## THE WALL STREET JOURNAL.

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit http://www.direprints.com.

http://www.wsj.com/articles/medicares-proposed-changes-on-prosthetics-stirs-a-fight-1442790227

**POLITICS** 

## Medicare's Proposed Changes on Prosthetics Stirs a Fight

Amputees say tighter requirements could curb access to artificial lower limbs



Amputees protested last month in Washington, D.C., against a proposed Medicare change in payment policy for some prosthetics. *PHOTO: GARY CAMERON/REUTERS* 

## By STEPHANIE ARMOUR

Updated Sept. 20, 2015 7:04 p.m. ET

Tom Watson has relied on a prosthetic limb since the 1970s, when a 10,000-pound bulldozer rolled over part of his right leg. After his amputation, he became so involved in prosthetics that he opened his own business fabricating and fitting such devices.

Now Mr. Watson, whose advanced artificial limb has allowed him to remain active and coach college football for students with disabilities, has both a business and personal stake in proposed federal rules that would tighten Medicare requirements for prosthetics.

He and others who have lost lower limbs say the proposal would make it harder to

obtain and afford artificial devices. They are lobbying Congress to get the Obama administration to halt any change to coverage under Medicare, the federal health program for those 65 and older and for people with certain disabilities. Government officials say accessibility wouldn't be curtailed.

The proposed rules would establish a host of coverage changes. Amputees may not be able to be reimbursed for artificial limbs if they sometimes use assistive devices such as a cane or crutches. They could be unable to get advanced prosthetics if the device doesn't enable them to walk with the appearance of a natural gait. They may also be denied advanced limbs if doctors say they have certain health issues such as memory loss or cardiac problems.

The proposal comes amid growing scrutiny of fraud by companies that supply prosthetics. In 2009, Medicare inappropriately paid \$43 million for lower-limb prostheses that didn't meet certain coverage requirements, according to a 2011 study by the Department of Health and Human Services' Office of Inspector General. Most payments were made to suppliers that incorrectly billed for prostheses.

A major concern among amputees is that the proposed rules could expand to some private insurers, which often adopt Medicare payment policies, more widely affecting the estimated 1.6 million people in the U.S. who have lost a limb.

Some say it is already happening: UnitedHealth Group Inc., one of the biggest U.S. health insurers by revenue, said that starting in October it will no longer cover a vacuum-suspension system used to improve gait and prosthetic fit. The Medicare proposal also suggests no longer covering the system for beneficiaries.

"It's very scary. We're really afraid that this will take away the strides made since the 1970s," said Peggy Chenoweth, a spokeswoman for the Amputee Coalition, an advocacy and support group. "People will be disabled by insurance policies instead of missing a limb."

It isn't known exactly when the rules will be finalized or when they would take effect.

Shannon Simm, a 38-year-old stay-at-home mother in Ocean City, Md., calls the proposal an overzealous effort to stop fraud that could wind up depriving her son Nathan, who turns 3 next month, of advanced artificial limbs. He was born without a fibula and uses a prosthetic as well as a walker for potty training.

"We have private insurance but the companies make their guidelines off Medicare," she said. "It will affect all lower limb amputees."

Medicare is overseen by the Centers for Medicare and Medicaid Services. But under federal law, four private companies oversee Medicare claims processing and coverage decisions involving lower-limb prosthetics. The four contractors came up with the suggestions and will approve any final changes.

The companies behind the proposal didn't respond to requests seeking comment or referred questions to CMS. But company officials said the proposal stems from efforts to crack down on fraudulent billing and that access to limbs won't be curtailed. The companies are NHIC Corp., Anthem Inc. 's National Government Services, BlueCross Blue Shield of South Carolina's CGS Administrators LLC and Noridian Healthcare Solutions LLC.

Mr. Watson, a 64-year-old who soon will transition to Medicare, says the federal proposal would limit amputees like him to more basic models that would restrict mobility. "I would never qualify for the prosthetic I have now," said Mr. Watson, also a former mayor of Owensboro, Ky. "This will really hurt amputees."

Amputees say they are also concerned that the proposal, if adopted, would curtail the ability of veterans to get advanced prosthetics if insurance provided by the military also adopts the rules. They also say it would affect veterans who rely on Medicare as they age or use Veterans Affairs facilities.

CMS and other federal officials met last month with amputees who held a rally in Washington. The agency has said Medicare beneficiaries would continue to have access to lower-limb prosthetics and that they welcome public input. In a statement, the agency said officials would work with the contractors to make sure "any final policy is supported by clinical evidence and does not limit necessary services for Medicare beneficiaries."

Private insurers' coverage policies are consistent with Medicare about half of the time and more restrictive than Medicare a quarter of the time, according to a study this year in the journal Health Affairs.

UnitedHealth said its move to stop covering the vacuum device comes after a review of medical literature, which led the insurer to conclude the system doesn't work better than a different method of affixing a prosthetic.

Write to Stephanie Armour at stephanie.armour@wsj.com

## **Corrections & Amplifications**

Shannon Simm, a stay-at-home mother in Ocean City, Md., is 38 years old. An earlier version of this article incorrectly said she is 49. (Sept. 20)

Copyright 2014 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our Subscriber Agreement and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com.