

## **MetroStar Home Health COO Asks Congress to Cease Round 2 of The Centers for Medicare & Medicaid Services' Medical Equipment Bidding Process**

PR Newswire

NEW YORK, Feb. 25, 2013 /PRNewswire/ -- Durable Medical Equipment companies across their country join in the effort to **protect Medicare Beneficiaries** from **devastating changes** as a result of new Medicare suggested by The Centers for Medicare & Medicaid Services (CMS).

With reimbursement rates already on the decline many experts are concerned that the new competitive bidding system will waste billions of dollars, bankrupt small medical supply businesses and leave America's most vulnerable population without essential equipment such as oxygen tanks and wheelchairs.

"CMS has effectively created a system that encourages the bidders to bid outrageously low which clearly suggests that it finds it acceptable for companies providing medical equipment to supply its patients with a sub standard product," stated Isaac Newman , Chief Operating Officer for MetroStar Home Health Products, who has taken an active role on this cause.

Centers for Medicare & Medicaid Services (CMS) has announced that in Round 2 of its bidding process, which is expected to begin on July 1, reimbursements for a wide range of home medical equipment will drop on average by 45 percent in New York City and Long Island, with diabetic tests' prices dropping an average of 72 percent.

"It seems that CMS suggests that the average Medicare recipient can be mistaken for a fool, they illustrate how much savings are projected but fail to mention the sacrifices involved with the program, it is simply deplorable how the Federal Government is taking advantage of Americans who worked for years to earn their benefits," continued Newman.

The competitive bid process is a process that allows the bidders to determine the pricing in an intricate manner; one that has failed to actually yield proven outcomes. Many industry experts warn that CMS has deviously created a process where it can capriciously select any price between the lowest and highest bids. Furthermore, many have referred to this process as having "no transparency whatsoever" because the factors that the Agency uses to determine the pricing levels are secretly set by CMS and not released to bidders or the public, and their only purpose is allowing CMS to fix the reimbursement prices.

Round 1 of the process has already eliminated thousands of businesses from providing equipment and services to Medicare beneficiaries. In turn, with fewer businesses providing products and services, there was a significant drop in utilization of DME equipment by Medicare beneficiaries, and many were forced to

change providers.

Patient and community activists from across the nation have come together in an effort to fight the implementation of round 2 of the competitive bid process. The economics of the program are flawed and can have devastating effects on the elderly.

"MetroStar continued to operate throughout Hurricane Sandy and the subsequent recovery weeks, we are a company in the community, for the community, we have always been there for those in need and we are appealing to congress to be there for us," concluded Newman.

For more information on **MetroStar Home Health Products**, please contact Isaac Newman , (718) 838-3333 or visit us online at [www.metrostardme.com](http://www.metrostardme.com) [1].

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[1] <http://www.metrostardme.com/>