

## **Part B Insider (Multispecialty) Coding Alert**

### **PHYSICIAN NOTES: Medicare Paid Nearly Four Times the Average Amount to Acquire Standard Power Wheelchairs**

Plus: Michigan clinic manager pleads guilty to defrauding Medicare to the tune of \$6.5 million -- over a six month period.

Medicare could be getting gouged on standard power wheelchair costs. "Medicare and its beneficiaries paid almost four times the average amount paid by suppliers to acquire standard power wheelchairs during the first half of 2007," according to an August OIG report.

For example, suppliers purchased standard power wheelchairs for an average of \$1,048 and performed an average of five services in conjunction with supplying. However, because Medicare allows an average of \$4,018 for those wheelchairs, Medicare and its beneficiaries paid suppliers an average of \$2,970 beyond the suppliers' acquisition costs. That's a difference of 383 percent, the OIG pointed out in "Power Wheelchairs in the Medicare Program: Supplier Acquisition Costs and Services." Based on its report, the OIG advised CMS to determine whether Medicare's power wheelchair fee schedule amounts should be adjusted.

CMS plans to use the information from the competitive bidding program and will consider new legislation to ensure fee schedule amounts respond to market changes.