## **Epilepsy Vagus Nerve Stimulation Device (VNS) legislation**

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The state of Texas has long covered the medical necessity for Vagus Nerve Stimulation (VNS) therapy coverage. An increase in reimbursement rates is essential to provide this needed epileptic seizure treatment.

VNS Therapy is designed to treat medical seizures in patients as young as 4 years old and consists of two implanted components, a pulse generator and an electrode. The implant procedure is typically performed in a 60-90 minute hospital outpatient setting by a trained surgeon.

Appropriate utilization of VNS Therapy significantly reduces epilepsy-related medical costs by dramatically reducing patient visits to health care facilities resulting in significant cost savings after only 1.5 years:

- Decreased ER visits by 99%
- Decreased Hospitalizations by 70%

Hospital administrators are not confident they will be paid adequately. Instead of addressing these issues with the payor they simply choose not to offer the VNS service

Patients sometimes travel hundreds of miles to the nearest implanting hospital causing considerable challenges for access to care. Thus, many patients do not get the procedure and continue to experience debilitating and unexpected seizures at any time.

Texas Medicaid and associated MCO's currently reimburse approximately \$22,000 per case which is well below cost of the VNS Therapy device. In order to achieve reimbursement closer to implant cost, this bill proposes utilizing the Texas HHSC policy currently in place of a default rate for implantable durable medical equipment items at 82% of device acquisition cost (estimated to be \$36,000 - \$38,000).

This is a statewide issue but is particularly important in locations where there is a low number of offsetting private insurance recipients such as the Rio Grande Valley, Laredo, Amarillo, Galveston, and El Paso. The annual new caseload numbers approximately 200 new patients statewide.