

November 25, 2019

Chairman Richard Neal (D-MA)  
2309 Rayburn House Office Building  
Washington, DC 20515

Ranking Member Kevin Brady (R-TX)  
1011 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Neal and Ranking Member Brady,

On behalf of the Health Industry Distributors Association (HIDA), we appreciate the opportunity to answer the Request for Information soliciting input that will inform the Rural and Underserved Communities Health Task Force. HIDA would urge the committee to include, the Protecting Home Oxygen and Medical Equipment Act of 2019 or the “HOME Act” as part of any legislative package produced by the committee. HIDA commends you for your leadership on protecting access to lifesaving medical equipment in rural areas.

HIDA members deliver medical products and supplies, manage logistics, and offer customer services to more than 294,000 points of care. Medical-surgical wholesalers primarily distribute items used in every day medical services and procedures, ranging from gauze and gloves to diagnostic laboratory tests and capital equipment. Their customers include over 210,000 physician offices, 6,500 hospitals, and 44,000 nursing home and extended care facilities throughout the country.

The Competitive Bidding Program has had a significant impact on HIDA members who supply durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) in the nursing home and home care settings. HIDA supports modifications to the competitive bidding program for DMEPOS that promote efficient, cost effective solutions while maintaining quality, access, and choice for patients. HIDA believes H.R. 2771 would provide relief in non-Competitive Bidding areas, and thus should be supported by the Rural and Underserved Communities Health Task Force.

Rural America faces a set of circumstances completely independent of metropolitan regions. These circumstances can lead to increased costs for suppliers and patients who need access to DMEPOS. For example, supplying equipment in rural areas often requires increased employee time, fuel costs, and mileage to drive to the beneficiary who often only has access to one supplier. Including H.R. 2771 in a package addressing rural healthcare access would provide additional relief for non-rural non-bid areas at a rate of 75 (CBP-derived rates/25 (fee schedule rate)).

Full reimbursement cuts were in effect beginning on January 1, 2017. As a result 40% of traditional DME companies nationwide either closed or no longer served Medicare patients due

to the unsustainable payment cuts. On November 1, 2018, CMS finalized the ESRD/DMEPOS rule which extended rural relief until the end of 2020, however the future of this relief is unclear, and thus requires action from Congress.

Thank you for your continued commitment to protecting access to these kinds of vital life-saving medical products. HIDA looks forward to continuing our partnership on this work. If you have any questions, please feel free to contact HIDA Government Affairs by reaching out to Mary Beth Spencer at 703-838-6133 or via email at [Spencer@HIDA.org](mailto:Spencer@HIDA.org).

Sincerely,

Linda Rouse O'Neill



**Linda Rouse O'Neill**  
Vice President, Government Affairs  
Health Industry Distributors Association