

# United States Senate

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Thune: [Ryan Wrasse](#)  
Heitkamp: [Abbie McDonough](#)

## **Thune, Heitkamp Ensure Beneficiary Access to Durable Medical Equipment**

*Legislation will ensure that durable medical equipment (DME) providers are able to meet the needs of Medicare beneficiaries in their areas*

**WASHINGTON** — U.S. Sens. John Thune (R-S.D.) and Heidi Heitkamp (D-N.D.) today introduced the DME Access and Stabilization Act, legislation that would provide bridge relief to rural DME providers in non-competitively bid areas through the end of 2018. This legislation will ensure that DME providers are able to meet the needs of Medicare beneficiaries in their areas. Additionally, this legislation seeks to address the underlying issues with DME reimbursement in non-competitive bidding areas. Examples of DME include hospital beds, blood glucose monitors, and wheelchairs.

“It is important that people receive quality health care, no matter where they live,” **said Thune**. “Not only does this legislation ensure that suppliers in rural areas can provide services they need to people in all parts of South Dakota, but it may enable people to return home faster after hospitalization.”

“Seniors in rural areas like North Dakota deserve continued access to needed medical equipment, like hospital beds, walkers, and oxygen supplies,” **said Heitkamp**. “Our bipartisan bill would smooth the transition to a new payment formula for businesses supplying and servicing these products, and make sure seniors, particularly those in rural communities, can continue to live independently and with dignity.”

Thune and Heitkamp introduced this legislation to address the problem caused by the national rollout of competitively bid DME prices to non-competitively bid areas. Competitive bidding was created by the Medicare Modernization Act of 2003. Competitive bidding for DME started with Round 1 of bidding in nine metropolitan areas in 2008, but was suspended due to issues with implementation. Suppliers then had to rebid Round 1, and prices for Round 1 went into effect in January 2011. Round 2 competition started in 2011 in an additional 91 predominately metropolitan areas, and prices for Round 2 took effect in July 2013. The Centers for Medicare and Medicaid Services will then take these rates from the competitively bid areas and extrapolate them to non-competitively bid areas, which will threaten beneficiary access to DME because of inherent differences in supply and delivery costs between metropolitan and rural areas.

On January 1, 2016, the competitive bidding program will be rolled out to South Dakota and North Dakota, two areas without competitive bidding areas. According to an estimate, many providers in the upper Midwest will face a nearly 40 percent reduction on average in reimbursement for the most commonly ordered DME they provide to seniors, making it financially difficult to continue to provide DME.

Joining Thune and Heitkamp in cosponsoring this legislation are U.S. Sens. Pat Roberts (R-Kan.), Angus King (I-Maine), and Mike Crapo (R-Idaho).

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