

AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: 119
(A-19)

Introduced by: American Thoracic Society

Subject: Returning Liquid Oxygen to Fee Schedule Payment

Referred to: Reference Committee A
(John Montgomery, MD, Chair)

- 1 Whereas, Medical oxygen is a prescription drug accessible only by physician prescription; and
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3 Whereas, Clinical trials have demonstrated the effectiveness of supplemental oxygen to
4 address hypoxemia, improve exercise tolerance, and reduce mortality for patients with
5 respiratory or cardiac conditions; and
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7 Whereas, Liquid oxygen is the optimal modality of delivering supplemental oxygen for patient
8 with high flow rates (>4 liters/minute), patients who do not tolerate oxygen conservation devices
9 or patients with high levels of ambulation; and
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11 Whereas, Liquid oxygen systems were included into the CMS DME competitive bidding
12 program; and
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14 Whereas, Medicare beneficiary utilization of liquid oxygen has dropped significantly since its
15 inclusion in the CMS DME competitive bidding program, dropping from 32,220 Medicare
16 beneficiaries on stationary liquid system in 2010 to 5948 in 2016 and dropping from 40938 liquid
17 portable Medicare beneficiaries in 2010 to 8141 in 2016; and
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19 Whereas, Anecdotal reports from Medicare beneficiaries say DME companies who were
20 awarded competitive bidding contracts refused to supply liquid oxygen even though they were
21 contractually obligated to follow the physician prescription to provide liquid oxygen; and
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23 Whereas, CMS in its proposed rule, Durable Medical Equipment, Prosthetics, Orthotics and
24 Supplies (DMEPOS) Competitive Bidding Program (CBP) for Calendar Year 2019 (CMS- 1691-
25 P) recognized the problems in the liquid oxygen market but failed to propose or finalize policy
26 that would meaningfully address problems with Medicare beneficiary access to liquid; therefore
27 be it
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29 RESOLVED, That our American Medical Association support policy to remove liquid oxygen
30 from the competitive bidding system and return payments for liquid oxygen to a Medicare fee
31 schedule basis (New HOD Policy); and be it further
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33 RESOLVED, That our AMA convey its patient quality and access concerns for Medicare
34 beneficiaries obtaining insurance coverage for liquid oxygen in comments to the Centers for
35 Medicare and Medicaid Services, including the forthcoming proposed rule, Durable Medical
36 Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program (CBP)
37 for Calendar Year 2020. (Directive to Take Action)

Fiscal Note: Modest - between \$1,000 - \$5,000.
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