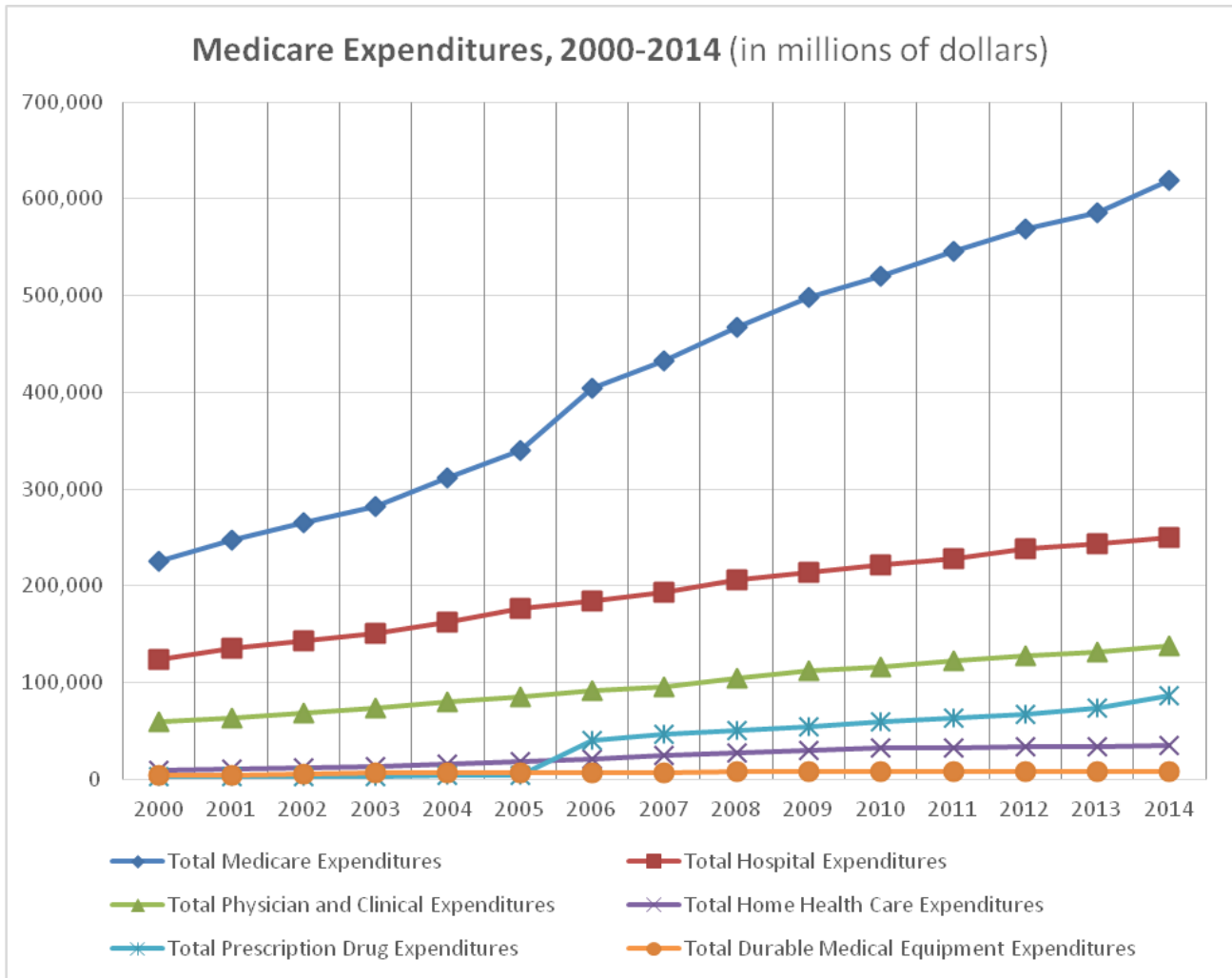


## Durable Medical Equipment (DME) Represents Approximately 1.25% of Medicare Spending



Source: Centers for Medicare & Medicaid Services,  
Office of the Actuary, National Health Statistics Group

<https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html>



## Medicare Needs Cost-Effective Solutions

Medicare expenditures continue to rise in spite of flat lined DME spending. It is critical that cost-effective home and community based services are strengthened and protected as our nation prepares for the senior tsunami.

- Overall Medicare spending increased over 175% from 2000-2014.
- On the contrary, DME spending has only grown 3% in the past 5 years and actually declined 4% between 2012 and 2014.
- DME as a percent of Medicare spending has declined for 10 years from 2.0% in 2004 to 1.25% (\$7.7 billion) of the Medicare budget in 2014.<sup>1</sup>

## Investing in DME Saves Medicare Overall

DME, like wheelchairs, oxygen, and feeding tubes, enables millions of Americans with disabilities and chronic illnesses to remain safe and independent at home. It is an essential cost benefit tool to keeping the overall costs of health care down. The more that people receive quality equipment and services at home, the less that is spent on hospital stays, emergency room visits, and nursing home admissions.<sup>2</sup>

- Oxygen therapy can be provided for one year for the cost of one day's stay in the hospital
- For every dollar spent....
  - \$1 spent on mobility DME saves \$16.78 in fall-related recovery.
  - \$1 spent on supplemental O2 therapy for COPD saves \$9.62 in complications.
  - \$1 spent on CPAP therapy saves \$6.73 in Obstructive Sleep Apnea complications.<sup>3</sup>

15.5 million Medicare beneficiaries use home medical equipment, and the number is expected to grow dramatically with the aging boomer population. It is important that we provide these beneficiaries with cost-effective home care options that are patient preferred and result in better clinical outcomes.

Join us in preserving this important safety net for caring for our medically frail seniors and people with disabilities. Homecare is part of the solution to our nation's health care crisis, and it is imperative that Congress protects this valuable benefit to contain costs and provide better health outcomes.

Sources:

1. <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/nationalHealthAccountsHistorical.html>

2. MPP Testimony before the House Ways & Means Health Subcommittee, Joel Marx. 5/9/12.

3. "The Case for Medicare Investment in DME—2014 Update", Brian Leitten. <http://www.vqmdclink.com/uploads/library/d1306dfcd9db67830ba14d4cd5b3be8c.pdf>