

Yesterday. Finally. HR 6331 became law.

We are still waiting to hear from Medicare to understand how the damage will be undone. Some providers in the Round One Competitive Bidding Areas (CBAs), have already billed for July patients and received the contracted, lower reimbursement (See the Story Below).

The passage of H.R. 6331 means that my DME company can continue to work and be paid by Medicare for new orders received onward from July 1st. It also means that I will not have to figure out how I will survive the rest of the year on a minimum 26% cut in revenue.

In the background of the fight for 6331, AMEPA's Vice President Jack Marquez, Regulatory Chair - Sylvia Toscano and industry attorneys Javier Talamo and Jeff Baird devised a back-up plan for surviving the next 5 to 6 months under Competitive Bidding. No matter how the situation was analyzed each company had to lay off employees, reduce operation size, and the owners had to take massive salary cuts. The business models for 2009 spelled complete closure for most companies as the best case scenarios reduced business owners back to full time deliverymen, even with the ability to participate as a subcontractor.

## **We Deserve Life Under Competitive Bidding in Round One**

Now that H.R. 6331 is law, I can reveal what I wanted to say last week but could not:

**I deserve to close my business right now. If it was not for the incompetence of the Competitive Bidding Implementation Contractor (CBIC), we would be dead.**

If the CBIC played by the rules released on April 10, 2007 and did their job properly we would not have any arguments. They should have announced:

1. These companies are not licensed, so they are disqualified

2. These companies have never provided these products before so they are not being considered
3. These companies bid too high.
4. These companies are in the pivotal bid range and are your "Bid Winners"

### **A tremendous effort by AAHomecare in Washington**

and the efforts and army of small providers behind VGM, the relentless work of Round One and Two providers, committed State Associations and some luck we averted disaster. The home medical equipment companies in the 400 counties and 70 MSAs of Round 2 would most likely be preparing to bid under the same broken system as well.

The creation of bills like HR 6252 and the foresight to merge them into HR 6331 does not happen as easily as the sunrise. It was carefully planned out by a full time staff in Washington and Waterloo. They came up with the plan. Their members, state associations, AMEPA members and some AMEPA spectators carried it out.

If this was July 2007, instead of July 2008, I doubt we would have succeeded. The upcoming Congressional, Senate and Presidential elections played a key role in this victory. The only way we will win this WAR for the entire industry is to unite and support AAHomecare, VGM and our active state associations immediately.

### **We need to make the most of this SECOND CHANCE!**

We need to continue marching forward against Competitive Bidding. We need to continue educating our legislators and support them this Fall. We need to get our patients involved and explain to them that the service they receive is extra effort, not entitlement. We also need to change the perception of our industry in the national media. By achieving these goals we will stop competitive bidding and avert future government opposition designed to close the majority of accredited providers.

## **Providers Feel Medicare Cut**

By Jack Marquez, Vice President

Yesterday, I received a payment from Medicare for a patient's Oxygen System, Date of Service: July 1, 2008. I was reimbursed \$111.10 for the Oxygen Concentrator and \$18.15 for the portable system. That \$18.15 is supposed to cover as many tanks as the patient needs until July 31st. The patient has Florida Medicaid as Secondary Insurance and they will not cover the co-payment.

Now I have to rebill, send a letter and try to get the \$60.00 that Medicare needs to pay me back. "That's a GOOD THING" a friend told me.

So providers relax, go back to business and enjoy what you have today. We will speak tomorrow at the teleconference.

THANKS TO ALL,

Jack