How providers have leveraged the web has reflected the changes felt by their businesses. Where providers once used their web sites to provide basic information to patients and referral partners, they are now adopting more aggressive and strategic use of their online presences to contend with current day challenges.

As providers seek to broaden their revenue sources, and perhaps create new business models to sidestep the increasing devastation associated with the Medicare model, they must now utilize their websites to help implement new business strategies. This means different things to different providers. For some providers, this means they will seek to create transactional, retail sites. Other providers will seek to serve up in-depth educational content that will help cement bonds with referral partners and funded patients, while working to maximize reimbursement. And while all that is happening, providers must also integrate social media functionality and ensure interoperability with users on mobile devices.

Moreover, that only addresses here-and-now concerns related to provider web sites. What about the future? Will providers, patients and partners ever conduct funded transactions online from start to finish? If so, providers need to lay the groundwork now.

Evolving HME’s Online Storefront... Page 24
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Business Solutions

18 Next-Level Retail
As more and more providers move into cash sales, and learn the fundamentals, such as merchandising, sales training and marketing, we look to some retail veterans to learn some of the advanced lessons they’ve picked up on the pathway toward cash sales enlightenment. Their answers help set the stage for the next steps in the HME industry’s retail revolution.

Products & Technology

24 The HME Storefront
The web is playing an increasingly important role in how providers communicate with patients, market their businesses, and even conduct transactions. How can providers better wield their web sites, and how will the role of providers’ online presences evolve and help shape the future of HME.

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8 AHomecare maintains MPP fight; PECOS edits go into effect; Provider poll: PECOS edits; Invacare’s third certification audit approval delayed; More lawmakers back MPP bill; Brightree acquires Strategic AR; Medicare cuts hurting home health jobs; CMS posts ICD-10 implementation video.

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Editor’s Note

Justice Is a Relative Term

It’s hard to play the Medicare game when the deck is stacked against you.

Medicare’s massive expansion of its pre-and post-payment claims audits has been exasperating to say the least, but the recent decision by CMS’s Office of Medicare Hearings and Appeals to delay assigning an Administrative Law Judge to any new audit appeals by two years is downright jaw-dropping. It’s as though the agency is rewriting the rules to suit itself.

Ever since CMS ramped up its program integrity efforts (and budget) hospitals, physicians, and clearly DME providers have been mired in a swamp of confusing Medicare claims audits. The need and ability to appeal has been pivotal, given that so many audits are in mistake, and the various audit programs have significant overturn rates.

Moreover, the audits are so error prone, that they are part of the justification OMHA is using for its delay. There is a backlog of 357,000 claims going to appeal stacked up in the system, according to a letter from Nancy Griswold, OMHA’s chief judge. Prior to the delay announcement, the current turnaround for an appeal was 16 months. Griswold’s other justification for the delay is that beneficiary appeals should be put to the head of that line and processed first.

But the backlog is ultimately due to CMS’s radically revved up audits, which over the past three years have resulted in appeals growing by 184 percent. Meanwhile, “the resources to adjudicate the appeals remained relatively constant” at 65 administrative law judges, Griswold wrote in a rememo. While OMHA received 1,250 appeals a week in January 2012, it received more than 15,000 appeals a week by November 2013.

So, the backlog shouldn’t have come as a surprise to CMS. It directed considerable capital toward expanding its audit program, so why wouldn’t it expand its number of judges?

The one upside is that HMEs aren’t alone. OMHA’s delay decision is drawing criticism from all corners of healthcare. Some are even saying CMS is even breaking the law.

“Delays of at least two years in granting an ALJ hearing for an appealed claim are not only unacceptable, they are a direct violation of Medicare statute that requires ALJs to issue a decision within 90 days of receiving the request for hearing,” American Hospital Association Executive Vice President Rick Pollack wrote in a letter to CMS Administrator Marilyn Tavenner. “Further, this is not a new problem; prior to OMHA’s suspension of appeals assignments, ALJs were not adhering to their statutory deadline.”

Closer to home, those sentiments were reflected by HME industry audit expert, Wayne van Halem, CFE, AHFI, president of The van Halem Group LLC, which helps providers contend with Medicare claims audits.

“This is really frustrating,” van Halem says. “The huge increase in the volume of appeals is a direct result of the significant increase in the number of audits being conducted. CMS keeps awarding lucrative contracts to private audit entities to find ‘i’s that aren’t crossed and t’s that aren’t dotted, yet the beneficiaries clearly needed the services that were provided.”

“Getting before an ALJ is generally the first time where reason enters the equation and we still see a large number of claims overturned, so providers should and will continue to fight,” he adds. “Rather than spend hundreds of millions of dollars to increase the volume of audits which subsequently increases the volume of appeals, why not spend some money on increasing staff and lessening the burden on the judges in the Office of Medicare Hearings and Appeals?”

“I’m with Wayne, and I’ll add that this whole scenario completely strains CMS’s credibility. Again, how could it not know an increase in audits would lead to an increase in appeals? If anything this serves as yet another example why providers need to diversify their revenue sources and reduce their reliance on playing Medicare’s funding game, because it’s looking rigged.”

David Kopf
Editor
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AAHomecare Maintains MP Fight

Association works to include language in SGR legislation; Rep. Price continues working on H.R. 1717.

Early into the New Year, the industry has ramped up its vigor in the struggle against competitive bidding. Even before the House re-convened on Jan. 7, the American Association for Homecare began fighting various fronts to advance the market pricing program (MPP) alternative to competitive bidding.

One of the association’s latest efforts was working to convince lawmakers to include key elements of the market pricing program (such as binding bids, clearing prices and proper licensure) into the sustainable growth rate (SGR) legislation on which the House and Senate are now working. The legislation, also known as the “doc fix,” would repeal the current payment system for Medicare physicians to avoid future cuts.

Because of the bi-partisan, bi-cameral effort to advance this legislation, it offers the industry a solid opportunity to attach key MPP-oriented provisions to the legislation. If included, passage of the bill with the MPP provisions could end to several negative aspects of competitive bidding this year. At press time, the legislation remains a work in progress.

A statement from AAHomecare identified the House Ways & Means Committee as a pivotal player in the final SGR legislation. It called on providers with Representative that sit on the committee to phone and email their lawmakers to ask for their support. Specifically, providers along with lawmakers in support of the MPP need to contact Committee Chairman Dave Camp (R-Mich.) and emphasize that fixing the bidding program is a priority that should be included in the SGR reform legislation.

AAHomecare President Tom Ryan advised providers that they have many opportunities to meet with lawmakers in person, even if they can’t fly to Capitol Hill.

“What is Congress doing when it’s not in session?” Ryan asked in a letter to his members. Usually, Representatives and Senators can be found back in their home districts focusing on constituents — like you — which means that you have as much access as we do here in Washington, D.C. Are you taking advantage of your access at home by reinforcing the messages that we’re delivering in the office?

“I know that you’re busy taking care of your business, but this is your business, too,” he continued. “In fact, there is nothing that impacts your business more than the policies that come out of Washington. Because of that simple fact, we’re gearing up for an even more intense 2014.”

As part of association’s efforts, Ryan and Jay Witter, vice president of government affairs for the association, met with Rep. Tom Price (R-Ga.), who introduced into the House H.R. 1717, which would replace competitive bidding with the MPP. Also, Peter Rankin, manager of government affairs for AAHomecare, met with Reps. Doug LaMalfa (D-Calif.), Mike Thompson (D-Calif.) and Marc Veasey (D-Texas) to discuss the MPP.

Price Continues Commitment to MPP

And Rep. Price himself has been strongly advocating on behalf of the MPP. Speaking to a gathering of companies and associations representing DME providers, manufacturers, and patients, Rep. Tom Price (R-Ga.) reaffirmed his commitment to fighting for a solution to Medicare’s badly-designed bidding program.

Addressing attendees of Problems in Medicare’s Competitive Bidding Program and Real Marketplace Solution, a policy briefing sponsored by law firm Buchanan, Ingersoll & Rooney, Price characterized the program as “not competitive at all; in fact, it’s non-competitive price fixing.”

The longtime supporter of the HME industry and its patients further criticized the program as unresponsive to patient interests and as out-of-touch with “what happens in the real world” when it comes to caring for the elderly and people with disabilities.

“Real people are getting hurt by this program: moms, dads, and grandparents,” Price said.

Price asked attendees to continue to educate and mobilize their constituencies in support of H.R. 1717, and also told members on the House Ways & Means Committee and Senate Finance Committee that provisions addressing the bidding program should be included in the SGR legislation.

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PECOS Edits Go Into Effect

Providers will not be reimbursed for claims sourced from referrals no longer in system.

CMS implemented Phase 2 denial edits for the Provider Enrollment, Chain, and Ownership System (PECOS) on Jan. 6. The edits check specific claims to ensure they are from a valid individual National Provider Identifier (NPI), and deny the claim when this information is invalid. The edits cover claims from:
- Clinical laboratories for ordered tests.
- Imaging centers for ordered imaging procedures.
- DMEPOS Suppliers for ordered DMEPOS.
- Part A Home Health Agencies (HHAs).

The edits will determine if the Ordering/Referring Provider (when required to be identified in Part B clinical laboratory and imaging, DME, and Part A HHAs claims) has a current Medicare enrollment record and contains a valid NPI (the name and NPI must match), and is of a provider type that is eligible to order or refer for Medicare beneficiaries. Those types of providers are:
- Physicians
- Physician Assistants
- Clinical Nurse Specialists
- Nurse Practitioners
- Clinical Psychologists
- Interns, Residents, and Fellows
- Certified Nurse Midwives
- Clinical Social Workers.

The PECOS implementation has been taking place over a phased process during the past several years. Phase 1 began Oct. 5, 2009, and alerted billing providers that the identification of the ordering/referring provider had to have a valid NPI in the PECOS system.

In Phase 2, which went live Jan. 6, if the ordering/referring provider does not pass the edits, the claim will be denied. This means that the billing provider will not be paid for the items or services that were furnished based on the order or referral.

Complete details of Phase 2 are in CMS’s MLN Matters #SE1305, which can be downloaded at: http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1305.pdf

Providers that order or refer items or services for Medicare beneficiaries, and do not have a Medicare enrollment record, need to submit an enrollment application to Medicare. They can do this using the Internet-based Provider Enrollment, Chain, and Ownership System (PECOS) or by completing the paper enrollment application (CMS-855O). PECOS enrollment instructions and resources are available at: http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/index.html

Provider Poll: PECOS Edits

Results from a recent hme-business.com survey

Under Phase 2 of CMS’s Provider Enrollment, Chain, and Ownership System (PECOS) implementation, which went live Jan. 6, if the ordering/referring provider for a DME order does not fit the new edits and have a valid provider number, Medicare will not reimburse the claim. This prompted us to check in with providers to see how their referral partners are doing. The final 10 percent left us a little worried. Has CMS’s outreach been a shade insufficient?

The PECOS edits are live. Are some of your referral partners no longer in the system?

- Yes ........................................ 57%
- No ........................................ 23%
- We have yet to check ....................... 19%

Note: Due to the open nature of the Web, the results of this and other hme-business.com polls are instant opinion tallies and are not scientific.

INVACARE: Third Certification Audit Approval Delayed

Third-party auditor says work required before final certification report can be sent to FDA.

Approval of Invacare Corp’s third and final certification audit, due to the U.S. Food & Drug Administration (FDA) as part of the ongoing FDA consent decree that halted the production of manual and power wheelchairs and components in Elyria, Ohio, has been delayed.

The third-party expert conducting the audit met with Invacare representatives on Dec. 20 and informed them that “some additional work is required in a few particular areas before the final certification report can be provided to the United States FDA,” Invacare said in a Dec. 23 news release.

Invacare described the third audit as “a comprehensive review of the company’s compliance with the FDA’s Quality System Regulation (QSR) at the impacted Elyria facilities.”

A New Complaint Handling System

Invacare added that the third-party auditor’s remaining concerns center on the manufacturer’s new system for handling complaint and risk review processes.

Lara Mahoney, Invacare’s director of investment relations & corporate communications, told Mobility Management, “We used to receive complaint data through a variety of areas. Someone would call into customer service or [a complaint] might come in through the sales force, through returns, through technical service. Now, with our new system, we can better track complaints and trend the data to keep better track of that. It all goes through one complaint handling system. All of these different sources of data are now funneling through one system.”

The new system handles complaints involving all Invacare products, regardless of category - DME, respiratory, or complex rehab technology.

“We’re adding and training associates to help finish the backlog, and we’re to the point where we’re closing out more complaints than are opened,” Mahoney says. “We just need to work through that process a little further to meet the third party’s expectations.”

In addition, the third-party auditor will be looking for proof that the new system is a viable long-term solution.

“We have to manage the backlog, prove that we have this sustainable system, that it’s effective,” Mahoney says.

The Timeline Going Forward

In earlier announcements, Invacare said it was hoping to get approval of the third certification audit in November 2013. Invacare now expects the third-party auditor to return in February to examine the quality system again.

After the third certification report is approved and submitted to the FDA, the agency will conduct its own investigation, which could be the final step before Invacare is able to return to normal operations.

— Laurie Watanabe, Mobility Management
More Lawmakers Back the Market Pricing Bill

New co-sponsors push H.R. 1717 co-sponsorship to 166 supporters in the House.

After adding two more lawmakers before the New Year, support for H.R. 1717, the bill that would replace CMS’s competitive bidding program with the industry’s market pricing program (MPP), has grown by another two congress members.

The bill, introduced into the House by HME industry ally Rep. Tom Price (R-Ga.) as the Medicare DMEPOS Market Pricing Program Act of 2013, now, at press time, has signatures from a total of 166 co-sponsors in the House.

The new supporters for the bill are:
- Rep. Charles Dent (R-Pa.)
- Rep. Jim Gerlach (R-Pa.)
- Rep. Daniel Lipinski (D-Ill.)
- Rep. Doug LaMalfa (R-Calif.)

The lawmakers’ signatures to support the bill could serve as evidence of newfound momentum H.R. 1717 has gained over the past several weeks after the budget debate and government shutdown disrupted the bill’s progress.

That momentum has been due to continued grassroots lobbying by the industry, efforts by state and national associations, and work by lawmakers themselves. To learn more, turn to “AAHomecare Maintains MP Fight,” page 8.

Brightree Acquires Strategic AR

Software player will Integrate accounts receivable company’s automated patient collections services.

HME software company Brightree LLC has acquired Strategic AR Solutions LLC, a provider of private-payor billing and collection solutions and services. Under the terms of the agreement, Strategic AR will operate as a separate business entity and will continue to be led by Kevin Winkley, the company’s founder and CEO.

With this agreement, Strategic AR will continue to provide leading technology solutions and enhancements to its industry-leading platform that benefit customers of all major home medical equipment (HME) billing systems. For Brightree customers, additional integration, such as the automatic posting of payments back into the billing system, will be made available.

The leaders of both companies agreed the acquisition made sense for both firms:
- “In the past, many homecare providers have chosen not to pursue the patient portion of an order due to the manual-intensive business processes required to collect the amount owed,” said Dave Cormack, president and CEO of Brightree. “With greater adoption of high deductible plans and an increase in private pay patients, we believe patient collections must become a critical component to every HME provider’s success in 2014.”
- “Payment practices in the healthcare industry have changed dramatically during the past several years, and it is now more acceptable for HME providers to ask for the patient co-pay upfront and to have a patient’s credit card on file for re-orders,” Winkley said.

Strategic AR advises that its current customers should continue to contact their existing customer support representatives. For more information about Strategic AR, visit http://www.strategicar.com.

Medicare Cuts Hurting Home Health Jobs

New report shows sector lost 3,700 jobs due to 14% cut to HHPPS.

Allied elements in the home healthcare continuum are undergoing similar devastation from Medicare cuts that HME providers are experiencing. Case in point: the economy lost 3,700 home health jobs in December, according to a recent report from the Bureau of Labor Statistics, and a statement from The Partnership for Quality Home Healthcare attributes the lost jobs to Medicare home health cuts made in November.

December’s losses are likely the first in a wave of job cuts resulting from severe Medicare cuts made in the Home Health Prospective Payment System (HHPPS) Final Rule last November to help pay for the Affordable Care Act, according to the Partnership. The Partnership represents community- and hospital-based home healthcare agencies.

“In addition to reducing needed jobs for home health professionals, these severe cuts will directly impact millions of the homebound seniors and disabled Americans by limiting their access to the clinically advanced, cost-effective home healthcare they need and prefer,” the statement reads.

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VIDEO

CMS Posts ICD-10 Video

MLN Connects Youtube offering covers coding basics.

To help providers prepare for the Oct. 1 implementation of ICD-10, CMS has released a new video on Youtube to discuss the various issues necessary for Medicare supplier implementation.

The entire healthcare industry, including HME providers, is preparing for ICD-10, which is the 10th revision of the International Statistical Classification of Diseases and Related Health Problems.

In the MLN Connects video on ICD-10 Coding Basics, Sue Bowman from the American Health Information Management Association (AHIMA) provides a basic introduction to ICD-10 coding.

Specifically, November’s Final Rule cuts Medicare home health payments by 3.5 percent annually for four years, thereby imposing a total cut of 14 percent. Those cuts are the maximum allowable under the Affordable Care Act (ACA), and the Obama Administration has conceded they will leave “approximately 40 percent of providers” with negative margins by 2017 once the full cut takes effect, according to the Partnership.

Medicare home health services are delivered to approximately 3.5 million Medicare beneficiaries. Home health agencies operating at a loss may be forced to reduce staff, limit patient services, file bankruptcy or close their doors completely.

“The new jobs report confirms what seniors, caregivers, AARP and so many others have been concerned about — that this deep 14 percent cut will negatively impact millions of American seniors, their families and needed healthcare jobs,” said Eric Berger, CEO of the Partnership for Quality Home Healthcare. “In fact, nearly 500,000 hard working Americans are employed and nearly 1.5 million homebound seniors are served by the ‘approximately 40 percent’ of all home health agencies that the Administration has admitted will operate at a loss as a result of this cut.”

The Partnership said it is urging the Obama Administration to reexamine the ACA cut and preserve the ability of homebound seniors to receive clinically effective healthcare in the comfort, dignity and safety of their own homes. The home health industry also asked the Secretary of Health and Human Services (HHS) to conduct the detailed analyses required by law and to use her authority under Section 1871 of the Social Security Act to moderate the cut to protect seniors’ access to home health and the jobs related to those services.

hme-business.com | February 2014 | HME Business 11
The Fine Art of Collecting Co-Pays

A/R Allegiance’s Lilek explains how HME collections have evolved and what’s needed now.

Upon graduating from college, and well before becoming CEO of HME collections company A/R Allegiance LLC, Keith Lilek went to work for a national collections agency that differentiated itself from competitors by charging a flat fee on collections, rather than a percentage, which appealed to various businesses, especially those with large receivables.

“Early in my career, I became very proficient in working with doctors,” he says. “And I said, ‘Well instead of selling to doctors, if you sold a hospital, a hospital has more doctors under its umbrella. It should be easier to sell the doctors because the hospital uses you.’”

Lilek says he soon learned that the real movers and shakers in the medical community were working in the hospital business, and specifically the members of the Healthcare Financial Management Association. He also became increasingly familiar with selling to the medical equipment providers that ancillary to the hospitals and ambulatory care settings, and so he began selling to larger providers.

“Well, I did something that was completely unusual for a young salesman, which was to focus on one industry,” he recalls. “Early on, companies like American Home Patient and Apria were able to teach me about how the industry works.”

And as he specialized in these accounts, Lilek said these larger companies started changing their approach to pursuing co-pays and other patient payments.

“You know that these [patient] accounts are not like wine — they don’t age well,” he explains. “So you want to get to them early. That means that you have to create methods that encourage clients to do better in the process, so that they don’t get old.”

So those companies began telling Lilek that they were going to bring their collections in-house in order to speed the process and forestall aging accounts. So, Lilek struck out on his own, and worked with a programmer to start developing an online portal system that provided what HME businesses needed to manage their collections, while leveraging the insights he gained from hospitals.

“I knew that if we could see accounts in real-time and what was going in real-time, that you could react quicker,” he explains. “If you can react quicker, you can take other actions.”

HME providers were drawn to the service, and Lilek says he never looked back.

Fast-forward to today, and healthcare in the United States is changing (yet again). One of the key changes is that patients are becoming more responsible for paying for a larger share of their care. As a result that is creating a whole new dynamic in the provider-patient relationship at a time when the way providers communicate with patients is completely changing due to both the wider range of communication technologies, advances in collection techniques, DME co-pay amounts that are comparatively small to other co-pays in medicine, and thinner margins for HMEs.

“You have to operate more efficiently,” he says. “You have to bring in automation to reach out to those patients.”

More of the expense is going to be on the patient,” Lilek adds. “So, you have to spend more time up front to set the right tone, educate the patient, and have discussions.”

To help providers implement practices that will help them better communicate with patients and drive increased co-pays and other payment collections, Lilek will be presenting “Communication for Compensation: Best Practices for Collecting Co-Pays, Deductibles,” an educational webinar slated for Feb. 12 at 2 p.m. Eastern Time.

The webinar will cover various educational points, such as the areas of providers businesses where best financial communications practices are most urgently needed; when and where patient financial discussions should take place and who should participate in them; and a measurement criteria framework for guiding evaluation of an organization’s voluntary compliance.

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Ensuring Senior Mobility

What providers should know about PMDs for the senior population.

Todays wired senior population is arguably more informed than ever before. Armed with smartphones, tablets and computers, seniors are often educated shoppers who want the best value for their money. But even when clients think they know what’s best, a tactful approach to the big picture is a good way to proceed so senior clients end up with the right PMD for their situation.

“In assisting a consumer with a power mobility device (PMD) purchase, a provider needs to fully understand a day in the life of the individual,” says Cy Corgan, Director of Strategic Accounts, Pride Mobility Products. “Providers need to ask the questions that will help seniors find products that best fit their needs.”

Corgan suggests that providers need to understand their senior clients’ medical condition, conduct a home evaluation to ensure the product will let them perform their ADLs safely and navigate throughout the home, and know how often they will travel with the product and how they will transport it.

“Seniors want products with style and curb appeal,” Corgan says. “They want feature-rich products that fit their active lifestyles. They don’t want products that look like medical devices or that indicate they have a medical condition.”

Narrowing Down Solutions

George Turturiello ATP, CRTS, is a Mobility Specialist with Northeast Med-Equip/Northeast Accessibility, an HME provider located in Pennsylvania. About 30 percent of his PMD clients are seniors. He says the majority of seniors he deals with know they have a need but often cannot explain exactly what they are looking for.

“They might be looking for a scooter and really need a power wheelchair,” Turturiello says. While some seniors will do due diligence before shopping for products, he finds that many get their information from commercials and literature and develop a perception of a PMD solution that may be off base. But like Corgan, Turturiello says that one of the biggest commonalities among seniors looking for PMDs is the desire to be active and as unrestrained as possible.

“I have seen a generational change over the last 20 years,” he says. “It used to be that people using PMDs were satisfied with being at home and going from the bedroom to the living room and then the kitchen is just ‘surviving’ and not living,” Turturiello continues. “Seniors now come in looking for something to go fishing in or to go through the grass trails.”

When Turturiello first sees seniors with PMD needs, he asks a few questions about their health and, if applicable, their spouses’ health.

“I ask about the physical limitations these customers have and the obstacles they want to go around, whether they are figurative or actual,” says Turturiello. “Sometimes their limitations are put in front of them by family members. I try to be gentle about family members and their suggestions. Sometimes the seniors’ children are too overprotective and don’t understand their parent’s frustrations.”

Seniors are a lot like teenagers: Allow them enough space to see their limits and accept their request for freedom. The difference being using the car or going outside in a scooter or power chair.”

Turturiello points out that all new clients have a wishlist, be it going outside, maneuvering inside, or having a particular power function. Therefore, he carries more than a dozen different models. This, he says, gives seniors a choice for capability, function and price.

“A very active senior may live in a larger community and would like a more robust outdoor scooter,” Corgan explains. “On the other hand, someone who is going to use a power chair in the home and on vacation may be more comfortable with one that’s more compact.”

Sizing

Turturiello says most of his senior clients are average sizes, usually 18-inches to 20-inches wide and 16-inches to 20-inches deep. Most of the bases on the PMDs he carries accept different seating types. Turturiello gives every client the ability to try several models indoors and outdoors and then questions the home situation regarding space to maneuver and doorway sizes. This helps narrow the choices.

By refurbishing power wheel chairs, Turturiello gives other alternative to PMDs acquired through government programs.

“Most of the seniors I speak to need something different than what the program allows or covers,” says Turturiello.

Accessories

Corgan suggests that when discussing PMD accessory options, include cup holders, O2 holders, cane and crutch holders, and rear baskets for scooters and power chairs. He also reminds providers to ask about transportation of the PMD. Seniors may need a vehicle lift to use their PMD when traveling. In addition ramps may be needed for ease of access to the home or various rooms within the home.

Turturiello adds to recommend side bags and backpacks for the wheel chairs.

Senior Mobility Checklist

Bearing Turturiello’s and Corgan’s points in mind, here is a checklist that will help you give your senior clients the PMD that best supports their needs:

• Understand their expectations.
• Ask about their physical condition.
• Talk to family members to get insight into the situation.
• Give your clients options.
• Never talk down to your clients. Be honest about the equipment’s limitations for everyone’s safety.
• Understand a day in the life of your client.
• Research the layout of the home.
• Discuss helpful accessories.
• Help them understand funding availability.

Remember, seniors are sophisticated buyers with a wealth of information at their fingertips. Moreover, they seek individualized products and services that are tailored to their lifestyles. The HME business that can deliver on these needs will become a trusted provider and ally to the senior population it serves.

“It used to be that people were satisfied with being at home, and now people want the ability to travel and get out. They want more from life.”

— George Turturiello ATP, CRTS, Northeast Med-Equip/Northeast Accessibility

Joseph Duffy is a freelance writer and marketing consultant, and a regular contributor to HME Business magazine and Respiratory & Sleep Management. He can be reached via e-mail at jduffy@hmemediagroup.com, or joe@prooferati.com.
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The 2014 edition of Medtrade Spring, slated for March 10-12, doubles down educational and networking opportunities for HME providers.

“It’s almost time to pack those walking shoes and head to the bustling Las Vegas Strip where providers will once again assemble for Medtrade Spring. Scheduled for March 10 to 12 at the Mandalay Bay Convention Center, Medtrade Spring Conference and Expo will feature plenty of conference sessions and workshops packed with information to help providers build and grow their businesses. In addition to the conference is the busy expo floor, where hundreds of the industry’s top manufacturers will showcase their latest and greatest products.

For those providers planning on attending, but that have not yet registered, they can still save between $50 to $100 on the expo and conference passes if they register online through March 9. Otherwise they will pay higher, day-of-show rates.

Workshops
A series of in-depth workshops kicks things off on Monday, March 10 from 10 a.m. to 5 p.m., and additional 90-minute educational sessions will also be on tap during that first day. The 7-hour workshops on Monday provide the opportunity for attendees to gain in-depth knowledge about topics that merit the extra time.

“The reason we need to do it over a period of hours is that it is immersion,” says Mike Sperduti, president of Mike Sperduti Sales, Emerge Sales, and Renewal Technologies—and presenter for the Mike Sperduti HME Growth Summit. “You have to understand the concepts, how they apply to your business. You can’t get that done in a traditional seminar setting. We have assembled the best of the best, and we will be sharing strategies that people can implement back home and immediately see growth.”

Monday workshops include:

Understanding Venous Disease and the Business of Compression Hosiery will feature presenter Evan McGill, national sales manager for Therafirm, a division of Knit Rite. Therafirm’s certified fitter training course is designed to provide the fitter of medical compression stockings, either experienced or brand new, with the needed medical knowledge to safely measure, fit and select the appropriate product for patients with venous insufficiency.

The seminar covers the following topics: circulatory anatomy and physiology, venous disorders, Therafirm product overview, measuring and fitting, and growing your business with compression hosiery. At the completion of the course, the attendee will receive a certified fitter’s certificate from Therafirm indicating they have the training and knowledge to fit compression hosiery. McGill believes the extended format can bring participants up to a level of understanding that will allow them to carry the product with confidence and quickly boost business.

“Our program covers anatomy, physiology, deep vein thrombosis, measuring, products, growing your business, and how to be an effective fitter,” he says. “The more you know about your patients and what their body has been through, the better. In this competitive bidding world, you can grow your business with compression, and it warrants an extended course. In 90% of cases, compression is a cash-based option. We hope providers can add this item and generate cash business.”

Using Brightree as a Business Management Tool will be led by Kathy Quehl, Training Team Leader for Brightree. During this session, attendees will learn the key Brightree tools and best practices to help manage their entire DME/HME business more efficiently and effectively using the features and functionality already available in Brightree. Attendees will learn how to use Brightree reporting and functionality to help manage, monitor and measure all areas within business, such as customer service, dispatch, purchasing, and billing and AR management, with special emphasis on competitive bidding processes in Brightree.

Recognizing Excellence in DME - An Introduction to the Certified Durable Medical Equipment Specialist (CDME) will be presented by BOC in partnership with the MED Group. The Certified DME Specialist (CDME) is a person who demonstrates broad knowledge of the DME/supply industry, including prescription verification, intake process, product selection, dispensing and setup, documentation, billing, compliance, and performance management. The workshop will cover the scope of practice for the CDME and prepare attendees to take the CDME examination. Attendees will discover the value of the CDME for facilities in a challenging industry climate and how to market the credential to customers, referral sources, and third party payors.

The Mike Sperduti HME Growth Summit will arm providers with the strategies, data and psychology for thriving, and not just surviving, in the post competitive bid world. Topics discussed will include strategies to dominate market and referral sources; massively expand cash business; and train, retain and inspire an extraordinary team.

The Conference
Returning this spring is the 6-4-18 Series, which was introduced last fall in Orlando. The series is designed to provide six “building blocks for success” in the next 18 months. The six sessions in Orlando taught attendees about: effective collections; purchasing and cash flow management; reducing risk; revenue diversification and operational efficiencies; and leading transformation in the business.

By Cindy Horbrook
“6-4-18 is going to be open to all,” says Kevin Gaffney, group show director, Medtrade. “We are hoping to make it easy. These sessions will be available via a new learning lab on the show floor.”

In addition to the 6-4-18 Series, the conference tracks include: Business Operations, Legislative & Regulatory, Sales & Marketing, Continuing Education & Training, Medicare Updates. All told, there are more than 30 conference sessions from a wide variety of speakers, and topics range from social media marketing, billing commercial payors, home access modification, and clinical care topics ranging from mobility to respiratory.

Networking
In addition to conferences, workshops and new products, networking is a big reason providers make the trek to Las Vegas year after year. Providers attending for the first time are invited to the First-Time Attendee Orientation to grab a cup of coffee and hear tips from Medtrade veterans on how to make Medtrade Spring a successful outing.

• Other networking opportunities include the Beer Garden, which is open to all attendees and exhibitors on March 11 from noon to 4 p.m., and a Power Lunch from 11:45 a.m. to 1:15 p.m. on March 11. Attendees will grab one of the included box lunches and participate in a moderated roundtable discussion on one of six available topics crucial to making an HME business survive and thrive. Tickets are available through registration and topics include web marketing, retail, best practices, legal, regulatory and operations.
• AA Homecare will host two special events: Stand Up for Homecare Fundraiser Reception and Washington Update.
• Stand Up for Homecare is a proactive campaign that gets positive, accurate information about the home medical equipment sector into the media and onto Capitol Hill. The campaign has also funded research that underscores the value of HME and the credibility of providers. The reception is also a major networking event attended by key leaders in the HME community. Registration is required for this event. The fundraiser will take place from 6 to 7:30 p.m. on March 11.
• At Washington Update, providers will learn from and engage with AAHomecare’s team of legislative and regulatory experts on challenges and opportunities dealing with issues including the bidding program, aggressive audits, and documentation requirements for providers. AAHomecare speakers to include: Tom Ryan, president, Jay Witter, vice president of government affairs, and Kim Brummett, senior director of regulatory affairs. This event will take place from 8:30 to 9:45 a.m. on March 11.

New Product Pavilion
Medtrade Spring’s New Product Pavilion is where providers will see the most innovative HME products which have been in the market for less than one year. This year, attendees will also see the five winners of the 2014 Innovative HME Retail Product Awards, a biannual competition designed to honor products that are particularly suited for retail sale. The winning products will be displayed within the New Product Pavilion, and the manufacturer of each product will speak in the 6-4-18 session: The Best New HME Retail/Cash Opportunities, moderated by Jim Greatorex, President of Black Bear Medical, on March 12 at 9:45 to 10:45 a.m. This session is open to all attendees.

Stay tuned for a round-up of some of the key product offerings that will be showcased at Medtrade spring, which will appear in the March issue of HME Business.

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Next-Level Retail

By David Kopf
What ‘guru-level’ lessons have some cash sales veterans learned on their pathway to retail enlightenment?

For several years, this publication and many sources of information and education across the HME industry have been telling providers that retail sales must be a key component of their revenue streams. And lately, they’ve been listening.

To review the basic argument for retail: Medicare funding has become far too volatile, and its margins have grown far too narrow to rely on CMS reimbursement for the age-old 80 percent of revenue that it once comprised. Providers must find stable forms of revenue that can ensure a baseline level of cash-flow, and cash sales represents a surefire way to do that. The key is that providers must be willing to learn many new lessons, as retails sales also represents a significant departure from traditional DME.

To that end, HMEB’s efforts have included articles, interviews, columns, how-to pieces and online webinars on multiple fundamental aspects of conducting cash sales, such as sales training, marketing, merchandising, back office implementation, signage and store location, to name a few. And, lately, providers have been responding to that steady drumbeat of cash sales information. The level of interest.

Jim Greatorex, President of Black Bear Medical, has been in the HME industry since 1981 and his business has been going for 25 years. He says retail has been part of his career since he began.

“I’ve always worked for a company with retail division” Greatorex says. “...We’ve developed a retail division that does a fairly robust business.”

Currently, Black Bear Medical’s has two office, one in Portland, Maine and the other in Bangor, and its revenue is based on 46 percent complex rehab, 30 percent revenue and supplies comprise the rest.

Moreover, Greatorex is so committed to spreading the retail gospel that he sits on Medtrade’s education advisory panel, and his primary responsibility in that role is to develop retail education. Simply put, he has learned lessons he wants to see other providers learn.

“We share what we’ve learned to try and help others who are just getting into it,” he explains.

The initial draw for retail sales was obvious for Black Bear, Greatorex explains, because it meshed so well with much of what his business offers, and because it offered stable income.

“I think it’s a natural mix if you’re working in the complex rehab market, because a lot of those clients are buying other products,” he says. “But the other thing is that, even back in the day when Medicare margins were better, I have never liked the federal government as a business partner.

“There are too many strings attached to your revenue, and the strings are getting thicker and longer now,” he continues. “I can’t believe that anybody is looking to expand their Medicare revenue at this time.”

Plus there’s a certain level of excitement and satisfaction with marketing, merchandising and the other aspects of conducting a retail business.

“We’ve always liked the ability to control what you sell, what you sell it for, and who you sell it to,” Greatorex says. “And quite frankly, at the end of the day, [retail] is way more fun.”

— Jim Greatorex, Black Bear Medical

The First Rule Is That There Are No Rules

“We’ve always liked the ability to control what you sell, what you sell it for, and who you sell it to. And quite frankly, at the end of the day, [retail] is way more fun.”

— Jim Greatorex, Black Bear Medical
Next-Level Retail

and we can make it whatever we want it to be. It’s a true entrepreneurial opportunity.”

That’s a thought that is either terrifying or liberating, depending on your point of view. If you’re focused on traditional HME practices, markets served, and partner relationships, a blank slate can put you on edge, but for providers that are willing to shift and perhaps reinvent what it is they do, the retail world might look like their proverbial oyster. The possibilities are seemingly endless; an enterprising provider can create a whole new business unit that leverages its existing expertise and relationships.

“We just brought in products for a younger demographic,” Greatorex says. “We got to a point where our Senior Safe at Home division kind of plateaued.

“Well, if you saw the last Summer Olympics, you will have noticed various athletes wearing various tapes and compression sleeves in order to enhance their performance,” he continues. “Those are made by the manufacturers that we already deal with, and a lot of the elements of clinical compression are things we already know, so why can’t we sell that product to the athletes? We can fit the athletes and help them understand what they’re getting from a clinical benefit.”

And that’s just one example, Greatorex explains. “There are a lot of products that require a level of expertise, and that you don’t have to worry about the mass marketers and big box stores carrying — and that we can do, and take the principles that HME is already good at: Whatever we sell, we teach people who to use it and have a relationship with them.”

In reaching out to these new, “blank slate” market opportunities, Greatorex says that marketing and branding are critical. So much so that he’s brought in some expert help. So it brought in a branding company to help it determine who it could serve a wide spectrum of clients that would range from seniors, runners, cyclists and complex rehab users.

“How can you create an experience so that all those consumers at once can feel like they’re in the right place,” he explains. “So we brought a branding company in to create a store that perhaps can have that.

“But it is something that we are creating ourselves,” Greatorex reaf-

firms. “We have no model to follow. The products that we pick, some of them are experimental … but they’re a little ‘nichey’ and require a level of expertise.”

And therein lies the kernel of the HME retail challenge and opportu-

nity: how do you select a product that will cater to patients and leverage the provider’s expertise, market it to the general public, and compel them to want or need it.

“I can’t say that we’ve perfect that, yet,” Greatorex says. “But that’s what we’re working on every day.”

Free Your Mind and Your Business Plan Will Follow

“People want to spend money. They want to spend money. People want what they want, and they are willing to pay for it.”

Bill Griffin, Griffin Home Health Care

Griffin Home Health Care, which just celebrated its 30th anniversary, serves homecare clients in a roughly 15-county radius out of its two Charlotte, N.C. area offices with traditional DME offerings, such as oxygen and beds, and those two locations have retail showrooms, as well.

Griffin started the business in the corner of a retail drug store, and its headquarters shifted in 1989 to a 10,000-square foot facility with showroom, offices and warehouse. Retail has been a part of the scenario since day one, says Griffin’s president and CEO Bill Griffin. Cash register receipts are in his blood.

“Retail was my background,” he explains. “I went to work in the retail environment when I was 15-years-old. I was promoted to be the asis-

tant manager of a large, regional drugstore chain at the age of 17. Then I served as the director of merchandising for a drug chain in New York state, and then came back to North Carolina as the merchandising manager for about 70 drugstores. So I’ve always had the focus in my life on merchandising.

“We believe in the whole consumer experience,” Griffin adds. “It’s not just about the hospital bed, and when they have a hospital bed, they need sheets, they need other items.”

And retail doesn’t end at the showroom floor.

“From the standpoint of our retail clients, we serve that population all over the world,” he says. “We’ve shipped things to Africa, we have shipped things all over the country … whatever works, works.”

Ultimately, the key lesson Griffin has learned in all his years of retail sales in the DME marketplace is that there is a business. The point is simple, but it’s also almost transcendental: In a traditionally Medicare-focal business, that’s often a mental roadblock for some providers.

As proof of that psychological barrier, Griffin recalled a trip to Florida in which he visited different HME providers and drew blanks stares after inquiring if he could buy or rent a piece of DME. They couldn’t wrap their heads around the concept of non-funded transactions.

“People want to spend money,” he says, emphasizing the point: “They want to spend money. People want what they want, and they are willing to pay for it.”

“And we’re going to see even more of that with the onset of the...
The fundamentals of cash sales are important, but that cerebral re-boot is pivotal, Griffin stresses. Providers must recognize that the cash register will be king for many patients. Only then can providers start to leverage what they know and the resources they have in place.

“Service and knowledge, and the overall retail experience are key,” he says. “But I think we need to realize that this is a touch feel-y business; it’s a hands-on experience; and if you provide that service level and you provide people with what they want, there’s no question that you will be successful.”

Now, while we know where a provider’s mindset needs to be, what about the patients and clients they serve. Is this increased financial responsibility under Obamacare equate to them making decisions under duress, or are they taking more control of their health? That obviously impacts the sale.

“I think the educated consumer that understands healthcare and understands the system gets quite disgusted in the fact that Medicare doesn’t cover certain basic items,” Griffin says. “A grand example is that Medicare stops at the bathroom door. Where are 90 percent of all accidents in the home? They’re in the bathroom. So why does Medicare stop at the bathroom door? Why don’t they cover a bath chair or a bath bench?

“So the educated consumer gets frustrated,” he continues. “But I think we have to educate them and tell them, ‘We’re sorry, Medicare will pay for the basic item.’”

So it doesn’t necessarily make the retail sale more difficult, and if anything provides the HME business with the opportunity to educate the consumer, give them choices, and help them make an informed decision. Medicare might be stingy, but at least with information provided by the helpful HME provider, the patient can feel like they’re in the driver’s seat when it comes to their healthcare.

And when patients might want a more expensive DME item on a retail basis? This is where the retail fundamentals come into play, especially at the actual location. Griffin explains.

“Firstly, location, location, location,” he says. “Secondly, merchandising is key. If you walk into most durable medical equipment companies, they’re generally extremely cluttered. They’re generally not a welcoming type of place for the normal consumer.

“Traffic flow and patterns in the retail facility are very important,” he continues. “… You put your high impulse buy items in the high-traffic aisles. We use our end caps to an advantage; we change them. Signs

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will literally act as a silent salesperson. Products must be clearly priced so that the consumer can self-shop. Personal must be dedicated to the retail client. You have to be willing to commit to retail. You have to be willing to commit staff and training to the retail environment.”

Prepare to Change — A Lot

“One model doesn’t last. You have to constantly change. … Especially with online.”

— Ali Al-Khafaji, Shan Medical Equipment

The need to integrate cash sales came quickly in the history of Shan Medical Equipment, a full-line DME provider with three locations that’s been serving a diverse range of patients in the Sterling Heights, Mich. area just outside of Detroit since 1996, according to its CEO Ali Al-Khafaji.

“When we first started, we were a majority Medicare business,” he says. “But after a couple years, we knew we wouldn’t never live that way. So we started to apply for every insurance carrier out there. We didn’t care whether it was an HMO or a PPO. We want to take everything.

“We knew that we couldn’t rely on one payor,” Al-Khafaji explains, adding that growing up in a manufacturing town like Detroit, his father would remind him that relying on a sole client or supplier makes for bad business. Diversification is key in survival. “His perspective is accept everyone.”

After opening its Sterling Heights location during 1998-1999, which had more of a showroom, Al-Khafaji says the environment was prefect for retail sales.

“We knew we’d be able to drive more cash sales if we could better show the product,” he recalls. “It’s been a lot of trial and error. It wasn’t easy back then to convince someone to pay cash for something when they felt that Medicare card was the golden ticket.”

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Since that early commitment, retail sales has become and increasingly important part of Shan Medical’s revenues, and Al-Khafaji says he expects it to grow.

“We feel that retail is going to grow with the increasing cuts in insurance,” he says. “When you have a patient with a $2,000-$3,000 deductible, he’s better off to go retail. There’s no point in touching your insurance at that point.”

And the showroom isn’t the only key to Al-Khafaji’s retail plan. Online sales are also increasingly critical, he says. It’s the only way he can combat the situation. For example, Medicare wants prices to drop on DME, but it doesn’t let providers also sell reimbursed items for less on a retail basis. So providers must sell similar items from other manufacturers for which they’re not being reimbursed.

“If they let us do things how it is in the free world — set our prices how we want to — it’d be a whole different world out here,” he says.

For providers looking to enter retail, but that are new, Al-Khafaji advises to start small. Rome wasn’t build in a day.

“Start slow,” he advises. “Start with a couple products and build your way. You don’t have to start with a full line and think it’s going to start working tomorrow. That’s not how it works. People have to learn you, and become familiar with you and come into your store. They start to learn that you’re there and then come buy from you.”

And whether working in the online world, or the brick-and-mortar location, Al-Khafaji says one of the most important lessons he’s learned is that providers must be flexible, to an almost incredible degree. And it’s not just Medicare policy or healthcare trends that are forcing that need for flexibility, but must larger retail and consumer trends.

“One model doesn’t last,” he advises. “You have to constantly change. I’ve been to some lectures where you hear people say, ‘do this,’ or ‘do that,’ but I don’t think any of that lasts.

“Especially with online,” he adds. “Now mobile online purchases have increased, I think that for Black Friday they increased over 39 percent. So it’s becoming a bigger animal, and if you don’t constantly change with that animal, you’re just going to get swallowed up.”

If anything, if there was one group of businesses that have demonstrated that they are willing to roll with the punches and redefine themselves it would be DME providers. Looking at all the tumult that HME businesses have endured over the past decade, and yet they remain standing, perhaps these are the businesses that can exemplify that kind of malleability and adaptability.

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How providers can evolve their websites to a more transactional model.

What if you had a way to interact with your patients, clients and referral partners at any time you wanted? What if they could get information about your services, learn about the latest DME and interact with your business without even having to get on the road on your store? What if they could buy retail home medical products at any time they wanted? What if you could essentially set up a store in every living room in your local area? What if you could do that across the entire world?

The answer is that you can, and that you have been able to do that — online. This has been the promise of the web for more than 15 years. Almost as soon as average consumers could start searching the web, businesses have been learning how they could interact with and sell to their customers.

So how far have providers progressed with their web sites, and, more importantly how can they develop web sites that will help them effectively communicate with their patients and their partners, and possibly transact with them? In short how can their sites succeed?

It comes down to making some very basic, but very central decision-making, says Jeremy Kauten, general manager of VGM Forbin, a web consulting business that helps VGM members across the organization’s entire customer base create, implement and maintain their web sites and social media presences. Overall, the firm maintains roughly 1,600 web sites, 700 of which are for DME providers. Working with such a
A broad range of providers has helped Kauten get a bead on provider web strategies.

“What we’ve found is that providers need to decide which direction they need to go on their site,” he says. “I see that as one of the biggest failure or success points.”

**Two Models**

That decision ultimately comes down to choosing from two basic directions in which the provider can route its web strategy. On one hand, the provider wants to get more products for reimbursement? If so, then the provider needs to shape its web site so that it attracts more of the patients and parties involved in funded transactions, and then provide them with the information they need to help make that funded transaction happen, Kauten says.

“The alternative is more of the cash sales, transactional, Amazon.com model, or even competing with Amazon.com,” he says. “And I believe they need to select one of the two models; not try to have both. One is a high level of service with a high level of touch point. … The other is lower-cost, less service, and less overhead.”

When providers try to mix both models, pricing becomes a problem. Since Medicare doesn’t let providers selling a reimbursed product for cash at a lower price, trying to straddle both online strategies essentially undermines either business model. This can even extend to private payor reimbursement, where an insurance carrier could drop a provider for offering funded products to online retail customers at a lower price, or demand that lower price for its funded beneficiaries, Kauten explains.

In any case, these two online storefront models are seeing some change and evolution, and Kauten says providers need to be ready for those changes. Kauten says the biggest change is mobile.

“In 2014, based on statistics, there will be more Internet usage on....

“...what we’ve found is that providers need to decide which direction they need to go on their site. I see that as one of the biggest failure or success points.”

— Jeremy Kauten, VGM Forbin
The HME Online Storefront

“Where we see most of the successful providers going today with their web sites is that it is going to be a more transactional e-commerce site that will drive revenue.”

— Chris Watson, Brightree LLC

mobile devices than on a computer,” he says. “A lot of web sites are not mobile-responsive, where it responds to the screen size.”

And the fix from three or four years ago of having a dedicated mobile site is not ideal, because those mobile sites typically strip most of the content away. The site must leverage new technology to responsively adapt to screens of all size to ensure they are showing all the content. For nurses and case managers in the field with tablets and smart phones, the responsive design is ideal, but has its trade-offs.

“It’s all of the same content, but re-framed smaller,” Kauten says. “It costs a lot more to do that, and a lot of web designers who haven’t reinvented themselves over the past couple of years are not able to do that.”

Another important consideration is searching, and because of that social media. Providers want to be found, and increasingly that means engaging in social media.

“A lot of your Google ranking is being impacted by social media,” Kauten explains. “Where before you’d have an optimized site for Google or Yahoo, having ad words for, or paying Google or Yahoo, well they’ve added in a third component to measure popularity and site score: social media.

“Whether its YouTube videos or activity on Twitter, Pinterest, Facebook, or LinkedIn, Google is measuring that social media activity and putting that weight onto your search engine ranking,” he continues. “Where people would say social media is an up-and-coming trend, now it’s here.”

HME businesses, for the most part, are not yet leveraging social media anywhere near where they need to be, Kauten says.

For providers that are engaged in more transactional, retail sales-oriented sites, perhaps the biggest elements is price. In a world where customers can cross-compare goods and prices at the click of a mouse, providers must be savvy at setting prices.

“Price is King,” Kauten says. “Google makes it very easy for you to find prices online and list the top 10.”

The second item, right behind price, he says, is having the right product mix.

“Instead of trying to be the everything in every category DME, set up a focused site on a certain product line — one example would be bath safety,” he advises, adding that focus helps draw customers. “If your site focuses on one or two categories, Google can more easily rank your site based on that. If you dilute your site with multiple categories, it’s harder for Google to tell what you’re trying to promote.”

And right behind that is the ability to easily switch those product lines. If a provider sees a category poorly performing, or if new competitors crop up in that category that begin to eat away serious market share, the provider needs to have a web model (and the business model behind it) to quickly drop that line and add new ones.

“A lot of people I’ve talked to in other industries that are successful have already gone through that,” Kauten says. “In this industry we still need to learn the behavior of online shoppers.”

Making Funded Sites More Transactional

While there might be two core models, the funded model doesn’t necessarily preclude the HME business from conducting online transactions. In fact, it might be critical to their success, says Chris Watson, chief marketing office for software maker Brightree LLC.

“Where we see most of the successful providers going today with their web site is that it is going to be a more transactional e-commerce site that will drive revenue,” she says. “And that revenue can come in two forms: it can come in the form of making it easier for patients to do business with me, or it can be from up-selling customers who are already buying from you.”

A good example of how providers could add an example of e-commerce efficiency and revenue generation to a funded relationship would be re-supply. Last year, Brightree introduced a set of tools and services that let CPAP providers more easily and efficiently notify their patients that they were able to obtain funded re-supply items, such as masks, and then conduct that transaction online via an interface that bears their branding.

“I see a lot of our consumable, re-supply-type shops going down that path,” she says.

Another example would be leveraging the web to collect patient co-pays. Thanks to its integration of patient collections firm StrategicAR, Brightree is working to give providers tools for using the web to help collect patient co-pays.

“On the invoices that are sent out, you drive that payment to a web site, and you make it very easy for the patient to pay the bill,” she says. “So as a provider, you’re making it very easy to drive those eyeballs back to your web site to collect that payment, and while you have them on that site, you could potentially up-sell them for more.”

Then, the provider can supplement those activities by giving their patients and partners useful information and resources that they’ll value. Watson calls this approach patient engagement, and it blends regularly updated content, social media and reorder services that let CPAP providers more easily and efficiently notify their patients that they were able to obtain funded re-supply items, such as masks, and then conduct that transaction online via an interface that bears their branding.

“So for diabetic patients, if you know an item on an order is for diabetic test strips, you could provide educational information to help that patient improve their condition,” she says. “You can educate and more deeply engage with that patient based on the data that you see from them ordering. That’s really the nirvana of where we plant to go.”

Turning Toward the Future

And looking ahead, toward that nirvana, one has to wonder: will there ever come a time where providers can work with patients and referral partners to conduct funded transactions entirely online? Could a physi-
ician can create an order, document medical necessity, and electronically give that to a patient who could then work with the provider to order the DME and make a claim.

It comes down to the right partnering, says Dennis Olsen, the Durable Medical Equipment Program sales manager for ARI Network Services, another company that specializes in creating web sites for the DME industry.

“Well, there are already companies out there that do the insurance billing,” he says. “If we can partner those capabilities up to an online version where a consumer or patient or referral source has the ability to log into a web site of their choice, and then place the order for the patient through a secure socket layer, that is the wave of the future.

“And when I say ‘wave of the future,’ I’m not talking 10 years from now,” he continues. “It’s probably within a couple years’ reach for us. And that is something that will make everyone’s life easier. ... The referral source will be able to log in and be able to take care of it with the customer right there, and then the provider would be able to take care of getting the product to them and processing the insurance payments through the same system.”

That sooner-rather-than later scenario is tantalizing to say the least, but in the meantime, providers need to determine a web plan that is going to work for their business, and ensure that the site provides all the tools and information that is going to attract and then engage with patients. At the end of the day patient relationships remain the focal point of the business.

“If we can partner [insurance billing] up to an online version where a consumer or patient or referral source has the ability to log into a web site of their choice, and then place the order for the patient through a secure socket layer, that is the wave of the future.”

— Dennis Olsen, ARI Network Services
The HME Online Storefront

**e-Commerce Offerings**

In addition to firms offering specialized web site construction and maintenance consulting and services that specialize in the DME industry, such as VGM Forbin (www.forbin.com) and ARI Network Services (www.arinet.com), a number of HME software systems provide HME businesses with online store and e-commerce tools. Here’s a quick rundown of some of the offerings available:

**Brightree**
- **Company name:** Brightree, LLC
- **Web Address:** www.brighttree.com
- **Toll-free phone number:** 888-598-7797
- **Type of system:** A hosted, web-based/SAAS system
- **Programming languages and database environments:** Brightree's billing and business management solutions are built using Microsoft's .NET framework and uses MS SQL Server for its database environment.
- **e-Commerce/Web store tools:** Brightree Connect patient interaction platform enables intelligent patient contact campaigns and resupply ordering capabilities. Providers can leverage the patient, product and payor data already in the system to reach out to eligible patients via email, automated calls, or human-guided calls. Patients can be directed to a branded, integrated online ordering portal that is integrated within the Brightree billing system. Providers can interact with the right patient at the right time for the right products via the patient’s preferred contact method.

**CPR+, Fastrack, Caretimuum, MestaMed**
- **Company name:** Mediware Information Systems
- **Web Address:** www.mediware.com/hme
- **Toll-free phone number:** 866-277-4876
- **Type of System:** A stand-alone system installed on-site, a hosted system, but uses special client software.
- **Programming languages and database environments:** Visual FoxPro and .NET Framework front-end with a Microsoft SQL backend. Microsoft.NET, Microsoft SQL DB, and C#
- **e-Commerce/Web store tools:** Mediware does offer tools and modules over the web for customers to conduct business as needed over the web. Users can order supplies, fill prescriptions, help with referrals, and much more.

**Inscrybe Referral Management**
- **Company name:** Authentidate
- **Web Address:** www.authentidate.com/referrals
- **Toll-free phone number:** 877-467-2792
- **Type of system:** A hosted, web-based/SAAS system
- **Programming languages and database environments:** NET
- **e-Commerce/Web store tools:** Yes, online portals include electronic signature, enhanced workflows, unified electronic and fax transactions in single dashboard, and physician-supplier community portal all to enhance care order processing.

**Medeq Manager**
- **Company name:** Bonafi de Management Systems
- **Web Address:** www.bonafi de.com
- **Toll-free phone number:** 805-908-2333
- **Type of System:** Hosted, web-based only
- **Programming languages and database environments:** Java for application on redundant unix based web servers. Database is in SQL 2012 active/passive cluster for high availability.
- **e-Commerce/Web store tools:** Patient can place orders online directly and view their documents and orders. All communication is HIPAA compliant.
According to statistics from the Centers for Disease Control and Prevention, injuries in bathrooms increase with age, with the most hazardous activities being bathing, showering and getting out of the tub or shower. Providing bath safety involves serving a number of very different patient groups, with their own unique requirements and considerations providers must address. For providers, bath safety is an excellent cash sales category, since most bath safety isn’t funded.

Bath safety solutions include products such as grab bars, which should be strategically located in and around the bathing area, as well as around the toilet. Bathing solutions range from simple solutions such as bathing stools or benches that patients can use in conjunction with a handheld shower to protect against falls, all the way to complex transfer chairs and lifts to help patients get in and out showers and tubs. And, of course, there are general items, such as non-slip material or strips and similar household items.

Here’s a round-up of some of the latest bath safety items on the market:

**Small Package Design**

**Rio Bath Lift**
- Modern, easy-to-clean design with smooth surfaces and aluminum frame.
- Installation requires no tools and can be assembled by end-user.
- Small package design offers low storage and transportation costs.

Invacare Corp.
(800) 333-6900
www.invacare.com

**Installs in Minutes**

**No-Drill Stainless Steel Grab Bar**
- No drilling or professional installation needed when used with patented adapter kit (included).
- German-engineered mounting hardware included, installs in minutes, no measuring.
- Adds safety and security to any room in the house.

Drive Medical
(877) 224-0946
www.drivemedical.com

**Reduce Slips and Falls**

**Invisible Bathtub Mat**
- Increases the “grip” by bonding invisible microscopic particles to the porcelain bathtub surfaces or ceramic tile shower floors to create a non-slip surface.
- The surface remains easy to clean because there is no surface damage to allow grease and soap build-up that result in dark discolored tread patterns.
- Apply with a sponge on dry clean surface, wait seven minutes, rinse with water and the tub/shower is now safer when wet. It lasts for years.

Slip and Fall Solutions
(416) 256-4335
www.invisiblebathtubmat.com

**Tool-free Assembly**

**3-in-1 Steel Folding Commode**
- Features a versatile 3-in-1 design for use as a bedside commode, raised toilet seat or toilet safety frame.
- Folds flat to less than 4 inches for convenient storage and travel and includes commode pail, cover and splash shield.
- Offers a maximum weight capacity 300 lbs. — evenly distributed.

GF Health Products Inc.
(678) 291-3207
www.grahamfield.com

**Minimizes Fall Risk**

**MULTICHAIR 6000Tilt tub/slider transfer system**
- Features a compact base and a durable, easy-to-crank tilt-in-space tilt system that keeps the user’s weight centered on the chair base when tilting.
- The adjustable offset legs on the tub unit enable it to fit a wide variety of tubs and the height-adjustable shuttle system can be easily configured to slide to the right or to the left.
- Also available with the Nuprodx "Grow" system that allows a chair or slider system to be purchased for a child, and by changing a few brackets and cushions, it can "grow" with them into adulthood.

Nuprodx
(855) 220-5171
www.nuprodx.com

**Safety and Style**

**Grab Bar with Corner Shelf**
- Adds extra stability and convenient storage in the bath or shower.
- Features a 250-lb. weight capacity.
- For easy installation, each grab bar includes the SecureMount Anchors from Moen Home Care, a D-shaped anchor that positions behind the wall to make it possible to quickly, easily and securely install a grab bar anywhere on the wall, with one stud or no studs — in less than 10 minutes.

Moen Home Care
(800) 289-6636
www.moen.com/homecare

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**By Cindy Horbrook**

**Bath Safety Product Solutions**

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Moen Home Care
(800) 289-6636
www.moen.com/homecare
**Full face mask features five adjustment points**
InnoMed Technologies’ Aspen full face mask features a quiet exhalation port design and a forehead pad with a SoftTouch Wrap. A built-in chin flap gently supports the chin. The headgear has five adjustment points and has a crown strap for extra comfort and support. All three cushion sizes fit the single mask shell.

InnoMed Technologies Inc.
(800) 200-9842
www.innomedinc.com

**Health monitor is easy to use and power efficient**
Nonin Medical’s 3230 Bluetooth Smart finger pulse oximeter is designed for those who rely on accurate SpO2 and pulse rate readings, especially patients who live with chronic diseases such as COPD, CHF and asthma. The unit features CorrectCheck technology, which provides feedback via a digital display if the patient’s finger is not placed correctly in the device. Another feature is SmartPoint capture, which is an algorithm that automatically determines when a high quality measurement is ready to be wirelessly transmitted.

Nonin Medical Inc.
(800) 356-8874
www.nonin.com

**Smart sleep system designed to monitor and improve the sleep experience**
Withings Aura is designed to monitor and improve the sleep experience. It discreetly records the user’s sleeping environment, and provides a complete understanding of sleep patterns. The product is comprised of a soft and discreet sleep sensor that slips under the mattress and works in synchronizaton with the sensitively designed bedside device. The sleep sensor focuses on personal patterns (body movements, breathing cycles and heart rate) and the bedside device screens the bedroom environment (noise pollution, room temperature and light levels).

Withings
www.withings.com

**Updated oxygen concentrator offers enhanced quality and durability**
DeVilbiss Healthcare’s updated 5 Liter Oxygen Concentrator features a simplified, two-piece cabinet design that allows for 15 percent typical sound quality improvement and an improved cooling process. The cabinet design also makes the unit easy to assemble and disassemble. Now made in the USA, concentrator production has moved to DeVilbiss headquarters in Somerset, Pa. The Turn-Down Technology automatically turns down the unit’s flow cycle below 2-1/2 lpm, resulting in a 35 percent reduction in system pressure to reduce stress on compressor bearings and internal fittings.

DeVilbiss Healthcare
(800) 338-1988
www.DeVilbissHealthcare.com

**Steerable knee walker offers increased maneuverability**
Drive Medical’s Steerable Knee Walker is a durable and stable mobility option for individuals recovering from foot surgery, breaks, sprains, amputation and ulcers of the foot. Users can steer the knee walker for enhanced maneuverability. The product features a deluxe dual-braking system for added safety and tool-free height adjustment of the tiller, which can also be folded down for storage or transport. The height-adjustable knee pad is separated into two sections. The large, 8-inch caster wheels make the product suitable for both indoor and outdoor use.

Drive Medical
(877) 224-0946
www.drivemedical.com

**Walker slides easily and smoothly over most surfaces**
Drive Medical’s Folding Steel Walker combines the strength and durability of steel construction with the lightweight ease of use found in aluminum walkers. The walker features easy push button folding, operated with either the palms or side of the hands, and each side operates independently allowing for easy movement through narrow spaces and greater stability when standing. The product also has 5-inch wheels, a newly designed rear glide caps for use on many types of terrain, a contoured hand grip and adjustable height.

Drive Medical
(877) 224-0946
www.drivemedical.com
Shower safely without remodeling
Forward Day’s Shower Bay is a safe and portable shower designed for wheelchair users. It offers a true shower experience without requiring dangerous wet-environment transfers or expensive home renovations. The unique design allows for quick assembly in any room of the home without the need of any tools. Just snap the unit together, connect to a standard faucet, turn on the pump, and it is ready.
Forward Day LLC
(877) 223-8999
www.ShowerBay.com

CPAP masks receive FDA clearance
3B/BMC announces FDA 510(k) clearance on the iVolve family of CPAP interfaces. The mask line rounds out the company’s CPAP mask offering with a new premium, ultra-lightweight, comfortable line of interfaces. The mask line features dual extra soft silicone lining for added comfort and extremely quiet ventilation. The iVolve line of mask consists of the: iVolve N2 Mini-Nasal, iVolve Nasal and iVolve Full Face Mask.
3B Medical Inc.
(863) 226-6285
www.3Bproducts.com

Transfer bench provides assistance to those who have difficulty stepping over bathtub walls
GF Health Products’ Maxi-Drain Transfer Bench is designed to provide assistance to those who have difficulty stepping over bathtub walls. Its anodized aluminum frame is lightweight, durable and rust-resistant. Drainage holes in the seat minimize water build-up. The side support arm aids in lateral transfer. The seat height is adjustable in ½-inch increments. The bench comes assembled with tool-free arm and reversible back attachments to accommodate any bathroom.
GF Health Products Inc.
(678) 291-3207
www.grahamfield.com

HOWDOYOUBUILD A QUALITY CHAMPION?
Preparation.
Accreditation – like every great accomplishment – begins with a plan. And every quality champion knows the value of setting goals and planning a path. HQAA helps you do both with clear, concise steps that are specifically designed to outline your path to success. At HQAA, we build quality champions one brick at a time. See how at HQAA.org/buildingchampions.

Healthcare QUALITY
ASSOCIATION ON ACCREDITATION ®
866.909.4722
HME Inventory

New gadget makes shots painless
MMJ Labs’ Buzzy Mini is a personal pain management product that uses cold and high-frequency, low amplitude vibration to naturally block pain on contact. Buzzy products offer natural pain relief through the physiology of gate control, desensitizing nerves with alternate sensations to dull or eliminate sharp pain. Designed with home users in mind, the small device fits in the palm of a hand, giving greater user flexibility for injections or injuries. The product is available in basic black, striped or ladybug design.

MMJ Labs
(877) 805-BUZZ
www.buzzy4shots.com

Product offers a safer alternative to spinal surgery for most patients
The VacuPractor is a solution that works in minutes to relieve back pain by comfortably decompressing the spin and gently stretching the surrounding muscles. The result is a reversal or slower onset of lower spinal problems. The product uses an outward pull on the lower curvature of the back. It features patented design that cradles the user’s body and uses suction to pull out the spine curve rather than pulling lengthwise.

VacuPractor
(800) 676-9320
www.vacupractor.com

Toilet seat riser reduces bending effort
GF Health Products’ Deluxe Toilet Seat Riser with Removable Armrests is designed for those who have difficulty sitting down or standing up from the toilet. The riser adds 3 ½ inches to the toilet seat height, which reduces bending effort. The product securely attaches to a toilet bowl using bolts to prevent shifting of the seat. Designed to work with an existing toilet seat and lid to blend in with existing decor, the riser is available for round or elongated toilet bowl design.

GF Health Products Inc.
(678) 291-3207
www.grahamfield.com

Sleep apnea therapy mask promotes better patient compliance
ResMed’s ultra-light, ultra-quiet AirFit P10 nasal pillows mask system weighs 1.6 ounces, and has only three parts, including a new soft and stable QuickFit headgear. QuietAir, the company’s new mesh vent, diffuses air with minimal disturbance to patients or their bed partners. The mask features color-coded cushion sizing, with small, medium and large sizes in the standard AirFit P10 system, and extra-small, small and medium sizes in the AirFit For Her system, which features headgear designed for women.

ResMed
(800) 424-0737
www.resmed.com

Single-use masks designed to help prevent the spread of germs
Tutem Masks are individually wrapped, single-use masks designed to help prevent the spread of germs. The patented comfort mask is available in 10 stylish prints to keep users from getting sick. Created to be cool and comfortable, Tutem custom prints are fun, and its patented breathing chamber makes long wear easier. It won’t ruin lipstick or gloss, or muss hair. The latex-free masks are sold two per pack, each individually wrapped with an all-natural CleanWell sanitizing wipe.

Tutem Masks
www.tutemmasks.com

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dkopf@1105media.com

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Upcoming Industry Events

**February 2014**

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<td>Feb 4</td>
<td>Georgia Association of Medical Equipment Suppliers (GAMES) Winter Meeting</td>
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<td>Feb 7 - 5</td>
<td>National Mobility Equipment Dealers Association (NMEDA) Conference</td>
<td><a href="http://www.nmeda.com">www.nmeda.com</a></td>
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<td>Feb 14 - 15</td>
<td>UCSF 20th Annual Advances in Diagnosis and Treatment of Sleep Apnea and Snoring</td>
<td><a href="http://www.cme.ucsf.edu">www.cme.ucsf.edu</a></td>
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<tr>
<td>Feb 25 - 26</td>
<td>California Association of Medical Product Suppliers (CAMPS) Annual Convention</td>
<td><a href="http://www.campsone.org">www.campsone.org</a></td>
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<tr>
<td>Feb 28 - Mar 04</td>
<td>American Academy of Allergy, Asthma &amp; Immunology (AAAAI) Annual Meeting</td>
<td>annualmeeting.aaaai.org</td>
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<td>Tennessee Association for Home Care (TAHC) Legislative Day on the Hill</td>
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<td>March 10 - 12</td>
<td>Medtrade Spring 2014</td>
<td><a href="http://www.medtrade.com">www.medtrade.com</a></td>
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<td>March 14</td>
<td>Illinois Homecare &amp; Hospice Council (IHHC) Annual Conference</td>
<td><a href="http://ilhomecare.org/">http://ilhomecare.org/</a></td>
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<td>Pennsylvania Association of Medical Suppliers (PAMS) Annual Billing Seminar</td>
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<td>March 26-28</td>
<td>Midwest Association of Medical Equipment Services (MAMES) Spring Convention</td>
<td>mames.site-ym.com</td>
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HME providers’ role in the transformation of healthcare.

The transformation of the healthcare industry from a volume-based model to a value-based model provides a significant opportunity for post-acute care providers to play a critical role in the overall healthcare continuum. As the industry continues to shift to more care being provided outside of the hospital or doctor’s office and into the home, home medical equipment (HME) providers are particularly well-positioned to add value by delivering cost-effective care, medication and supplies that result in better patient outcomes at a lower cost. In a collaborative environment, this is the key to financial sustainability.

In 2014, HME providers must look carefully at their organizations to identify their own processes and results to ensure that they match the goals of the collaborative care networks, such as Accountable Care Organizations (ACO) and Managed Care Organizations (MCO) that are forming in their community. For example, hospital readmission is a significant concern for collaborative care organizations due to financial penalties the Centers for Medicare and Medicaid Services (CMS) has established for re-hospitalization of a patient within 30 days of discharge. One of the most prevalent reasons for readmission is patient non-compliance with therapy. HME providers can help address this issue by ensuring the delivery of the right supplies at the right time with proper education on the use of equipment. Two patient groups that exemplify how HME providers can add value to collaborative care organizations:

1. **Chronic obstructive pulmonary disease (COPD).** Currently, more than 20 percent of COPD patients are readmitted to the hospital within 30 days of discharge. HME providers minimize the risk of COPD readmission by providing oxygen equipment that fits patients’ lifestyles, which improves the likelihood of compliance with treatment.
2. **Obstructive sleep apnea (OSA).** Research shows that untreated sleep apnea results in increased risk of other chronic conditions, including diabetes. In fact, studies show that almost 50 percent of Type 2 diabetic patients have a sleep disorder. Continuous positive airway pressure (CPAP) therapy reduces glucose levels and improves morning glycemic control. However, therapy guidelines are often not followed due to uncomfortable or improperly fitted masks, or inadequate equipment education. HME providers improve compliance by ensuring the patient is using the equipment regularly and accurately. And because reimbursement is tied to the patient’s use of the equipment, continuous monitoring of the patient’s utilization is a “best practice” for many leading HME providers. Equipping physicians with detailed analysis on patient compliance not only reduces the risk of readmission or additional diseases, but helps the physician better care for the patient, which results in a stronger referral relationship with the HME.

That said, HME providers must overcome challenges in order to demonstrate how they can help care organizations meet financial and outcome goals.

**Enabling Interoperability Across Care Settings**

Collaborative care organizations have invested more in technology and data-sharing solutions than post-acute care organizations, such as HME, home health and hospice providers. In fact, some analysts claim that for every $1 acute care providers invest in technology, post-acute invests 25 cents. As more hospitals and physicians adopt electronic health record (EHR) systems that eliminate paper and enable the sharing of health data electronically across care settings, these referral sources are now expecting HME providers to dynamically and electronically communicate between systems for such items as receiving referrals and updating patient status. HME providers lacking information technology personnel, infrastructure and systems required to enable this interoperability face a significant challenge. HME providers must have systems that let them connect with disparate systems used by referral sources and collaborative care organizations to remain viable contributors to the community.

These financial, staffing and technology challenges can easily be addressed by selecting a web-based, Software-as-a-Service (SaaS) solution that provides the interoperability necessary to communicate with disparate systems. HMEs should look for software systems that enable interfaces with third-party solutions and data warehouses that are essential to collaborative care. An advanced level of interoperability will make the HME provider an attractive business partner to collaborative care organizations.

HME providers also must demonstrate sustainable business practices that focus on cost-effective, quality patient care that match the collaborative care organization’s business goals. Documentation of proactive, strategic business strategies that enhance reimbursement and patient care demonstrates the HME provider’s ability to easily transition into the new care environment.

Taking steps now to streamline business operations and create efficient, cost-effective processes not only allows providers to meet day-to-day financial, regulatory and operational needs, but also forms a foundation for conversations with collaborative care organizations. Use of technology to support activities such as automated claims filings, inventory management, patient contact alerts and delivery management enhance provider operations by maximizing use of staff and resources. Also, routinely using dashboards to review data and analytics to identify opportunities for improvement proves an HME provider’s commitment to sound business practices required by these organizations.

**Initiate Collaborative Care Conversations**

As HME providers collaborate with referral sources, they should ask what changes are being made to enhance their collaborative care position, learn their plans for exchanging patient and provider data, and find out if they are creating a network with which providers can join.

Providers must be prepared to demonstrate additive value by referencing existing systems and processes in place that improve patient compliance. For example, in addition to providing outcome information on current or past sleep apnea patients, ask instead for sleep apnea referrals so the referral source can see first-hand how a disciplined approach and advanced technology can improve compliance.

Post-acute care can play a significant role in the transformation of the healthcare industry, but it is up to HME providers to demonstrate the valuable role they play in solving our nation’s healthcare crisis. By taking steps now to position your organization as the most efficient, highest-performing provider in your region and continuing to implement business and technology strategies that drive down costs while improving patient outcomes, providers can set themselves up to thrive in this brave new world of collaborative care.

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