

# Background Information

## Supplemental Oxygen Reform

### Congressional Action Needed to Address Access to Supplemental Oxygen Background

- Supplemental oxygen is a statutorily covered service under the Durable Medical Equipment benefit for Medicare beneficiaries who show clinically relevant oxygen desaturation levels at rest or during exercise.
- There are several different modalities for the delivery of supplemental oxygen, each with its own strengths and limitations.
- Since the implementation of the competitive bidding program, claims for all oxygen modalities have dropped dramatically, with liquid oxygen seeing the most significant drop. Liquid oxygen is an important modality for patients who need high oxygen flow rates.
  - Liquid stationary between 2017 and 2021 went from 62,371 claims to 16,716 – a 73% decline
  - Liquid portable went from 95,859 to 24,942 claims during the same timeframe – a 74% decline
  - There have been no changes to respiratory disease patterns that would explain the sharp decrease.

### CMS and Congress Recognize Problems with Liquid Oxygen

- In 2019, CMS made modest payment changes for liquid oxygen by establishing new payment classes.
- Bipartisan Congressional letters to CMS identified concerns regarding declining access to supplemental oxygen, particularly in rural areas, and called for them to act.
- For FY 2021, the House appropriations bill included report language expressing continued concern over lack of access for liquid oxygen.
  - It requested CMS to report to Congress within 60 days on current access and trends in use between 2010 and 2019.
  - CMS acknowledged there are access issues and is monitoring the effect of its earlier revisions to payment rates noted above.

### COVID-19 Exacerbated the Problem

- Challenges around access to supplemental oxygen have prevented Medicare beneficiaries from getting needed equipment post-hospital discharge.
  - Hospital discharges have been delayed due to lack of available supplemental oxygen,
- Regional shortages of oxygen have negatively impacted those recovering from COVID-19 and patients with other health conditions who need this critical treatment.

### Congress Must Pass Comprehensive Oxygen Reform

- The pulmonary community urges Congress to fix well-documented problems with access to supplemental oxygen.
- Needed reforms include:
  - Ensuring supplemental oxygen is patient-centric by moving away from “home” oxygen to “supplemental oxygen” and creating a patients’ bill of rights.
  - Ensuring access to liquid oxygen for patients for whom it is medically necessary.

- Creating a statutory service element to provide adequate reimbursement for respiratory therapists to ensure patients have access to their expertise.
- Establishing national standardized documentation requirements that rely upon a template rather than prescriber medical records to support claims for supplemental oxygen suppliers to ensure predictable and adequate reimbursement and to protect against fraud and abuse.

## Four Pillars of Oxygen Reform

1. Ensure supplemental oxygen is patient-centric
  - Change “home oxygen” to “supplemental oxygen” to ensure people requiring oxygen can live full lives outside their primary residence
  - Create a patients’ bill of rights to ensure care is focused on patient needs
2. Ensure access to liquid oxygen for patients for whom it is medically necessary
3. Create a statutory service element to provide adequate reimbursement for respiratory therapists to ensure patients have access to their expertise
4. To ensure predictable and adequate reimbursement and to protect against fraud and abuse, establish national standardized documentation requirements that rely upon a template rather than prescriber medical records to support claims for supplemental oxygen suppliers.

### Organizations In Support

Allergy & Asthma Network  
 Alpha-1 Foundation  
 American Association for Respiratory Care  
 American Association of Cardiovascular and Pulmonary Rehabilitation  
 American College of Chest Physicians  
 American Lung Association  
 American Physical Therapy Association  
 American Thoracic Society  
 California Society for Pulmonary Rehabilitation  
 COPD Foundation  
 The Council for Quality Respiratory Care  
 Dorney-Koppel Foundation

Hawaii COPD Coalition  
 Foundation for Sarcoidosis Research  
 Hospice and Palliative Nurses Association  
 The LAM Foundation  
 National Scleroderma Foundation  
 NTM Info & Research  
 PCD Foundation  
 PF Warriors  
 Pulmonary Fibrosis Foundation  
 Pulmonary Hypertension Association  
 Respiratory Health Association  
 Running On Air  
 Scleroderma Foundation of California  
 TSC Alliance  
 US COPD Coalition  
 Wescoe Foundation for Pulmonary Fibrosis

## Other Resources

- [Oxygen Payment Policy Revisions: Fiscal Implications](#)
- [CMS Payment Must Reflect the Unique Role of Supplemental Liquid Oxygen](#)
- [SOAR Act Bill](#)
- [Sustainable Cardiopulmonary Rehabilitation Services in the Home Act](#)
- [Long-Term Care Workforce Support Act](#)
- [Long-Term Care Workforce Support Act General Information](#)
- [Podcast with Miriam O'Day on SOAR Act and AARC Advocacy Efforts](#)
- [American Lung Association Lung Disease Prevalence](#)
- [CDC COPD Statistics](#)