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For over 100 years, the
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Association has worked in
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**Improving Life,
One Breath at a Time**



January 30, 2006

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

The American Lung Association is very concerned about provisions changing the Medicare home oxygen service that are included in S. 1932, The Deficit Reduction Act of 2005. This provision, which was added in the conference committee without a legislative hearing or opportunity for a full debate, raises many quality of care, continuity of care and patient out-of-pocket costs issues that may have significant impact on the lives of people with lung disease.

An estimated one million Americans have medical conditions that require the use of supplemental oxygen to engage in activities of daily living. With appropriate supplemental oxygen, patients can lead full and productive lives. Home and portable oxygen systems allow patients to live at home and be active members of their families and communities.

The provision in question requires the transfer of ownership of oxygen equipment including portable oxygen equipment to the patient after 36 months of continuous use. Payments for the provision of the oxygen will continue. And, subject to a determination by the Secretary, payments for maintenance and servicing of the equipment will be made. Much of our concern centers on what occurs after the initial 36 months.

How will the legislation affect patients whose medical needs change and therefore may require different oxygen equipment? If the needs change before or after the initial 36 months, will there be a different result? Will Medicare reimburse for new equipment for an additional 36 months and after which title is transferred? Will the original 36-month clock apply? Will a patient be required to purchase new equipment immediately without any reimbursement from Medicare if this occurs after the initial 36-month period?

If new technology that will improve the patient's health or quality of life becomes available, will the patient be able to receive the superior equipment? Will Medicare reimburse for new equipment for an additional 36 months after which title is transferred? Will the original 36-month clock apply? Will a patient be required to purchase new equipment immediately without any reimbursement from Medicare if this occurs after the initial 36-month period?

Will the maintenance and service payments function like a service contract that ensures regular maintenance is performed on the equipment, for example, the routine cleaning and replacement of filters? Or, will it be incumbent upon the patient and caregivers to manage the service of the equipment with the supplier reimbursed for each specific service or service call?

After the 36-month rental period and ownership is transferred, will Medicare as part of the servicing and maintenance cover the routine replacement of humidifiers, nasal cannulas, tubing and other disposable equipment or will these costs be borne by the patient?

After the 36-month rental and ownership is transferred, what happens if the equipment fails? Will it be replaced by Medicare? Will a new 36-month clock start? Or, will the patient be required to purchase replacement equipment?

After the 36-month rental and ownership is transferred, what will be the impact on the patient if the equipment manufacturer is no longer in business and replacement parts are needed? Will the patient be required to purchase replacement equipment?

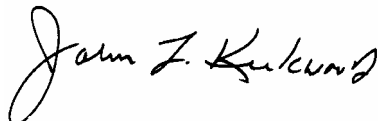
After the 36-month rental and ownership is transferred, who will provide the service and maintenance on the equipment if the original local supplier is no longer in business?

After the 36-month rental and ownership is transferred, will a patient who travels to visit grandchildren or spends part of the year in another part of the country, for example seniors who spend the winter in southern states, need to rent or purchase additional equipment at their own expense or ship their own equipment?

Will patients assume title of previously used equipment? Or upon joining Medicare or with their initial Medicare prescription will patients be provided new equipment? Some patients only require home oxygen equipment for brief period, often at the end of life. The rental equipment is returned to the supplier; maintenance is performed and then the refurbished equipment is provided to another patient. This could occur several times over the useful life of the equipment. A patient with a chronic disease such as Chronic Obstructive Pulmonary Disease, who may use the equipment for years, could end up owning a piece of equipment that has been used by previous patients and is well beyond its warranty period. This equipment may fail. Under the proposed legislation, how would this equipment be replaced? Who pays for that replacement?

In conclusion, the American Lung Association is deeply troubled that Congress is acting precipitously without enough information to inform lung disease patients of the impact of these proposed changes. Before proceeding with these changes proposed in S. 1932, Congress should explain the impact of the changes to lung disease patients and their families. We urge Congress to ensure these changes will not adversely impact patient health, interrupt continuity of care or shift additional costs to patients and their families.

Sincerely,

A handwritten signature in black ink that reads "John L. Kirkwood". The signature is written in a cursive, flowing style.

John L. Kirkwood
President & CEO