



March 2025

The Honorable Mariannette Miller-Meeks (R-IA)
U.S. House of Representatives
504 Cannon House Office Building
Washington, DC 20515

The Honorable Paul Tonko (D-NY)
U.S. House of Representatives
2269 Rayburn House Office Building
Washington, DC 20515

The Honorable Randy Feenstra (R-IA)
U.S. House of Representatives
2434 Rayburn House Office Building
Washington, DC 20515

The Honorable Jimmy Panetta (D-CA)
U.S. House of Representatives
200 Cannon House Office Building
Washington, DC 20515

Re: ITEM Coalition Support for H.R. 2005, the DMEPOS Relief Act of 2025

Dear Representatives Miller-Meeks, Tonko, Feenstra, and Panetta:

The undersigned members of the Independence Through Enhancement of Medicare and Medicaid (ITEM) Coalition write to express our support for H.R. 2005, the *DMEPOS Relief Act of 2025*, which would provide critically-needed funding relief to many home medical equipment (“HME”) providers across the country and ensure continued access to these essential medical supplies for seniors and individuals with disabilities. Specifically, the bill would re-establish the 75/25 blended Medicare reimbursement rate for DMEPOS in non-rural/non-Competitive Bidding Areas through the end of 2025. By addressing outdated Medicare reimbursement rates, this bipartisan bill would help preserve access to assistive devices and technologies for millions of Medicare beneficiaries across the country with disabilities and chronic conditions. The ITEM Coalition typically does not address reimbursement issues and tends to focus on coverage and coding of assistive devices and technologies. However, when reimbursement policies materially impact patient access to care, we feel it is important to weigh-in with our members’ concerns.

The ITEM Coalition is a national consumer- and clinician-led coalition advocating for access to and coverage of assistive devices, technologies, and related services for people with injuries, illnesses, disabilities, and chronic conditions of all ages. Our members represent individuals with a wide range of disabling conditions, as well as the providers who serve them, including spinal cord injury, brain injury, stroke, limb loss, multiple sclerosis, paralysis, cerebral palsy, spina bifida, hearing, speech, and visual impairments, and other life-altering conditions.

ITEM Coalition members have had long-standing concerns that the DMEPOS competitive bidding program limits access, choice, and quality of care. In 2018, CMS paused the CBP because of design flaws that caused unsustainable payment rates resulting in access issues for Medicare beneficiaries who need DMEPOS services. CMS used the 2-year pause to redesign the program. Unfortunately, CMS maintained the previously flawed payment rates that were established in 2016 during the pause, which were 50-60% lower than the unadjusted Medicare

fee schedule rates. Congress and CMS have intervened numerous times through the years to provide additional relief, most recently providing a 75/25 blended rate for non-bid, non-rural areas through 2023 (75% Competitive Bid rate/25% unadjusted Medicare fee schedule rates). This 75/25 blended rate was a much-needed lifeline for DMEPOS suppliers and providers and afforded beneficiaries continued access to the level of care and services that they needed.

The 75/25 blended rate expired last year on January 1, 2024, and this expiration led to a 20% fee reduction across the top 25 DME HCPCS codes, creating major barriers for Medicare beneficiaries with disabilities and chronic conditions to manage their medical and functional needs at home. The *DMEPOS Relief Act of 2025*, if enacted into law, would ensure continued beneficiary access to DMEPOS services and devices, provide a much-needed measure of relief and stability for non-rural, non-CBA suppliers, and also have positive impacts on reimbursement levels from other payers who pattern their reimbursement levels off the Medicare fee schedule.

The reason the competitively bid rates are not presently adequate to support access and quality of DMEPOS care to Medicare beneficiaries is because the competitive bidding program is no longer in effect. This means that any supplier or provider who participates in Medicare can provide the DMEPOS benefit. Contracts with a limited number of suppliers in a particular competitive bidding area are no longer necessary, resulting in far less volume of patients being directed to certain suppliers, who, when the competitive bidding program was in effect, were able to discount their prices in exchange for greater volume. Without the increased volume, many suppliers are not able to remain viable at the decreased competitively bid rates. H.R. 2005 would help ameliorate this situation and increase access to patient care.

H.R. 2005 is squarely in line with the goals of the ITEM Coalition to ensure that all people can access the specialized devices and services they need to ensure their health and independent function. For these reasons, we are proud to support this critically important legislation and look forward to working with your office to ensure its enactment into law in order to preserve and protect access to affordable, timely, and quality home medical equipment for Medicare beneficiaries.

If you have any questions, please do not hesitate to contact ITEM Coalition co-coordinators Peter Thomas and Michael Barnett at Peter.Thomas@PowersLaw.com or Michael.Barnett@PowersLaw.com or call 202-466-6550.

Sincerely,

The Undersigned Members of the ITEM Coalition

****ITEM Coalition Steering Committee Member***