

March 24, 2016



The Honorable John Thune
U.S. Senate
511 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Heidi Heitkamp
U.S. Senate
110 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Thune and Heitkamp:

On behalf of VGM Group, Inc. and its 5,800 members of independent medical suppliers across the entire United States, we would like to show our strong support for the *Patient Access to Durable Medical Equipment Act*, S. 2736.

This legislation will protect access to durable medical equipment (DME) for some of the most vulnerable individuals in America to ensure that these individuals are able to live independently in their own home. DME providers in rural areas are facing serious challenges that threaten their ability to serve Medicare beneficiaries due to the flawed competitive bidding program. This legislation places a freeze on current Medicare reimbursement rate cuts that were imposed by the nationwide rollout of competitive bidding in January 2016.

Providers in rural America face entirely different business models in comparison to providers in densely populated urban areas, for which the competitive bidding program was designed. While providers in rural America continue to feel the pinch of declining reimbursement rates, it is the patients who depend on this equipment to avoid costly hospital stays and remain in their homes. This proposed delay of reimbursement cuts will allow much needed assessment of the competitive bidding program in rural America to address the threat to patient access to DME. Additionally, this offers improvements to the program by removing the bid ceilings by artificially pushing prices down with each round of competitive bidding.

Stories of patients who are unable to access the DME that they need to stay alive and out of the hospital are happening more and more. Under the current conditions, providers are being forced to reject new Medicare beneficiaries, decreasing service areas that they will travel to, and some are already closing their doors. These problems will only continue to grow without action. S. 2736 is a positive step forward by requiring CMS to address stakeholder input to account for the different demands of a provider in rural American.

Your introduction of S. 2736 offers security to patients and providers across the country to ensure that patients are provided with the highest quality of care and remain independent citizens. We urge the House to join the Senate in this bipartisan effort before the irreparable harm ensues with proposed Medicare cuts on July 1. VGM is looking forward to working with Congress and other industry stakeholders to ensure the passage of this vital piece of legislation.

Sincerely,

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