



## **Support H.R 5371 -- Legislation to Allow Upgrades Within a Code for Carbon Fiber and Titanium Wheelchairs Empowers Patient Choice and Access**

### **ISSUE**

On December 15, 2016, Durable Medical Equipment Medicare Administrative Contractors (DME MACs) released a policy that prohibited upgrades for titanium wheelchairs, which prohibits suppliers from billing for an upgrade to a wheelchair. As result, the only avenue for beneficiaries to obtain the titanium or carbon fiber wheelchairs is to pay for the entire wheelchair out of pocket and for the Durable Medical Equipment (DME) supplier to file a non-assigned claim to the Centers for Medicare & Medicaid Services (CMS) for partial reimbursement. This has detrimentally affected access for titanium and carbon fiber wheelchairs.

**Representative John Joyce (R—PA) has introduced H.R. 5371, legislation to allow upgrades within a code for titanium and carbon fiber wheelchairs. AAHomecare strongly urges Members of Congress to co-sponsor this important legislation. Members of Congress can contact Representative John Joyce's office to become a co-sponsor.**

### **BACKGROUND**

Currently, there are two ways in which DME suppliers may file claims: “assigned”, which means that the Medicare allowable is accepted as payment in full and “non-assigned,” in which the supplier collects their usual and customary charge up front from the beneficiary, files the claim, and then the beneficiary is reimbursed less their co-pay and applicable deductible. Non-participating suppliers may file non-assigned claims if the Medicare allowable for an item is not sufficient based on the cost of providing the item.

Prior to the DME MAC policy announcement in 2016, Medicare beneficiaries were able to access DME with features and benefits beyond the “standard” item that meets basic needs by paying for the difference in the standard vs upgraded item under an assigned claim. However, the 2016 policy change prohibited suppliers from billing upgrades under an assigned claim, thus driving upgrades under non-assigned claims where beneficiaries pay in full up front.

Current statutes permit Medicare beneficiaries to purchase or rent an updated item of DME, which is corroborated by the Medicare Claims Processing Manual, that states: “An upgrade may be from one item to another within a single Health Insurance Common Procedure Coding System (HCPCS) code or may be from one HCPCS code to another. When an upgrade is within a single code the upgraded item must include features that exceed the official code descriptor for that item.”<sup>1</sup> Titanium and carbon fiber wheelchairs meet this description but are prohibited from being allowed as upgrades.

Wheelchair manufacturer and other stakeholder groups engaged CMS’ Division of DMEPOS Policy to share concerns, but CMS remained firm in their assertion that upgrades are not permitted.

### **UPGRADES WITHIN A CODE BENEFITS END USERS**

Individuals should have the ability to choose whether a titanium or carbon fiber wheelchair is right for them. The legislation to enable upgrades within a code removes the current obstacles in place, offering key benefits to end users at no additional cost to CMS:

- **Enabling choice of product** that’s best suited for one’s medical, functional, and lifestyle needs and preferences.
  - Carbon fiber and titanium wheelchairs are a stronger, lighter material than the standard aluminum lightweight wheelchairs in HCPCS Code K0005. Its decreased weight makes it easier for end users to transport their equipment, such as putting the wheelchair in a vehicle, and helps prevent shoulder breakdown when self-propelling.
- **Removes financial barriers** that may prevent individuals from being able to get a titanium/carbon fiber wheelchair.
  - Currently, Medicare beneficiaries’ financial burden is increased significantly by having to pay in full for the wheelchair, cost of upgrades, and any related wheelchair accessories while waiting for CMS to reimburse the allowable less co-pay. Suppliers may not fragment their billing – meaning they cannot bill non-assigned for the wheelchair base and assigned on the medially necessary accessories and seating.
  - This may also delay beneficiary access to necessary equipment while Medicare beneficiaries are securing funding to make this up-front payment.
  - In contrast, enabling upgrades within a code would reduce the financial burden by only requiring Medicare beneficiaries to pay the 20% co-pay and cost of the upgrade.

***Theoretical Example: Medicare Beneficiary Up Front Responsibility for K0005 Titanium/Carbon Fiber Wheelchair***

	<b>Current Method: Non-Assigned Claim</b>	<b>Proposed Method: Allowing Upgrades within a Code for Assigned Claim</b>
<b>WHEELCHAIR BASE</b>		
K0005 Wheelchair Base (\$3,000 Allowable)		
<i>80% Medicare Allowable</i>	\$2,400	\$0
<i>20% Beneficiary Co-Pay</i>	\$600	\$600
Additional Cost of Upgraded Material	\$1,000	\$1,000
<b>Subtotal Base Wheelchair Up-Front Costs:</b>	<b>\$4,000</b>	<b>\$1,600</b>
<b>NECESSARY ACCESSORIES &amp; SEATING</b>		
Seat Cushion (\$200 Allowable)		
<i>80% Medicare Allowable</i>	\$160	\$0
<i>20% Beneficiary Co-Pay</i>	\$40	\$40
Back Cushion (\$300 Allowable)		
<i>80% Medicare Allowable</i>	\$240	\$0
<i>20% Beneficiary Co-Pay</i>	\$60	\$60
Adjustable Height Armrests (\$200 Allowable)		
<i>80% Medicare Allowable</i>	\$160	\$0
<i>20% Beneficiary Co-Pay</i>	\$40	\$40
<b>Subtotal Accessories/Seating Up-Front Costs:</b>	<b>\$700</b>	<b>\$140</b>
<b>TOTAL Wheelchair Up-Front Costs:</b>	<b>\$4,700</b>	<b>\$1,740</b>

- **Promotes investment in research and development and innovation** for consumer-centric technological advancements to market by manufacturers.

**UPGRADES WITHIN CODE SUPPORTED BY DME INDUSTRY**



Manufacturers and suppliers of durable medical equipment support this policy change as it allows them to develop and provide products and services that promote the best possible outcomes for each individual. Rehabilitation Engineering and Assistive Technology Society of North America (RESNA) standards of practice for assistive technology professionals (ATP) include keeping paramount the welfare of those served professionally and informing the consumer about all device options available. Upgrades within a code create a pathway for consumers to access device options which may be unavailable to them otherwise. Allowing upgrades within a code also enables DME suppliers to provide client-centered services, prioritizing the needs and preferences of the end user in offering solutions to maximize their medical, lifestyle, and functional outcomes.

### **Consumer Anecdote**

Tom is a middle-aged man with a diagnosis of C-6 Quadriplegia. He lives with his family in an accessible home. Tom was evaluated at the Shepherd Center seating clinic for a new manual wheelchair. He drives a sedan and can load his wheelchair independently into the car he operates with hand controls. During his evaluation, he trialed several different manual wheelchair frames. The determining factor was the lighter weight titanium frame. The aluminum frame was too heavy for him to lift into his car due to his limited function in his upper extremities. Using an aluminum frame wheelchair would require Tom purchasing a modified van with a wheelchair lift. This was not an option for him.

### **SOLUTION**

**AAHomecare strongly urges Members of Congress to co-sponsor the H.R. 5371 to allow for upgrades within a code for titanium and carbon fiber wheelchairs. Members of Congress can contact Representative John Joyce's office to become a co-sponsor.**