



MEMORANDUM

July 1, 2010

To: Reporters and Editors

From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)

Re: Baucus Comment on Projected Savings from Medicare Competitive Bidding

Senate Finance Committee Chairman Max Baucus (D-Mont.) made the following statement today after the Centers for Medicare and Medicaid Services (CMS) announced its projected savings for the first round of the Medicare competitive bidding program for durable medical equipment. Baucus helped to create this program as part of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 and worked to improve the program in the recent health care reform legislation. From Chairman Baucus:

“Medicare should operate transparently and competitively to give seniors the best care possible while giving taxpayers the most for their money. Those principles were critical in health reform and they have also been critical as we’ve worked to make the Medicare competitive bidding program work as effectively as possible. This program allows Medicare to purchase equipment such as walkers and wheelchairs through a bidding process, instead of just setting standard prices for that equipment. Working together, Democrats and Republicans created this program, which will effectively reduce fraud and waste in Medicare.

“Today we are seeing that transparency and competitiveness in Medicare results in a 32 percent reduction in costs, just from the first stage of this program alone. As I have in the past, I plan to keep a close eye on this program, monitor this stage as it is implemented, and look for opportunities for improvements that can be made before other stages begin. I’m very pleased with these strong results from making Medicare a more competitive and transparent purchaser and America’s seniors and taxpayers should be as well.”

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