

Submitting Comments on CMS Proposal for Competitively Bidding Ventilators

Summary

The Centers for Medicare and Medicaid Services (CMS) are soliciting comments on the agency proposal to include ventilators in the next round of competitive bidding. The proposal includes ventilator codes E0465 (invasive), E0466 (non-invasive), and E0467 (multi-functioning) being phased into the next bidding program. With the expected two-year gap in the bidding program, new contracts would not begin until 2021, with a detailed announcement expected in the spring of 2019.

There are major concerns with life-sustaining equipment such as ventilators being restricted to contracted suppliers given the instability that the program has caused within the DMEPOS industry. Providing real examples of patients that suppliers serve can effectively demonstrate the need to keep this product category out of the competitive bidding program.

The implications of possible reimbursement reductions beyond the Medicare program could negatively affect several payers for pediatric and adult populations. This may serve as a guide for suppliers to construct individual talking points in their submission to CMS.

Talking Points

- **This market serves a highly vulnerable patient population with life-sustaining equipment.**
 - Highlight the complex conditions that typically require the long-term use of a ventilator: ALS, MS, End-Stage COPD, thoracic trauma, quadriplegics, etc.
 - Patients frequently have complex co-morbidities that make a consistent care plan crucial to preventing further hospitalizations and safely remain in the home setting.
 - These care plans typically provide physicians with valuable clinical data to improve patient outcomes in the long-term management of the patient's condition.
 - Caregivers and family members require ample amounts of education for care between visits from a highly skilled respiratory therapist.
 - Potentially subjecting these types of patients to a possible supplier change every few years with competitive bidding is dangerous and puts families in highly vulnerable positions.
 - Further reimbursement reductions that would likely come with competitively bidding ventilators. As Medicaid agencies within the states are forced to adopt Medicare pricing for competitively bid item, this puts the pediatric population at great risk in addition to Medicare patients.
- **Ventilator patients require highly skilled respiratory therapists beyond the average oxygen patient.**
 - Properly managing this patient population requires an RT with advanced skills and knowledge.
 - Without proper reimbursement, the training needed for RTs would likely be reduced due to cost constraints.

- The RTs working with vent patients monitor highly clinical measures such as blood pressure, O₂/CO₂ levels, and breathing patterns to identify hypoxia, infections, and other clinical complications. This vital service is provided at no cost to the Medicare program, yet arguably saves the government hundreds of thousands of dollars annually by limiting complications and hospitalizations.
- **Ventilation is a small market with few suppliers in certain areas having proper resources.**
 - Suppliers of ventilators are not reimbursed based on the high costs of providing the necessary hands-on care for this patient population.
 - The equipment requires continued maintenance and proper calibration specific to the patient.
 - This is a niche market that cannot be easily adopted by every oxygen supplier in the country. It is estimated that there are fewer than 400 invasive ventilator suppliers in the United States. Limiting the number of suppliers who can provide this care puts patients in danger with these types of conditions.
- **The negative impacts from competitive bidding on the DME community should not be replicated to life-sustaining equipment such as ventilators.**
 - CMS has already reduced ventilator reimbursement by approximately 30% in 2016 that has already reduced the margins for existing suppliers.
 - The capital investment needed to fulfill the needs of this patient population is very costly. This requires adequate reimbursement for suppliers to be able to afford the high upfront costs associated with this equipment. Many suppliers provide backups to patients in case of a power outage or malfunction in order to prevent the patient from being sent to the hospital. Without adequate reimbursement for suppliers and access for beneficiaries the possibility of having no backup plan is raises extreme patient safety concerns.
 - Further reimbursement reductions could also lead to less technological innovation in the ventilator space from manufacturers, as suppliers would not have resources to purchase newer technologies.

Be thorough and concise in comments using real examples to highlight the potential problems with ventilators being included into the program.

Any questions may be directed towards the VGM Government Relations team at 855-345-3469.

Comments may be submitted to DMEPOS@cms.hhs.gov by Monday, Dec. 3.

