



**NATIONAL ASSOCIATION OF INDEPENDENT
MEDICAL EQUIPMENT SUPPLIERS**

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Via Electronic Mail

August 21, 2008

Mr. Kerry Weems
Acting Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue SW
Mailstop 314G
Washington, DC 20201

Dear Mr. Weems:

On behalf of the home medical equipment provider industry and the members of the National Association of Independent Medical Equipment Suppliers (NAIMES), I am writing for information regarding the changes in oxygen reimbursement after January 1, 2009.

The passage of HR 6331 repealed the transfer of ownership for oxygen equipment. With the equipment remaining the property of the supplier, the statute requires an ongoing payment for the supply of oxygen and support of the equipment, as well as for the portable component. The statute also restates the requirement for maintenance and service of oxygen equipment after the 36 month cap.

It is crucial that these fees and payment policy be developed and released not later than October 1, 2008 in order to allow suppliers time to make informed decisions about their future in the provision of oxygen. Many suppliers may not continue to service patients without adequate compensation to cover their costs. Those opting to stop service are required to notify patients 60 days prior or not later than October 31, 2008 in order for patients to secure another supplier. Delaying release of the codes and fees beyond November 1, 2008 may force suppliers to opt out of the Medicare oxygen market prematurely and cause disruption to patients' oxygen services unnecessarily.

Industry advocates have forwarded an extensive list of concerns that must be addressed prior to the implementation of the provisions of both the DRA 2005 and the MIPPA 2008 legislation. We also urge you to respond to these questions in a timely manner.

Time is of the essence to complete the service criteria and establish the reimbursement codes and fees. I ask that your reply include the timetable for completing this process so we may keep our supplier community informed. Our goal is to assist you in your development of the policy for oxygen services and will gladly provide any appropriate information we have to expedite this process.

Thank you for your consideration and diligence in this urgent matter.

Sincerely,

Wayne E. Stanfield

Wayne E. Stanfield
President and CEO

