April 19, 2023

Assemblymember Jim Wood
Chair, Assembly Committee on Health
1020 N Street, Suite 390
Sacramento, CA 95814

Re: ITEM Coalition Steering Committee Support for AB 1157 (Ortega)

Dear Chairman Wood:

The undersigned members of the Independence Through Enhancement of Medicare and Medicaid (ITEM) Coalition Steering Committee write to express our support for A.B. 1157 (Ortega), pending legislation that would increase Californians’ access to durable medical equipment. The ITEM Coalition is a national consumer- and clinician-led coalition advocating for access to and coverage of assistive devices, technologies, and related services for people with injuries, illnesses, disabilities, and chronic conditions of all ages. Our members represent individuals with a wide range of disabling conditions, as well as the providers who serve them, including spinal cord injury, brain injury, stroke, limb loss, multiple sclerosis, paralysis, cerebral palsy, spina bifida, hearing, speech, and visual impairments, and other life-altering conditions.

Many Californians, and individuals nationwide, face significant barriers to accessing the durable medical equipment (DME) they need, including wheelchairs, hearing and visual aids, oxygen equipment, and more. Unfortunately, many private health plans regularly exclude or severely limit coverage of this equipment. Without sufficient health care coverage, many individuals who are not able to afford high out-of-pocket costs are forced to forego medically necessary devices entirely, turn to inferior or inappropriate equipment that can potentially risk their health and safety, or rely on publicly-funded health care programs for assistance.

People with disabilities and chronic conditions are most hard-hit by these restrictions on coverage. Without adequate access to appropriate DME, people with disabilities not only risk their health, but their function and independence as well, limiting their ability to work, attend school, or participate in the community. Some may face institutionalization if they are not able to access the equipment they need to function independently in their own homes.

These gaps in private coverage exist despite the clear mandate under the Patient Protection and Affordable Care Act (ACA) that individual and small group plans cover all essential health benefits (EHBs), including “rehabilitative and habilitative services and devices,” in a nondiscriminatory manner. Legislative and regulatory history clearly establish DME as included benefits under this mandatory category of coverage. States are required to select a “benchmark” health plan for EHB coverage, but individual plans are responsible for ensuring their own benefit designs do not discriminate on the basis of disability or health status. Section 1557 of the ACA also prohibits discrimination in benefit design on the basis of disability in any health program of...
activity receiving federal financial assistance, which applies to health insurers offering plans in California.

California’s current EHB benchmark plan excludes or restricts access to many critical DME devices and related services, resulting in the same discriminatory benefit designs the ACA sought to prohibit. AB 1157 would enable plans to come into compliance with the federal nondiscrimination requirements by clarifying that DME is a covered essential health benefit in California when prescribed by a health care provider for rehabilitative and habilitative purposes. It would also remove targeted benefit restrictions, such as annual caps and home use-only limitations, on coverage of DME.

AB 1157 is squarely in line with the Affordable Care Act and the goals of the ITEM Coalition to ensure that all people with disabilities, injuries, illnesses, and chronic conditions are able to access the devices and services they need to ensure their health and independent function. We strongly urge you to support the enactment of AB 1157.

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If you have any questions, please do not hesitate to contact Peter Thomas, ITEM Coalition Coordinator, at Peter.Thomas@PowersLaw.com or call 202-466-6550.

Sincerely,

The Undersigned Members of the ITEM Coalition Steering Committee

ALS Association
Amputee Coalition
Christopher & Dana Reeve Foundation
Spina Bifida Association
Team Gleason
United Spinal Association