



Study Finds Diabetic Access Issues and High Mortality Linked to Medicare Bidding Program for Medical Supplies

AAHomecare echoes call for stronger oversight and monitoring of health outcomes under CMS' competitive bidding program

WASHINGTON, March 21, 2016 /PRNewswire-USNewswire/ -- A leading scientific journal is publishing a study finding that Medicare's competitive bidding program for home medical equipment and supplies caused adverse health outcomes, including increased hospitalization and death, of diabetic Medicare beneficiaries nationwide. According to the findings to be released by the study's sponsor, the National Minority Quality Forum, the competitive bidding program, originally envisioned as a cost-savings measure, is also driving up costs in the form of avoidable hospital bills and exposing beneficiaries to much higher out-of-pocket costs for those unnecessary inpatient stays.

The peer-reviewed study builds on concerns for the bidding program first raised by the Government Accountability Office in a 2012 report that questioned the Centers for Medicare and Medicaid Services' (CMS) safety monitoring methods for the program. Working with leading endocrinologists, the study finds that the bidding program has disrupted diabetic patients' ability to access diabetes testing supplies and that this disruption can be associated with increases in deaths, higher hospitalization rates and inpatient costs.

"This study definitively shows that the competitive bidding program for home medical equipment is adversely affecting the health and financial well-being of diabetic Medicare beneficiaries," said Tom Ryan, president and CEO of the American Association for Homecare. "We echo the Forum's call to suspend the diabetic supplies component of the program until CMS can demonstrate its ability to effectively monitor the health outcomes stemming from the competitive bidding program."

"The findings are especially timely in light of CMS' recent release of new pricing cuts set to go into effect under the competitive bidding program that significantly reduce reimbursement for test strips and other diabetic supplies," Ryan added. "These drastic cuts will almost certainly drive companies from the diabetic market, ultimately resulting in even further access issues for diabetic patients."

"This study, coming from highly-qualified researchers and subject to rigorous peer review, should serve as a wake-up call to policy makers who have dismissed reports the adverse effects of the bidding program on Medicare beneficiaries," Ryan concluded. "We need action today that will make sure the bidding program doesn't cause more harm to the millions of seniors and individuals with disabilities or chronic conditions who rely on home medical equipment."

The ahead of print article "Impact of CMS Competitive Bidding Program on Medicare Beneficiary Safety and Access to Diabetes Testing Supplies: A Retrospective, Longitudinal Analysis" can be found here; the full study is set for publication in the April issue of the Journal of Diabetes Care.

The American Association for Homecare represents providers of home medical or durable medical equipment and services who serve the needs of millions of Americans who require prescribed oxygen therapy, wheelchairs, enteral feeding, and other medical equipment, services, and supplies at home. Visit www.aahomecare.org.

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