Medicare Bidding Program Endangers Patients, Costs Jobs in Pittsburgh, says American Association for Homecare

Bio-Medicine.Org

PITTSBURGH, April 4, 2012 /PRNewswire-USNewswire/ -- The Medicare bidding program for home medical equipment and services (HME) is forcing those providers in the Pittsburgh area to revise operating models, lay off workers, or leave the profession. Medicare beneficiaries are also affected, since many out-of-state providers, with no connection to the community or patients, are assigned to provide critical equipment and services.

Pittsburgh was one of nine locations across the country where the flawed competitive bidding program was tested last year. From all indications, the impact in the Pittsburgh area for providers and beneficiaries is similar to what has occurred in the other eight locations – Charlotte, Cincinnati, Cleveland, Dallas, Kansas City, Miami, Orlando, and Riverside, Calif. Now Medicare is on the verge of expanding this program to 91 more metropolitan areas [1] nationwide, including Philadelphia, Allentown/Bethlehem, and Scranton/Wilkes-Barre.

While the Centers for Medicare and Medicaid Services (CMS) touts an average 32 percent reduction in HME reimbursements in those locations, providers say there is another side of the story not being told – details of how businesses have been ruined, bonds broken with elderly and disabled patients, and a dismantling of the care network.

Essentially, CMS has used the bidding process to cut prices to unsustainable levels, while significantly reducing the number of providers allowed to care for Medicare patients. Some winning bidders either never sign contracts to provide the equipment to Medicare beneficiaries or are forced to lay-off workers because the low prices could not sustain their actual costs.

Furthermore, 58 percent of the winning bids went to companies with no footprint in the Pittsburgh area.

"The effects of the bidding program, from a provider perspectiv
'/>"/>

SOURCE [2]

Source URL (retrieved on *03/11/2014 - 10:07am*):
http://www.mdtmag.com/news/2012/04/medicare-bidding-program-endangers-patients-costs-jobs-pittsburgh-says-american-association-homecare

Links:
[1] http://www.cms.gov/DMEPOSCompetitiveBid/01a_MSAs_and_CBAs.asp#TopOfPage
[2] http://www.bio-medicine.org/medicine-technology-1/Medicare-Bidding-Program-Endangers-Patients--Costs-Jobs-in-Pittsburgh--says-American-Association-for-Homecare-24858-1/