

RESOLUTION 1-08A

**Title: Competitive Bidding for Purchase of Medical Equipment
by Centers for Medicare & Medicaid Services**

Introduced by: Pradeep Nagaraju, MD, for the Young Physicians Section

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Referred to: Reference Committee A

House Action: Adopted

Whereas, the Centers for Medicare & Medicaid Services (CMS) is currently overpaying for many medical technologies including oxygen therapy at home and powered transportation, and

Whereas, this accounts for a billion dollars in added expense according to an article in the November 30, 2007, issue of *The New York Times*, and

Whereas, the lobbying power of the suppliers of these products has made it difficult to change applicable law, and

Whereas, CMS has attempted to initiate a competitive bidding process for home medical equipment that has been derailed by suppliers; therefore be it

RESOLVED: That the Michigan Delegation to the AMA ask the AMA to lobby in favor of modification of current Centers for Medicare & Medicaid Services policy to ensure that payments for these technologies is comparable to market rates; and be it further

RESOLVED: That the Michigan Delegation to the AMA ask the AMA to lobby in favor of moving ahead with Centers for Medicare & Medicaid plans for a competitive bidding process for home medical equipment.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE