

**Congress of the United States**  
**Washington, DC 20515**

The Honorable Tom Price, M.D.  
Secretary  
Department of Health & Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Secretary Price and Administrator Verma,

As members of the House Small Business Committee, we regularly hear from constituents who own and operate durable medical equipment stores, which play a critical role within the health-care industry. The wide variety of equipment options help seniors, people with disabilities, and individuals with chronic health issues remain in their own homes.

These small businesses and their owners serve the individuals in our communities and often times; they have known their clients for years. However, the policies of the previous administration have put durable medical equipment stores in jeopardy with poor regulations and steep cuts.

While the Center for Medicare and Medicaid Services' (CMS) intent has been to rein in health-care costs and ensure proper reimbursement rates for medical devices, it has sacrificed quality and availability of these essential items. These policies have resulted in difficulty obtaining equipment and services for some geographic areas across the country, particularly rural America.

Beginning July 1, 2016, suppliers faced reimbursement cuts of nearly 50 percent as outlined by 414.210(g)(9), which were retroactively delayed with the passage of the 21<sup>st</sup> Century Cures Act. We understand the adjustments were expected to start in July, but according to CMS, the adjustments have begun and will continue over the next six months. We ask CMS to provide resources to provide any additional resources so suppliers can begin to disperse these reimbursements immediately.

In response to the decreasing number of suppliers and the continued struggle for access among patients, Congress urged CMS to delay cuts to reimbursements. However, the agency has continued to implement these cuts which started on January 1, 2017. The agency did this without analysis of the program as required by the 21<sup>st</sup> Century Cures Act. We request that CMS delay the January cuts until the program is assessed by the current administration and the effects that these cuts have on patients are better known.

Lastly, in 2017, CMS incorrectly applied a budget neutrality "offset" to the 2017 rural fee schedules for oxygen concentrators. This led to an improper reduction in reimbursement for HCPCS E1390 by an additional 11 percent on average. This forced reimbursement rates in rural areas below the average regional competitive bidding special payment amounts. We ask that

CMS restore 2017 rural payments for oxygen concentrators to the appropriate levels using current methodology based on special payment amounts based on adjusted fee schedules.

We must provide regulatory relief for durable medical equipment suppliers before they are no longer to help patients across America. Thank you for your attention to this important request.

Sincerely,

Blaine Luetkemeyer  
Member of Congress