



Please support H.R. 2373 The Home Oxygen Patient Protection Act of 2009

VGM enthusiastically supports H.R. 2373, the Home Oxygen Patient Protection Act (HOPP Act) of 2009. The HOPP Act may help a million oxygen patients to breathe easier by easing the burdens placed on them by the Deficit Reduction Act of 2005 (DRA). H.R. 2373 was introduced by Congressmen Tom Price (R-Ga.), a physician, and Heath Shuler (D-N.C.)

Background

The HOPP Act would amend provisions from the Deficit Reduction Act of 2005 (DRA) and the Medicare Improvements for Patients and Providers Act of 2009 (MIPPA) by repealing the cap on home oxygen therapy rental payments for Medicare patients and restoring the benefit to provide payments for the period of medical need.

Prior to the Deficit Reduction Act (DRA) of 2005, Medicare paid for home oxygen therapy through a bundled rental and service payment that included the cost of equipment, services, repairs, and supplies as long as the therapy was medically necessary. A provision in the DRA limited rental payments for home oxygen therapy to 36 months of continuous use and transferred ownership of the equipment from the provider to the patient.

Because of the number of concerns about patient-safety issues, Congress repealed the transfer of ownership in the Medicare Improvement for Patient and Provider Act of 2008 (MIPPA) and instructed the Centers for Medicare and Medicaid Services (CMS) to establish adequate payments for the continued care of home oxygen patients. However, CMS' current rule, CMS-1403-FC, did not establish payments, resulting in unnecessary complications for beneficiaries on home oxygen therapy, hospitals trying to discharge patients, and small-business oxygen providers across the United States.

- Oxygen therapy requires more than a piece of equipment. Service costs for medical oxygen therapy in the home exceed the cost of equipment by three to one. **72 percent of the costs required for providing home oxygen therapy are related to services and operation (intake, delivery, maintenance, patient assessment and education, regulatory compliance, and other costs).** The equipment represents just 28 percent of the costs of home oxygen therapy (see 2006 study by Morrison Informatics).
- Medical oxygen is a federal legend drug and the oxygen devices are prescription only. **Because of the number of patient-safety concerns, patients typically rely on their oxygen provider to provide them with certain services to ensure the equipment is being used properly.** CMS-1403-FC offers minimal payments for the services the providers offer to their patients, causing financial burdens for the provider.
- **Medical oxygen therapy at home costs less than \$8 per day in Medicare. A typical inpatient hospital day in Medicare costs \$4,603.** Moreover, oxygen patients prefer to be in their home and not in the hospital
- **Oxygen patients enjoy the freedom to travel or move out of their service area.** However, the strict rules of CMS-1403-FC have caused difficulty in traveling/moving oxygen patients who are close to the 36-month rental cap, because providers have been reluctant to take on a new patient who is close to the cap. This has caused confusion, anxiety, and hardship in many oxygen patients.
- **Oxygen therapy is critical to approximately one million Americans who suffer from respiratory illnesses such as chronic obstructive pulmonary disease (COPD)** and who require oxygen therapy under Medicare. Nationwide, as many as 15 million Americans have been diagnosed with COPD, a number that is growing. It is a slowly progressive, incurable disease that causes irreversible loss of lung function. Although existing medications have not proven beneficial in reversing its effects, home oxygen therapy-when properly prescribed and maintained-can slow or stop lung degeneration.

Please help Americans on oxygen therapy to breathe easier by signing on as a cosponsor. To sign onto H.R. 2373, contact Emily Henehan in Congressman Price's office at (202) 225-4501 or Erin Doty in Congressman Shuler's office at (202) 225-6401.