

Facts About Pride Mobility Products, Corp. & Medicare

Pride Mobility does no direct business with Medicare.

Pride sells directly to Durable Medical Equipment providers who in turn sell directly to consumers. Each consumer has the option to either purchase the product for cash as a retail transaction or to bill their health insurance provider if they qualify for that benefit. Many Pride scooters and lift chairs, and virtually all vehicle lifts and ramps, are purchased by consumers through retail sales. Of Pride's total sales, nearly half were either paid for directly by the consumer, billed through another insurance carrier, or international sales.

In order for a consumer to receive a mobility device as a Medicare benefit, they must first meet strict Medicare qualifications.

To qualify for a mobility device through Medicare, a consumer must meet with their physician. The physician is required to perform a mobility-related face-to-face medical examination and must follow a nine step algorithm that considers and rules out less expensive types of medical equipment. The physician then prescribes the mobility device for the patient.

Mobility products account for less than 1% of the annual Medicare budget.

In 2007, the Centers for Medicare & Medicaid Services estimated Total Medicare Spending for benefits at \$429.7 billion. Mobility products accounted for approximately \$700 million. That is approximately 0.16% of CMS's estimated Total Medicare Spending for 2007.

Providing mobility products to qualified patients improves their quality of life.

"Impaired mobility, combined with difficulty performing mobility-related activities of daily living (MRADLs) such as toileting, feeding, dressing, grooming, and bathing, places patients at risk for a multitude of physiological and psychological consequences that can negatively affect health, well-being, and quality of life."

- Decision Memo for Mobility Assistive Equipment [CAG-00274N], CMS, 5/5/05.

Providing mobility products to qualified patients actually saves the Medicare system money.

A mobility device can either delay or eliminate the need for a patient to be placed into a skilled nursing situation, which decreases the individual's lifetime Medicare expenditures versus the minimal cost of a mobility device.

A 2005 study performed by RRC Inc. in conjunction with consulting physicians titled "Power Vehicles for the Mobility Impaired: The Net Benefits to Medicare" estimates an average net savings of \$8,760 over three years per each beneficiary for whom Medicare purchased a power mobility device.

Providing mobility products to qualified patients reduces the risk of fall-related injuries, which also saves the Medicare system money.

The Centers for Disease Control has done a study on falls and the cost of falls. The following information can be found at <http://www.cdc.gov/ncipc/factsheets/fallcost.htm>:

- More than one third of people 65 and older fall each year.
- Of those who fall, 20-30% suffer moderate to severe injuries that make it hard to get around or live alone and increase the chance of early death.
- Older adults are hospitalized for fall-related injuries five times more often than they are for injuries from other causes.
- A study of people 72 and older found that the average health care cost of a fall injury was \$19,440 (including hospital, nursing home, emergency room, and home health care).
- The total direct cost of all fall injuries for people 65 and older in 2000 was slightly more than \$19 billion.
- By 2020, the annual direct and indirect cost of fall injuries is expected to reach \$43.8 billion (in current dollars).

About Pride...

Pride Mobility Products Corp., the world's leading designer and manufacturer of personal mobility products, offers your patients a comprehensive line of mobility products. Pride's main focus is making the highest quality and most innovative mobility products to enhance the lives of our customers, your patients. By investing heavily in our Research and Development Team and our state-of-the-art testing facility, we make certain that our products are precision engineered, cutting edge and technologically advanced for your patients.

Pride's divisions include:

- Jazzy Power Chairs
- Pride Scooters
- Pride Lift Chairs
- Go Go Travel Mobility Products
- Quantum Rehab
- Pride Silver Star Lifts and Ramps

Each division provides the industry with the most innovative features, distinctive styles, and highest quality components, to help your patients achieve more in their daily living.

For additional information about Power Mobility Products, Corp., please visit www.pridemobility.com.



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