



# Potential Medicare Funding of an Asyst Touch™ System

Summarized from  
[http://aacfundinghelp.com/funding\\_programs](http://aacfundinghelp.com/funding_programs)  
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# Medicare Cost Reimbursement

There are 2 common methods for Medicare to partially reimburse an eligible recipient:

1. "**Payment in full**" Method - The client pays 100% to the equipment supplier, and then submits a Medicare claim for up to 80% reimbursement, reducing the cost to as little as 20%.
2. "**Accepting assignment**" Method - The recipient pays a minimum "co-payment" of at least 20% toward the device, and receives it. The vendor who has "accepted assignment" files a Medicare claim to receive reimbursement for the remaining amount (up to 80%).



# 1. Payment in Full

The "Payment in Full" method may create a problem:

- Medicare's pre-requisite that the recipient pay 100% prior to filing a Medicare claim can be a barrier, even though up to 80% may be returned to the recipient.

*The more expensive the device, procedure or service, the harder it may be for the recipient to afford to purchase it at full price in the hope of being 80% reimbursed.*

## 2. Accepting Assignment

Responsibility for filing a Medicare claim is "assigned" to the supplier, so the recipient doesn't have to.

- A supplier who "accepts assignment" agrees to
  - provide a device to a recipient who pays as little as 20% of the device's price.
  - accept the responsibility for filing a Medicare claim for the balance.
- In return, Medicare agrees to send reimbursement directly to the supplier who "accepted assignment" of the responsibility to file the claim.



Think. Feel. Speak.

## Example of "Accepting Assignment"

Vendor A charges \$4495 for its Speech Generating Device (SGD), well within the allowable upper limit set in the Medicare Fee Schedule\*

- If Vendor A agrees to "accept assignment", Recipient pays Vendor A a "co-payment" of 20% (\$899) for the Speech Generating Device (SGD).
- Vendor A provides the SGD to the Recipient.
- Vendor A then files a claim with Medicare. Medicare reimburses Vendor A for 80% of \$4495 (or \$3596).

\* The upper limit is \$6,768.25, assuming the SGD meets Medicare E2510 requirements. This simplified example is based on Medicare rules and rates in effect as of May 1, 2009.



# Limitation on "Accepting Assignment"

Accepting assignment is voluntary.

*Suppliers voluntarily elect to accept assignment on a per item and per claim basis. If the supplier refuses to accept assignment for an item, the recipient must pay in full to start the Medicare claims process, according to the "Payment in Full" method.*



# Copayment Waiver for the Indigent

- Medicare requires suppliers who "accept assignment" to collect the 20% co-payment from beneficiaries. However, as the cost of items increases, beneficiaries' ability to afford the co-payment amount can become a significant challenge.
- Medicare guidance acknowledges this potential difficulty, and has created an exception to this rule. A beneficiary may ask the supplier to waive the co-payment, because to pay it will create a "special financial hardship".
- When such a request is received, the *supplier* must then determine, for this particular individual, whether collection of the co-payment should be waived, based on a determination made by the *supplier* on a case-by-case basis.

## Limitations on Copayment Waiver

- The beneficiary cannot self-certify that he/she is indigent.
- Suppliers cannot routinely waive the co-payment for all beneficiaries or any specific classes of beneficiaries.
  - No definition or specific criteria have been found regarding what constitutes "special financial hardship," or to otherwise guide manufacturers/suppliers in this determination.
  - It is clear that Medicare expects it to be used rarely.
    - Medicare guidance states clearly that the routine waiver of the co-payment amount is impermissible.





# Medicare Eligibility

- Medicare's SGD coverage is relevant to people age 65 and older and two of these other groups:
  - Medicare is available to people who are younger than 65, who worked, and who became disabled through other than on-the-job injury; and
  - Medicare is available to the children with severe disabilities of people who worked, and who reach age 65, or die, or become disabled themselves.



# Medicare Eligibility

- For former workers who become disabled prior to age 65, Medicare is available
  - if they have been determined “disabled” under the Social Security Act, and
  - after they are in receipt of Social Security Disability Insurance benefits for a period of 24 months.



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# Medicare Eligibility - ALS

- Special Eligibility Rules Apply to People with ALS
  - People younger than age 65, who worked, and who are diagnosed with ALS will be deemed “disabled” under the Social Security Act upon diagnosis.
  - They will immediately become eligible for Social Security Disability Insurance Benefits if they met the work-requirements for that program and stop working.
  - In addition, people diagnosed with ALS will become eligible for Medicare immediately upon establishing eligibility for Social Security disability insurance benefits: the 24 month wait period has been waived.



# MDA Benefits - ALS

- The Muscular Dystrophy Association (MDA) has established a program of financial assistance that will provide any person with ALS up to \$2,000 for purchase of an SGD.
  - These funds can be used to meet the Medicare co-payment obligations, to pay for accessories that may not be covered by Medicare, or other related needs.
  - Some MDA offices will allow the funds to be used for training or other services.



For additional detail see

[http://aacfundinghelp.com/funding\\_programs/medicare.html#a](http://aacfundinghelp.com/funding_programs/medicare.html#a)

<http://www.aac-lerc.com/pages/medicare/MCFAQs.htm#faq6>