

AOPA 2nd Quarter 2013 Staff Report

To: AOPA Membership

From: Thomas F. Fise, Executive Director

Date: July 8, 2013

Subject: We Can't Stop Now!

Since our last AOPA Staff Report at the end of March 2013, the pedal has hit the metal even more forcefully. On May 13, 2013 AOPA filed the formal complaint against HHS Secretary Sebelius challenging CMS regarding the legality of the ruinous RAC and other audit contractor activities upending patient care in the O&P field. Go to the AOPA website www.AOPAnet.org to review the complaint and other documents associated with this effort.

The lawsuit was filed only after AOPA and the O&P Alliance met with Administrator Tavenner May 8th and after a private meeting with her chief of staff March 18th plus several other meetings with top CMS officials and letters to Administrator Tavenner's staff and two letters from AOPA legal counsel at Winston and Strawn. All of the meetings and communications stressed the seriousness of how patient care and the O&P providers are being deeply threatened by the audit practices.

Most heartening has been the response of nearly 300 AOPA members who have voluntarily contributed nearly \$100,000 to help defray the extraordinary cost of this final effort which we hope can bring order out of chaos in providing O&P services. But the litigation against CMS is not the only thing your association has been pursuing on your behalf as you will see from the following recap by departmental areas of the many activities and issues AOPA's staff and volunteers have been engaged with.

Government Relations and Regulatory Affairs

Always top of the list when it comes to resource utilization and impact on members, AOPA's advocacy on behalf of O&P continues daily. Here's a brief rundown of what has transpired these past three months.

AOPA Testifies at SBA Hearings on Regulatory Fairness

AOPA testified for the second time in two weeks during a U.S. Small Business Administration Regulatory Fairness hearing held on June 21 by the National Ombudsman. The National Ombudsman assists small businesses with unfair and excessive regulatory enforcement by federal agencies including repetitive audits or investigations, excessive fines, penalties, retaliation or other unfair regulatory enforcement actions.

Previously, on June 6th AOPA provided testimony during another SBA Hearing on Regulatory Fairness. AOPA's testimony detailed the unfair and unauthorized actions of CMS, primarily via the actions of its RACs and DME MACs relating to audit practices and physician documentation/medical necessity requirements. As part of AOPA's most recent testimony, AOPA included the compelling

statement of an O&P practitioner, who as a result of these audits was sadly forced to close his small business.

In addition to AOPA, the O&P field was well-represented on the call. Numerous O&P providers voiced their concerns about the devastating impact the RAC audits are having on their businesses. AOPA and O&P providers expressed concerns to the SBA that included:

- The OIG Report and subsequent "Dear Physician letter" that has changed the standard of care, often forcing practitioners to choose between meeting the patient's immediate need for a prosthesis by providing a less sophisticated device, rather than endure long delays in care triggered by the paper chase with physicians
- The lack of consideration given to the prosthetist's notes by CMS and their position that the documents lack validity due to the prosthetist having a financial interest in the claim
- Entire claims being recouped rather than the line item in question
- The lengthy appeals process
- Challenges with finding physicians to prescribe prostheses and to complete the required paperwork
- Financial challenges to providing componentry upfront and subsequently fighting to get paid when running on a small profit margin
- Challenges with battling audits and finding time to also care for patients
- Qualified practitioners leaving the field
- Employees losing jobs when small businesses close up shop
- Patient care suffering as a result
- These audits are jeopardizing the economic viability of these critical healthcare providers

The hearings were largely dominated by small businesses concerned with CMS regulatory action. There were also quite a few DME suppliers expressing concern with the impact of the DMEPOS Competitive Bidding Program on their businesses and patients.

CMS Enrollment Denials when Overpayments Exists

A recent MLN article, based on Change Request (CR) 8039, provides that Medicare contractors may deny a Form CMS-855 enrollment application if the current owner of the enrolling provider or supplier or the enrolling physician or non-physician practitioner has an existing or delinquent overpayment that has not been repaid in full at the time an application for new enrollment or Change of Ownership (CHOW) is filed.

Under 42 Code of Federal Regulations (CFR) Section 424.530(a)(6), an enrollment application may be denied if the current owner (as that term is defined in 42 CFR Section 424.502) of the applying provider or supplier, or the applying physician or non-physician practitioner has an existing or delinquent overpayment that has not been repaid in full at the time the application was filed.

The recently revised CMS Manual also includes language instructing contractors to issue enrollment denials if the enrollee has an existing overpayment that has not been repaid in full at the time the application is filed **regardless** of :

- (1) whether the person or entity is on a Medicare-approved plan of repayment or payments are currently being offset
- (2) whether the overpayment is currently being appealed
- (3) the reasons for the overpayment.

Note that CR8039 applies only to initial enrollments and new owners in a CHOW. Note also that if the Medicare contractor determines that the overpayment existed at the time the application was filed, but the debt was paid in full by the time the contractor performed its review, the contractor will not deny the application because of that overpayment.

Comments on CMS Proposed Rule on Provider Enrollment

On a related note to the above MLN article, AOPA filed comments on June 26 on CMS-6045-P, "Medicare Program; Requirements for Medicare Incentive Reward Program and Provider Enrollment." The proposed rule was published in the April 29, 2013 Federal Register.

The proposed rule would revise the Incentive Reward Program in § 420.405 and certain provider enrollment requirements in part 424, subpart P. Our comments focused on the provider enrollment portion of the proposed rule, specifically addressing concerns with due process rights. With orthotics and prosthetics having become a prime target for extraordinarily aggressive auditing (RACs and prepayment audits) by CMS' contractor personnel, including RACs and DME MACs we are very concerned about this proposal, whereby CMS would try to use these audit activities as if they were a legitimate, ultimate indicator of either fraudulent behavior, or noncompliance with legitimate Medicare payment policies. We have seen firsthand the devastation that the RAC and pre-payment audits by CMS contractors have leveled on O&P practitioners. We also recognize that while CMS claims it wants to avoid conflict of interest with healthcare providers, it has countenanced a blatant conflict of interest by remunerating its RAC auditors based on a percentage of claims dollars clawed back. AOPA's comments are included as part of the background materials.

Legislation Introduced in Senate to Support Prosthetic Research

AOPA's legislative representation expert, Linchpin Strategies, continues to work with Members of Congress on obtaining funding to support masters level O&P education programs and has received interest from Senator Blumenthal's and Senator Durbin's office to introduce legislation that would support this objective. Subsequently, Senator Durbin introduced *S. 521, the Wounded Warrior Research Enhancement Act* and *S. 522, the Wounded Warrior Workforce Enhancement Act*. The impetus behind these efforts to allocate and coordinate more research dollars (\$30 million) to prosthetic research acknowledges that our field has important, unanswered questions with significant cost implications for DoD, the VA, Medicare and health care more generally.

To garner support for S.522, The Wounded Warrior Workforce Enhancement Act, AOPA sent a personalized letter to each of the 14 members of the U.S. Senate Committee on Veteran's Affairs requesting their support of S.522. AOPA also provided draft letters for each committee member to AOPA members located in the states the committee members represented. AOPA requested that the AOPA members, as constituents, personalize the draft letter on their letterhead and send it to their Senator to request their support of S.522. AOPA created a campaign through the new AOPAVotes platform for AOPA members to contact their legislator to request support of this important bill. This AOPAVotes campaign was promoted via Constant Contact electronic email communications and the AOPA SmartBrief.

Secretary Sebelius Sign-On letter

Through concerted efforts to reach out to AOPA State Representatives, our broader membership and the O&P profession over 1,200 individuals sent over 1,700 request letters to 380 members of Congress through our AOPAVotes.org website. This reflects one of the highest levels of wide-spread participation in an advocacy campaign. As part of the final push on this effort a request was sent to AOPA members to call their legislator and urge their sign-on to this important letter. As a result of these efforts 35 legislators signed-on to a letter directed to HHS Sec'y Sebelius, which was authored by Reps. Duckworth and Guthrie, and detailed growing concerns with the RAC audit issues plaguing the O&P profession.

As an outgrowth of this effort and the growing awareness by legislators of these issues numerous members contacted AOPA to request background materials and guidance for meetings they had set-up or were pursuing scheduling with their legislators. AOPA was able to provide lobbying guidelines, facility tour guidelines, talking points, and any relevant background material for those meetings.

<u>AOPA Provides Statement to Support Opposition to Texas Legislative Proposal Harmful to O&P</u> Providers and Patients

AOPA recently provided a Statement on HB1161 to the Texas Chapter of the American Academy of Orthotists & Prosthetics to assist their opposition efforts to the bill. This bill, if enacted, would allow practitioners exempted from Texas licensing requirements (e.g. physicians) to extend their extension to employees under their supervision.

AOPA staff member Lauren Anderson, MPH, testified on March 12 in Austin, Texas, against SB 505, which is the Senate counterpart to HB 1161. SB 505 had broad language, analogous to the language in HB 1161, which could have allowed abuse and potentially untrained persons to perform complex orthotic fittings. The Senate took the opposition's concern over SB 505 into consideration and SB 505 was subsequently modified to address concerns expressed by the Texas Association of Orthotics & Prosthetics, the Texas Chapter of AAOP, AOPA and other concerned parties.

AOPA's Statement on HB 1161 explains the potential harm to patients if the bill were passed, citing the complex nature of care for some orthotic patients, past incidents of improper fittings, and the broad implications for this bill if passed with its current stipulations. Additionally, AOPA's Statement details the legislative history with the Senate counterpart bill, SB 505, to suggest that one option for addressing these concerns would be for the legislature to make modifications to HB 1161 similar to those made for SB 505. We hope that the legislature will be as responsive to the concerns regarding HB 1161 as they were for addressing the same concerns with SB 505.

Supplier Conference Call & AOPA Survival Imperatives

AOPA held a Supplier Conference call on April 11, 2013 that also covered the six AOPA Survival Imperatives. Tom Kirk, AOPA's president, and Tom Fise, Executive Director, led the discussions on the call.

COPL Small Grant RFP

The leadership of AOPA, working in conjunction with the Center for Orthotic and Prosthetic Learning and Outcomes/Evidence-Based Practice (COPL) and its Board of Directors, recognizes that there is a modest amount of original evidence-based or outcomes research in orthotics and prosthetics. To address this issue, AOPA this year, as it has in each of the past five years, solicited proposals for funding original pilot research that will lead to larger trials that may qualify for government or other research funding support in nine areas of O&P. Grants of \$15,000 each will be awarded four research projects based on recommendations made by the COPL Board of Directors to AOPA's Board.

The Medicare O&P Improvements Act

When the Congressional Budget Office set about to establish a score for the Medicare O&P Improvements Act late last year, CBO contacted CMS to secure some information relative to potential costs/savings of the bill. Three points were conveyed by CMS to CBO to support its claim that the bill, instead of saving money, would actually cost money.

- 1. CMS said that the reference in the bill to the Tripartite document would limit CMS' ability to exercise its authority as to which devices might be considered "off-the-shelf" for purposes of future competitive bidding, costing Medicare millions of dollars.
- 2. CMS said that because the bill uses the term "practitioners" that this would allow O&P professionals to write their own prescriptions for orthotics and prosthetics, thereby costing the government because self-interest would dictate fitting patients with higher cost devices.
- 3. CMS asserted that the bill's mandate that CMS stop paying unlicensed providers was moot, because while Medicare did pay some unlicensed O&P providers prior to the "60 Minutes" expose in October, 2009, CMS claimed that Medicare has long since stopped making any payments to unlicensed O&P providers.

AOPA was informed of these CMS positions, and advised by our Congressional sponsors that if these were not addressed, we could expect a bad CBO score, and that some would question whether there is really a problem that the bill needs to address. Points 1 and 2 are easily resolved by modest edits to the text of the bill. Point 3, amounts to something akin to disproving the negative, and it has taken a fair amount of time, effort and resources to accomplish that.

In order to address point 3 AOPA put together a dissertation rebutting the CMS assertion that Medicare does not pay any unlicensed O&P providers. The AOPA position, prepared in consultation with two expert firms demonstrated: (a) if there was a change by CMS on paying unlicensed providers it is not borne out in Medicare data, which if anything points to more unlicensed providers being paid; (b) O&P providers registered with Medicare in the category "Medical Supply Facility" without a certified O&P provider continue to be paid in licensure states; and (c) when asked in a telephone survey, 85% of such firms stated they did not have a licensed/certified O&P practitioner on staff. These documents will be utilized to help open the door to re-introducing The Medicare O&P Improvements Act.

The Insurance Fairness for Amputees Act

The Insurance Fairness for Amputees Act is further along in the House than the Senate. It includes some updated language due to implementation of certain provisions of the Affordable Care Act. On the House side it is anticipated that Rep. Dent and Rep. Andrews may introduce and co-sponsor the bill, which may have 4-5 original co-sponsors.

Tavenner Confirmed as CMS Administrator

Marilyn Tavenner was confirmed by the Senate on Wednesday, May 15 as the CMS administrator. Tavenner has served as the Acting Administrator of CMS since 2011 when Acting Administrator Donald Berwick stepped down.

Additional State Updates

CA- California announced 13 participating plans and rates for Covered California (the state health benefits exchange). The tentative selection of health plans is subject to a rate review by state regulators. www.CoveredCA.com/news

GA-House Bill (HB) 68 passed, which puts O&P CEU requirements at 15 CEUs/year. Prior to HB 68 O&P was under the physician license law and required to meet the standard of 40 CEUs per a two year renewal period.

MD- recently created a state association, the Prosthetic and Orthotic Association of Maryland (POAM). The current officers are: Mark Hopkins, President; Michelle Koehler, Vice President; Leslie Brooks, Secretary/Treasurer.

MN- has introduced both an insurance fairness bill and most recently the MN Orthotic, Prosthetic & Pedorthic Licensure Bill. Efforts are focused on finding co-sponsors for the Licensure Bill.

WA- Concerns exist regarding obtaining authorizations, greater paperwork burden and lower reimbursements with patients switching to Medicare Advantage plans. Additionally, there are issues with the Washington State Department of Social and Health Services patients' plans changing to managed care plans while O&P work is in progress. This is creating confusion, delays, issues with prior authorizations and reimbursement concerns.

PAC Update

2013 O&P PAC HONOR CLUB MEMBERS

The O&P PAC is your political action committee representing you and the O&P community, on Capitol Hill. The O&P PAC provides you with a means of increasing the visibility and recognition of orthotics and prosthetics among legislators. It allows individuals to unite and pool their resources to support candidates for federal office who understand the crucial role of O&P in the health care delivery system.

As of June 11, 2013 the O&P PAC raised almost \$28,000 for the 2013 calendar year. We would like to thank the following individuals for their contributions to the O&P PAC. This is a partial list because it

only covers the period from January 1, 2013 through June 11, 2013 (because it only accounts for 2013 contributions, someone may have given \$5,000 in December 2012, and the PAC would not ask them to renew their contribution until December 2013 but still they would not be listed here). If we missed your name please accept our apologies, and any contributions made or received after June 11, 2013 will be published in the O&P Almanac and the next quarterly staff report.

President's Circle (\$1,000-\$5,000) Robert E. Arbogast; Donald Buethorn; Maynard Carkhuff; J. Martin Carlson, CPO; Thomas V. DiBello, CO, LO, FAAOP; Mike Fenner, CPO, BOCPO, LPO; Rick Fleetwood, MPA; Mark T. Maguire, CPO; Bradley Ruhl, CEO; Rick Stapleton, CPO; Paulette Vaughn and James O. Young, Jr., CP, LP, FAAOP.

Senator's Table (\$500-\$999) Sherrie Anderson, CP, LPO; Thaddeus E. Drygas, CPO; Ronald Hercules; William J. Leimkuehler, CPO, LPO; Ron Pawlowski, CPO; Lisa Schoonmaker, CPO and Jack Steele.

Chairman's Table (\$100 - \$499) George Breece; Michael Martin, CO, FAAOP; Clyde Newton Massey, CPO; Brad Mattear, CPA, CFo; Steve McNamee, CP, BOCO; Steven A. Mirones, CO, C.Ped., FAAOP; Ed Reyes, CPO, LPO; Stephen Rinko, BS, CPO; Jeff Smith, CPO and Claudia Zacharias, MBA, CAE.

1917 Club (Up to \$99) Timothy Lacy, CP

Special Support Group – Each year, the O&P PAC organizes fundraising events for members of Congress who have been supportive of O&P. For each event AOPA members make a personal contribution to the member's campaign and spend time with the member talking about a variety of issues including health care and the provision of O&P. These events are a unique way to share O&P concerns, get to know a member of Congress and get a congressional update, and have been very successful in getting Congress to understand O&P concerns.

Also, each year the O&P PAC sponsors events which allow AOPA members to learn more about the activities of the PAC, and provides them with the opportunity to get involved.

We would like to thank those individuals who in 2013 have donated directly to a candidate's fundraiser or to an O&P PAC sponsored event, as they too are valuable supporters in achieving the legislative goals of AOPA and the O&P PAC.

Ryan Arbogast; Ryan Ball; Victor Bustamante, CP; Kendra Calhoun; Dennis Clark, CPO; Jeff Collins, CP; Rob Cripe; Charles Dankmeyer, CPO; Don DeBolt; Thomas V. DiBello, CO, LO, FAAOP; Jim Fenton, CPO; Thomas F. Fise, Esq.; Rick Fleetwood, MPA; Tom Guth,; Hanger PAC; Marc Karn, CP; Tom Kirk, Ph.D; Alfred E. Kritter, CPO, FAAOP; Paul Leimkuehler; William Leimkuehler, CPO; Anita Liberman-Lampear, MA; Tina Moran; Michael Oros, CPO, LPO; Michael Richard, CPO; Bradley N. Ruhl; Brett Saunders, CPO, FAAOP; Jan Saunders, CPO; Scott Schneider; Peter Thomas, Esq.; Frank Vero, CPO; Tom Watson, CP; James Weber, MBA; James O. Young, Jr., CP, LP, FAAOP; and Claudia Zacharias, MBA, CAE.

Membership, Operations and Meetings



The 2013 O&P World Congress will be held September 18-21 at the Gaylord Palms Resort and Convention Center, Kissimmee, FL, USA. Register today to participate in an expanded AOPA National Assembly that will include all the things you have come to know and love about the country's oldest and largest show for O&P.

Register for the show, check out the schedule, download the preliminary program, make your hotel reservations and discover special coupon offers for transportation and park tickets at www.opworldcongress.org.

AOPA and its partners, the U.S. National Member Society of the International Society for Prosthetics and Orthotics (USISPO); the German Association of Orthopaedic Technology/Con.fair.med; the Amputee Coalition; the Canadian Association for Prosthetics and Orthotics (CAPO); Uniting Fronteras; and the Mexico Member Society of ISPO have worked to create a global experience for practitioners in the Western Hemisphere and around the world.

The World Congress is packed full of international stars and top clinical education sessions, BUT AOPA's primary focus is and always will be delivering MORE of the FINEST business and clinical education emphasizing bottom-line, profit-oriented, take-it-home and use-it programs for U.S. patient care facility and supplier members. If you want to survive and thrive in these demanding times you can't afford NOT TO JOIN US in Orlando to receive a full in-person update on all that's happening with your association as well as the opportunity to take full advantage of great educational programming.

Everything you have come to depend on the AOPA National Assembly will be part of the World Congress—the best business education, a massive exhibit hall, fun networking sessions and of course the most successful O&P business people in the industry. In addition to the Preliminary Program which is enclosed, you'll find attached the AOPA domestic business program that is sure to improve your bottom line in 2013 and beyond. AOPA members will not want to miss these important sessions designed to help you thrive.

Everything You Need to Know to Survive RAC and Prepayment Audits in a Desperate Environment

This two and a half hour program will reveal all the information you need to know to survive the farreaching, unscrupulous RAC and prepayment audits and the crippling cash flow effects our profession is facing.... See page 20 of the enclosed program for details.

Don't Be Absent from the Battlefield -- Control Your Destiny

During last year's National Assembly we launched Six Survival Imperatives to ensure our profession's future. Learn how AOPA's Commitment to these Imperatives will help you master the health care challenges ahead including systematic reviews that provide previews of soon-to-be published evidence-based Best Practices for orthotic management of stroke patients and post amputation management. ... See page 10 of the enclosed program for details.

Preparation is Key: Prosthetics, Errors and Audits

Using actual claims as case studies, a CMS contractor will walk you through the claims process from the beginning to completion.... See page 19 of the enclosed program for details.

Food and Drug Administration (FDA) Compliance for Patient Care Facilities, Manufacturers and Distributors

It is important for the entire profession to understand the role of the FDA within the O&P field, as well as the regulatory requirements that apply based on the operations of the business. Learn what to do both before and when the inspector calls....See page 19 of the enclosed program for details.

Business Certificate Programming

Earn a business certificate in O&P Business Management from AOPA, in partnership with the University of Virginia's School of Continuing and Professional Studies.... See page 7 of the enclosed program for details.

Optimum Profitability -- A Case Study of Four Facilities

Hear research on the profitability of four facilities that will assist you in analyzing your facility's productivity. The facilities vary in location, size, clinical staff make-up, scope of practice, and technology available for documentation....See page 9 of the enclosed program for details.

Meet and Hear from Congresswoman Tammy Duckworth (D-IL) - The Political Case for O&P Congresswoman Tammy Duckworth (D-IL) is an <u>Iraq War</u> veteran, she served as a <u>U.S.</u>

<u>Army</u> helicopter pilot and suffered severe combat wounds, losing both of her legs...culminating when she walked up the steps of the U.S. Capital in January to be sworn in to the 113th U.S. CongressSee page 22 of the enclosed program for details.

Clinical Education

When the planning committee announced the call for papers to the international community they were hoping for a strong response, but were overwhelmed with more than 170 submissions from clinicians, researchers and other professionals from 24 different countries. In addition to strong abstract submissions, attendees will enjoy a plethora of Instructional Courses, Symposia, Workshops and a new Technical Laboratory where technical education will be styled after a cooking show type format.

<u>Instructional Courses, Symposia, Systematic Reviews and the Thranhardt Lecture Series</u>

The Thranhardt Lecture Series will consist of the four best papers as chosen by the clinical education subgroup. Two papers will be chosen as the finalist and the winner will be announced at the Saturday morning general session. The finalists include:

- Effect of Compliance Counseling on Brace Use and Success in Adolescent Idiopathic Scoliosis, Kevin Felton, CO, LO
- Stratified Cost-Utility Analysis of C-Leg vs. Mechanical Knee Prostheses: Findings From a Retrospective Study on 127 Transfemoral Amputees, Andrea Giovanni Cutti, PhD and Emanuele Lettieri, PhD
- Can You Tell Which Foot is Which? Silvia Raschke, PhD and Michael Orendurff, PhD
- Prosthetic Limb Users Survey of Mobility (PLUS-M) Brian Hafner, PhD

Two Systematic Reviews will be presented

- Orthotic Management of Patients Post-Stroke: A Systematic Review of the Literature
- Prosthetic Management Following Transtibial Amputation: A Systematic Review to Establish Assessment and Treatment Pathways

15 Symposia and Instructional Courses

- Symposium: Appropriate Technologies for Developing Countries
- Symposium: Focus on the Amputee—End User Demands Drive the Future
- Symposium: Advances in Lower Limb Orthotic Management for Post Stroke Hemiparesis—An Interdisciplinary Approach
- Instructional Course: Stance Control Orthotics
- Symposium: AFOs and Cerebral Palsy—Current Thinking
- Symposium: Healthcare Delivery Systems from Around the World
- Instructional Course: Basic Biomechanics for Understanding the Effects on Orthoses and Prostheses
- Symposium: Upper Extremity Orthotic Interventions
- Symposium: Microprocessor Knee Clinical Trial Symposium

- Symposium: Microprocessor Controlled Feet (C6)
- Instructional Course: Discrimination Between Outcome Measurement Tools to Assess Clinical Effectiveness: Is there one Right Tool for Prosthetics?
- Symposia: Microprocessor Prosthetic Knee Symposium: Ten Considerations to Maximize
- Functional Ability
- Instructional Course: International Committee of the Red Cross (ICRC) Total Thermoplastic Technology

Keynote Speakers/ General Session

In addition to the USISPO keynote and German Keynotes, World Congress attendees will have the fortune to hear from the following general session participants:

- Yoshiuyki Sankai, Professor of Tsukuba & CEO of CYNERDYNE, Inc.
- Jan Geertzen, MD, PhD, Immediate Past President of ISPO
- Congresswoman Tammy Duckworth (D-IL)
- Roy Bloebaum, PhD, Research Scientist and Co-Director, VA Bone and Joint Research Lab, SLC.

Technical Education

The World Congress Technical Education program will consist of a live demonstration lab set up similar to a cooking show to provide the ultimate education experience.

The technical fabrication contest was created to allow our techs to compete with counterparts from around the world to fabricate a prosthoses—a combination prosthetic/orthotic device for a partial foot amputee. One winner and one runner up will be selected in each of the three categories: Practitioner, Technician, and Student. All three categories will also be entered into the People's Choice Award, where congress attendees will vote and select their favorite prosthesis. Special recognition in the form of a trophy and Press Release will be awarded to the school representing the winning students.

Mobile App

An official interactive mobile app for the 2013 O&P World Congress is currently under construction. The app will be available in three languages: English, Spanish and Portuguese. The app is designed to work with both Android and iPhones. You can also utilize the app on your computer. This mobile app allows you to:

- View the full agenda
- Create your own personal schedule
- Access interactive venue maps
- Update your status by checking in to sessions and exhibitors
- See other attendee updates in the activity feed
- Leave feedback by rating sessions and exhibitors
- Customize your profile and network with other attendees

Earn points, badges, and prizes by checking in, commenting, and liking other attendee updates. Expand your professional network, climb the leaderboard, and have fun.

World Congress Exhibition

The World Congress exhibit hall will feature 200 organizations, thousands of products and more learning opportunities than a person can imagine.

The exhibit hall will be open

Wednesday September 18, 2013 6:00 PM – 8:00 PM (Welcome Reception in Exhibit Hall)

Thursday September 19, 2013 10:30 AM – 6:30 PM

Friday September 20, 2013 10:30 AM – 5:30 PM (Happy Hour 5:30 – 6:30 PM)

Saturday September 21, 2013 9:00 AM – 12:00 PM

The center piece of the pavilion will be the USISPO/ISPO display along with the International O&P Showcase. We have invited industry research institutions, universities and nonprofits to create and display posters showcasing their dedicated work to the O&P field. The showcase is a great opportunity for international groups to educate and inform practitioners from all over the world about important work they perform. As of June 17, we have a total of 22 organizations participating in the International O&P Showcase.

Make sure you budget plenty of time to visit all the exhibitors and to enjoy some of the activities that will take place in the hall each day.

- Poster Sessions Thursday and Friday from 1:00 2:00 PM
- Welcome Reception in Exhibit Hall featuring special guests Shrek and Fiona.
- <u>Golf Game -</u> Attendees will receive golf balls throughout the show as they leave the education sessions. These will used to play miniature golf in the exhibit hall where you can win fabulous prizes from exhibitors and AOPA.
- \$5,000 Prize Give-Away Arizona AFO continues the tradition of giving away a grand prize worth \$5,000 as a grand finale to support the very important efforts of the O&P PAC.
- Raffles and Giveaways check out the raffle board located at the main entrance of the hall to see which exhibitors are promoting raffles and giveaways throughout the show.
- <u>Product Launches</u> We are asking exhibitors to let us know if they will be launching a new product at this year's show so we can share the excitement with attendees..
- Exhibitor Sponsored Happy Hour On Wednesday, September 21, AOPA and exhibitors will host a Happy Hour in the exhibit hall at 5:30 6:30 PM.
- Food Service Areas- Enjoy lunch in the exhibit hall on Thursday and Friday.
- Messages through the mobile app be sure to download the show app into your smartphone in order to stay informed of meeting highlights and changes.
- Enjoy the ABC hosted celebration during the afternoon break on Friday at 2:30 PM in honor of ABC's 65th Anniversary. Coffee and cake will be served.

Hotel Accommodations

Attendees are responsible for making their own hotel reservations. AOPA has reserved a block of rooms for World Congress attendees at the Gaylord Palms for the rate of \$229 per night. Call the hotel directly at 407/586-2000 or toll-free at 407/586-0000 and mention AOPA or the group code AOPA2013. You can also make your hotel reservations online at make-your hotel reservations online at https://resweb.passkey.com/Resweb.do?mode=welcome_gi_new&groupID=17754593

Please note that this block of rooms is being held exclusively for World Congress attendees, those booking rooms are required to register for the World Congress by August 9 or they will not be eligible for the group rate and may be subject to cancellation. The hotel will likely sell out over the dates of the World Congress. Please be sure your reservation request reaches the hotel prior to August 9, 2013 when any remaining rooms will be released. There is NO GUARANTEE that rooms will be available at the World Congress rate. Rates quoted here are on a space-available basis only. Once the World Congress block of rooms is sold out, which may be earlier than August 9, 2013, there is no guarantee that rooms will be available nor that they will be available at the World Congress rate.

Future Show Dates

Year	Location	Dates
2013	Orlando (World Congress)	September 18-21
2014	Las Vegas (Mandalay Bay Resort)	September 4-7
2015	San Antonio (Convention Center)	October 7 -10
2016	Orlando (Gaylord Palms	September 15-18
2017	Las Vegas (Mandalay Bay Resort)	September 6-9
2018	Vancouver (Convention Center)	September 26-29
2019	Orlando, Gaylord Palms	September 11-15
2020	Las Vegas (Mandalay Bay Resort)	September 9-12

Coding and Reimbursement

CMS Proposed Physician Documentation Template

The Centers for Medicare and Medicaid Services (CMS) published a draft document on its website that, in its words, "will assist physicians with documenting the physician notes that substantiate the need for a Lower Limb Prostheses." The draft template, in its proposed form, actually represents imposition by CMS of a serious new hurdle to Medicare beneficiaries in receiving prostheses and prosthetic components that are necessary to restore their function and facilitate necessary physical rehabilitation. The draft template contains four pages of information that physicians are requested to document ranging from the primary complaint of the beneficiary, to a complete patient history, to a listing of potential comorbidities that may or may not have any bearing on the patient's ability to properly wear and function with a particular prosthesis. There is concern that physician failure to complete the documentation requested in the proposed template will lead to further denial of legitimate prosthetic claims by AOPA members who are effectively meeting the functional needs of their prosthetic patients.

CMS announced several open door forum conference calls to solicit feedback on the proposed template from the Medicare supplier community, the first of which occurred on May 28, 2013. AOPA staff has and will participate on all of the open door forum calls.

An AOPA task force has been created to develop a potential alternative to the CMS proposed template. The task force has met on several occasions and has completed the majority of its work on its proposed template.

Medicare Prepayment Review Results

The DME MACs either announced the establishment or published the following results of Pre-Payment review activity during the second quarter of 2013.

Jurisdiction A: K3 Prosthetic Components

Jurisdiction A has recently published results of its ongoing widespread prepayment review of prosthetic claims that include K3 or higher functional level components. From February 2013 through April 2013, the overall error rate decreased from 68% to 62%. This represents a continuing reduction of the overall error rate, but remains too high for Jurisdiction A to discontinue the widespread pre-payment review. Of the claims that were denied, Jurisdiction A reported that 27% were denied due to a lack of documentation in the physician's records that support the medical need for the prosthesis, 31% lacked documentation that supported the need for K3 functional level components, 8% lacked a proper functional level assessment, and 15% lacked proper proof of delivery.

Jurisdiction B: All high cost DMEPOS

Jurisdiction B continues to perform pre-payment reviews on all high dollar DMEPOS claims, including O&P claims. AOPA has been very active in working with members and Jurisdiction B medical review staff to address this issue and the serious implications it has had on cashflow for AOPA members. Jurisdiction B recently reported that the error rate for lower limb prostheses has been reduced from 100% in January 2012 to 46% for the first quarter of 2013. This is a very encouraging result and has led to discussion regarding potential relief from future audit activities. Jurisdiction B staff has indicated that they continually review their audit activity and make adjustments as necessary but has not committed to a specific reduction in the number of O&P claims subject to pre-payment review.

Jurisdiction C: Diabetic Shoes

Jurisdiction C published results of its ongoing widespread pre-payment review for diabetic shoes described by HCPCS code A5500. For the 4th quarter of 2012, the error rate increased from 73% to 86%. Jurisdiction C published a reminder of the policy requirements for Medicare coverage of diabetic shoes and indicated that the pre-payment review will continue.

Jurisdiction D: Diabetic Shoes

Jurisdiction D published results of its ongoing widespread pre-payment review for diabetic shoes described by HCPCS code A5500. From December 2012 through March 2013, the overall error rate was reported as 92%. A total of 2,240 claims were reviewed with 1,984 claims denied. The most common reason for claim denial (26%) was lack of documentation in the medical record that supported one of the 6 conditions secondary to diabetes that must be present in

order to warrant Medicare coverage of diabetic shoes. Other reasons for claim denial included lack of documentation of a visit with the certifying physician (20%), no documentation received to support medical necessity of the shoes (11%), and lack of documentation of an in person fitting and evaluation visit with the supplier of the shoes (7%). Based on the overall claim denial rate of 92%, Jurisdiction D has announced that the widespread pre-payment review for A5500 will continue.

Jurisdiction D: AFOs Described by Codes L4360, L1960, and L1970

Jurisdiction D published results of its ongoing widespread pre-payment review for for AFOs described by L4360, L1960, and L1970. From December 2012 through March 2013, the reported error rates were 84%, 86%, and 80% respectively. For L4360, the majority of denials (23%) were due to missing proof of delivery documentation with another 22% denied due to a lack of a dispensing and/or detailed written order. For L1960 (22%) and L1970 (25%), the majority of denials were due to lack of documentation in the physician's records supporting the use of a custom orthoses rather than a prefabricated orthosis. An additional 21%-22% of claims for L1960 and L1970 were denied due to a lack of documentation supporting one of the five criteria necessary for selection of a custom fabricated orthosis. As a result of the overall high denial rate, Jurisdiction D has announced that the widespread pre-payment review for L4360, L1960, and L1970 will continue.

Jurisdiction D: Spinal Orthoses Described by Codes L0631 and L0637

Jurisdiction D published results of its pre-payment reviews of claims for spinal orthoses described by codes L0631 and L0637. For claims reviewed during the first quarter of 2013, the error rate for L0631 was 83% and the error rate for L0637 was 82%. In both cases, approximately 15% of denials were the result of an incomplete or missing proof of delivery document. As a result of the high error rate, Jurisdiction D claims for both L0631 and L0637 will remain under widespread pre-payment review.

Jurisdiction D: Prosthetic Feet Described by Codes L5980, L5981, and L5987

The Jurisdiction D DME MAC recently announced that they will be conducting a widespread prepayment review for the following three HCPCS codes:

L5980—All lower extremity prostheses, flex-foot system

L5981—All lower extremity prostheses, flex-walk system or equal

L5987—All lower extremity prosthesis, shank foot system with vertical loading pylon

AOPA protested this announcement in a letter to George Mills, CMS Director, Provider Compliance Group, as a thinly veiled attempt to encourage O&P practitioners to provide lesser technology prosthetic feet to Medicare beneficiaries. Results of this review have not been published as of yet.

Jurisdiction D: External breast Prostheses

Jurisdiction D published results of its widespread pre-payment review of external breast prostheses described using procedure code L8030. In the first quarter of 2013, 317 claims were reviewed resulting in 219 claim denials for an error rate of 68%. Of the claims that were denied, 21% were denied due to a lack of documentation within the patient's medical record, and 14% were denied due to an invalid proof of delivery form. As a result of the high error rate, Jurisdiction D announced that it will continue widespread prepayment review of claims for external breast prostheses.

Medicare RAC Audits

Performant Recovery, Inc, the contractor who administers the Jurisdiction A RAC contract continues to, on occasion, incorrectly apply provider based additional documentation request (ADR) calculation methodology to DMEPOS suppliers, including suppliers who submit claims to the DME MACs for orthotic and prosthetic services. AOPA continues to work with CMS to ensure that its RAC contractors use the appropriate calculation when determining the maximum number of ADR requests within a 45 day period.

CMS announced that, effective April 3, 2013, it has modified the number of Additional Documentation Requests (ADRs) that a RAC auditor may make for DMEPOS suppliers. For most DMEPOS suppliers, the limits remain unchanged from last year. The number of ADRs a RAC may make per 45 days is limited to 10% of all claims submitted under a single Tax ID for the previous calendar year, divided by 8. For suppliers who are classified in categories 51, 52, 53, 55, 56, or 57 however, there is a limit of no more than 10 ADR requests per 45 days. The provider taxonomy codes mentioned above are defined as follows:

- 51—Medical Supply Company with Orthotist
- 52—Medical Supply Company with Prosthetist
- 53—Medical Supply Company with Orthotist-Prosthetist
- 55—Individual Certified Orthotist
- 56—Individual Certified Prosthetist
- 57—Individual Certified Prosthetist-Orthotist

The fact that CMS has modified the RAC ADR guidelines to include a limit of no more than 10 ADR requests for claims from companies providing orthotics and prosthetics is a significant development in AOPA's efforts to challenge the egregious and aggressive audit practices that RAC auditors have been using.

AOPA Continues To Survey Membership Regarding RAC Audits

Due to the overwhelming response to the AOPA RAC Audit Survey released late last year, AOPA continues to obtain updated information regarding the success AOPA members are having when appealing RAC audit denials. While there are many claims that are still at some stage of the appeal process, AOPA is encouraged by the relatively high success rate that AOPA members are reporting when appealing RAC audit denials, especially at the Administrative Law Judge level

Implementation of PECOS Edits for Ordering/Referring Physicians Delayed Once Again

CMS has announced another delay in the implementation of PECOS edits designed to ensure that the referring /ordering physician has an active profile in the Provider Enrollment Chain Ownership System (PECOS). The edits were scheduled to be implemented on May 1, 2013 but were delayed due to technical problems according to CMS The Affordable Care Act established the PECOS requirement for referring providers but implementation has been delayed. Since 2009, claims that involved a non-PECOS enrolled physician have been processed with a warning message that the referring provider was not in PECOS. No updated information regarding a future implementation date for the

Sequestration

edits has been provided by CMS.

As a result of Federal Sequestration, a 2% reduction in all Medicare reimbursements will be applied effective for claims with a date of service on or after April 1, 2013. The 2% reduction applies to all provider types including but not limited to DMEPOS suppliers, hospitals, physicians, therapists, etc. It is important to note that the 2% reduction will be applied after calculating any applicable coinsurance or deductible. This means that patients remain financially responsible for the full 20% of the traditional Medicare allowable plus any unmet deductible for 2013.

In addition, on May 1, 2013, CMs released a memo to Medicare Advantage (MAO) plans that stated that while payments to MAOs are subject to sequestration, claim payments from the MAOs to contracted providers remained governed by the terms of the contract. A reduction in payment as a result of sequestration would only be permitted if the terms of the contract specifically allowed for such a reduction.

AOPAversity

Mastering Medicare: Essential Coding and Billing Techniques Seminar

AOPA has presented the Essential Coding and Billing Techniques Seminar three times in 2013 with a final seminar scheduled for Las Vegas, NV. The first seminar of 2013, in Atlanta, GA, was extremely well attended with over 100 participants. Seminars in Columbus, OH and Phoenix, AZ were also well attended. Attendee feedback continues to be extremely positive regarding the format and content of the seminars.

AOPA Mastering Medicare Audioconferences

AOPA continues to produce its monthly Mastering Medicare Audioconference series. These one hour, interactive sessions provide AOPA with the opportunity to communicate important information about current issues affecting the AOPA membership. Attendance for the audioconfences continue to rise, often with over 100 separate phone lines registered for the call.

Survival Imperative Updates

Stream 1 headed by Paul Prusakowski, CPO, has staked out a necessary underpinning of the entire project by developing a longitudinal patient database via uniform intake data tools that track treatments and outcomes. Some preliminary work had already laid the foundation for this effort based on a patient registry survey commissioned by AOPA and developed by the Thomas Jefferson University Medical School which was then refined by representatives from within the profession, as the first leg of this project. Ongoing in nature, it will be a data repository that can continually be referenced as new questions arise. Existing software providers in the O&P field along with the Veterans Administration and others are expected to join in expanding the scope of the data collection.

The project has been narrowed in scope to collecting demographic collection only. A pilot study is being developed to test the feasibility of the registry. Hanger and OPIE users will be pilot testing for compliance and validity of data only. 6 practices have volunteered already and have collected 84 entries in 2 days, with compliance for all data collected except for weight. Preliminary research indicates that IRB approval will not be necessary, although that is pending.

Stream 2 headed by Jim Campbell, Ph.D, CO and Tom DiBello, CO, FAAOP is creating a process for studying outcomes for specific diagnoses to develop a series of best practices/practice guidelines. The initial studies target two important areas: the orthotic management of post-stroke patients and prosthetic management following transtibial amputation. Chief Scientists have been awarded grants of approximately \$50,000 each to conduct literature searches. Jason Highsmith, PhD, DPT, CP, FAAOP, University of South Florida was selected for the transtibial amputation project to conduct a systematic literature review that will produce treatment algorithms and evidence statements supporting clinical decision-making for patients following transtibial amputation. Marcus P. Besser, PhD, of Thomas Jefferson University was selected to conduct the study on the orthotic management of patients post-stroke which will similarly conduct a search of all literature published in the last 15 years and prepare a framework for an assessment and treatment pathway, a potential algorithm that would encompass all key decision points and episodes of care following a stroke. In both projects the findings will be aligned with episodes of care to identify measurable outcomes and by doing so determine best practices which become the basis for an in-depth review by a larger reference group of experts.

Dr. Highsmith and his team, including a librarian, health economist, and graduate trainees, have searched through many databases and narrowed the number of studies from 9000 down to 3000, and have sorted into medical, prosthetic, rehabilitation articles. Dr. Highsmith estimates that they will deliver an outline by mid-July.

Dr. Besser's group has searched multiple databases, and narrowed 1200 studies down to 129 and they are currently grading them for methodological quality, and extracting results. Dr. Besser estimates they will deliver the systematic review by end of June.

There is a working group formed for each topic, comprised of O&P clinicians and other professionals with diverse backgrounds, including biomedical engineering, biomechanics, rehabilitation, etc. Both groups met via conference call in the first week of June to discuss expectations and framework for developing best practices statements. Their first task will be to review and identify gaps in the systematic reviews and formulate what the key questions are, so this step is awaiting the completion of the reviews. The working group also is planning a face-to-face meeting in August in Chicago or Dallas.

Stream 3 headed by Anita Liberman-Lampear, MA seeks to identify and prioritize a range of important but unanswered research questions and determine how to achieve valid, verifiable evidence on each. As a first phase, the Medicare database originally procured for a research project commissioned by the Amputee Coalition and funded by AOPA to demonstrate the cost effectiveness of timely O&P intervention is being mined for further comparative effectiveness information to validate the efficacy and economics of various O&P treatment programs. This effort should provide the basis for identifying other sources, seeking new clinical studies or the commissioning of additional comparative effectiveness studies.

The health care consulting firm that has been analyzing the Medicare data has provided a final report in mid-June, and the Stream members have been evaluating this report to determine the ramifications of the results, what it means for O&P, and how it can be further applied to O&P research needs.

Stream 4 headed by Scott Schneider is all about education and communications and taking the information gained from comparative effectiveness, cost effectiveness and various treatment research projects and playing it back to policy, payer and patient decision makers. Initial efforts in cooperation with Streams 5 and 6 have been focused on creating a survey instrument that can be used in face-to-face interviews with the target audience decision makers to measure current perceptions and expectations. Volunteers associated with Stream 4 will be deeply involved in identifying and arranging appointments with decision makers reinforced by a market research firm that has been retained to conduct the interviews so there is data consistency.

In conjunction with Streams 5 and 6, Stream 4 is currently overseeing the marketing firm's data collection from the payer community, and has provided many payer community contacts. The firm expects to deliver their results from 25-30 interviews, and a data analysis in late June. Based on these findings, the message program will be constructed for delivery.

Stream 5 headed by Michael Oros, CPO broadens the opportunities for O&P's success in the new world of health care by identifying similarly situated allies in other specialty medical areas who may share some of the same challenges and then determining whether alliances with ACO's, insurance companies and other provider groups plays what role in the future of O&P. Data gained from the survey instrument and interviews by the marketing firm will help shape the direction of these alliances. Leveraging as a group could muster more benefits for all as opposed to going it alone.

Stream 5 is working with the marketing firm as well, and is awaiting the results expected in late June to begin establishing alliances.

Stream 6 headed by Mike Hamontree is also relying initially on the data gained from the survey instrument and marketing firm interviews of policy and payer decision-makers to guide efforts in determining what alternative delivery methods for O&P best work in the new environment. What risk sharing models currently in use or under consideration appear most beneficial for O&P providers and patients? This effort will include looking at care bundling Diagnoses Related Group (DRG) approaches

for specific episodes of care and how quality of care can be measured more reliably to predict the most patient/provider friendly models.

Stream 6 is also working with the marketing firm, and is awaiting the results expected in late June to move forward.

Online Communications

Facebook

This quarter we experimented with promoted posts on <u>Facebook</u>. For example, we promoted a post about the lawsuit. This small investment had a return of our most liked post at 148 likes, 157 engagements with the post, had a reach of 7,912 individuals, the page increased its fan base, and it helped promote all that AOPA is doing to help its members.

The Website

Search terms relating to the 2013 O&P World Congress and the Almanac continue to be at the top of the keyword lists. The Job Board, digital version of the Almanac, and the link to the World Congress site are the top three locations people go to. In May, the website had 10,995 visits by 8,014 unique visitors - which is a 23% increase over March and April.

Top Three Links:

Job Board http://jobs.aopanet.org/
Digital version of Almanac http://bit.ly/1cm7j8B
World Congress http://bit.ly/123gE03

The O&P Almanac

Starting the 2nd quarter of the year, the April issue of The O&P Almanac covered treatment protocols for bracing patients, muscular dystrophy, and when orthotic intervention is an important consideration: "To brace or not to brace?" AOPA also featured an article on how O&P business owners and human resources departments can utilize strategies for identifying

potential employees to fill clinical and administrative positions; this included tactics in seeking candidates from within and outside the O&P industry. AOPA is increasing member awareness by publishing our job board material more often as a response to this article's popularity

AOPA's May issue raised concerns for pathogen and bacteria prevention while offering expert advice in protecting patients and in-house staff from a lethal "superbug" known as carbapenem-resistant Enterobacteriaceae, or CRE. Due to the CDC's recent warnings about the increase in reported cases of CRE, AOPA felt it necessary to release prevention education in order to reduce exposure whether visiting patients at hospitals or seeing patients at your own facility. As a special feature, this magazine also released participant feedback and experiences attending AOPA's 2013 Policy Forum where more than 100 O&P Professionals converged on Washington; participants met with Representative Tammy Duckworth (D-Illinois), CMS Medical Officer Michael Handrigan, and individual Congressional offices to lobby on behalf of O&P legislation.

The most recent Almanac, June, reviewed innovative research and paving new paths in groundbreaking components and protocols which included topics such as: bone-anchored prostheses with implanted electrodes, a new understanding of residual limb volume fluctuation, studies on the efficacy of spinal orthoses, and much more. A great follow-up story to these recent pioneering studies was "New heights for lifelong learning," where today's O&P professionals can stay up to date on current clinical advances, as well as learning new approaches to practice management policies. A number of continuing education options are available, which includes a broad range from webinars and short courses to post-professional master's degree programs. Fortunately, with a wealthy number of educational opportunities, AOPAversity programs were also featured in the article.

As a bonus in June's headlines, AOPA had breaking news to release: Filing a lawsuit against Medicare. AOPA's suit arose with respect to Medicare actions that began in August 2011 when the HHS Office of Inspector General released a report alleging fraud in the O&P industry. The suit was filed on May 13th against HHS in the Federal District Court of D.C. seeking relief from unfair and unauthorized actions of CMS, RAC auditors, and DME contractors relating to physician documentation requirements. Under the dire circumstances, it was pertinent to feature this timely news in order to raise overall awareness, litigation funding, and AOPA's membership.

June, being one of AOPA's most popular Almanac issues in the media calendar, also released the 2013 O&P Buyer's Guide. This annual one-stop resource features all of the products and services that practices need to meet their patients' diverse needs. It is a must-have resource to O&P practitioners and AOPA's educational facilities/patient care membership because it includes a comprehensive index of manufacturers and AOPA member suppliers.

On the horizon, the 3rd Quarter of the O&P Almanac will be highlighting popular trends and the AOPA 2013 O&P World Congress. The July issue will cover "O&P Sports." The August issue will cover "Emerging Technologies" and a 2013 World Congress Preview and Exhibitor/Product Showcase. September will be an exclusive World Congress Spotlight issue, while also featuring articles in "Global Business Management".

And to Wrap It Up

This was a busy period for your Association but there can be a feeling of accomplishment as your leadership on the Board of Directors and our Executive Committee made effort to meet every challenge, every issue and greet every opportunity with as much firepower as warranted. Continued accolades for the AOPA members who did indeed do their part in contributing to the Litigation effort to help defray these unexpected and very expensive costs associate with the CMS lawsuit.

Thank you for your support. We'll continue to try and make it as great a year as possible for you despite the huge challenges you are facing every single day.

Sincerely,

Thomas F. Fise, JD Executive Director

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