately describing the clinical role of the physician and the service role play by home oxygen suppliers.

We also support the concept of supplemental oxygen patients being separated into 3 categories, based on level of ambulation, with payment rates being based on level of ambulation. The three levels of ambulation are 1) nocturnal/stationary 2) standard ambulation, and 3) high ambulation.

We are concerned, however, that the proposed legislation requires CMS to calculate payment for home oxygen assuming that current allocation of payments of the 3 categories is 30% for category 1, 50% for category 2 and 20% for category 3. We would like clarification on the source of these percentages.

We are further concerned that the legislation proposes to establish a permanent payment add-on for “new technology.” We feel that payment rates should be based on the patient need as defined by the ambulation category for each patient. Payment should not be based to the type of technology used to support patient need.

We hope the above comments are useful as Congress considers reforms to the Medicare home oxygen payment system. We look forward to working with Congress, CMS and home oxygen suppliers to ensure Medicare beneficiaries continue to receive access to this essential medical therapy.

Sincerely,

American Thoracic Society
American Association for Cardiovascular and Pulmonary Rehabilitation
American College of Chest Physicians
America Lung Association
National Association for the Medical Direction of Respiratory Care
National Home Oxygen Patients Association

cc: The Honorable Mike Ross