



Prosthetic Coverage: Saving Money and Saving Lives

Prosthetic coverage laws put prosthetics where they belong — on par with other critical medical services in people's health insurance plans.

There are nearly 1.7 million people in the United States living with limb loss. Those suffering from limb loss can and do regain their lives as productive members of society. Their stories are inspirational. They serve as a reminder of man's unyielding spirit. However, no amount of drive and determination can restore the natural function of an arm or a leg. These survivors can only regain their lives with the help of rehabilitation and the use of prosthetic devices.

The Need for Prosthetic Parity

Current changes in insurance plans are having a devastating effect on amputees and their families. For example, companies will pay the surgical cost of amputating a limb, and for subsequent amputations caused by inactivity, while simultaneously limiting or even eliminating prosthetic coverage. Other payers impose such unrealistic annual and lifetime caps on prosthetic coverage that people with limb loss are unable to obtain prostheses.

When people discover that prosthetic care isn't covered, they may be forced to use retirement or children's college savings to buy a prosthesis to keep working. Some take out home mortgages, bank loans, or even use high interest credit cards to get the prosthesis they need.

The Cost of Prosthetic Provision

Obviously, the biggest concern anybody has about passing a bill requiring healthcare benefits is the cost. People fear that new regulations will cause big jumps in the cost of insurance and reduce access to healthcare. None of us want to see health insurance costs pushed beyond the reach of the average consumer. In reality, studies show that the cost of providing prosthetics is less than \$2 per year — pennies per month.

- A study produced by the Colorado Department of Health Policy and Financing found that the cost of providing prosthetic coverage would be 12 cents per member per month.
- Analysis conducted by the California Health Benefits Review Program (CHBRP) estimated the cost to be about 16 cents per member per month.

A Policy That Saves Dollars and Makes Sense

Not only does providing prosthetics cost very little to the general insured population, it also saves money in the long run. Insurance companies aren't taking a long-term look at the actual costs to them. Without prosthetic care, many individuals will lead a more sedentary lifestyle. This leads to countless secondary complications.

- The incidence of diabetes-related complications is increasing. Medications for these conditions can cost up to \$100 per month. If someone becomes an amputee at age 55 and lives to be 77, that's \$264,000.
- If someone suffers a heart attack due to peripheral vascular disease, surgical treatment and hospitalization can cost from \$75,000 to \$200,000, depending on procedures used and the patient's lifespan.
- If a person develops knee or hip problems from being unable to walk correctly, resulting costs can range from \$80,000 to \$150,000 or more over a lifetime, depending on the care that is needed.
- Crutch overuse can cause wrist, elbow and shoulder problems. The cost for a simple carpal tunnel wrist surgery averages about \$7,500; elbow surgery averages \$16,000 and shoulder surgery averages \$25,000.

Organizations all across the country have come out in support of prosthetic coverage legislation:

- Abilities Fund
- American Academy of Family Physicians (AAFP)
- American Board for Certification in Orthotics, Prosthetics and Pedorthics (ABC)
- American Congress of Community Support & Employment Services
- American Congress of Rehabilitation Medicine
- American Diabetes Association
- American Medical Rehabilitation Providers Association
- American Orthotic and Prosthetic Association (AOPA)
- American Physical Therapy Association
- Disability Service Providers of America
- National Association of State Head Injury Administrators
- One Percent Coalition
- The Orthotic and Prosthetic Alliance

Savings to the State

The public sector would see savings because appropriate private insurance coverage prevents shifting costs to the public sector. In addition, this segment of the population can continue to be contributing members of society instead of becoming dependent on it.

If amputees are prevented from accessing the care they need to be productive members of society, this increases state Medicaid costs due to complications such as flexion contractures, skin breakdown, osteoporosis, muscle loss, and depression, along with costs associated with nursing home and/or home care. The subsequent cost to the healthcare system far exceeds that of providing prosthetic care, while the lack of productivity places a huge burden on society.

The provision of prosthetic services should be viewed as restorative. Other states have found that curtailing or eliminating these vital services have actually cost them more money in the long run. Not only have prosthetic coverage laws returned people to work and saved money for the states passing it, health insurers' profits in those states have increased at a rate greater than the current profit index (CPI) since their passage. Prosthetic limbs allow people to return to their work; they allow people to return to their life.

It's About Access to Care

There are many nonfiscal benefits to providing prosthetic care, including decreased incidence of depression and less dependence on caregivers.

Currently, seven states (Colorado, Maine, New Hampshire, Rhode Island, Massachusetts, Oregon and California) have passed laws requiring prosthetic coverage. At this time, 29 additional states are advancing legislation. The ACA is also working to advance legislation at the federal level.

Prosthetic coverage bills are about making sure that amputees have access to medically necessary care. It's not only the right thing to do, it's also a sound policy decision.

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