

Protect Access to Home Oxygen & Ventilators

Reinstate Budget Amendment

HB5005 482.20 #59

Durable Medical Equipment (DME) providers allow patients to be discharged from high-cost acute care settings into their homes and also help patients manage long-term chronic diseases successfully. DME includes home oxygen, ventilators, respiratory therapy, etc.



COVID-19 patients can be moved to their homes to reduce hospital capacity & infection risks



50% of DME providers have closed since 2010 resulting in dramatically delayed discharges



Virginia now has only 2 Pediatric DME providers to serve >700K children enrolled in Medicaid

HB5005 482.20 #59 protects Virginia's most vulnerable & fights the spread of COVID-19

Virginia's most vulnerable healthcare population depend on DME providers for life-sustaining care. However, enormous service gaps exist for patient care in Virginia due to aggressive actions of Medicaid Managed Care (MCO) companies who value "cash over care". MCOs bullied DME providers for years with reoccurring non-negotiable terms that reduced payments so far below existing Medicaid rates (already the industry's lowest) it drove DME providers away from caring for Medicaid patients – or out of business altogether.

HB5005 482.20 #59 protects VA's DME providers from the MCO's tactics by placing a much needed threshold on how much the insurance companies can discount off the VA Medicaid fee schedule. It was not allotted to the new budget only because it had a FIS allocation. However, the allocation of \$345k is dramatically lower than any other healthcare expenditure and there is an ongoing dispute over whether it should be classified as "language only".

Even if the FIS is accurate, it is an enormous value to Virginia. This small amount would preserve access to critical DME by setting a limit to rate reductions imposed by MCOs and save Virginia money by enabling patients to remain in their homes (versus higher cost acute or rehab care). It would also improve access to care by bringing back DME providers that stopped serving Medicaid patients due to the non-negotiable terms offered by MCOs.

While the economy suffered via COVID-19, Q-2 2020 was the most profitable quarter ever for health insurers