

Patients suffer as Medicare denies claims, even though its own data shows that mobility saves.

Over the last two years, The Centers for Medicare and Medicaid Services (CMS) have attempted to reduce fraud and improper payments by implementing new measures designed to combat waste. While these initiatives may be well-intentioned and have led to the recovery of billions of dollars, some misguided CMS measures – primarily the aggressive auditing and subsequent routine denial of O&P claims and suspension of appeals – are exacting a significant financial and emotional toll on taxpayers, insurers, and most importantly, patients by routinely denying legitimate Medicare claims for orthotic and prosthetic services.

In an unprecedented study commissioned by the Amputee Coalition and conducted by Dr. Allen Dobson, health economist and former director of the Office of Research at CMS, Medicare's own data show that patients who receive orthotic or prosthetic (O&P) services have lower or comparable Medicare costs than patients who need, but are denied, these services. The study's authors used Medicare's claims database to review all data for patients with conditions that justified providing lower limb orthoses, spinal orthoses, and lower limb prostheses. On average, that study found that patients who received lower limb orthoses (orthopedic braces) saved Medicare nearly \$3,000 per patient, as compared to patients who didn't receive the needed treatment.

With that knowledge, and the fact that Medicare saves more than \$634,000 every day because of the O&P patient services it does approve, the question remains – why is Medicare routinely denying legitimate claims for O&P treatment, increasing audits of O&P claims, and suspending indefinitely the appeals process for patients and providers when O&P claims are denied?

No one knows, except perhaps for CMS. Meanwhile, patients are denied treatment and their mobility, and Virginia's healthcare providers are denied payment as the average number of appeal requests from patients and providers alike has exploded, growing from 1,250 per week in January, 2012, to 15,000 per week nearly a year later. Clearly there is a growing problem.

When Medicare denies a claim for O&P treatment, or in an even more troubling scenario demands the return of payments – sometimes years later – that were made for previously approved treatments, a patient's or provider's only recourse is to appeal that decision at the Administrative Law Judge (ALJ) level, overseen by the Office of Medicare Hearings and Appeals (OMHA). Because of the more than 1,000-percent increase in appeal requests in just over a year's time, OMHA has suspended hearing any new appeals, while delaying hearings for appeals already filed for up to two years. That's two years that an otherwise able-bodied, hard-working employee can't return to work, that a mother who's an amputee can't walk across the room to comfort her newborn, and that a once-promising student athlete is forced to sit on the sidelines instead of pursuing their passion.

Something needs to change, and that responsibility for change lies squarely with The Centers for Medicare and Medicaid Services. Start by restoring patients' and providers' due process rights by reinstating reasonable timeframes in which administrative law judges hear appeals. At the same time, Congress should pass several key pieces of legislation, including:

- H.R. 3112 – the Medicare Orthotic and Prosthetic Improvements Act
- H.R. 3020 – the Insurance Fairness for Amputees Act
- H.R. 3408 – the Injured and Amputee Veterans Bill of Rights

The research clearly shows that Medicare costs are lower for patients who received orthotic services and similar for patients receiving prosthetics services, as compared to patients who need these services but were denied them by Medicare. If Medicare is serious about saving money, it needs to first look to itself, and its misguided policies regarding O&P claims denials.

O&P services save money for payers and help preserve or restore mobility for patients. Medicare should stop its aggressive auditing and routine denial of legitimate O&P claims, and instead let everyone get back to work, because Mobility Saves.

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