

## SAVINGS

### THE INCLUSION OF SPECIALIZED, ADJUSTABLE WHEELCHAIR SEATING IN THE COMPETITIVE BIDDING PROGRAM WILL YIELD MINIMAL DMEPOS GROSS SAVING TO THE MEDICARE PROGRAM

- In order for a Medicare beneficiary to qualify for a specialized adjustable wheelchair seat cushion (KCPCS Codes K0734 – K0737) they must have, or be at high risk for, skin breakdown.
- According to CMS data for 2008 there were 477 allowed claims for K0734-K0737 seat cushions in the nine competitive bid areas (CBAs) to be included in round 1 of competitive bidding.
- If the single payment amounts for K0734-K0737 seat cushions were set at 90 percent of the current fee schedule, the Medicare program would “initially” yield an annual “gross savings” of less than \$15,000.

HCPCS Code	Description	Number of Allowed Units in All 9 Competitive Bidding Areas (CBAs) in 2008			Maximum Bid Rate Allowed	Maximum Expenditure for All 9 Bid Areas If Everyone Bid At the Maximum Rate	Maximum Expenditure for All 9 Bid Areas If Everyone Bid At 10% Below the Maximum (1)
		For the Standard Power Wheelchair Category	For the Complex Rehab Power (Group 2) Wheelchair Category	Total for Both Power Wheelchair Categories in 2008			
K0734	Skin Protection Wheelchair Seat Cushion, Adjustable, Width Less Than 22 Inches, Any Depth	298	9	307	\$299.98	\$92,093.86	\$82,884.47
K0735	Skin Protection Wheelchair Seat Cushion, Adjustable, Width 22 Inches Or Greater, Any Depth	15	9	24	\$381.71	\$9,161.04	\$8,244.94
K0736	Skin Protection And Positioning Wheelchair Seat Cushion, Adjustable, Width Less Than 22 Inches, Any Depth	119	9	128	\$302.44	\$38,712.32	\$34,841.09
K0737	Skin Protection And Positioning Wheelchair Seat Cushion, Adjustable, Width 22 Inches Or Greater, Any Depth	9	9	18	\$382.87	\$6,891.66	\$6,202.49
Totals				477		\$146,858.88	\$132,172.99
Gross Save to Medicare:							\$14,685.89

(1) Bid awards at 10% below the current allowed, combined with the 9.5% cut that already occurred via MIPPA, would meet or exceed the results that occurred in the original round 1 of competitive bidding

- One bed sore can cost over \$40,000 to heal. If just one additional individual develops skin breakdown in any of the CBAs as a result of competitive bidding, the Medicare program, as a whole, will lose approximately three times as much as it initially produced in gross savings.

### THE INCLUSION OF SPECIALIZED, ADJUSTABLE WHEELCHAIR SEATING IN THE COMPETITIVE BIDDING PROGRAM WILL INCREASE OVERALL EXPENDITURES IN THE MEDICARE PROGRAM