



CMS Must Fix Major Problems with Medicare Competitive Bidding “Standard Wheelchairs” Product Category

Immediate Review Required to Exclude Complex Rehab and Specialized Products and Properly Segregate Other Products in Round 2

Background

On August 19, 2011 the Centers for Medicare and Medicaid Services (CMS) published the Product Categories and the specific product codes for Round 2 of the Medicare Competitive Bidding program scheduled to begin this Fall. Unfortunately a newly created Product Category, “Standard (Power and Manual) Wheelchairs, Scooters, and Related Accessories”, has major problems and requires immediate review and revision. Without the necessary changes to the codes included in this product category, Medicare beneficiaries with significant medical conditions and disabilities will be put at major risk of inappropriate products, improper provision, and decreased supportive services. The major problems with this product category requiring resolution by CMS are:

- 1.) **The product category includes products that are specialized and individually configured (complex rehab) and are not suitable for competitive bidding. These seven specialized and individually codes are low volume, have a low potential for savings, and have a high impact on the medical well being and care of Medicare beneficiaries-**
 - a. In 2008 Congress recognized that certain specialized and individually configured products should not be included in a Competitive Bidding program and passed legislation to exempt complex rehab power wheelchairs and accessories from inclusion.
 - b. The specific specialized and individually configured codes that must be excluded are:
 - i. Ultra-lightweight manual wheelchair (K0005)
 - ii. Specialty skin protection and positioning adjustable wheelchair cushions (E2622-E2625)
 - iii. Manual wheelchair push activated power assist (E0986)
 - iv. Wheelchair accessory, ventilator tray, gimbaled (E1030)
 - c. These seven specialized codes are estimated at less than one half a percent of the units being bid and only one percent of the total dollars being bid (\$14.5 million out of the product category total of \$1.2 billion based on 2009 data). These items do not offer an opportunity for significant savings but their inclusion presents major risks to the well being and medical costs of Medicare beneficiaries with significant medical conditions and disabilities. For example, the cost to heal a wound from a pressure sore can exceed \$40,000. Even a statistically insignificant increase in the incidence of skin breakdown of only a tenth of a percent would increase overall healthcare expenditures exponentially as compared to any potential savings from these competitively bid adjustable cushions.

- 2.) **Power wheelchairs and manual wheelchairs, which are distinctly different technologies, have been combined into this single product category-** While many suppliers provide basic manual wheelchairs, they do not also provide power wheelchairs. Power and manual wheelchairs have significantly different levels of complexity and service requirements yet have all been grouped into one category. The fact that these different products are in one category unfairly forces a bidding supplier to now provide all these items even if they have no experience or expertise. It also doesn't acknowledge the financial investment for suppliers to enter new markets. This makes it much more difficult for suppliers to participate and increases the risk of bidding suppliers offering to provide products that they do not have the ability and competency to provide. Manual wheelchairs and power wheelchairs are not provided at the same time or to the same beneficiary. Combining products with major differences in required supplier competencies and supporting services into one category will put Medicare beneficiaries at significant risk.

- 3.) **The included manual wheelchair codes do not adequately differentiate the wide variety of available models and configurations-** Temporary codes developed in the early 1990s no longer represent current technology, nor do they provide adequate differentiation among the hundreds of models on the market today. This is particularly problematic for the high strength lightweight manual wheelchair code (K0004) and the ultra-lightweight manual wheelchair code (K0005) that have been included in this product category. Additional codes must be established to allow adequate product differentiation.

Actions Needed

In order to provide necessary safeguards and prevent risks to Medicare beneficiaries, CMS must take the following actions:

- 1.) Remove the seven complex rehab and specialized cushion codes identified above (K0005, E2622, E2623, E2624, E2625, E0986, E1030) from inclusion in Round 2.

- 2.) Establish a policy that any related accessory supplied for use with a complex rehab wheelchair base in a Competitive Bidding Area can be provided by any qualified Medicare supplier and will be paid at the traditional fee schedule.

- 3.) Create separate Competitive Bidding product categories for standard manual wheelchairs and for standard power mobility to ensure that suppliers with appropriate knowledge, skills, and experience are allowed to participate in the bidding process.

- 4.) Conduct an immediate review of the manual wheelchair HCPCS codes, particularly K0004, in collaboration with clinicians, manufacturers, and suppliers to identify and implement the additional codes that are needed to allow for adequate manual wheelchair product differentiation.

The National Coalition for Assistive and Rehab Technology (NCART) is a national association focused on ensuring individuals with disabilities and significant medical conditions have adequate access to complex rehab technology products and services. For additional information visit www.ncart.us