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Chet Culver, Governor of Iowa
Nancy-Ann DeParle
White House Regional Forum on Health Reform

The Midwest Association for Medical Equipment Services (MAMES) is a regional association which represents over 200 Home Medical Equipment providers in the states of Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota. MAMES members provide home oxygen therapy, respiratory care equipment, custom and complex wheelchairs, home infusion therapy, aides to daily living for the physically impaired and medical supplies to Medicare, Medicaid and private insurance beneficiaries in the Midwest. Our members and the home medical equipment industry are one of the principle stakeholders to help bring down health care costs. We appreciate the opportunity to participate in healthcare reform.

We firmly believe that health care costs can be brought down by looking at ways to keep patients out of hospitals, and long-term care. The discussion needs to be focused around the most cost-efficient ways to accomplish this. There needs to be an honest assessment of all healthcare delivery models that are available, not just simply familiar, outdated models. A paradigm shift is needed if our country is serious about providing healthcare to all Americans.

The home medical equipment industry is part of the healthcare continuum. Hospitals, skilled nursing facilities, insurers and most importantly patients and their families rely on the equipment, products and services they receive from home medical equipment providers to help them keep their costs down by expedient discharges. Former HHS Secretary Mike Leavitt said that homecare is cost effective and is where patients prefer to be treated.

Here are a few statistics:

- Oxygen can be provided to a chronic obstructive pulmonary disease (COPD) patient who lives at home for one full year at less than the average Medicare cost for one day in the hospital which is \$3,606. The average Medicare payment for stationary and portable oxygen equipment is approximately \$230 per month or less than \$8.00 per day.
- For home intravenous antibiotic therapy, the average cost per day is \$122 in the home, compared to \$798 in the hospital and \$541 in a skilled nursing facility.
- Pediatric homecare is a cost-effective alternative to institutional care. Home health costs are 70% less than hospital costs for high-tech, ventilator dependent children and the average cost of caring for these children at home is 87% less than a hospital setting.

The home medical equipment sector provides necessary care, service and guidance to millions of Americans in their homes and does so at reimbursement rates which create incredible savings and efficiencies for payers; rates that have in some cases been reduced by 50% over the last decade. We feel strongly that the services and equipment we provide are the answer to the problem of skyrocketing costs and relish the opportunity to be a part of the solution to the nation's healthcare crisis.

Our questions:

- Does the Administration recognize the value homecare provides?
- What role will home medical equipment/homecare and the millions of people served by our critical services play in the coming wave of healthcare reform?
- What will the Administration do to ensure that the small businesses and community based organizations that provide homecare services and equipment will survive and succeed?

We welcome the opportunity to be part of on-going dialogue. We hope you will use MAMES as a resource for further discussion. Please contact info@mames.com for more information.

Sincerely,

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