



SUNDAY MONDAY TUESDAY **WEDNESDAY** IN WASHINGTON THURSDAY FRIDAY SATURDAY

December 15, 2004

Leavitt Nominated for HHS Secretary

On Monday, President Bush nominated Michael Leavitt, former Governor of Utah and current EPA Administrator, to be Secretary of the U.S. Department of Health and Human Resources.

Kay Cox, President and CEO of the American Association for Homecare, stated, "We believe Michael Leavitt will be an excellent HHS Secretary. We look forward to working with Governor Leavitt on strengthening and preserving access to homecare and improving the quality of health care in America."

CMS Administrator Mark McClellan had been mentioned as a replacement for retiring Secretary Thompson but Bush reportedly wanted McClellan to continue his leadership role in implementing the Medicare Modernization Act.

GAO Recommends Actions to Curb Abuse of Power Wheelchair Benefit

The Centers for Medicare and Medicaid Services (CMS) should act to curb abuse of the power wheelchair benefit, says a Government Accountability Office (GAO) report released today called "Medicare: CMS's Program Safeguards Did Not Deter Growth in Spending for Power Wheelchairs," GAO-05-43, November 17. The report responds to a request from Sen. Charles Grassley (R-IA) to report on steps taken by CMS and its contractors "to respond to improper payments for power wheelchairs."

The report recommends faster response to potential abuses in durable medical equipment spending, revisions to the certificate of medical necessity, more prescriptive marketing guidelines, and changes to inspection scheduling.

The American Association for Homecare reiterated its zero-tolerance position on fraud and abuse involving power wheelchairs. AAHomecare President and CEO Kay Cox stated, "Fraud and abuse represents theft of taxpayers' dollars that are set aside for Medicare patients who require the benefit." See www.gao.gov/new.items/d0543.pdf.

HHS Won't Pursue Advisory Opinions

Health care providers have expressed concern about unclear guidance about Medicare and Medicaid programs and about frequent changes in procedures. Congress asked GAO to address the question: Should the Department of Health and Human Services (HHS) create an advisory-opinion process to clarify CMS program policy for providers?

The resulting GAO report, issued December 8, determined that granting CMS authority to issue legally binding advisory opinions could partially address provider concerns about their vulnerability to unclear and obsolete CMS guidance. But it concluded that an advisory-opinion process would not be a substitute for other timely program guidance. Responding to a draft of the GAO report, HHS stated such a process would be costly, not feasible within HHS's current staffing resources, and fail to produce timely responses for providers. HHS indicated that advisory opinions are also unnecessary in light of CMS's many avenues of communication with providers. See: www.gao.gov/new.items/d05129.pdf

AAHomecare Office Closed Dec. 27-31

AAHomecare will be closed the week of December 27-31.

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HHS Inspector General Seeks Comment on Anti-Kickback Safe Harbors

The HHS Office of Inspector General seeks comments on new and existing safe harbors from the anti-kickback provisions in Social Security Act.

A December 10 Federal Register notice from HHS stated, “Since the statute on its face is so broad, concern has been expressed for many years that some relatively innocuous commercial arrangements may be subject to criminal prosecution or administrative sanction.”

Comments are due to OIG by February 8, 2005.

See: <http://frwebgate2.access.gpo.gov/cgi-bin/waisgate.cgi?WAISdocID=144167394890+1+0+0&WAIAction=retrieve>.

CMS Will Try to Reduce Medicare Payment Error Rates

On Monday, CMS announced steps to more accurately quantify error rates in Medicare payments and reduce improper payments. In a press statement, CMS said, “Under the new measurement process for the Medicare error rate, the net national rate for fiscal year 2004 was 9.3 percent.”

CMS hopes to reduce errors by half — to about 4 percent in as many years. CMS mentioned monitoring programs such as the Comprehensive Error Rate Testing (CERT) program and educational efforts such as the Medicare Learning Network, on the web at: www.cms.hhs.gov/medlearn/matters.

For the press statement, see: www.cms.hhs.gov/media/press/release.asp?Content=1281

Medicare Opens National Coverage Determination for Wheelchairs

Today, CMS also announced that it was opening a National Coverage Determination (NCD) to review its criteria for wheelchair coverage as part of an initiative to make sure patients get the care and equipment they need and providers are properly paid while curbing abuse.

See Medicare Coverage homepage at: <http://www.cms.hhs.gov/coverage/default.asp>?