

Testimony for S.B. No. 296

The Department of Social Services (DSS) and Managed Care organizations (MCO's) have entered into a contract with the State Medicaid whereby Durable Medical Equipment (DME) providers (all medical providers as of July 2010) will no longer be reimbursed at the Medicaid "floor" amounts per the Medicaid Fee Schedule. The contract essentially removes this floor and now MCO's want ALL PROVIDERS to accept reimbursement below that floor. That floor, which is less than Medicare rates, is already a "discounted" rate. This is similar to a Dr. who charges \$X amount for services, but gets reimbursed at a lesser amount. The result is that DME's and Physicians (all providers) will start to not accept or limit MCO patients, thus affecting medical availability for those on Medicaid. We'd like to restore the reimbursable Medicaid floor amounts that were in place prior to this contract between the DSS and MCO's. MCO's need to reimburse ALL PROVIDERS, without exception, at no less than the Department's Medicaid Fee Schedule. Inadequate rates discourage providers from participating in the program. This Bill would be retroactive to the Contract Amendment date between the DSS and MCO's.

Thank you.

Carlos Alvarez  
COO  
Evis Medical Equipment and Respiratory Services