

Support the SOAR Act – S. 1406 & H.R. 2902 – Legislation to Create a New Reimbursement System that Ensures Oxygen Access at Home

OVERVIEW

More than 1.5 million people living with chronic lung and heart diseases in the U.S. face significant challenges in accessing supplemental oxygen. Since 2011, Medicare reimbursement rates for home-based oxygen products have been set through the DMEPOS Competitive Bidding Program (CPB), resulting in significant decreases in payments for oxygen equipment and supplies. While this has produced savings for the Medicare program, it has also led to unacceptable barriers for patients who need medically necessary oxygen equipment, supplies, and services. Limiting access and patient choice for critically needed oxygen products places undue stress on patients and caregivers while increasing the risk of hospitalizations and other costly clinical interventions.

On April 10, 2025, legislation to remove all oxygen and oxygen equipment from CPB and to establish a separate payment rate for liquid oxygen was introduced in both chambers of Congress. Senators Bill Cassidy, Amy Klobuchar, and Mark Warner introduced S. 1406, the *Supplemental Oxygen Access Reform Act of 2025* (SOAR Act), while Representatives David Valadao, Julia Brownley, Adrian Smith, and Gabe Evans introduced a companion bill in the House as H.R. 2902.

CLINICALLY BACKED, COST-EFFECTIVE, IMPROVEMENTS TO THE MEDICARE

OXYGEN BENEFIT

ALLOWING OXYGEN USERS TO ACCESS THE MODALITY THAT BEST MEETS THEIR NEEDS

Oxygen therapy is a lifeline for individuals with significant respiratory challenges, including Chronic Obstructive Pulmonary Disease (COPD) and other conditions. While supplemental oxygen can be delivered in several forms, people with the most significant oxygen needs cannot use small, portable oxygen concentrators (POCs) because they do not provide high flow rates.

Liquid oxygen, which offers a continuous, high-liter flow of oxygen and is portable, is a viable alternative. However, due to the inadequate reimbursement rates resulting from liquid being treated the same as other modalities despite the higher cost of providing it, suppliers have been unable to continue providing liquid oxygen widely, leaving patients with few viable options. Instead, these individuals must rely on heavy, bulky tanks of compressed, gaseous oxygen that may provide only a few hours of oxygen at a time.

Appropriate access to life-sustaining oxygen therapy cannot be overstated; otherwise, patients risk health deterioration, preventable hospital visits, and being confined to their homes.

The SOAR ACT restores patient access to the liquid oxygen modality when required by a patient by establishing a separate payment rate for liquid oxygen that has a) a base payment level for liquid oxygen and b) an add-on payment to the base rate for liquid oxygen at 6 liters/minute and higher. This payment model will support most Medicare beneficiaries who need liquid oxygen to be covered under the base payment level, while allowing supplemental payment for individuals who require very high (6 or more liters/minute) flow rates.

SUSTAINABLE REIMBURSEMENT FOR CRITICALLY NEEDED RESPIRATORY THERAPY

The SOAR Act locks in the savings already achieved by CBP and stabilizes payment rates for all oxygen modalities by removing all oxygen therapy modalities from CBP. Creating stability is critical to allow patients and clinicians to find a convenient and experienced respiratory care partner.

CURBING FRAUD AND ABUSE; STREAMLINING DOCUMENTATION PROCESSES

The legislation requires Medicare contractors to adopt an electronic template created by the CMS that would make it easier to prevent fraudulent or abusive claims, clarify patient needs, and ensure fair reimbursement. The adoption of electronic data elements to determine medical necessity would provide clear, objective criteria for beneficiaries who receive supplemental oxygen in addition to provisions for supplier responsibility to uphold high-quality services.

By requiring physicians to provide specific data elements in a template when ordering supplemental oxygen, the Medicare program and beneficiaries can be better protected from potential fraud and abuse. This reform will allow for a more direct and systematic way to establish medical necessity for supplemental oxygen therapies.

STRENGTHENING ACCESS TO REPIRATORY THERAPISTS

To protect access to care delivered by respiratory therapists and help patients afford and access these essential services, the SOAR Act establishes an add-on payment for respiratory therapy services to the supplemental oxygen rate.

SUPPORTED BY LEADING RESPIRATORY CARE AND PATIENT ADVOCACY GROUPS

On April 15, 2025, more than 30 influential respiratory care stakeholders endorsed the SOAR Act and asked members of Congress to co-sponsor the legislation. Groups endorsing the SOAR Act include: Allergy & Asthma Network, Alpha-1 Foundation, American Academy of Sleep Medicine, American Association for Respiratory Care, American Association for Homecare, American Academy of Cardiovascular & Pulmonary Rehabilitation, American College of Chest Physicians, American Lung Association, American Physical Therapy Association, American Thoracic Society, Academy of Cardiovascular & Pulmonary Physical Therapy, ARDS Alliance, Children's Interstitial & Diffuse Lung Disease Association, COPD Foundation, Council for Quality Respiratory Care, Cystic Fibrosis Foundation, Cystic Fibrosis Research Institute, Dorney-Koppel Foundation/Grace Anne Dorney Pulmonary Rehabilitation Centers, Foundation for Sarcoidosis Research, National Scleroderma Foundation, NTM Info & Research, Inc., Patients Rising, PF Warriors, Pulmonary Fibrosis Foundation, Pulmonary Hypertension Association, Respiratory Health Foundation, Running on Air, PAP Foundation, TSC Alliance, VGM & Associates, and Wescoe Foundation for Pulmonary Fibrosis.

Our Ask

Help improve access to supplemental oxygen by co-sponsoring the Supplemental Oxygen Access Reform (SOAR) Act (S. 1406/H.R. 2902), which would ensure that Medicare beneficiaries with complex respiratory needs can access the most appropriate type and level of oxygen care. The SOAR Act would improve access, permanently remove oxygen from CBP, and strengthen beneficiary protections. Offices interested in supporting these bills should reach out to staff for Sen. Cassidy, Sen. Klobuchar, Representative Valadao, or Representative Brownley.