

PATRICK TESTIN STATE SENATOR

DATE: December 6, 2023

RE: Testimony on 2023 Senate Bill 592

TO: Senate Committee on Insurance and Small Business

FROM: Senator Patrick Testin

Thank you Chairwoman Felzkowski and Committee Members for hearing my testimony on SB 592.

Complex rehab technology, or CRT, consists of medically necessary and individually configured products and services designed to meet the unique medical and functional needs of individuals with disabilities to achieve high levels of function and good health outcomes, as well as participating independently in their communities.

This equipment helps individuals regain mobility and independence for everyday tasks, regardless of the medical condition they're living with. Most individuals obtain CRT after being diagnosed with progressive or degenerative neuromuscular diseases, congenital disorders, or suffering from a life-changing injury that severely impairs mobility.

Nationally, we've seen companies that provide repairs to this vital, life-saving equipment close due to low Medicaid reimbursement rates. Companies simply cannot afford to stay in business while taking such large monetary losses. In Wisconsin, there are currently only two companies that offer such repairs.

This past spring, Medicare increased its reimbursement rates on a variety of medical equipment but not on CRT. This bill seeks to rectify that problem by increasing rates for CRT, both with and without the KU Modifier to match the current federal rates. A KU modifier is a code that signifies the items can be found both on a simple and complex wheelchair, such as an arm rest.

Repair company closures affect the quality of life of already vulnerable individuals. Time spent in an ill-fitting or improperly functioning chair often cause medical complications such as pressure ulcers, urinary tract infections, and orthopedic degradation that can lead to life threatening infections. Raising the reimbursement rates will be a step in the right direction to help this vulnerable population receive necessary care.



STATE REPRESENTATIVE • 3rd ASSEMBLY DISTRICT

Testimony in Support of Senate Bill 592

Senate Committee on Insurance & Small Business December 6, 2023

Chair Felzkowski and committee members,

Thank you for taking the time to read my testimony on an issue that affects countless lives across our nation, particularly in Wisconsin. The issue at hand concerns Complex Rehabilitation Technology (CRT). This technology isn't just equipment; it's a lifeline for individuals grappling with severe disabilities, offering them a chance at mobility and independence.

CRT is not a one-size-fits-all solution. It encompasses medically necessary and individually configured products and services, meticulously designed to meet the unique medical and functional needs of those with disabilities. These are individuals who are striving to achieve high levels of function and good health outcomes, who wish to participate independently in their communities. Whether it's due to progressive neuromuscular diseases, congenital disorders, or life-altering injuries, CRT provides a crucial support system.

However, this essential support system is under threat. Across the nation, and alarmingly in Wisconsin, we've witnessed the closure of companies providing repairs to this vital equipment. The root cause? Unsustainably low Medicaid reimbursement rates. These companies, committed to aiding our most vulnerable, are forced to shut down due to severe financial losses. In Wisconsin, the situation is dire, with only two companies currently offering such crucial repairs.

This past spring, Medicare commendably increased their reimbursement rates for a variety of medical equipment. However, CRT was notably excluded from this increase. This bill aims to correct this oversight by aligning the reimbursement rates for CRT,



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including those with the KU Modifier, with the current federal rates. For those unfamiliar, a KU modifier indicates components common to both simple and complex wheelchairs, like an armrest.

The consequences of repair companies closing are profound. It drastically affects the quality of life of individuals who rely on CRT. An ill-fitting or malfunctioning wheelchair can lead to severe medical issues like pressure ulcers, urinary tract infections, and orthopedic degradation, potentially resulting in life-threatening infections.

By raising the reimbursement rates, we take a significant step toward ensuring that this vulnerable population receives the necessary care and support. This is more than just a financial decision; it's a moral imperative. We have an opportunity to make a tangible difference in the lives of many who are counting on us to recognize and address their needs.



Wisconsin Medicare/Medicaid Registered CRT Supplier Location Map

- Total of 11 supplier locations as of July 2023
- 79% decrease in locations since July 2013

Counties with no supplier locations: 65

Counties with only one supplier location:

Saint Pau

En Winge

Wousa)

Stevens
Point

Green
Easy

Applieton
Osnikosh

Lu Croasse

Fond da

Shehoygan

^{*} Information from PDAC and Mapline. Only accounts for DMEPOS suppliers registered with Medicare.



Providing quality coverage to nearly 3 million Medicaid and private sector enrollees in Wisconsin.

To:

Members, Senate Committee on Insurance and Small Business

From:

R.J. Pirlot, Executive Director

Caty McDermott, Lobbyist (MA Policy)

Date:

December 6, 2023

Re:

Testimony in Opposition to SB 592

The Alliance of Health Insurers (AHI) is a nonprofit state advocacy organization created to preserve and improve upon consumer access to affordable health insurance in Wisconsin, both via the private sector and public programs. Our members provide managed care to approximately 65 percent in Wisconsin's Medical Assistance program (BadgerCare and SSI program participants). AHI members are dedicated to delivering affordable, high-value care to the state's Medicaid population.

SB 592 provides a rate increase to one specific Medicaid benefit for complex rehabilitation technology wheelchair repair and technology, without appropriating funding to support this increase. In addition, the legislation ties the Wisconsin Medicaid rate for CRT wheelchairs to the federal Medicare program, subjecting the state to increases for this specific benefit if the Medicare rate increases. To ensure the Medicaid program remains adequately funded and solvent, funds should be appropriated to support this rate increase.

AHI currently opposes this legislation, because there are no funds appropriated. In addition, earlier this session, a similar provision to increase rates for CRT wheelchairs without an appropriation was negotiated out of another CRT-specific bill, AB 416, in exchange for AHI's neutrality on AB 416. We are disappointed to see this introduced as stand-alone legislation, given the good-faith negotiations that occurred.

Thank you for your consideration of this request.

Hello Senator, Mary Felzkowski and members of the Senate Committee on Insurance and Small Business for taking my testimony in support of Senate Bill 592.

My name is Jordan Anderson and I am from Auburndale Wisconsin in the 24th Senate district. I have a disability called cerebral palsy and I use a lot of equipment that needs insurance approval. I use a power wheelchair to get around so this piece of legislation I really support please let me know if I can do anything because I do a lot in the disability community

Thank you, Jordan Anderson of Auburndale – Constituent of Senator Testin in the 24th Senate District.

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