

## A Living, Breathing Lobby

### Oxygen-Supply Firms Turn to Customers for Help on the Hill

By [Jeffrey H. Birnbaum](#)

Washington Post Staff Writer - <http://www.washingtonpost.com/wp-dyn/content/article/2008/05/05/AR2008050502302.html?hpid=moreheadlines>

Tuesday, May 6, 2008; Page D01

#### The air we breathe may be free. Oxygen is not.

Just how much it should cost is pitting the multibillion-dollar industry that supplies oxygen to medical patients against a large number of lawmakers and [Medicare](#), which said it was being charged many times more for oxygen equipment rentals than the actual cost.

About 1.2 million people use oxygen with help from Medicare. The price for taxpayers: \$2.7 billion a year. Pending legislation to reduce reimbursements for oxygen has prompted the medical-device lobby, which spent \$29 million on [Capitol Hill](#) last year, to ramp up its efforts.

Last week, patients hooked up to oxygen machines subsidized by a major medical supplier came to Washington from across the country to lobby against the payment cuts. Smaller equipment companies, which operate in nearly every congressional district, have been pressing lawmakers as well, while political donations from people involved with the medical-device industry have reached record highs.

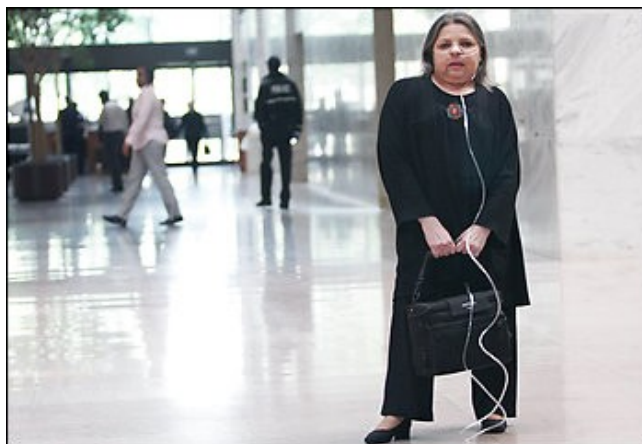
Medicare officials said the patients, who are by far the most effective lobbyists against the cuts, argued against their own best interests. A 2006 study by the inspector general of the [Department of Health and Human Services](#) showed that Medicare pays 12 times as much for the rental of oxygen equipment, called an oxygen concentrator, as its actual cost. The patients are billed for out-of-pocket payments that are more than twice the cost of a new concentrator, \$587.

"This program is outrageously overpaid," said Corinne Hirsch, spokeswoman for the [White House's Office of Management and Budget](#).

Government officials have been complaining for two decades that the medical-device lobby has managed to keep reimbursements for that service too high. Last year, the Democratic-controlled House passed a bill that would have slashed oxygen payments, but the Senate did not act. Kerry Weems, acting administrator of the Centers for Medicare and Medicaid Services, said Congress could lower payments sharply and still provide profit to the companies and full service to patients.

But the American Association for Homecare, the main lobbying group for the home medical industry, rejected the government's study about costs under Medicare. The association said the assessment ignored the cost of servicing oxygen equipment. In addition, it said, steep reductions could harm patient care.

To make its case, the industry has the assistance of patients groups, including the National Emphysema/COPD Association, the group that had 14 people on oxygen roaming the halls of Congress



*Barbara Rogers in the Hart Senate Office Building last week. For a day, she was part of the oxygen industry's lobbying effort. (By Leah L. Jones -- Associated Press)*

last week. The association claims 1,000 paid members and reaches 325,000 oxygen users through its newsletter. The group, based in New York, advocates primarily on behalf of patients with emphysema and other chronic lung diseases.

"We work closely with those groups," said Tyler Wilson, president of the American Association for Homecare.

Barbara Rogers, a 61-year-old New Yorker who heads the patients association, spent a day last week visiting five congressional offices to urge them not to approve cuts in Medicare payments for oxygen. "They were very receptive," Rogers said. "Nobody wants to hurt Medicare patients."

She and her fellow oxygen users -- as well as some family members along to help -- held nearly 100 meetings with lawmakers and their staff members. These lobbyists-for-a-day said the uncertainty created by the pending reductions could endanger the ability of oxygen users to get reliable treatment and up-to-date equipment. They also said they wanted to make sure that any cutbacks would not come at the expense of proper care.

"We don't know how these are going to impact us," Rogers said. "It's time for patients to take these issues into their own hands." She and the other members of her lobbying team came from all over the country, including California, Florida, Texas, Arizona and Arkansas.

Members of Congress have grown accustomed to patients groups descending on Washington to echo the views of industry. "It's a gimmick the providers have used for years. I think it's hokey," said Rep. [Pete Stark](#) (D-Calif.), chairman of the health subcommittee of the [House Ways and Means Committee](#). "I like to think we are able to make an objective decision based on facts. I don't want to make these decisions based on an emotional appeal."

Still, the industry has found that patients make effective lobbyists. "Members of Congress and their staffs will always care more about patients than providers," said Frederick H. Graefe, a lobbyist for [Invacare](#), a large medical-device manufacturer.

Rogers said that her colleagues were not paid by any industry group to lobby and that their views were entirely their own.

But the group was not without industry support. Apria Healthcare, a major home-health-care company, gave Rogers's lobbyists free oxygen, a subsidy that made the event financially feasible, she said. Apria is a member of the two largest oxygen lobbying groups, the American Association for Homecare, which highlighted the patients' visits on its Web site, and the Council for Quality Respiratory Care.

In addition, health-care lobbyists said the industry regularly collaborated with groups like Rogers's, briefing them about legislation and regulations in the hope that the patients would be able to get a more sympathetic hearing.

The home-medical-supply industry is made up mostly of small companies, many of them family-owned. The American Association for Homecare says there are 20,000 such firms that sell and rent medical devices. A handful of national companies are also in the business, including Apria and Lincare. The industry also includes manufacturers of medical equipment. Some of the largest are Invacare, Pride Mobility Products, Inogen and [Respironics](#).

The medical-device industry is a significant contributor to federal election campaigns. Donations from people involved with medical-supply companies have risen steadily in the past decade and have reached \$2.7 million in the current election cycle, according to the nonpartisan [Center for Responsive Politics](#).

The American Association for Homecare normally has one "fly-in" a year that brings owners and managers of medical-supply companies to the capital from more than 20 states. This year's event, in March, was its largest ever, with 350 people from 35 states. Attendees heard speeches from prominent federal officials, were briefed about the issues affecting them in Congress and traveled to Capitol Hill to lobby their elected representatives. So much is happening that the association is holding a second fly-in this month.

The industry is stepping up its professional lobbying, as well. "The oxygen guys have hired every lobbyist in town," Stark said. Pacific Pulmonary Services, an equipment provider in California, plans to open a lobbying office in Washington soon.

Between fly-ins, the association keeps in steady contact with lawmakers through its smaller member companies. Stark even had a visit last week from a long-lost cousin -- who is a medical supplier in Tennessee.

"There are oxygen suppliers in almost every district, and members of Congress hear from them," said Weems, Medicare's acting administrator. Although he wants to see reimbursements reduced, he said, "This will be a heavy lift."