Transcript Details
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Assessing Competitive Bidding's Effect on COPD Oxygen Utilization

Announcer:
Welcome to *On the Frontlines of COPD* on ReachMD. On this episode, we'll hear from Dr. Kevin Duan, who's an Assistant Professor in the Division of Respiratory Medicine at the University of British Columbia. He'll be discussing his recent study, which examined the impact of the Medicare Competitive Bidding Program on supplemental oxygen use and outcomes among patients with COPD. Here's Dr. Duan now.

Dr. Duan:
So in terms of the objective of the study, I think it's helpful to first talk about what the Competitive Bidding Program is. And so the Competitive Bidding Program is a program that was implemented in the 2010s that changed the way Medicare determined how durable medical equipment prices are paid and how contracts are awarded to these durable medical equipment suppliers. And as the name implies, instead of using a fee schedule, which was the old way, it rolled out a bidding program; the program was designed to save money in Medicare. But the program has been controversial, particularly among patients that need supplemental oxygen, and patient groups and professional societies report that the lower prices have driven changes in the market, including worsened access and lower care quality.

Now, there have been some studies by Medicare itself as well as an academic study and a study by the Office of Inspector General that found no changes in access, but there were limitations in methods and data. So the objective of our study was to examine the association between the implementation of the Competitive Bidding Program and Medicare and supplemental oxygen use, specifically among Medicare beneficiaries with COPD. And so what we did is we used an observational research method that's pretty common for studying health policy. It's called Differences-in-Differences. And we use that to look at Medicare durable medical equipment claims at the patient level.

In terms of outcomes, we had two primary outcomes that we measured using Medicare claims. The first was looking at new oxygen prescriptions in a six-month period, and that was measured among all patients with COPD. And the other primary outcome we had was discontinuation of existing oxygen prescriptions also in a six-month period, and that was measured among all patients with COPD who were already on oxygen. We also had a number of secondary outcomes. Those included all-cause mortality, inpatient COPD exacerbations, all-cause unplanned admissions, and equipment switches—so, for example, a patient goes from using oxygen tanks to a concentrator or they were using liquid oxygen and they're switched to oxygen tanks. That was another secondary outcome. And then lastly, we looked at Medicare spending.

So our findings were that across all of our primary and secondary outcomes, except one of them, we did not find that competitive bidding was associated with a significant change, which suggests that competitive bidding didn't affect the rate of new prescriptions, discontinuations, or any of the clinical outcomes we studied. The only outcome where we found that competitive bidding was associated with a change was in spending, which is actually what we would expect since the program was designed to decrease costs. It's quite important to note that there seems to be an overall downward trend in oxygen prescribing over time, but our research suggests that this was not caused by competitive bidding based on our study design and the data set that we looked at, and it could be related to other factors.

For takeaways, I think our study provides an important safety signal for the policy, which is important amid a lot of ongoing oxygen policy reform efforts. And while our study has limitations, I think it suggests that competitive bidding achieved its intended policy effect from what we were able to measure, which is saving money without causing harm to patients.

Announcer:
That was Dr. Kevin Duan sharing the findings from his study on the Medicare Competitive Bidding Program's impact on oxygen access and patient outcomes. To access this and other episodes in our series, visit *On the Frontlines of COPD* on ReachMD.com, where you can Be Part of the Knowledge. Thanks for listening!