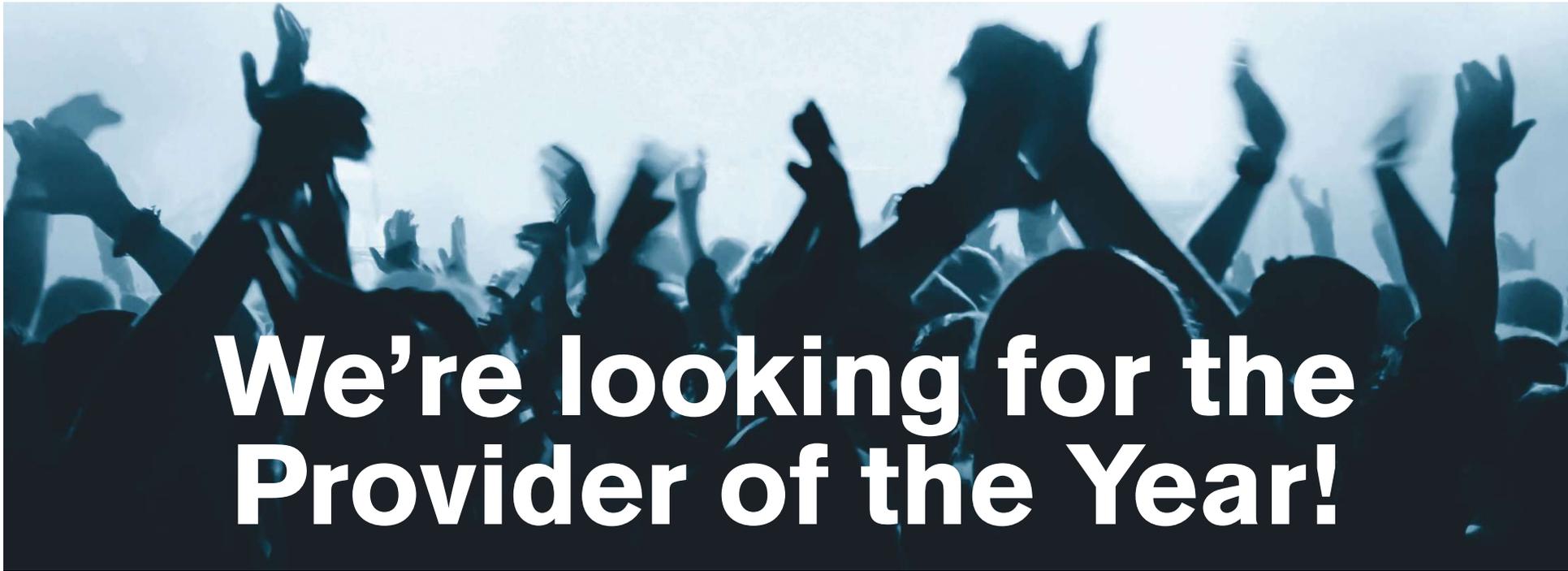




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■ Inogen capped off a 'year of investment' in 2018, says CEO Scott Wilkinson. **See page 24.**



■ **Product Spotlight:** Check out the latest in diabetes products including the GlucoCard Shine family of glucometers from ARKRAY USA. **See page 21.**

HME NEWS POLL

■ Do CVS's HealthHUBs concern you? **See results on page 26.**



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HME NEWS

THE BUSINESS NEWSPAPER FOR HOME MEDICAL EQUIPMENT PROVIDERS

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MEDTRADE



■ Medtrade Spring Show Director Kevin Gaffney says attendees can't afford to look back. **PAGE 8**

DEPARTMENTS

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Round 2021 begins to take shape

Timeline, new product categories, including vents, vex industry stakeholders

BY THERESA FLAHERTY, Managing Editor

WASHINGTON – CMS has set an “aggressive” timeline for HME providers to gear up for Round 2021 of competitive bidding.

The agency on March 7 announced plans for the next round of the program, including new product categories, and outlined its projected schedule, with education and registration set to

begin in May and the bid window set to open in June.

“That’s an incredibly short timeframe given the significant difference in the lead-item pricing model,” said Cara Bachenheimer,

head of the government affairs practice at Brown & Fortunato. “I am concerned about the lack of time to make sure people get comfortable with this.”

ROUND 2021 SEE PAGE 6

CVS tests CPAP supplies at HealthHUBs in Houston

THERESA FLAHERTY, Managing Editor

CVS'S PLANS to push further into the HME market don't faze providers, who say they've seen what happens when other outside companies try to muscle in.

“I don't see it as a lot of competition for brick-and-mortar DMEs,” said Mike Kuller, owner of Allstar Medical Supply in Walnut Creek, Calif. “It's an interesting concept, but in terms of having an impact on us or healthcare as a whole, it's kind of a drop in the bucket.”



CVS IS PILOTING HEALTHHUBS as a way to increase its healthcare services, including screening for sleep apnea, and expand its DME offerings.

In February, CVS announced it would pilot three HealthHUBs in the Houston area. The locations would devote more space to healthcare services, including screening for diabetes and sleep

apnea, and expand its DME offerings to include CPAP masks and accessories.

HME providers are able to help customers with their products in

HEALTHHUBS SEE PAGE 14

HOME INFUSION

NHIA sues HHS over payments

BY THERESA FLAHERTY, Managing Editor

WASHINGTON – Stakeholders say they were left with no other options when they filed a lawsuit against the U.S. Department of Health and Human Services over its transitional payment for home infusion services.

“We have been fighting this at every level and made no progress,” said Sharon Pearce, vice president of government affairs for the National Home Infusion Association. “We really tried to find a resolution, but their thinking and position hasn't moved one inch from the final rule.”

The final rule, published in November 2018, implemented the transitional payments on Jan. 1, 2019, through Dec. 31, 2020, to address a payment gap created by the 21st Century Cures Act. However, the rule limits reimbursement for professional services to only those days a “skilled professional is in the home.”

When Congress passed the Cures Act and the transitional payment, it was clear on how home infusion was supposed to be paid for, says Pearce.

“Payment is to be made per

NHIA VS HHS SEE PAGE 20

Belluscura readies POC

BY LIZ BEAULIEU, Editor

PLANO, Texas – Belluscura, a U.K. company that licenses and develops proprietary healthcare technologies, plans to launch a portable oxygen concentrator named the X-PLO2R in the U.S. market in the back half of this year.

In March, Belluscura, which is headquartered in Plano, Texas, was in the middle of trying to raise funds to complete the regulatory clearance process with the U.S. Food and Drug Administration and launch the unit.

“We've already raised \$6

BELLUSCURA SEE PAGE 25

Technology permeates annual symposium

BY LIZ BEAULIEU, Editor

ORLANDO, Fla. – National Seating & Mobility automated its benefits and eligibility process last year, helping to increase its funding efficiency by 15% and reduce its funding cycle time by 10% in 2018, says CEO Bill Mixon.

This new process was among the highlights at the company's annual symposium, Feb. 7-10 in Orlando, Fla.

“In the past, the process has been, like for most other

NSM SYMPOSIUM SEE PAGE 25



THE KEYNOTE SPEAKER for NSM's annual event was motivational speaker and gold medalist Mike Schlappi, author of “Shot Happens: I Got Shot, What's Your Problem.”

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■ Karyn Estrella at HOMES and providers in New Hampshire are taking a proactive approach to MCOs. See story page 4.

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 Q&A: David Chandler, AAH's newest hire 3
 Health spending to reach \$6 trillion by 2027 6

BRIEFS

Billing reminders: RTLT modifiers, DWOs, ABNs

WATERLOO, Iowa – HCPCS codes that require the RTLT modifiers need to be on two separate claim lines effective for dates of service beginning March 1, VGM has alerted providers. Currently, it's acceptable to use one claim line with two units of service with RTLT...VGM has also reminded providers that they can complete detailed written orders for CPAP accessories, with the exception of the physician's signature and signature date. VGM says that DWOs are not required prior to delivery but are required prior to submitting claims for reimbursement. "Best practice is to obtain all the necessary information prior to delivery to make for a smoother transaction," it says...Do providers need ABNs for non-assigned claims? The short answer is no, VGM has advised providers. The reason for denial on the ABN can't state, "Claim is non-assigned because the reimbursement is lower than my cost."

CMS appoints data chief

WASHINGTON – CMS has appointed Dr. Mark Roche as chief healthcare informatics officer in the Office of the Administrator. Roche has more than 16 years of experience working in government, academic and industry sectors on initiatives such as national eHealth strategy, data modeling and semantic interoperability, according to an article on healthcareinnovation.com. In his new role, Roche will be responsible for helping to formulate and implement clinical and technical aspects of CMS's interoperability strategy and MyHealthEData initiative.

CMS schedules coding meeting

BALTIMORE, Md. – CMS will hold the annual Healthcare Common Procedure Coding System (HCPCS) Coding and Payment Determinations public meeting for DME-POS on June 11-12, 2019. The meeting provides an opportunity to discuss coding and payment determinations for all new requests for revisions to the HCPCS codes. Interested parties can make oral presentations or submit written comments. Registration information will be available at a later date.

People: Board appointments, new chair

AAHomecare has appointed three new members to its board of directors: **Michelle Templin**, vice president of legislative affairs and business development for Managed Health Care Associates; **Jeff Bowman**, vice president of home medical equipment for McKesson Medical-Surgical; and **Todd Walling**, senior vice president of sales for Permobil, Business Region Americas...HOMES has named **Sean Andrews** as its new Maine State Chair. Andrews has worked at Bedard Medical in Lewiston for 11 years, including three as director of HME operations.

Stakeholders work to line up legislation

Recommendations on next round of bidding also on spring agenda

BY LIZ BEAULIEU, Editor

WASHINGTON – AAHomecare is working to get a bill to provide additional relief from Medicare's competitive bidding program introduced in the House of Representatives and the Senate in time for the Washington Legislative Conference in May.

"We're working with House and Senate champions on legislation that would provide additional relief to rural, non-CB and non-rural/non-CB areas," said Jay Witter, senior vice president of public policy for the association.

In a final rule published late last year, CMS agreed to extend 50/50 blended reimbursement rates in rural areas through Dec. 31, 2020, but not for all non-bid areas. It also neglected to apply CPI adjustments to rates in bid areas retroactively from 2008-12.

Witter declined to provide specifics on the bill but said, "We've had positive meetings with both the House and Senate folks. They understand the need for additional relief."

AAHomecare is also working to get a bill introduced to address the application of a "budget neutrality offset" to home oxygen therapy. Stakeholders argue this creates a "double dip" in

reimbursement.

"AAHomecare has talked with CMS numerous times about the O2 budget neutrality issue, but the agency has indicated it does not have the statutory authority to change it," Witter said. "This means that federal legislation will be necessary."



Bachenheimer



Jay Witter

While it works to have hard asks for its legislative conference May 22-23, AAHomecare has also been funneling recommendations to CMS on the next round of bidding, including product categories on Jan. 17 and on bidder capacity evaluations on Feb. 7.

"In addition to increased transparency, the overarching message was, you should establish capacity based on a bidder's historical capacity, not projected capacity," said Cara Bachenheimer, head of the government affairs practice at Brown & Fortunato.

Stakeholders have also recommendations on bona fide bids, including that CMS include non-lead items, not just lead items, in its verification process. **HME**

Doc lookup testing begins

BY THERESA FLAHERTY, Managing Editor

WASHINGTON – Medicare's documentation lookup service is moving ahead into various testing phases, according to CMS and other officials on a recent Special Open Door Forum.

The Documentation Requirement Lookup Service, launched in 2018, will pull together existing requirements that are currently scattered among various manuals, National Coverage Determinations and Local Coverage Determinations, and present them in a machine-readable format within the electronic health record, according to CMS. The idea is to reduce the burden on physicians, reduce improper payments and appeals, and improve the

LOOKUP SEE PAGE 6

Providers put on their learning caps

BY THERESA FLAHERTY, Managing Editor

ONE-QUARTER OF the respondents to a recent HME Newpoll say they're most interested in learning about retail and cash sales at the upcoming Medtrade Spring conference and expo.

Sessions being offered in this track include "Retail: Tips from the Grocery Industry" and "Retail Employees for the Long Haul."

Twenty percent of respondents cite a new track, "The New Competitive Bidding," as their top pick for learning. CMS in 2018 announced

it was pausing the program for up to two years to overhaul it. Well-known experts will lead sessions that cover everything from the final rule to lead-item



pricing to operating during the "gap" period, as the industry seeks to reshape the next round of bidding, hopefully for the better.

"How is the industry preparing to right the ship?" wrote one respondent.

Fifteen percent of respondents say they're most interested in learning about business

operations to help reduce their expenses.

"(I am interested in learning about) the best systems and products for implementing a non-delivery oxygen model," wrote one respondent.

Of course, the conference isn't the only place to learn at Medtrade Spring. There's also the expo, which will feature 160 exhibitors this year, say show organizers, and

NEWSPOLL SEE PAGE 6

Q&A WITH DAVID CHANDLER

MCOs: 'We need to transform school of thought'

BY LIZ BEAULIEU, Editor

WASHINGTON – AAHomecare will grow its payer relations team in April to include David Chandler as its director of payer relations.

Chandler is director of reimbursement and government affairs for Liberty Medical Specialties based in Whiteville, N.C.; treasurer of the Atlantic Coast Medical Equipment Services Association; chairman of the Medicare Jurisdiction C Advisory

Council; and a member of AAHomecare's Regulatory Council and State Leaders Council. He also serves on the North Carolina Board of Pharmacy/DME Subcommittee.

"He's done great things for this industry already," said Laura Williard, vice president of payer relations at AAHomecare. "Having his provider knowledge and industry knowl-

edge will be really important to our efforts."

Here are four things to know about Chandler:

HE'S READY TO GET TO WORK

"I'm looking forward to continuing Laura's efforts, partnering with state associations in lobbying Medicaid programs to protect reimbursement," he said. "That effort has been very successful, but there are still some states out there that need help. We'll also be working to protect

CHANDLER SEE PAGE 6



David Chandler

NEW HAMPSHIRE

Providers seek changes to MCO contracts

Primary concern: For-profit that is part of Centene Corp.

BY THERESA FLAHERTY, Managing Editor

CONCORD, N.H. – HOMES is trying to get out ahead of the next round of Medicaid managed care contracts in New Hampshire and incorporate protections for HME providers.

In February, HOMES members met with Sen. Tom Sherman, a Democrat who chairs the New Hampshire Health and Human Services committee that oversees the Medicaid program, to discuss ongoing concerns with one contractor in particular—New Hampshire Healthy Families, a for-profit that is part of Centene Corp.

“We are trying to be proactive on this next round,” said Tamme Dustin, president and CEO of Herron & Smith in Hooksett. “How is the state going to protect us as small providers to get claims paid timely and (address) access issues?”

Chief among the concerns: a sole-source contract that NHHF has with Medline for incontinence supplies, and a new fee schedule that pays roughly 70% of non-rural Medicare rates.

Also a concern: a requirement that claims for miscellaneous codes be submitted with invoices containing MSRP information. If they don’t, providers will only be paid cost plus 10%, says Karyn Estrella, HOMES president and CEO.

“Invoices don’t have MSRP information—they are essentially asking for something that doesn’t exist,” she said.

Estrella has begun gathering information from providers about lost revenues and layoffs in response to a request from Sherman.

“He’s very concerned about the impact on local providers and is interested in drafting legislation, whether that can be implemented before these next contracts go into effect July 1 or it’s for the next round,” she said. **HME**

BRIEFS

MCO bill clears Kentucky House

FRANKFORT, Ky. – A bill that would hold managed care organizations more accountable passed the Kentucky House of Representatives on Feb. 21 by 100-0, VGM reports. The bill, H.B. 224, would ensure that DME providers are paid at the rate set by the Kentucky Medicaid program and would ensure that when they receive prior authorizations their claims can’t be denied for “lack of medical necessity.” Stakeholders, including members of KMESA, had been lobbying hard to move the bill. It now moves to the Senate. The bill would also require that specialty items, such as parts to customize wheelchairs, are reimbursed at the manufacturer’s suggested retail price minus 15% or an invoice cost plus 20% when there is no MSRP; require that, should a patient transfer from one MCO to another, services that are currently being provided under a PA will be honored by the new MCO; and require MCOs to cover, at a minimum, the same quantities of supplies covered under the Medicaid fee schedule

Minnesota budget includes cuts to DME

MINNEAPOLIS, Minn. – Minnesota Gov. Tim Walz

has released budget recommendations for 2020 and 2021 that include reimbursement cuts for DME, MAMES reports. Walz proposes changing “the medical assistance reimbursement formula for durable medical equipment that is also covered by Medicare to pay equivalent to the Medicare rate...This would reduce payment for DME starting in FY 2019 and reduce the value of recoveries in the forecast starting in FY 2021.” Walz also proposes simplifying reimbursement for products that don’t have a Medicare rate.

Legislature in Tennessee recognizes complex rehab

NASHVILLE, Tenn. – The Tennessee General Assembly has passed a bill that recognizes complex rehab as a separate benefit category. The state’s House of Representatives passed H.B. 0647 94-0 on March 7, then the Senate substituted that bill with S.B. 0632 and passed it 30-0 on March 11. The bill requires the commissioner, under the Long-Term Care Community Choices Act, to recognize complex rehabilitation technology as a separate benefit category for the purposes of any proposed budget or other public documents; and defines complex rehabilitation technology as including Group 3, 4 and 5 power wheelchairs and certain manual wheelchairs. The bill now heads to Gov. Bill Lee for his signature. Tennessee joins six other states in recognizing complex rehab as a separate benefit.

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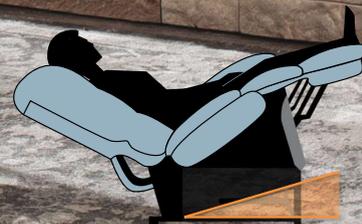
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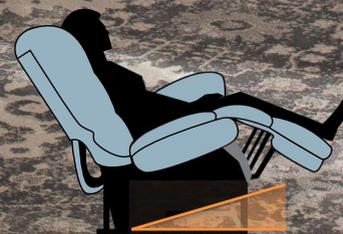
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MEDTRADE BOOTH 217

REPORT

Health share of GDP to hit 19.4% by 2027

WASHINGTON – National health expenditure growth is expected to average 5.5% annually from 2018-2027, reaching nearly \$6 trillion by 2027, according to a report published by the Office of the Actuary at CMS.

Growth in national health spending is projected to be faster than projected growth in gross domestic product by 0.8% over the same period.

As a result, health share of GDP is projected to increase from 17.9% in 2017 to 19.4% by 2027, the report says.

National health spending over the next decade is expected to be driven by:

- ✓ Key economic factors, such as growth in income and employment;
- ✓ Demographic factors, such as the baby boom generation continuing to age from private insurance into Medicare; and
- ✓ Increases in prices for medical goods and services, which are projected to grow

2.5% over 2018-27 compared to 1.1% over 2014-17.

Similar to last year's findings, the report found that by 2027, federal, state and local governments are projected to finance 47% of national health spending, an increase of 2% from 45% in 2017.

As a result of comparatively higher projected enrollment growth in Medicare, average annual spending growth in Medicare (7.4%) is expected to exceed that of Medicaid (5.5%) and private health insurance (4.8%).

Underlying the strong average annual Medicare spending growth are: projected sustained strong enrollment growth as the baby boomers continue to age into the program and growth in the use and intensity of covered services that is consistent with the rates observed during Medicare's long-term history, the report says. **HME**

DAVID CHANDLER

CONTINUED FROM PAGE 3

sole-source agreements, trying to be more proactive. If that's ultimately successful, we need to replicate those efforts across the country."

HE KNOWS MCOS

"In my role at Liberty, I handle all the contracting for the business, so I've had direct exposure to MCOs," he said. "Trying to stay away from Medicare rates is the name of the game lately and, working with ACMESA and AAH, a lot of our efforts have been around payer relations. We have a great relationship with BCBS of North Carolina; we meet with them quarterly. We also have a great relationship with Medicaid in our state."

HE REALLY KNOWS MCOS

"Liberty is a unique business in that it's part of a family of businesses and one of the

newer businesses is a Medicare Advantage plan, so I've seen where most of the cost comes from and I've learned the language these payers are speaking—it's all about controlling that monthly member cost," he said. "We need to transform the school of thought to, 'We're in the home and we have the one-on-one interaction with your members in the home, and we can assist you.'"

HE WANTS A SEAT AT THE TABLE—AND SO SHOULD YOU

"If you're not involved, you don't have a seat at the table," he said. "There are a lot of challenges in our industry, including MCOs looking more closely at Medicaid, and unless you get involved and tell them your side of the story, they're not going to hear it from anywhere else. AAHomecare won't be successful without the support of providers. If you're not involved, you're diminishing the effort globally." **HME**

LOOKUP EFFORT ENTERS TESTING

CONTINUED FROM PAGE 3

exchange of information between provider and payer.

The DLRS is based on two "use" cases: coverage requirements discovery, and documentation templates and rules. Testing of the CRD has begun and testing of the DTR begins this month, said officials.

Under the multistep process, a physician ordering home oxygen therapy triggers a request; the request is generated and returns a template and rules for home oxygen therapy; that information is pre-populated from the patient's clinical record in the template; the provider is queried in real-time for any missing information; and finally, the patient information is stored in

the clinical record.

In response to a request from CMS, limited beneficiary cost information has also been included in the DLRS, officials said. That way, patients and clinicians can discuss affordability and, if necessary, alternative treatments.

CMS has also established two workgroups: A DLRS stakeholder workgroup to ensure key challenges and recommendations are included; and a DME e-prescribing workgroup to address special challenges. For instance, if a physician is checking the DLRS system to order DME, what does that look like, what are the challenges and what does CMS need to know going forward, said officials. **HME**

ROUND 2021 BEGINS TO TAKE SHAPE

CONTINUED FROM PAGE 1

CMS hasn't announced yet how long the bid window will be open for Round 2021, but Bachenheimer expects it will be 60 days as in previous rounds.

Also cause for concern: CMS has added non-invasive ventilators to the program, despite widespread opposition from stakeholders across the healthcare continuum, who submitted between 500 and 600 comments on the proposal in December.

"We've already begun talking to the House and Senate folks," said Jay Witter, senior vice president of government relations for AAHomecare. "They are taking this issue very seriously on the Hill and folks are asking questions."

NEWSPOLL

CONTINUED FROM PAGE 3

those exhibitors are also ready to educate providers.

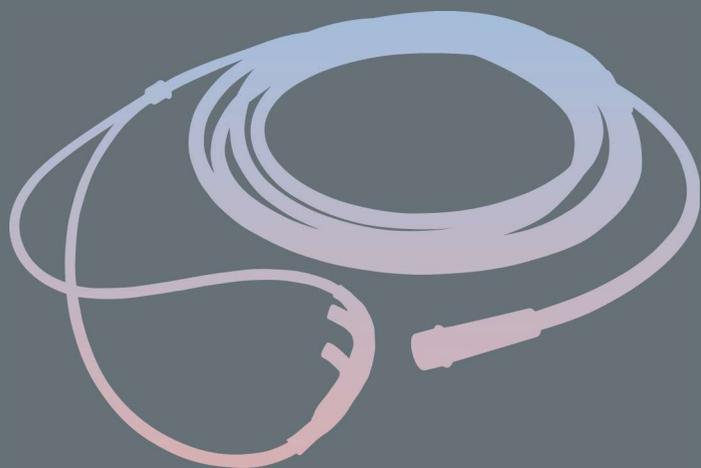
"(We want to) meet customers that will be there and talk to them about possible new products," wrote one respondent.

For some respondents, Medtrade Spring isn't on the agenda this year, a decision they've made reluctantly.

"I would love to attend but due to all of the cutbacks we just cannot afford it," wrote one respondent.

This year's show is slated for April 16-18 at the Mandalay Bay Convention Center in Las Vegas. **HME**

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Deja vu for a reason

IT CERTAINLY caught the attention of HME providers when CVS announced that CPAP masks would be among the products offered in three new HealthHub concept stores in the Houston area.

In a CNBC story online, there was even a picture of the CPAP masks featured in the stores, namely the ResMed AirFit series.

From what I can tell, providers have a steely resolve in the face of the announcement. Providers are still the ones providing CPAP devices and, therefore, they're the ones with established relationships with users. They're also, largely, the ones making sure that users remain compliant and, therefore, are the link to being able to continue their therapies.

They're also feeling like they've been here before.

And they have. Way back in 2012, Philips Respironics had a pilot project with Kroger to provide the company's masks, with prescriptions, through some of the grocery store's pharmacies.

(What came of that pilot project? I've made inquiries to Philips.)

There's one fear, however, that providers had about Kroger and they still have today about CVS. Might users be tempted to just pay cash for their supplies from a CVS, especially if they're happy with their current mask and if they have a high deductible insurance plan?

And if CVS is successful with supplies, what makes anyone think they'll stop



LIZ BEAULIEU

there?

This is essentially the thinking of provider Andrew Trammell, who spoke with Managing Editor Theresa Flaherty for a story on the announcement (see page 1).

"If you have been using the same CPAP mask for a long time, you really don't need a whole lot of interaction," he said. "I think CVS could absolutely be a threat."

Of course, providers always have threats, whether it's CVS or the growing number of online providers of not only CPAP supplies

but also the devices themselves!

At press time, we were running a poll asking providers whether or not the announcement concerned them. The majority said yes, but the majority also said they think their customers will keep coming back to them. The biggest reason: their expertise.

"Unless CVS plans to employ knowledgeable personnel like an RRT to handle what is usually the No. 1 complaint of CPAP users (mask issues), I believe they'll soon learn DME companies specialize in this type of service," wrote in one respondent. "However, a move such as this will temporarily impact the DME world until patients figure this out." **HME**



WELCOME LETTER FROM KEVIN GAFFNEY

All future, no past at Medtrade Spring

BY KEVIN GAFFNEY

IF YOU'RE reading this issue of HME News at Medtrade Spring in Las Vegas, welcome to the show. We recognize that you've spent time, money and effort to make it to the Nevada desert, and we believe you made the right choice.

Once you're at Medtrade Spring, spending time on the show floor, speaking with exhibitors and getting new product ideas are all great ways to spend your time. However, if you want structured networking events, I encourage you to go to Hall C at the Mandalay Bay Convention Center and visit the registration area to inquire about The Audit "Happy" Hour, the Power Lunch, AAHomecare's Stand Up for Homecare Fundraiser Reception and the Rise & Retail Breakfast Roundtables.

While it's true that the above events require advance registration and a fee, AAHomecare's Washington Update on Wednesday, April 17, at 8 a.m. in South Pacific F is open to all attendees with no advance registration and no fee. You do not have to be a member of AAHomecare to attend. It will provide fascinating insight into the challenges, and opportunities, that await the industry. It's a wee bit

early on a Vegas morning, but I strongly encourage you to attend.

The update can be a sobering experience, because officials at AAHomecare must walk that line between optimistic and overly optimistic. We walk it, too. The trade show business may indeed be a business, but much like the best of endeavors, our success is directly tied to the industry.

We resist the urge to fondly look back at the days before competitive bidding. We can't afford to do it, and neither can you. The money is not flowing like it once was, so we all must find ways to widen the stream or make the river a more efficient ecosystem. Like you, Medtrade Spring and Medtrade (Oct 21-23, 2019) must find ways to creatively remain relevant. Also like you, we are still here.

The so-called digital age did not kill the trade show. Paradoxically, it may have made them more important than ever. In an Internet age, it's the face-to-face networking, education, and outright focus that make an in-person experience so different from e-mail, social media, texting

and even primitive phone calls.

Ultimately, Medtrade Spring is not about us; it's about you. It's our job to make it worth your while, and it's your obligation to take advantage of what the show has to offer.

If you get on site and want to take advantage of the educational sessions, you still have time to buy a pass. Or if you're still pondering attendance, go to www.medtrade.com and see what we have to offer. From there, you can also register for an Expo pass or a Conference Pass (which also includes an Expo pass).

I hope you get real value from the in-person experience that is Medtrade Spring. Cement old relationships, shake hands and create new partnerships and friendships that will sustain you in this tough business. The people at the show know your pain, and your triumphs. Talk to our experts. Talk to attendees, and eventually leave the show renewed and refreshed. That's the whole idea. **HME**



KEVIN GAFFNEY

Kevin Gaffney is vice president and group show director, Medtrade Spring and Medtrade.

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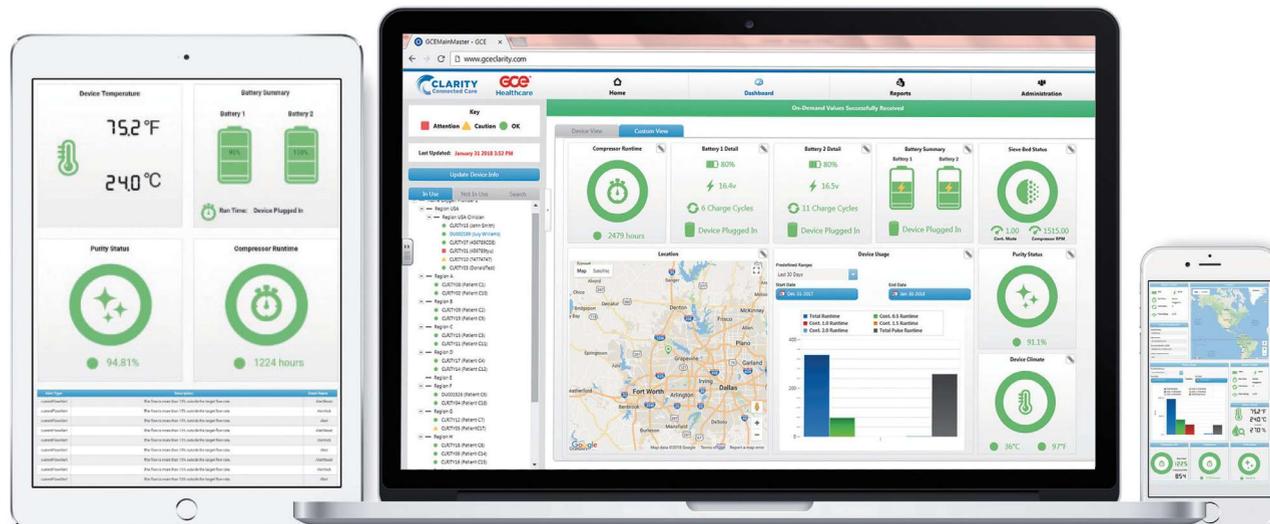




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OUTSOURCING



Analyze net revenue, actual cash

BY JOEY GRAHAM

Q. What measure should I use to track revenues?

A. HME providers are split on how best to measure and recognize revenue in their businesses.

CHARGE BILLING

Charge billing is full “retail” pricing, not including payer contracts and fee schedules. For most providers, this measure inflates expected cash by 100%–200%.

ALLOWABLE BILLING

Allowable billing is charge billing less the expected contractual adjustments based on fee schedules and contracts with payers. This is typically a provider’s “best guess” upfront of what they will get paid.

However, not all payer contracts are typically loaded, and many are dated and inaccurate, so this can inflate the actual payments.

NET REVENUE

Net revenue is allowable billing less the additional contractual adjustments taken during cash posting, credit adjustments and balance transfers. It is calculated after a payment has been made and indicates exactly what a provider should expect to see in payments in a world

without write-offs.

CASH

Cash is the actual payment received, net of any other adjustments. Providers on cash basis can use this measure.

SO, WHAT'S RIGHT SOLUTION?

Charge billing is generally seen as a throwaway measure due to its extreme inaccuracy. Instead, providers turn to allowable billing as their revenue measure prior to getting paid and posting payments.

The majority of payer contracts—the 80/20 rule—need to be loaded and accurate in the provider’s billing system. Once payments are posted, providers should analyze net revenue collections and actual cash to measure revenue cycle performance. **HME**

Joey Graham is the executive vice president and general manager at Prochant, Inc. Reach him at joeyg@prochant.com and (980) 201-3082.



HME News

SUCCESSION PLANNING



Start planning well in advance

BY MIRIAM LIEBER

Q. When and how should I start thinking about a succession plan?

A. Begin planning well before a successor will be needed. Start with skill building for the identified core group of staff. Teach and train leadership techniques to the most skilled and talented group of employees at your company. Invest in coaches and mentors to help them strengthen their leadership skills. Sometimes, the CEO is the best mentor; other times, outside mentors are needed to develop a leader. Make sure you have more than one person in the pipeline as depth is needed to develop a core team of employees who will take you to the next stage.

GOALS

To create a real bench, you will need goals and metrics to know how well staff and leaders perform. Goals can be as simple as how much outstanding A/R over 120 days you carry to net revenue by product and payer that is paid within 45-60 days. With the right leaders, you will know if your staff measures up to expectations. Make sure they understand what those expectations are (many are part of the goal setting practice so they should be keenly aware).

The leader in this case has been successful in training the team how to improve productivity through objective measure and metric.

TRAITS

A list of the CEO’s required personality traits and leadership skills should be documented. Learn the candidate’s strengths and weaknesses that are both objectively and subjectively measured. Some are quantifiable and other traits are simply success oriented skills and motivational drivers. Additionally, test the potential leader by having the person act as leader on a project as a case study to determine if they are suitable for the chief executive position. **HME**

Miriam Lieber is president of Lieber Consulting LLC. Reach her at Miriam@lieberconsulting.com.

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MARKETING



**Set standard,
stick to it**

BY SCOTT STONE

Q. How can I make videos—it seems out of reach for a company of my size?

A. Video marketing is within reach for any company. Most companies

in the HME space are not making videos and, therefore, you would likely be a pioneer in your field. In 2018, Forbes reported that 90% of online shoppers find videos important in steering purchasing decisions.

IT STARTS IN YOUR POCKET

You do not need to invest in thousands of dollars of video gear or software to make valuable content. Most Android and iPhones shoot in HD, new ones in 4K. If you're

willing, a simple point-and-shoot camera makes a world of difference. Software like Movie Maker (PC), Final Cut Pro (Mac), or Animoto (Cloud-based) offer intuitive interfaces that produce great content.

CREATE MASSIVE VALUE

Consider value from all angles. You can make marketing videos that showcase the lifestyle achieved with your products or even simple testimonials that you elicit from your customer base to showcase

a real user interacting with your specific product. (Ask them to use landscape orientation, or, even better, they have someone else holding the camera).

STOCK WHERE NECESSARY

There are numerous sites like Getty and Shutterstock that offer stock videography for your content gaps. As often as possible, only use content that has real users and/or real equipment.

CHECK THE EGO

As Tony Robbins would say, "If you stay in your head, you're dead." I'm not saying disregard quality, set a standard and stick to it. However, do not stop your growth because your videos don't look like company X or you don't have the budget of company Y. Comparison is the killer of progress. **HME**

Scott Stone is president of Community Conscious Consulting. Reach him at scott.marshall.stone@gmail.com.

ACCREDITATION



**Go beyond
documentation**

BY KELLY WOLFE

Q. How can I keep up with documentation?

A. One of the accreditation requirements is to have and maintain a performance management plan. Although providers provide this documentation at the initial accreditation survey, many fail to implement it after the survey. This is an important factor and requirement to maintain your accreditation. This is also a valuable tool to help your company correct issues and make you shine above the competition.

FREQUENCY OF BILLING AND CODING ERRORS

Make sure you review the number of claims denied, as well as billing and coding errors. Make sure you have your staff maintain your billing error log. Not only will this allow you to find areas of weakness, but it will also help improve your cash flow and accuracy.

PATIENT, REFERRAL SOURCE, AND EMPLOYEE EVALUATIONS AND SURVEYS

All feedback is helpful in determining how you are doing as an organization. This will allow you to find any deficiencies within the structure of your organization. Make sure your staff is recording complaints in the complaint log. Medicare requires that this log contain the HIC number and proof that you are responding to the patient with the results of your investigation within 14 days.

ADVERSE EFFECTS FOR MALFUNCTIONING EQUIPMENT

Make sure you record any incidents or injuries that occur as a result of your services. Hopefully you are not in that boat but if you find yourself in that situation maintain detailed documentation. This could include manufacturer, attorney and insurance paperwork. Keep in mind that you have a limited timeframe to research and report. **HME**

Kelly Wolfe is president of Regency Billing and Consulting. Reach her at kellyw@regency4dme.com.

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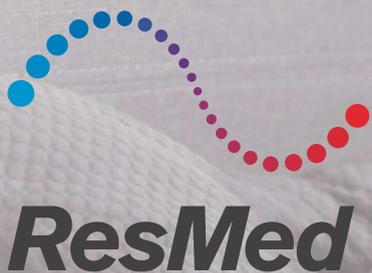
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■ For a certain type of customer, CVS's HealthHUBs could create some competition, says Andrew Trammell. See story page 1.

Impact of gap period differs by area 13
 Q&A: Daina Juhansoo offers hospital perspective 13
 Providers cultivate customer reviews 13
 Reporter's notebook: Mike Kuller on CVS 14

BRIEFS

PE firm invests in Montgomery DME

LOS ANGELES – Monument MicroCap Partners has recapitalized Montgomery DME (MDME), a provider of DME to hospices in Los Angeles and surrounding counties, according to PEHub.com. Monument and MDME also closed the acquisition of Abundant Home Care to create a regional provider of DME to hospices throughout southern California. “We are excited to partner with Monument and AHC on the next chapter of our growth strategy,” said Pablo Miguel, vice president of MDME. “Monument will provide us with strategic support and capital as we continue with our steadfast commitment to providing the highest quality of compassionate service to our clients and their patients.” Monument MicroCap is an Indianapolis-based private equity firm.

Protech reports 4Q financials

WILDER, Ky. – Protech Home Medical reported \$20.3 million in revenues for the fourth quarter of 2018, ended Sept. 30, 2018. Net income for the quarter was nearly \$1.4 million; and adjusted EBITDA for the quarter was \$5.2 million or 26%, a company record, according to a press release. The company reduced bad debt to \$5.2 million, compared to \$15.9 million the previous year. Cash on hand was \$4.3 million, an increase of 27% compared to the previous year. Protech in January acquired Riverside Medical and Central Oxygen for about \$871,000.

New CEO to take reins at Integra Partners

NEW YORK – Integra Partners has named Dominic Paniccia as its new CEO, effective March 31. Paniccia succeeds Andrew Saltoun, who will serve as a senior adviser to the organization, according to a press release. Paniccia joined Integra as CFO in 2016 and was named president in 2018. Under his leadership, the company has created a new customer-centric model that has improved operations and increased revenues. Previously, Paniccia has held leadership positions at American Express, AIG and CB Insights. “I’m honored to be appointed to this position,” said Paniccia. “Integra is growing, and we’re focused on doing what we can to achieve our mission of reducing the friction in health care—making things easier for our clients, which includes health plans and providers—as we manage these benefits.”

Name change

AUBURN, N.Y. – Homecare Medical Supply has changed its name to Respiratory Services of Auburn, according to a local news report. The company has five other branches in the region. The company, which was founded in 1983, was acquired in July by Respiratory Services of Western New York.

COMPETITIVE BIDDING

Impact of gap period? A bit too early to tell

BY THERESA FLAHERTY, Managing Editor

YARMOUTH, Maine – What has been the impact of a two-year gap between competitive bidding contracts? It all depends who you ask.

The primary concern going into the gap period: Whether Medicare beneficiaries will lose access to HME if providers, no longer bound by contracts, shrink service areas, refuse to accept assignment, or otherwise limit how much Medicare business they want to accept.

In the short term, at least, an any willing provider provision may be softening the blow in some areas.

“There were a number of people (in our area) that came back into it, which we are thinking may have artificially filled what have been an automatic access problem right out of the gate,” said Steve Ackerman, CEO of Spectrum Medical in Silver Springs, Md. “But in six

or seven months, that’s when the rubber meets the road.”

Ackerman said he’s pulled back his perimeter for delivering small-dollar items like walkers, although he’s giving more leeway to regular referral sources.



S. Ackerman

In other areas, already underserved during the contract period, the situation has become dire.

“Hospitals are not able to get people beds and wheelchairs because they are not being taken assigned—the reimbursement rates are so low,” said George Kucka, president of Fairmeadows Home Health Center in Schererville, Ind. “It’s the same with liquid oxygen, and I think it’s going to get worse.”

For some, business is better than

GAP PERIOD SEE PAGE 14

Contracts open up, but little changes

BY TRACY ORZEL, Contributing Writer

EAST SANDWICH, Mass. – Since CMS let competitive bidding contracts expire on Dec. 31, 2018, Daina Juhansoo was hopeful that providers, previously locked out of the program, would want Medicare business again. HME News recently spoke with Juhansoo, director of inpatient rehabilitation at Spaulding Rehabilitation Hospital Cape Cod, about how the competitive bidding program has impacted access and whether it has improved in the new year.

HME NEWS: What issues were you facing before the contracts expired?

Daina Juhansoo: Being on Cape Cod we have a good number of patients whose Medicare home zip code is 60 miles away or more from our facility. We had to go through the process of identifying the

JUHANSOO SEE PAGE 14

Providers court online reviews

70% of consumers trust online reviews as much as they trust a family member

BY THERESA FLAHERTY, Managing Editor

MOST HME providers have some sort of online presence, but it’s important to manage that presence, particularly reviews of their businesses, experts say.

Google, Yelp and Facebook are among the most widely used tools for reviewing products and businesses, and a lot’s at stake. VGM Forbin’s Christina Thronson says 70% of consumers trust online reviews as much as they trust a family member’s opinion.

“Reviews have an incredible impact on your end users and making sure they can trust you,” said Thronson, vice president at VGM Forbin. “It helps your online presence, so it’s important to get these reviews.”

That often means providers can’t be shy about asking customers upfront for online

reviews.

“If somebody is talking about something they got or how much they love what you did for them, you’ve got to say, ‘We’d love a Facebook or Google review,’” said Kevin Brown, co-owner of Hermitage, Tenn.-based All Star Medical. “It increases visibility.”

Even if providers aren’t actively seeking out online reviews, it’s a good idea for them to monitor what others are saying about them, Thronson says. Provider Johnny Miller learned that the hard way.

“We realized we had some not-so-kind reviews out there on Google and that wasn’t the whole story of who we are, what we do and how we do it,” said Miller, owner of Akron, Ohio-based Miller’s. “We thought, ‘Let’s be proactive and not let the naysayers write the narrative.’”

Miller’s now routinely asks customers for Google reviews. It has also implemented a rewards system for employees who receive five-star reviews online.

ONLINE REVIEWS SEE PAGE 14

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Own your online rep

BY THERESA FLAHERTY, Managing Editor

IF YOU’RE still in the dark when it comes to what’s being said about your business online, it’s time to shine a light on it, says Christina Thronson, vice president at VGM Forbin.

“Whether it’s good, bad or indifferent, make sure you own your presence and it’s up to date,” she said. “That’s low-hanging fruit.”

Thronson spoke with HME News recently to offer a few basic pointers for managing your online presence.

GOOGLE IT

If you Google your business

and you see “Do you own this business?” “claim” it, says Thronson.

“This allows you to have your hours on there, parking information and reviews,” she said. “It also pairs up with your Google map (to show your location).”



C. Thronson

The listing can be set up with a Google account so you can receive notifications and leave responses when a review is left.

REPUTATION SEE PAGE 14

NOTEBOOK

CVS may not like DME

BY THERESA FLAHERTY, Managing Editor

A PHARMACIST BY training and an HME provider by trade, Mike Kuller offers a unique perspective on CVS's plans to roll out expanded health services, education and DME offerings through its HealthHUBs.

In some ways it makes a lot of sense for CVS, which already offers walk-in health services like screenings and vaccinations through its MinuteClinics, to try and capture a larger share of the healthcare market, says Kuller, owner of Allstar Medical Supply in Walnut Creek, Calif.

"It's probably a good idea where they are headed," he said. "My daughter had pink eye and, at 6:30 at night, it was convenient and the only option."

However, while targeting chronic health conditions like diabetes and sleep apnea makes sense, how that will translate to also offering medical supplies like CPAP is another story, he says.

"As a pharmacist, I understand a lot about the underlying conditions customers have and I've been doing DME for 20 years," he said. "So, I understand how the equipment's being used. People tell me we're great—they don't want to talk to that young kid that doesn't know what he's doing."



Mike Kuller

Kuller also questions whether CVS will want the hassle of insurance billing for DME, which is different than billing for prescription drugs; and whether it will find it cost-effective in the long run.

"They are going to have to figure out whether they want to sell retail, and how to cover the cost of teaching these health classes and engaging with people at kiosks," he said. "When I go in just to pick up a prescription, there's already five people waiting in line." **HME**

HEALTHHUBS

CONTINUED FROM PAGE 1

a way they say the CVSs and the Amazons of the world can't.

"Whether someplace like CVS or Walgreens that sells products in boxes is going to take the time to help the person remains to be seen," said Kuller. "And they have nowhere to get parts or nobody to fix it. That's not going to change with CVS."

For HME providers, the relationship with customers extends beyond selling products, especially when it comes to managing chronic conditions like sleep apnea. Helping the patient maintain compliance takes time and effort, say providers.

"They might succeed at quick grab, cash-and-carry items, but for long-term customer retention?" says Woody O'Neal, vice president of Pelham, Ala.-based O2 Neal Medical. "Not sure the CVS model lends itself to customer intimacy the way a successful DME operates."

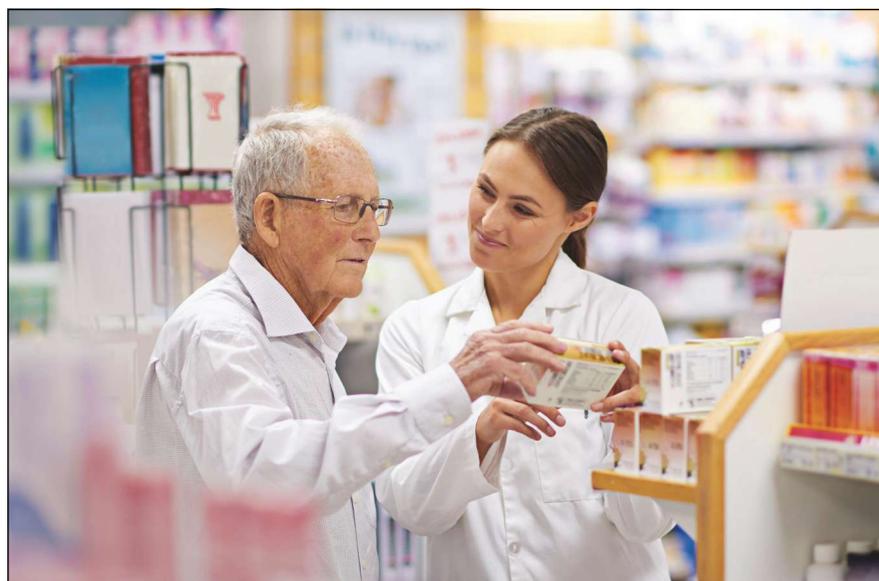
However, other providers say experienced patients might well choose to pop into CVS for a quick replacement mask or supplies.

"If you have been using the same CPAP



A CVS HEALTHHUB prototype features consulting areas.

mask for a long time you really don't need a whole lot of interaction (when buying a new one)," said Andrew Trammell, president of Charlotte, N.C.-based Carolina's HME. "(If the business model is) set up properly, I think CVS could absolutely be a threat." **HME**



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JUHANSOO

CONTINUED FROM PAGE 13

vendors that we were allowed to use at time of discharge. Understandably, they often did not want to drive 60 miles to deliver a cane or a walker and so we wound up in a jam—often.

HME: Now that the lockout has ended, has it gotten better or worse?

Juhansoo: It's the same. We were foolishly excited that we would now be able to use our local vendors to get all of the needed DME. Knowing that the contracts expired, we called our closest vendors and were told they weren't able to supply the requested equipment because of the competitive bidding program. When we reminded them that it's no longer in effect, they responded that they have not changed their practice. I understand that they're in a terrible situation and they're just trying to survive an untenable position.

HME: CMS says it plans to overhaul the program over the next two years. Are you hopeful?

Juhansoo: I suppose I should reserve judgment until they roll out their next attempt, but I can't imagine how they would have thought that this first program would have been successful. **HME**

GAP PERIOD

CONTINUED FROM PAGE 13

Mesa, Ariz.-based Valley Healthcare, which previously held several contracts for respiratory, is adding business through Portland, Ore.-based Northwest Medical, which it acquired in September and which did not have contracts.

"For us, it's all new business coming in and we are seeing a healthy increase of doctors who are happy to have another provider for Medicare," said Ron Evans founder and CEO. "We added two dedicated marketing professionals that are getting the word out." **HME**

REPUTATION

CONTINUED FROM PAGE 13

"We often just think, 'Oh, I have positive reviews, I don't need to reply to those,' but you absolutely do," she said. "If I come to your business and thank you in person or on the phone, are you going to walk away or hang up? No. It's the same thing online. That's a huge missed opportunity to connect with your customers."

LIKE IT

Facebook is another platform where it's simple to manage business reviews, and if you aren't, you should make sure no one else is, either, says Throndson.

"If you have never created a Facebook page but have customers that have 'checked in,' that gives users the ability to create one," she said. "That can be a problem if you can't control them."

Once again, claim the business. You will be asked to verify your phone number—there's usually an option to receive a mailed postcard with a verification code sent to your physical address.

"That proves that it's legit and you, as the business owner, can have access to the reviews that come in and the calls that come in via that number," she said. "It's incredibly helpful and it's free." **HME**

ONLINE REVIEWS

CONTINUED FROM PAGE 13

"It incentivizes the employees to let the end user know if they mention staff by name online they earn a reward," Miller said.

If, in checking their online presence, providers find bad reviews, they need to react constructively.

"We're not perfect, but when a review is posted there are many cases where you are able to respond to it and have that bad review removed or the rating increased," Miller said. "We respond to every review. We want folks to know we are paying attention and we are responsive." **HME**

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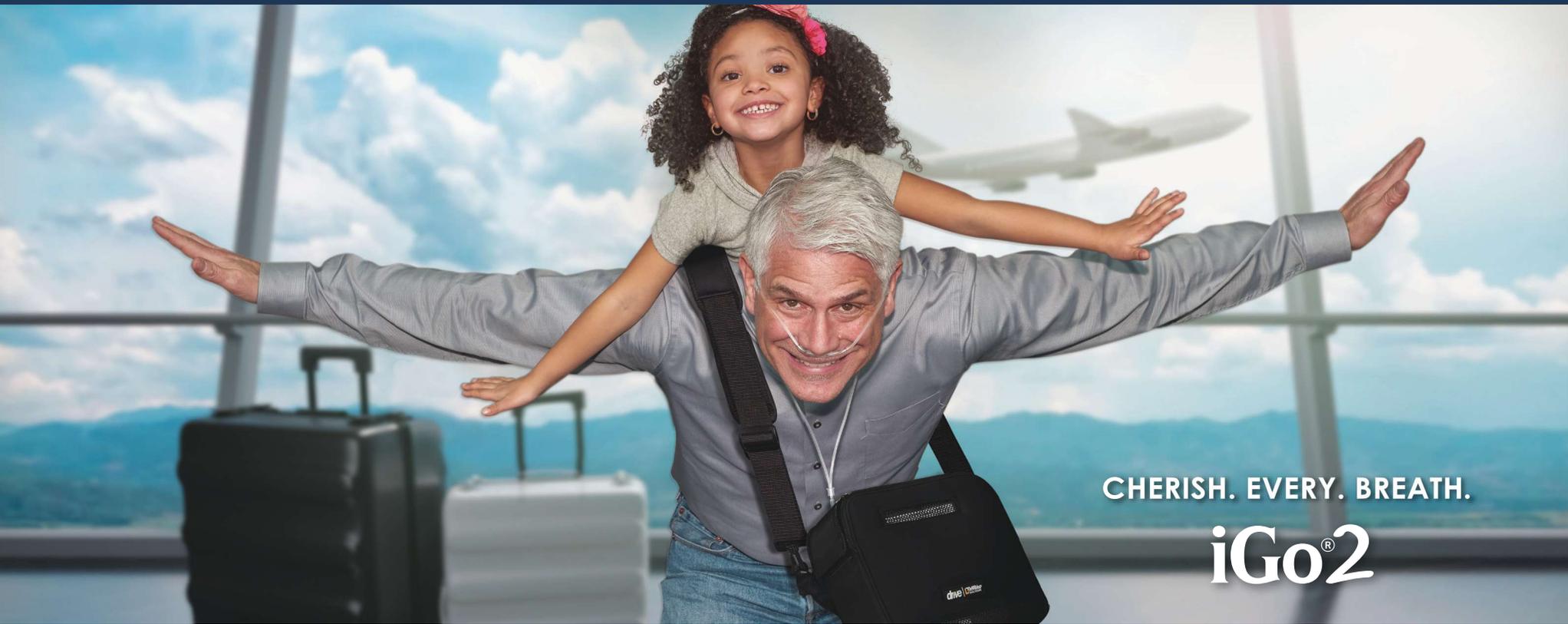
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■ Consumer advocate Gabe Adams is among the speakers at upcoming CRT event. See story below.

NSM improves benefits, eligibility process..... 1
 Rehab Medical re-enters orthotics market..... 17
 AAH adds resource to separate recognition efforts 17
 New York tries again to protect complex rehab..... 17

BRIEFS

VMI bulks up exec team

PHOENIX – Vantage Mobility International has added two executives to its team: Jeff Payne as CFO and Todd Navarette as vice president of sales effectiveness. Payne recently served as vice president of finance/CFO for Comtech EF Data, where he worked across departments to set new pricing models, finance arrangements and sales compensation plans that pushed top-line improvement by 35% in two years. He will be responsible for leading the finance team at VMI. Navarette has worked in the industry for more than a decade, including for one of the largest mobility dealerships in the country in both sales and strategic development roles. He will spearhead sales effectiveness programs and performance at VMI.

NCART seeks data

BUFFALO, N.Y. – NCART has developed a survey for suppliers and manufacturers to share information on reduced access to complex rehab technology at the hands of Medicaid managed care organizations. NCART seeks information where a Medicaid MCO has either inappropriately denied coverage of an item or established an inadequate payment amount for the item. The survey is part of a larger effort by NCART to develop a network of legal advocates and agencies to bring focus to MCO coverage and payment problems for complex rehab. “Plans include creating an online forum paired with relevant information and tools to facilitate discussions to ensure compliance with related federal and state statutes,” it said in a bulletin.

NSM grows division

NASHVILLE – National Seating & Mobility has expanded its home and vehicle accessibility division with the acquisition of Mobility ASAP in Upper Marlboro, Md. Mobility ASAP expands NSM’s presence in the Baltimore-Washington, D.C., metropolitan area and positions the company to serve clients across Maryland, Washington, D.C., and Northern Virginia. Ed Wimbish, who owned Mobility ASAP, will serve as business manager at the Upper Marlboro location. NSM launched AccessNSM in 2015.

Numotion Foundation launches website

BRENTWOOD, Tenn. – The Numotion Foundation has launched numotionfoundation.org to host its grant and sponsorship applications, and to provide the most up-to-date information regarding the foundation, according to a press release. “We are excited about the launch of the Numotion Foundation website,” said Justin Richardson, Numotion Foundation executive director. “The site’s online grant and sponsorship application will make it easier for applicants to engage with our organization.” Numotion launched the non-profit foundation in 2018 to better organize the company’s growing charitable contributions and community service events.

NAT’L CRT LEADERSHIP & ADVOCACY CONFERENCE

It’s all advocacy, all the time

BY LIZ BEAULIEU, Editor

ORGANIZERS OF the National CRT Leadership & Advocacy Conference are mixing up this year’s educational lineup to better equip attendees to advocate at the event—and beyond.

The lineup for the conference, hosted by NCART and NRRTS May 1-2 at the Renaissance Arlington Capitol View Hotel, includes Ty Bello, who will provide “bootcamp lessons” on advocacy; and Cathy Carver, the executive director of The Clinician Task Force, and Gerry Dickerson, president-elect of NRRTS, who will discuss the importance of following up on Hill visits.

“We’re really going to address grassroots advocacy because it is

Bills at the ready

BY LIZ BEAULIEU, Editor

WASHINGTON – Stakeholders plan to have two bills introduced in time for their annual advocacy conference in Washington, D.C., in May.

Likely to be introduced first: a bill to stop CMS from applying competitive bidding related pricing to accessories for complex rehab manual wheelchairs.

“We’re working with Reps. John Larson, D-Conn., and Lee Zeldin, R-N.Y., on that,” said Don Clayback, execu-



Don Clayback

tive director of NCART.

A bill that would have stopped CMS from applying the pricing for 18 months, starting Jan. 1, 2019, passed

the House of Representatives late last year but stalled in the Senate.

Stakeholders also expect to have a bill creating a separate benefit for complex rehab

TWO BILLS SEE PAGE 18

so vital to any effort we have on Capitol Hill,” said Weesie Walker, executive director of NRRTS. “We also really want to emphasize that you have to do it when you get home, too.”

The lineup will also include health policy experts Peter Thomas and Henry Claypool to discuss the climate in which stakeholders are advocating on the Hill; and consumer advocate Gabe Adams, who was born without limbs and who goes by the motto “No limbs. Just a smile for miles.”

New to the conference this year is a session that will address a growing concern on the advocacy front: managed care organizations, which have systematically been reducing

ADVOCACY SEE PAGE 18

Rehab Medical buys OMS

Growing company also merges with Cork Medical

BY LIZ BEAULIEU, Editor

INDIANAPOLIS – With its complex rehab business on solid ground, Rehab Medical is taking another stab at the orthotics market.

The company announced in February that it had acquired Kansas City, Mo.-based OMS Rehab, expanding its product line of complex rehab wheelchairs and wound care products to include orthotic devices and advanced rehabilitation equipment.

“We used to do more on the orthotics side but got away from it to focus more on mobility,” said Kevin Gearheart, president of Rehab Medical. “We’ve known OMS Rehab for awhile and we know they’re a well-run company, so we thought it was a good opportunity to bring orthotics back into the fold.”

OMS Rehab will be a standalone company with

REHAB MEDICAL SEE PAGE 18

Stakeholders take ‘proactive’ approach to CRT recognition

BY LIZ BEAULIEU, Editor

WASHINGTON – Ongoing efforts to get Medicaid programs across the country to recognize complex rehab technology got a boost in February when AAHomecare announced it had contracted with Bridge Public Affairs.

The association has retained the firm for six months to work regulatory and legislative channels in various states to protect CRT from Medicaid reimbursement cuts.

“We think this is an opportunity to get some wins on a state level and build on the wins we had in 2018,” said Tom Ryan, president and CEO of AAHomecare.

AAHomecare says it stopped or limited cuts mandated by the 21st Century Cures Act in 29 states last year. A DME provision in the Cures Act required CMS to cap its contribution to Medicaid reimbursement at Medicare reimbursement Jan. 1, 2018.

So far, six states have recognized CRT, with Wisconsin the most recent, in a bill signed April 16, 2018. Efforts are already

underway to recognize CRT in a number of states, including Tennessee and New York (see related story).

“This is becoming a more prominent issue,” said Don Clayback, executive director of NRRTS. “States are under financial pressure due to budgets and the Cures Act, and MCOs are proliferating. There are more dynamics now in the state environment.”

While strategies will differ from state to state, retaining a public affairs firm is a strong signal that stakeholders are now taking a more organized approach to protecting CRT.

“What’s exciting about this is it’s more proactive vs. reactive,” said John Goetz, who will lead the efforts at Bridge Public Affairs and who used to be the director of government affairs for Permobil. AAHomecare believes working to recognize CRT will also give them another foothold in states, as it continues to work more generally on warding off reimbursement cuts and holding MCOs more accountable.

“This could open the door to work with John’s group on other issues, not specific to CRT,” Ryan said. “But because of John’s expertise, CRT seemed like a good place to start.” **HME**



Tom Ryan

Case study: NY How to get governor on board?

BY LIZ BEAULIEU, Editor

ALBANY, N.Y. – Stakeholders in New York hope the third time will be the charm for a bill to recognize complex rehab technology.

Stakeholders first succeeded in getting a bill introduced back in 2015. A bill was then introduced and passed by both the New York State Assembly and Senate in 2016 and 2017, but Gov. Andrew Cuomo vetoed it both times.

Stakeholders regrouped in 2018 and plan to get another bill introduced in the State Assembly earlier this year.

“Gaining some level of commitment from the governor’s office to not veto the bill will be critically important,” said Doug Westerdahl, president and CEO of Monroe Wheelchair in Rochester, N.Y., who has been a key

NEW YORK SEE PAGE 18

TWO BILLS

CONTINUED FROM PAGE 17

introduced, but they have more work to do there, in lockstep with Rep. Jim Sensenbrenner, R-Wis., who has expressed interest in taking the lead, and a D.C. law firm.

"We're in the process of updating and streamlining the language," Clayback said.

Stakeholders have a version of the bill back from the law firm and are reviewing it.

"We've had conversations with Democrats in the House to be co-leads and we keep hearing they're interested, but they need to review language," said Seth Johnson, vice president of government affairs for Pride Mobility Products. **HME**

ADVOCACY

CONTINUED FROM PAGE 17

reimbursement and shrinking provider networks in states across the country. Marge Gustas and Joe Clark of the Buffalo, N.Y., office of Neighborhood Legal Services, which provides free legal services to persons with low income and those with disabilities, will present "Holding Medicaid HMOs Accountable."

"We're basically looking to bring legal expertise to the discussions and concerns around the rise of MCOs," said Don Clayback, executive director of NCART. **HME**

REHAB MED

CONTINUED FROM PAGE 17

separate sales and operations staff, but it will benefit from shared IT and HR staff and a shared executive team. Josh Boller, who started OMS Rehab in 2012 and was a regional manager for Rehab Medical before that, will stay on as a partner.

Rehab Medical's plans include taking OMS Rehab's business model, which includes supplying advanced rehab equipment to long-term care facilities, and expanding it to its 15 locations serving 24 metro markets.

"We want to grow and scale that business," Gearheart said.

The same month it acquired OMS Rehab, Rehab Medical merged with Cork Medical, also based in Indianapolis. Cork Medical's product team will continue to manage the company's manufacturing and distribution of wound care products.

"Some companies just want to add another complex rehab company and our approach is a little different," Gearheart said. "We want complementary businesses. They have to be in health care and have to be a good fit, but they're not necessarily complex rehab." **HME**

CASE STUDY

CONTINUED FROM PAGE 17

point person on the efforts.

Westerdahl expects "some language changes" in 2019, but the last bill introduced in the State Assembly would have: protected access for complex needs patients to quality CRT; established and improve standards and safeguards relating to the provision of CRT; and provided quality support for complex needs patients to stay in the home or community setting, and prevent institutionalization and hospitalizations and other costly secondary complications.

The Center for Disability Rights, a nonprofit advocacy and service organization for people with disabilities that joined efforts to recognize CRT in 2017, met with the governor's office in 2018 to ask why Cuomo vetoed the bill twice, Westerdahl says.

"No resolution came from that meeting, and while follow-up attempts have been made, (no response) has been received from the governor's office," he said.

So, for the moment, stakeholders are waiting for the state legislature to pass a budget, hopefully by April 1, and then they'll finalize and implement a strategy.

"We have a call scheduled for mid-March," Westerdahl said. **HME**

BRIEFS

Rehab Medical named best place to work

INDIANAPOLIS – Rehab Medical has been selected as one of Indiana's best places to work by the Indiana Chamber of Commerce. The statewide survey and awards program is designed to identify, recognize and honor participating employers in Indiana with leading workplace cultures. Rehab Medical is one of 37 companies to be recognized in the medium-sized category, with final rankings to be unveiled April 30. The company, under the direction of Alisshia Isaacs, director of human resources, overhauled its "employee experience" last year by adding an Employee Development Program through a partnership with trueU. It also launched a new annual program that recognizes four employees for exemplifying its core values of "showing compassion, being energetic to achieve and displaying hard work with balance" and gifting them all-inclusive trips. Other enhancements to the "employee experience" at Rehab Medical include two paid days for philanthropic events, a wellness plan that provides discounts on monthly health insurance premiums and a tuition reimbursement program.

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■ Earning accreditation from Joint Commission and URAC shows Soleo's commitment to quality, says CEO Drew Walk. See brief below.

NHIA sues HHS over transitional payment 1
 Stakeholders seek to fast track two bills 19
 Earnings: Viamed Health, InfuSystem 19
 Insulet hits milestone 20

BRIEFS

KCI to close NC service center

SAN ANTONIO – KCI USA has alerted state officials that it plans to eliminate 65 jobs at a service center in Charlotte, N.C., according to a local TV station. KCI, an Acelity Company, decided to “substantially reduce” its workforce after analyzing its “business situation and its available options,” according to a Worker Adjustment and Retraining Notification Letter filed with the North Carolina Department of Commerce. KCI will lay off employees in four phases, starting July 5 and ending Sept. 27, and then close the center, the TV station reports. The bulk of the jobs impacted are in order fulfillment support and management, with additional jobs impacted in billing and collections, customer service and administrative support.

PHS adds Schmerling as board member

ST. PAUL, Minn. – Pediatric Home Service, an independent pediatric homecare company, has appointed a new board member: Dr. James Schmerling, DHA, FACHE, president and CEO of Connecticut Children's Medical Center. Dr. Schmerling is a fellow in the American College of Health Care Executives and an adjunct faculty member in the Hospital Administration programs at the University of Alabama at Birmingham.

SMRC adds PAP supplies to to-do list

WASHINGTON – Noridian Healthcare Solutions, the Supplemental Medical Review Contractor, has added PAP supplies to its review list. The audit is a post-payment review of claims for dates of service from Jan. 1, 2017, through Dec. 31, 2017, according to a blog from the van Halem Group. The Office of Inspector General previously found that Medicare allowed replacement of PAP supplies more frequently than was reasonable and necessary, and that DME suppliers often did not have the required documentation.

Double accreditation for Soleo Health

MCKINNEY, Texas – Soleo Health has announced two accreditations: Home Care Accreditation from The Joint Commission and Specialty Pharmacy Accreditation from URAC. Soleo Health went through an onsite survey with the Joint Commission, demonstrating continuous compliance with its performance standards and earning a Gold Seal of Approval, a symbol of quality that reflects an organization's commitment to providing safe and effective care. Soleo earned a 97.62% score as part of its URAC accreditation, demonstrating its full-service pharmacy capabilities in serving patients with complex conditions. “Earning accreditation from The Joint Commission and URAC—two premiere healthcare quality improvement and accrediting bodies—is sheer evidence of our mission and commitment to providing the highest quality of care,” said CEO Drew Walk.

WOMEN'S HEALTH Stakeholders seek to fast track two bills

BY THERESA FLAHERTY, Managing Editor

WASHINGTON – With extensive groundwork laid in past sessions of Congress, stakeholders hope this is the year that bills seeking Medicare coverage for custom breast forms and compression garments for lymphedema get passed.

“We are encouraged by the reception—maybe we can do the right thing for women,” said Tom Powers, director of government relations for VGM. “There's a lot of interest in passing good public policy.”

Similar versions of the Breast Cancer Patient Equity Act, H.R. 1370 and S. 562, and The Lymphedema Treatment Act, S. 518—all introduced in February—have been introduced in the past and have received bipartisan support.

“Breast cancer tends to be a bipartisan issue,” said Nikki Jensen, vice president of Essentially Women. “Breast cancer, unfortunately, has touched so many lives across the country that it is very much an issue near and dear to everybody's heart.”

The previous custom breast forms bill was introduced late in the last session and served as more of a “placeholder” to allow stakeholders to lay some groundwork for this year.

“We were shopping it around to get a sense of Congress and what it might look like if we shot it out this year,” said Powers. “It's been our strategy to go to people that (we have) not reached out to—new members or members that haven't really been involved in co-sponsoring healthcare legislation and



Nikki Jensen

women's health issues in the past.”

Essentially Women also planned an email push for its new campaign for custom breast forms, #LetHerDecide, to coincide with International Women's Day on March 8.

“We ask for support for members of Congress to recognize that we are seeking equality for women and with that we look to the Breast Cancer Patient Equity Act to allow women to have the choice of custom breast prostheses after mastectomy,” said Jensen.

The previous compression garments bill, introduced in both the House of Representatives and the Senate in 2017, racked up 385 and 66 co-sponsors, respectively; S. 518 is already at 40 co-sponsors, said Jensen. **HME**

Viamed ready to ‘add fuel’ to expansion

Gap period in competitive bidding creates opportunity, company execs say

BY T. FLAHERTY, Managing Editor

LAFAYETTE, La. – Oxygen and sleep therapy are high on the list of expansion plans for Viamed Healthcare, company executives said on a Feb. 28 earnings call.

“Oxygen is something we've always had locally, but we didn't really scale it around the country because of the barriers that competitive bidding would represent,” said Todd Zehnder, COO. “Now we are looking at doing that around the

country. Same with sleep apnea.”

The company has worked diligently to lay that groundwork. Currently, it serves patients in 24 states and holds licenses in another 12, with a goal of getting licensed in all 48 lower states within the next 18 months, said CEO Casey Hoyt during the call.

“We expect 2019 to be a year in which we try to densify our coverage area, but also expand geographically,” he said. “We will add fuel to the tank bolting on more adjacent products and services to our existing patients.”

Viamed reported revenues

VIAMED SEE PAGE 20

InfuSystem sees growth potential in oncology

BY THERESA FLAHERTY, Managing Editor

MADISON HEIGHTS, Mich. – With one of its largest competitors changing its offerings in the oncology market, InfuSystem has a chance to pick up significant market share, said CEO Rich Dilorio on a recent earnings call.

“The feeling is that most of the customers they had are going to come to our site,” he said. “That should lead to material and sustained growth that's expected to show up in the second half of this year.”

InfuSystem reported net revenues of \$17.6 million for the fourth quarter of 2018, a 7% decrease compared to the same quarter in

INFUSYSTEM SEE PAGE 20

US joins lawsuit against Arriva Medical

NASHVILLE, Tenn. – The U.S. Justice Department has joined in a lawsuit that alleges Arriva Medical offered Medicare beneficiaries “free upgrades” of glucometers.

The lawsuit, filed under the False Claims Act, also alleges that Arriva and its parent company, Alere, submitted false claims for medically unnecessary glucometers, and paid kickbacks to beneficiaries in the form of free glucometers and co-pay waivers.

Additionally, it alleges Arriva made no meaningful effort to collect co-pays from beneficiaries, a violation of the Anti-Kickback Statute.

“When medical equipment companies

scheme to enrich themselves by unlawfully increasing the sales volume of durable medical equipment, they place our federal health care programs in jeopardy,” said Donald Cochran, U.S. Attorney for the Middle District of Tennessee. “The restrictions imposed by federal statutes exist to prevent improper practices, including providing unnecessary medical equipment and billing Medicare for it. We will continue to enforce the laws that protect the integrity of federal health care programs.”

The Coral Springs, Fla.-based Arriva, a mail-order diabetes testing supply company, ceased operations in Decem-

ber 2017 after losing an appeal seeking to reinstate its Medicare billing privileges. CMS revoked those privileges in 2016, alleging the provider submitted 211 claims for deceased patients between April 15, 2016, and April 25, 2016.

Prior to that, Arriva had been the top provider of mail-order diabetes supplies, receiving nearly \$120 million in Medicare payments in 2015.

Arriva was acquired by Alere, a Waltham, Mass.-based medical device manufacturer, in 2011; both companies were acquired by Abbott Laboratories in 2017. **HME**

DIABETES DIGEST

Insulet hits milestone

ACTON, Mass. – Insulet Corp. has reported net income of \$9.9 million for the fourth quarter of 2018 compared to a net loss of \$6.9 million for the same period in 2017. The company reported net income of \$3.3 million for all of 2018 vs. a net loss of \$26.8 million for 2017. It's the first time in Insulet's history that the company has achieved full-year positive operating income and net income.

"Insulet had a remarkable 2018, achieving our third consecutive year of over 20% revenue growth, significantly improving gross margin, and achieving profitability for the first year in the company's history," said Shacey Petrovic, president and CEO. "Our fourth quarter and full-year results were driven by strong commercial and operational execution, and gives us great momentum, ensuring more people

with diabetes can benefit from our life-changing equipment."

Insulet reported revenue of \$164.9 million for the fourth quarter of 2018, up 26% compared to \$130.5 million for the same period in 2017. The company's flagship product, the Omnipod Insulin Management System, generated revenue of \$93.2 million, a 22% increase.

The company reported revenue of \$563.8 million for all of 2018, up 22% compared to \$463.8 million for 2017. Omnipod generated revenue of \$172 million, up 43%.

Looking ahead at 2019, Insulet expects revenue in the range of \$662 million to \$687 million, representing growth of about 17% to 22%. It expects revenue of \$235 million to \$244 million for Omnipod, an increase of 37% to 42%. **HME**

Research: One Drop, Abbott

NEW YORK – One Drop has announced the results of a study demonstrating a -0.93 absolute A1c improvement among people with Type 2 diabetes who use its digital therapeutic solution and Afrezza, an inhaled insulin. What's more, A1c improved with the One Drop solution—One Drop Mobile app, One Drop Chrome glucose meter and testing supplies and One Drop Experts coaching—regardless of what type of insulin was used, according to outcomes presented at the 2019 Advanced Technologies & Treatments for Diabetes conference in Berlin. Previous research had already showed Afrezza improves the A1c of people with Type 2 diabetes... **Abbott** has announced data from three real-world evidence studies, which for the

first time included data from the United States, highlighting key benefits for people who use the FreeStyle Libre flash glucose monitoring system. They include reduction in prolonged hypoglycemia, better glucose control, decreased time in hyperglycemia and hypoglycemia, and increased time in optimal glucose range with frequent scanning, according to data presented at the ATTD conference. The FreeStyle Libre reads glucose levels through a sensor that can be worn on the back of the upper arm, eliminating the need for fingersticks. **HME**



in prolonged hypoglycemia, better glucose control, decreased time in hyperglycemia and hypoglycemia, and increased time in optimal glucose range with frequent scanning, according to data presented at the ATTD conference. The FreeStyle Libre reads glucose levels through a sensor that can be worn on the back of the upper arm, eliminating the need for fingersticks. **HME**

eliminating the need for fingersticks. **HME**

NHIA VS. HHS

CONTINUED FROM PAGE 1

IV administration day and, for these services to take place, this is how it needs to be reimbursed," she said. "We're going on two months now under this new system and these providers are now getting underpaid for their services. It's going to affect patient care."

The lawsuit, filed Feb. 14 in the U.S. District Court for the District of Columbia, seeks to: change regulations to comply with statute requirements, including "faithfully implementing the statutory definition of infusion drug administration calendar day"; withdraw or suspend the final rule until it is brought into compliance with the statute; and make prompt payments that have been withheld as a result of the final rule.

Pearce says the association hopes to make its arguments in late spring and receive a decision sometime this summer.

"Given that we have only a two-year window under this rule, we feel like we need to have an expedited process," she said. **HME**

"These providers are now getting underpaid for their services. It's going to impact patient care."

INFUSYSTEM

CONTINUED FROM PAGE 19

2017. It reported net revenues of \$67.1 million for 2018, a 5.5% decrease compared to 2017.

Increased market share, however, means investors can expect to see increased costs in the second quarter of 2019, as the company ramps up hiring and investments in infrastructure to support growth in the oncology market, said Dilorio, who sought to reassure investors.

"I realize that our long-term investors have heard this before—that the higher spending today will lead to growth in the future," he said. "But this is a different InfuSystem. Over the last (18 months) we have communicated that our priority was on pursuing operating efficiencies and improving cash flows, and I believe we've delivered."

To that end, the company reported \$11.4 million in operating cash flow in 2018, an increase of 48% compared to 2017, driven by an improvement in profitability by \$2.8 million, primarily due to net revenue growth and decreased selling, general and administrative costs; and an improvement in working capital net inflows of \$900,000, primarily due to increased accounts receivable collections.

The company is also banking on *InfuSystem Mobile, a patient safety app it debuted in May 2018, to help it grow market share. It connects patients with the infusion provider's products, expertise and registered nurses.

"The rollout is going well as we continue to set the standard for patient safety," said Dilorio. "Anecdotally, we hear tremendous feedback from not just the clinicians but the patients themselves. It's completely changed the oncology market." **HME**

VIEMED HEALTH

CONTINUED FROM PAGE 19

of \$18.5 million for the fourth quarter of 2018, an increase of 37% over the same quarter the previous year and its 10th consecutive quarter of growth.

The company grew its ventilator patient count by 8% during the quarter, driven, says CEO Hoyt, by the results of a KMPG study, published last fall, that shows reductions in mortality rates and hospital readmissions.

"That's proven to be a wakeup call in the community," he said during the call.

Viemed also managed to crack the Veterans Affairs market in the fourth quarter of 2018 and, while it's very early in the game, company execs see long-term potential there.

"The VA is a little behind the rest of the clinical community," said Zehnder. "They've got patients being placed on Bipap and being treated incorrectly. It's a revolving door of hospital admissions. We've just got to get out there and educate them."

Revenues for the full year were \$65.3 million, an increase of 39% compared to 2017. Adjusted EBITDA was \$4.9 million for the quarter and \$17.2 million for the year. Looking ahead, Viemed expects to generate revenues of \$20 million to \$20.5 million for the first quarter of 2019. **HME**

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Diabetes market: It's a study in contrasts

BY JOHN ANDREWS, Contributing Editor

THERE ARE few, if any HME product categories as mercurial as diabetes. On one hand, the disease remains prevalent and demand for related products is strong. On the other, difficulty in billing for products such as therapeutic shoes can cause problems for providers serving the market.

Ultimately, category specialists say success in this delicate business is possible, but that providers need to look at all dynamics to determine the best strategy for overcoming the market's challenges.

To Stephen O'Hare, president of Roswell, Ga.-based Pedors Shoes, the main pitfalls are high claims denial

seismic shift from volume-based to outcomes-based care represents an increased burden for providers, but that therapeutic shoes are also part of the solution.

"In order to proactively reduce healthcare costs and treat patients, preventative types of treatments and products, such as diabetic shoes, are going to continue to become more important," Kanter said.

Moreover, diabetes is "absolutely a strong market for HME," he added. "What we're continuing to see as far as diabetic footwear is concerned, is that podiatrists are more and more referring their patients to HME providers because they don't have the office infrastructure to handle the burdens of the therapeutic shoe claim."

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CATEGORY

Diabetes

MARKET IRONY

- **A delicate business:** While demand is strong for diabetes-related products like therapeutic shoes, capturing a consistent revenue stream is problematic for HME providers because of high claim denials rates and stringent outcomes-based ACO compliance requirements.

SUCCESS POSSIBLE

- **Resolve needed:** Providers need to look at all market dynamics to determine a business strategy that can overcome the category's challenges.

SHINE A LIGHT

- **Find solutions:** Because diabetes has a host of co-morbidities, products that relieve lymphedema and ancillary infections are worth considering.

rates and complying with Medicare's accountable care organization model requirements.

"The high rate of reimbursement denials have led to comparatively fewer providers in diabetic footwear," O'Hare said. "Those providers most skilled at fitting and providing therapeutic diabetic footwear, ironically, were most affected and companies have gone out of business due to the high percentage of claim denials."

Still, the incidence of diabetes and need for therapeutic footwear remains, O'Hare said, while "access to qualified providers has been negatively impacted."

The ACO model being adopted by Medicare is designed to improve patient outcomes while reducing costs—admirable goals, O'Hare acknowledges.

"However, once you factor in the additional responsibilities as they relate to compliance and the process of reporting accountability, an additional layer of cost is added back in," he said. "I'm uncertain of how the quality of care and outcomes are measured for people with diabetes, so it's difficult to know whether the products and services can be interpreted as improving their lives. Perhaps it does for those patients with access to the care, but my guess is there has been a drop in overall access. Efficiency-driven initiatives will inevitably impact service coverage, especially in rural areas, where diabetes incidence is highest."

Bobby Kanter, CEO of Milwaukee-based Anodyne Shoes, agrees that the

OVERLOOKED PRODUCTS

As a chronic disease with multiple comorbidities, diabetes touches a wide range of product categories that often escape notice because there isn't an apparent connection. As a result, there are devices and equipment that are being overlooked by healthcare providers, said Shannon Madden, marketing manager of therapy for Chattanooga, Tenn.-based Richmar.

"There is always room for improvement and innovation to serve patients better," Madden said. "Feedback from caregivers on the problems their patients face is important to drive improvements and innovation. Just as important is caregivers actively seeking out what already exists in the marketplace."

For example, Hivamat Deep Oscillation Therapy is a highly effective treatment for lymphedema, commonly found in diabetes patients.

"Despite clinical evidence for its efficacy and being available for 25 years, Hivamat is barely known outside of athletics," Madden said. "It could be the bias of 'it's what we've always done' that causes caregivers to shy away from trying new treatments and technologies, the same way it does in other fields."

Patients with diabetes are also more likely to develop infections, with significant risk for mortality from infections caused by Gram-negative bacteria, Madden said.

Electrotherapy is an effective solution for diabetes patients suffering from peripheral neuropathy.

"Improving methods of infection prevention for a patient demographic that is known for its susceptibility of infection is an obvious choice," he said. "Integrating infection prevention measures into products that are already used in conjunction with diabetes patient care is an easy way to mitigate the risks of infection without altering the practices of the clinician." **HME**

NEXT MONTH: WE WILL BE SOLICITING BILLING SYSTEMS AND SERVICES for our May Business Development and Product Spotlight features. That includes products and services for billing, documentation, compliance, fulfillment, patient co-pay, collections and other. Keep an eye out for a flyer from Managing Editor Theresa Flaherty.

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Warm climate awaits

BY JOHN ANDREWS, Contributing Editor

LAS VEGAS – The expectation is for sunny and warm conditions from a weather perspective. But what about the HME industry forecast? Based on the content available at Medtrade Spring, April 16-18, at the Mandalay Bay Convention Center, show organizers are hoping attendees will find a pleasant climate to improve their businesses.

Show Director Kevin Gaffney has been in charge of both Medtrade shows for many years and continues to focus on creating an experience that makes the trip worthwhile for providers.

“We do not take anyone’s attendance as a given, and instead believe we must re-earn that loyalty every single year,” he said. “Providers spend their time, money and effort away from the business to attend the shows. There is an intangible that comes from getting out of your element and focusing on the business with like-minded people.”

As always, education is an overarching feature of Medtrade Spring and the continuing education unit courses that were introduced at the Atlanta show will be available for the first time in Las Vegas.

The Rise & Retail Breakfast Roundtables, sponsored by VGM Retail, will be held on April 18 from 8 a.m. to 9:30 a.m. At this new event, attendees have the chance to fill up on

breakfast while rotating between four roundtables that discuss employee training, marketing, products and merchandising.

Stalwart events are also included in the program, such as the Stand Up for Homecare fundraiser, Power Lunch, Audit Happy Hour and AAHomecare’s Washington Update. Chief among the hot topics is the “gap period” and “any willing provider” phase of Medicare competitive bidding.

“We will be able to see what challenges and opportunities are arising with this issue at show time,” Gaffney said. “The experiences shared at Medtrade Spring could well determine the direction of many companies throughout the course of 2019.”

NEW BLOOD ARRIVES

Medtrade Spring is welcoming an influx of approximately 40 first-time exhibitors at this year’s show and Gaffney says they are excited about participating. Their participation makes Medtrade more vital because they can offer practical knowledge and the “intangible inspiration” that the industry needs, he said.

“The feedback from exhibitors who have signed up is generally optimistic,” Gaffney said. “Our exhibitors see themselves as partners and as active participants in a show that is designed to unify the industry. This is their show, our show and your show. It is the ideal place to meet, commiserate, plan and, ultimately, succeed.” **HME**

Five safe bets at Medtrade Spring

BY GREG THOMPSON

THE PROVERBIAL “good old days” may indeed be gone, but the good new days may well be around the corner. For providers who have rejected nostalgia, Medtrade Spring has long represented the promise of a fresh new season.

“Medtrade Spring is the perfect opportunity to jumpstart the year and discover new products, new knowledge, and fresh inspiration,” says Kevin Gaffney, vice president and group show director, Medtrade.

Unlike a roll of the dice at the craps table, those who make the trip to Las Vegas routinely come away with some predictable reactions. Call it the five safe bets of Medtrade Spring: fruitful networking; new knowledge; new products; continuing education units; and inspiration.

NO. 1 NETWORKING EVENTS

Networking at Medtrade Spring can happen via planned events or chance meetings in hallways and educational sessions. These crucial social connections can yield valuable



DON'T JUST ROLL THE DICE. Here are five safe bets to count on at Medtrade Spring.

information, or merely provide an avenue to share common challenges.

“Linked In, Facebook, and Twitter are all wonderful ways to get to know people, but these types of social media platforms take a backseat to meeting people face to face,” adds Sarah Varner, senior director of marketing, Medtrade. “Audit Happy Hour, Stand Up for Homecare, and those chance meetings make Medtrade Spring an amazing event.”

NO. 2 NEW KNOWLEDGE

Beyond the expo hall, HME industry leaders present the latest updates and provide unmatched educational offerings that help providers find and leverage new opportuni-

SAFE BETS SEE NEXT PAGE

SPEAKER SPOTLIGHT

Don't get 'railroaded'

BY TRACY ORZEL, Contributing Writer

LAS VEGAS – Now that Medicare and Medicaid are turning to managed care organizations (MCOs) more and more to cut costs, HME providers must be vigilant to make sure they get a fair deal, says Pam Colbert, an attorney with Brown & Fortunato. HME News recently spoke with Colbert, who is hosting two sessions at Medtrade Spring this year related to MCOs, about what providers need to know to play ball in this market and how to get paid.

HME NEWS: What are we dealing with here: How many Medicare and Medicaid beneficiaries do MCOs cover?

Pam Colbert: In 2019, 22.6 million or 36% of Medicare beneficiaries were enrolled in a managed care plan. The estimated number of Medicaid and CHIP beneficiaries enrolled at the end of 2018 was approximately 54 million individuals.

HME: How can providers make sure they get a fair deal when working with MCOs?

Colbert: They should work with their state associations, their federal and state representatives, CMS and their state Medicaid legal department. Beneficiary testimonials

are the best, strongest tool they have. And then there are the legal options. I know not every one can afford lawyers, but that, generally, is a very good avenue, as well.

HME: What should providers look for when it comes to MCO contracts?

Colbert: They're going to be boilerplate contracts, but if the MCO tries to unilaterally alter it and say, “We're going to cut your rates and you have no rights to negotiate those rates,” providers need to have a unified group, like an association. They can then file a complaint with the state agency, so the MCOs realize they don't get to just railroad over them.

HME: How do you see the MCO landscape evolving?

Colbert: I hate to say it, but I think MCOs are going to continue. There is some resistance, and at least now the states and the federal government are beginning to realize they can't trust that they'll do the right thing anymore. It's like turning your child over to daycare; you have to make sure they're really being taken care of. **HME**



Pam Colbert

SHOW PRODUCT DEBUTS

DME

Spry Therapeutics Spry Pure

PneumaPure Filter Technology is a medically validated, lab-tested and hospital-approved filter technology for soft surfaces. 100% effective in blocking harmful pathogens such as bacteria, viruses and fungi, while remaining well-ventilated, breathable and comfortable.

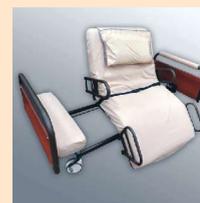
www.sprytherapeutics.com
BOOTH: 1109



Great Life Healthcare Roto Assist Bed

In keeping with Great Life Healthcare's goal of returning dignity to patients, we are proud to introduce the Roto Assist Bed at Medtrade Spring. This wonder bed combines conventional powered head and foot sections with a revolutionary power rotation of the main surface to allow easy exit and entrance for patients and caregivers, unlike other homecare beds today. In the entry/exit position the bed lowers the foot section similar to a lift chair.

www.greatlifehealthcare.com
BOOTH: 1214



Invacare Corporation Invacare microAIR Therapeutic Support Surfaces

Introducing the new Invacare microAIR Therapeutic Support Surface lineup. Whether you need an easy-to-use, 2-in-1 alternating pressure low air loss mattress or an advanced system featuring 3-in-1 alternating pressure with true air loss, pulsation and rotation therapies, Invacare offers a full line of Therapeutic Support Surfaces to address patients' conditions from low risk to Stage IV pressure injuries, and a 1,000-pound weight capacity.

www.invacare.com
BOOTH: 715



Bio Compression Systems VascuEase

Our new VascuEase is a fully portable, compact DVT system. It is tube free and runs on a lithium ion battery that supplies more than 20 hours of treatment from a single charge. The one-size-fits-all sleeve is breathable, soft to the touch and washable. The pumps are removable and reusable.

www.biocompression.com
BOOTH: 1018



Doctor in the House**The Miracle Meditation Sleep Mask**

Create your own healing space anywhere. This patent-pending device combines light blocking, eye space protection, healing sound system and soothing comfort—literally surrounding your head. It's an entire healing/relaxation system that allows you to relax and heal. Treats sleep disorders, pain, anxiety, snoring, carpal tunnel and sleep apnea; and decreases anesthesia and post-op medications for surgery.

www.docinthehouse.com
BOOTH: 1039

Oxygen**Precision Medical, Inc.****Live Active Five Portable Oxygen Concentrator**

The all new Live Active Five POC delivers the highest oxygen purity possible on all five pulse settings. Utilizing VPSA technology, each sieve bed is perfectly regenerated every cycle helping providers eliminate frequent sieve bed replacements. The POC weighs 4.9 pounds and provides a duration of more than six hours with each battery and two-hour charge time.



www.precisionmedical.com
BOOTH: 902

ResMed**Mobi**

ResMed Mobi is a portable oxygen concentrator for everyday use. With reliable oxygen delivery, lightweight design and market-leading battery life, Mobi has everything patients need to stay active.



www.resmed.com
BOOTH: 527

OxyGo**OxyGo FIT with Bluetooth Connectivity**

With the new Bluetooth-enabled OxyGo FIT you can be there for your patients without ever leaving the office. The three-setting intelligent pulse-dose OxyGo FIT is the smallest and lightest member of the OxyGo family. Both providers and patients can check battery life, column life, oxygen purity and more with the touch of a button. Keep your patients going—with OxyGo.



www.oxygo.life
BOOTH: 809

Western Enterprises**OxyTOTE NG**

Designed to meet the demands of both EMS emergency services, as well as in-hospital patient transport. It is small, lightweight and ergonomically designed. The OxyTOTE NG's SureClick feature locks in oxygen flow with accuracy. The impact shroud protects the regulator, gauge, and hose barb from accidental damage. No hassle with wrenches, washers or attachments—just a simple way for you to do your job and ensure your patient is getting the care they need quickly and efficiently.



www.westernenterprises.com
BOOTH: 1006

Pediatrics**Drylock Technologies Ltd.****Magics Flexidry**

We believe your little ones should have the best protection and comfort in a diaper. That's why we've created Magics Flexidry diapers for comfortable day and night protection. Available in sizes 1-7.

www.drylocktechnologies.com
BOOTH: 334

CPAP**AirAvant Medical****Bongo Rx**

Bongo Rx is an FDA-cleared device for mild to moderate sleep apnea. Bongo Rx uses no hose or machine, instead using the patient's own breath to create EPAP. It comes in small, medium, large and extra large, and can fit in your shirt pocket. Great for camping, travel or for those patients that are non-compliant on standard CPAP therapy. See us in the New Product Pavilion.



www.airavant.com
BOOTH: 639

Breas Medical, Inc.**Z2 CPAP**

Introducing the Z2, the next generation of travel CPAPs from Breas Medical. The Z2 is ultra-small and lightweight to fit in your suitcase. Its new motor and firmware, combined with the included Qtube, are designed to reduce both the static and dynamic noise from the device and the mask.

The Z2 does not require the use of a proprietary mask. The Z2 is available as a fixed pressure CPAP (Z2 CPAP) and an auto adjusting APAP (Z2 Auto).

www.breas.us
BOOTH: 1215

**WakeWell, LLC****Snugz Nasal Mask Liner**

Snugz are one-size-fits-most liners designed to fit snugly on any full-face or nasal CPAP masks. They help reduce noisy leaks, prevent redness and irritation, and feel great against your skin. Snugz moisture-wicking and breathable fabrics make your mask feel cool, dry and comfortable.

www.sleepsnugz.com
BOOTH: 1138

ResMed**AirFit N30i**

Introducing ResMed AirFit N30i, a CPAP mask that breaks all the rules. Its top-of-the-head tube design gives patients the freedom to sleep in any position and closer to their bed partner. It also features a nasal cradle cushion and SpringFit frame that provide a compact, personalized fit.

www.resmed.com
BOOTH: 527

Scooters**Pride Mobility Products****Product name: ZT10 Scooter**

The ZT10 from Pride is a full-size, four-wheel scooter with a three-wheel turning radius. Featuring patented iTurn Technology and CTS Suspension, the ZT10 has a power dual motor that provides indoor/outdoor use with superb traction, including on gravel, trails and grass. Other product highlights include a three-speed control dial, a full LED lighting package with turn signals, an integrated cupholder in the tiller and a 400-pound weight capacity.

www.pridemobility.com
BOOTH: 513

**Bath safety****Great Life Healthcare****Rim Air**

Great Life is proud to introduce at Medtrade Spring our new bathing system. Most patients have limited choices once they lose the ability to safely enter tubs and showers. The Rim Air system components allow patients the freedom to shower or take a bath in their own bed. You can combine our inflatable tub and liner with a hose system to connect to traditional faucets or add our portable tank with pump and warmer called Doris.

www.greatlifehealthcare.com
BOOTH: 1214

Software**Advanced Diagnostic Solutions Inc.****ADSI**

ADSI is the first ever IDTF to integrate with Brightree, or any other HME billing platform, to help automate oximetry and HST programs nationwide. Our free integration allows Brightree users to focus on their business instead of duplicate data entry, faxing and other related tasks.

www.dynamicdiagnostic.com
BOOTH: 717

Quality Biomedical**Q-Connect Equipment Service Management**

Q-Connect is equipment service made easy. Manage all of your service transactions online, across all of your branches and all of your users. View estimates, monitor delivery schedules, and download service reports all within seconds. You can set up certain users to generate RMAs, and other users as approvers, customizing your workflow to your team. Now integrated with Brightree, Q-Connect gives you improved data exchange and better workflows.

www.qualitybiomedical.com
BOOTH: 539

Computers Unlimited/TIMS Software**TIMS Software eDrop Ship**

With TIMS Software's eDrop shipping features, HME/DME providers can seamlessly provide products directly from product vendor to customer, without having to stock and pick inventory or organize delivery. Our eDrop shipping partners continue to expand, giving TIMS Software users more choice than ever before. With TIMS Software eDrop shipping, you can create and send POs to your vendor via electronic data interchange and receive a confirmation or exception email to close the loop.

www.cu.net
BOOTH: 427

**Brightree LLC****Brightree Advanced Analytics**

With an easy-to-use interface, professional support, and billions of data points of comparison from HME providers across the nation, Brightree Advanced Analytics provides an essential business development tool for your arsenal. We give you a clear, organized picture of your data so you can easily highlight trends, find opportunities and act on those insights for improved outcomes. We put scalable data into your hands; you make smarter decisions for your business and your patients.

www.brightree.com
BOOTH: 317

**SAFE BETS**

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ties. The Medtrade conference program is loaded with insights to help attendees understand the ever-changing legislative/regulatory environment, and the opportunities of retail and other diversification strategies.

In addition to educational sessions, Medtrade Spring has four workshops scheduled for day one (April 16) of the show. Key exhibitors/speakers will offer four in-depth educational opportunities, available as an add-on to the conference or expo pass, and fees vary per workshop.

NO. 3 NEW PRODUCTS

Medtrade Spring is the second largest trade-show in the U.S. focused exclusively on the home medical equipment market. Medtrade Spring is designed to give today's providers the largest selection of HME products under one roof.

Orthotics**TayCo Brace, LLC****TayCo External Ankle Brace**

The TayCo External Ankle Brace is a lightweight, functional alternative to the walking boot. Originally designed for elite athletes, the TayCo External Ankle Brace keeps everyday patients in the game of life.

www.taycobrace.com
BOOTH: 542

**ARYSE****SFAST**

The patent-pending SFAST is a simple, innovative solution to shoulder joint instability. Previous shoulder bracing devices have been known for being difficult to fit and adjust. The SFAST's one-piece structure utilizes a patent-pending polyurethane strap configuration that mimics the body's natural movement, while maintaining dynamic end range of motion support. This simple-to-fit design allows the brace to be adjustable and provides long-lasting stability.



www.aryse.com
BOOTH: 719

Orthozone**Thermoskin CMC Flexion Thumb Brace**

Thermoskin CMC Flexion Thumb Brace stabilizes and restricts movement of the thumb, while allowing full function of the rest of the hand. Low profile and lightweight design for user comfort. Easy application with adjustable straps. Can be used in conjunction with the Thermoskin Wrist Thumb Sleeve for added comfort and increased heat therapy thermal properties.



www.orthozone.com
BOOTH: 434

Disposables**OxyGo****OxyGo Disposables**

OxyGo now offers a high-quality line of disposables which consists of cannula, tubing and accessories at an affordable price without sacrificing patient comfort. All tubing comes with kink resistant, six channel lumen design and is latex and BPA free.

OxyGo® Disposables



www.oxygo.life
Booth: 809

NO. 4 CONTINUING EDUCATION UNITS

Thanks to the educational team at Quantum Rehab/Pride Mobility Products, continuing education units (CEUs) are back at Medtrade Spring. Each class offers 0.20 CEUs. Courses are free, but registration for the Expo at Medtrade Spring is required, in addition to registration with Pride Mobility/Quantum Rehab.

NO. 5 INSPIRATION

It's difficult to quantify, but a little inspiration can go a long way toward maintaining motivation in the challenging HME industry.

"The inspiration factor of attending can't be underestimated," Gaffney says. "The 'safe bets' at Medtrade Spring—fruitful networking, new knowledge, new products and continuing education units all foster that element of inspiration, and that feeling is a priority for all of the organizers, presenters, and exhibitors. We all want to foster that feeling in attendees." **HME**

■ PurWell began offering a variety of CBD products in February. See story below.



EARNINGS REPORTS

Inogen consumer sales shine in fourth quarter

B2B sales, however, slow due to reduction in orders from one national provider

BY LIZ BEAULIEU, Editor

GOLETA, Calif. – 2018 was a “year of investment” for Inogen and it paid off, company officials say, with a 50.4% increase in direct-to-consumer sales in the fourth quarter.

The company topped out at 446 inside sales reps for its DTC segment by the end of 2018, a nearly 70% increase compared to 2017.

“We feel very comfortable investing in sales capacity, looking at the long-term (potential of the POC market),” said CEO Scott Wilkinson during a conference call to discuss the company’s latest financial results. “We made some conscious decisions that we were going to make some investments in 2018 and that we were going to focus a little less than we have in the past on our bottom line. And if

INOGEN EARNS SEE NEXT PAGE



S. Wilkinson

\$4M increase in COGS due to tariffs

When Inogen held a conference call on Feb. 26 to discuss its most recent financial results, President Donald Trump had just announced that he would again delay a planned increase in tariffs on products imported from China.

Here’s what Inogen CEO Scott Wilkinson had to say about the company’s strategy:

“On Dec. 1, 2018, the U.S. and China agree to postpone any increase in existing or new tariffs until March 1, 2019, as both sides work toward a more amicable trade deal. Specifically, the U.S. refrained from increasing its China import tax from 10% to 25% effective Jan 1., 2019, on \$200 billion of imported Chinese materials and products.

“President Trump decided on Feb. 24, 2019, to delay the increase from 10% to 25% effective March 1, 2019; however, no official trade deal has

been reached and no timing was given for how long this additional delay will last.

“Given the level of uncertainty around this global issue, our 2019 guidance continues to assume the full impact of these tariffs on applicable Chinese-sourced materials. Included in guidance is an estimated \$4 million increase to our cost of goods sold in 2019 for the revenue range listed.

“Going forward, we will continue to monitor any new tariff proposals and economic policy changes and take the necessary steps to protect our financial interests and mitigate our standard material cost risks.”

For 2019, Inogen has a total revenue guidance range of \$430 million to \$440 million, representing growth of 20.1% to 22.9% compared to 2018. **HME**

PurWell takes VirtuOx approach

BY LIZ BEAULIEU, Editor

DELRAY BEACH, Fla. – PurWell, a spin-off of VirtuOx, an IDTF for sleep disorders and respiratory diseases, entered the increasingly crowded market for CBD products in February.

CEO Jon Fedele says PurWell plans to differentiate itself from other companies that have entered the market recently, like Green Roads and VGM’s bontaniCo, by offering HME providers a number of programs to help them get started.

“In addition to offering products for sale that a DME company can then turn around and sell retail, what we’re really going to excel at are programs,” he said. “We’re offering a couple of different no-cost-to-entry programs for companies that want to promote and sell our products.”



Jon Fedele

Through an affiliate program, for example, providers can place kiosks in their retail locations. Customers can then use the kiosks to purchase products directly from PurWell’s e-commerce website, but providers get an “affiliate fee,” allowing them to earn revenues without investing in inventory or worrying about their regulatory compliance, Fedele says.

Alternatively, PurWell will stock providers with retail displays and promotional materials to help them educate their customers and sell the company’s line of products, which includes tinctures, capsules, salves and lotions.

“We’re building this business much like we built VirtuOx’s business—by offering solutions and opportunities to help DME companies manage and grow their businesses,” Fedele said. “It’s the same approach.”

A manufacturer approached VirtuOx a year ago about developing a custom formulation for sleep, attracted by the

PURWELL SEE NEXT PAGE

BRIEFS

ResMed, F&P put patent disputes behind them

SAN DIEGO and AUCKLAND, N.Z. – ResMed and Fisher & Paykel Healthcare have agreed to settle all outstanding patent infringement disputes between the two companies. The settlement includes no payment or admission of liability by either side, according to a press release. Under the agreement, all ongoing proceedings against named products—including ResMed’s AirSense flow generators; AirFit P10, Swift LT and Swift FX masks; and F&P’s Simplus, Eson and Eson 2 masks—will be dismissed. “This agreement supports the best interests of ResMed and all of our stakeholders, including patients, providers, physicians, and shareholders,” said ResMed CEO Mick Farrell. F&P also said it was pleased with the outcome. “We have an ongoing commitment to improve patient care and outcomes through inspired and world-leading healthcare solutions and this resolution supports that commitment,” said CEO Lewis Gradon. The two companies have been embroiled in disputes for several years.

GEMCO launches wound care line

HUDSON, Ohio – GEMCO Medical has added GEMCORE360 advanced wound care products to its portfolio. The line includes transparent thin films, alginate dressings, silver alginate dressings, hydrocolloid dressings, foam dressings and PHMB foam dressings. “Our new wound care line is a great complement to the existing product lines we distribute,” said Rich Keirn, vice president/general manager of GEMCO Medical.

Cure Medical supports Ms. Wheelchair America

BYRON CENTER, Mich. – Ms. Wheelchair America has announced a new partnership with Cure Medical to be the organization’s exclusive urological catheter sponsor. “This partnership will help Ms. Wheelchair America continue to empower women of achievement through leadership, advocacy and education,” said Shelly Loose, president of Ms. Wheelchair America. As an exclusive sponsor, Cure Medical will financially support the mission of the Ms. Wheelchair organization so that state titleholders can continue to advocate for the more than 56 million Americans living with disabilities. The company will also be featured at the 48th annual Ms. Wheelchair America National Competition, July 1-7 in Little Rock, Ark., where Ms. Wheelchair America 2020 will be crowned.

Award highlights BOC’s ‘Sales Distinction’

OWINGS MILLS, Md. – The Board of Certification/Accreditation has won a Stevie Award for Sales Distinction of the Year. It’s BOC’s ninth consecutive award. The award for Sales Distinction of the Year in the “Healthcare, Pharmaceuticals and Related Industries” category recognizes the company’s successful growth despite a decline in one of its largest customer target markets: DME.

IVC re-evaluates biz segments

BY LIZ BEAULIEU, Editor

ELYRIA, Ohio – Amid headwinds from tariffs and changes to Medicare’s competitive bidding program, Invacare announced an “enhanced transformation and growth plan” during a conference call on Feb. 14 to discuss its fourth quarter and full year financial results.

A key element of the plan: re-evaluating all business segments and product lines for potential profitability. For the North America/HME business segment, specifically, that means adjusting the portfolio to support consistent growth and drive faster innovation, and redesign business processes to lower cost and improve customer experience, says

Matt Monaghan.

“We have engaged third-party experts to help assess, plan and support the execution of improvement opportunities to ensure the best plans are adopted across the entire enterprise,” said Monaghan, chairman, president and CEO.

Other elements of the plan include: in Europe, leveraging centralized innovation and supply chain capabilities, while reducing the cost and complexity of a legacy infrastructure; in Asia/Pacific, remaining focused on sustainable growth and expansion; and globally, taking actions



M. Monaghan

to reduce working capital and improve cash flow.

Invacare has also adjusted its EBITDA target of \$100 million run rate by the third quarter of 2020 to \$85 million to \$100 million by the end of 2020.

“While it’s still early in the development of external factors, we think we’re well positioned to deliver EBITDA at or near the original target,” Monaghan said.

Monaghan declined to provide specific changes to Invacare’s product portfolio, but he said, “Actions are already under way.”

“We need to do more consolidation and distribution,” he said. “We need to look at every single product to say,

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INOGEN EARNS

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you look at our growth rates, we accelerated pretty significantly in 2018 versus the previous years and that's even on a higher base."

Inogen reported total revenue of \$86.5 million for the fourth quarter of 2018, up 35.7% over the same period in 2017, and a net income of \$10 million vs. a net loss of \$606,000. For the year, the company reported total revenue of \$358.1 million in 2018 vs. \$249.4 million in 2017, and a net income of \$51.8 million vs. \$21 million.

It was a slightly different story for Inogen's domestic business-to-business segment, which saw sales increase only 16% in the fourth quarter of 2018 compared to the same period in 2017. A big reason: one national provider slowed its orders in the quarter.

"The large customer that slowed their purchases, they bought at a much heavier rate in the fourth quarter of 2017 and the first half of 2018, and then they started to slow down in the end of the third quarter and in the fourth quarter," he said. "We don't know when they might pickup."

The rest of Inogen's provider customers, however, continued to buy at a rate that was consistent with the prior four quarters.

"So we've got a nice diversified customer base," Wilkinson said. "The rest of them continue to purchase at a nice growth rate."

The call was the first since an activist investor called into question* Inogen's estimate of a total available market (TAM) for POCs of 3 million, saying it was closer to 1.3 million.

"There is no change to our TAM estimate of 2.5 million to 3 million patients," Wilkinson said. "We've looked at it a few different ways, and we keep landing in the same area." **HME**

IVC EARNS

CONTINUED FROM PREVIOUS PAGE

"Can we really afford to continue making it with the mix of imported goods? Can we consolidate many varieties of products into fewer varieties that still provide those features and benefits, but have greater sourcing synergies?"

One product line that will likely be safe: seating and mobility. Net sales for the line increased 5% in the fourth quarter of 2018 and 8.5% for all of 2018, while net sales decreased 7.3% for all of NA/HME in the fourth quarter.

"We have more time and market to continue selling the (seating and mobility) products that we've been delivering since 2017 that are new," Monaghan said. "We have some new line extensions and software features, and I think there's better uptake now in the marketplace with the benefits of remote diagnostics."

Overall, Invacare ended 2018 on a slightly higher note: It reported net sales of \$972.3 million for 2018, a 0.6% increase compared to 2017, and a net loss of \$43.9 million vs. 76.5 million.

"2018 was a strong year of progress in our transformation," Monaghan said. **HME**

BELLUSCURA

CONTINUED FROM PAGE 1

million, so it's not our only source of funding, but we decided that crowdfunding, whether successful or not, is a great way to market a new product," said Bob Rauker, CEO. "This way people can see the product and show interest in it."

In March, Belluscura had raised 242,240 pounds, 48% of its funding target, from 73 investors in nine countries.

Belluscura plans to enter a competitive POC market with a unit that it says has several advantages: it costs 10% to 20% less than other units; it weighs less than 3 pounds without battery; it features user replaceable sieve beds; and it can be used as a 3L or 5L unit with a change of cartridge.

"You can spend \$2,500 on a unit and, when your disease progresses, you're stuck and have to buy a new unit," said Cary Parrott, senior vice president of sales & marketing.

SYMPOSIUM

CONTINUED FROM PAGE 1

providers, going to websites and manually trying to gain that information," he said. "We've been able to use a third-party database to set up a proprietary process that allows us to garner that information on an automatic basis."

Technology and how NSM is leveraging it was an overarching theme at the symposium. Other highlights:

REMOTE TRIAGE

The company has partnered with a third-party app to launch Remote Triage, a digital tool allowing technicians to remotely diagnose equipment problems. If a client agrees to use it, the technician sends a text or email link to download the application. When a pin code is typed into the app, a live feed connection is established through the client's camera to provide

Belluscura describes its go-to-market strategy for the X-PLO2R as "agnostic."

"Whether we eventually become a company that sells direct or goes through (providers), we want to put out the best product in the market," Rauker said.

In other words, as a startup company, Belluscura's weighing all of its options, and it has received interest from a provider looking to be exclusive and from a company based outside of the U.S. but that is looking to crack the U.S. market for POCs.

"We have a path to market, but that path has a lot of branches," Parrott said.

Belluscura also has plans that go beyond the X-PLO2R. Its product pipeline also includes, for example, a portable low-pressure topical oxygen device targeted at people with diabetes with wounds.

"Unlike a lot of companies in the market right now, our patents provide the ability to add products to differentiate ourselves in a market and give customers new technology," Rauker said. **HME**

a visual of the issue or need. "With the world of connectivity where it is right now, we're moving to a place where we're talking to our clients in their homes," Mixon said.

ORDER STATUS

The company has launched <https://mynsmorder.com> to allow clients and their clinicians to track the status of their orders anytime. "We have a six-step process for orders," said Stephanie Buckley, vice president of marketing. "It can be complicated. Through this website, clients can get a text notification every time their order moves through a step."

Also at the symposium, NSM highlighted a new onboarding program for new ATPs and branch leaders. The company has transformed a more "grassroots" process on a regional basis into a three-day training program at the company's corporate headquarters that involves, among other things, meeting with all department heads. **HME**

PURWELL BETS ON CBD

CONTINUED FROM PREVIOUS PAGE

company's footprint in the home sleep diagnostic market, Fedele says.

"We have a huge captive market," he said. "We do 30,000 tests every month now."

The two companies then worked for six months on that formulation, did some non-formal and non-FDA testing, tweaked the product and found "it worked really well," Fedele says.

"Our original plan was to sell it directly to our VirtuOx clients, but the more we researched the industry and the more we learned about the products and the benefits of CBD, we decided (it was a bigger opportunity) and to spin it off and create PurWell," he said. **HME**

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BRIEFS

WellSky cracks market for long-term acute care

LENEXA, Kan. – WellSky, a provider of health and community care technology, has acquired Health Care Software, a provider of integrated clinical and financial IT software for long-term and post-acute care providers, the companies announced Feb. 26. The deal allows WellSky to add long-term acute care hospitals and inpatient psychiatric care, inpatient rehab, senior living and long-term care facilities to its portfolio, which already includes home health, hospice, home infusion and specialty pharmacy. "At WellSky, we're using innovative technology to connect once-disparate care settings to ensure patients receive seamless quality care, regardless of how they transition during their care journeys," said Bill Miller, CEO of WellSky. "HCS is highly respected for providing clients with flexible, enterprise software solutions, and together, we're committed to continuing that legacy and advancing long-term and post-acute care."

QS/1 executive tapped by ASAP

SPARTANBURG, S.C. – Sonny Anderson, vice president of technology for QS/1, has been elected president of the American Society for Automation in Pharmacy. Anderson, who joined QS/1 in 1983, has played an instrumental role in the creation and development of multiple products, according to a press release. "As someone who has spent their entire career participating in the creation of technology solutions for pharmacy, this is a true honor for me," said Anderson in the release. ASAP promotes the role technology plays in assisting pharmacist with improving efficiently and patient safety.



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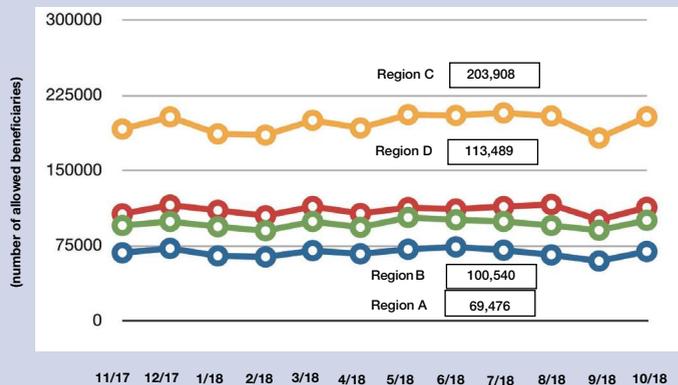
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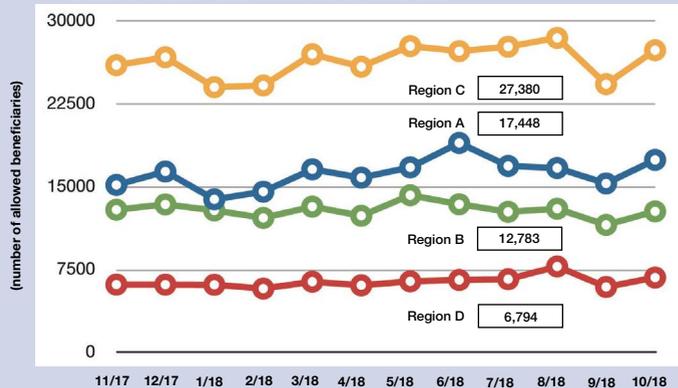
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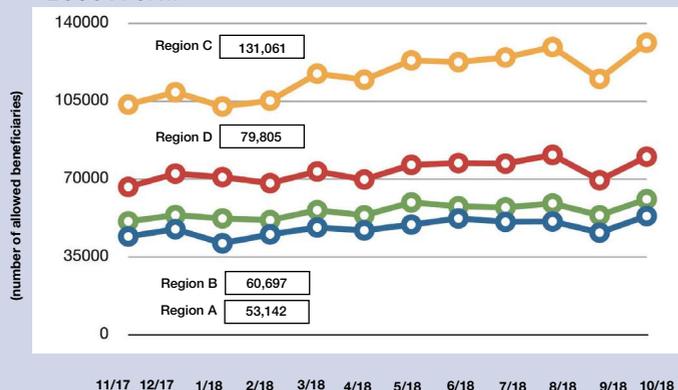
E 1390: OXYGEN CONCENTRATOR



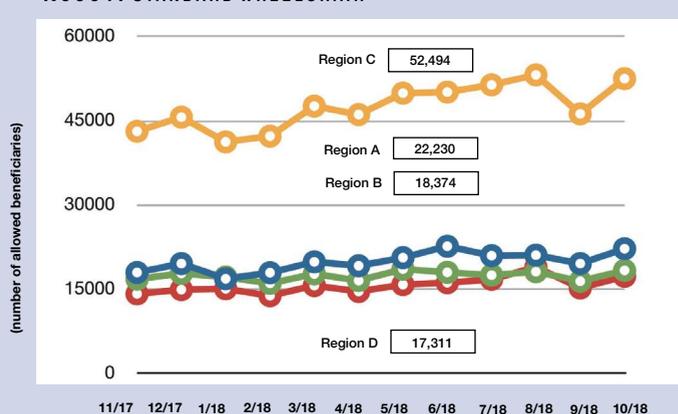
E 0260: SEMI-ELECTRIC HOSPITAL BED



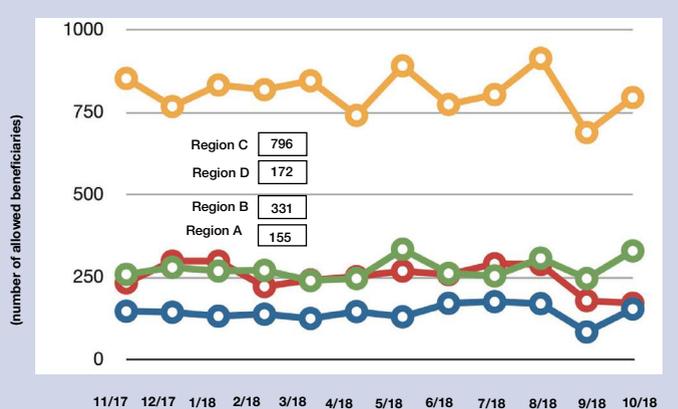
E 0601: CPAP



K 0001: STANDARD WHEELCHAIR



K 0823: POWER WHEELCHAIR**



**We are now tracking K0823 claims with certain modifiers (NU, UE or RR/KH) to better reflect the actual number of new allowed beneficiaries under the 13-month capped rental.

*The Medicare Market Marker provides a monthly look at the number of Medicare beneficiaries for whom the four MACs have allowed a claims payment.

HMEDATABANK.COM

The HME DataBank has the latest Medicare reimbursement data for the top 1,000 HME providers nationally in 103 key product categories, as well as for all of the products in the NCB program. You can determine your market share, look for new product opportunities and check out your competition using the latest available Medicare data. Go to hmedatabank.com to learn more.



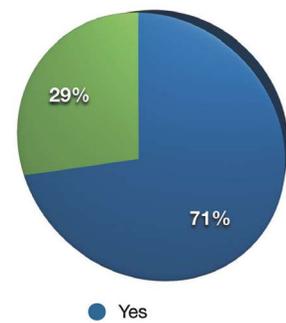
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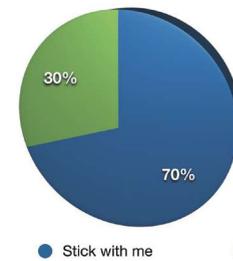
HME NEWS POLL

Does it concern you that CVS's HealthHUBs will sell CPAP masks?



"Large retailers like CVS will not provide the kind of support that is needed to ensure correct usage and appropriate fit."
—Anonymous

Do you think patients will return to you for CPAP masks or go to CVS?

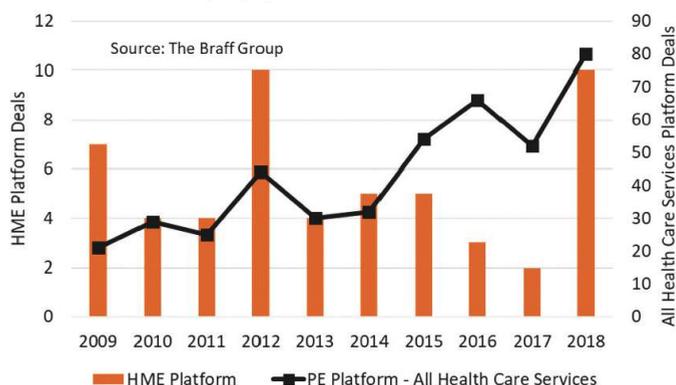


"If that patient's insurance is paying for the mask, why wouldn't they stay with their DME company?"
—Anonymous

Newspoll based on 105 respondents.

The Braff Group M&A Insider

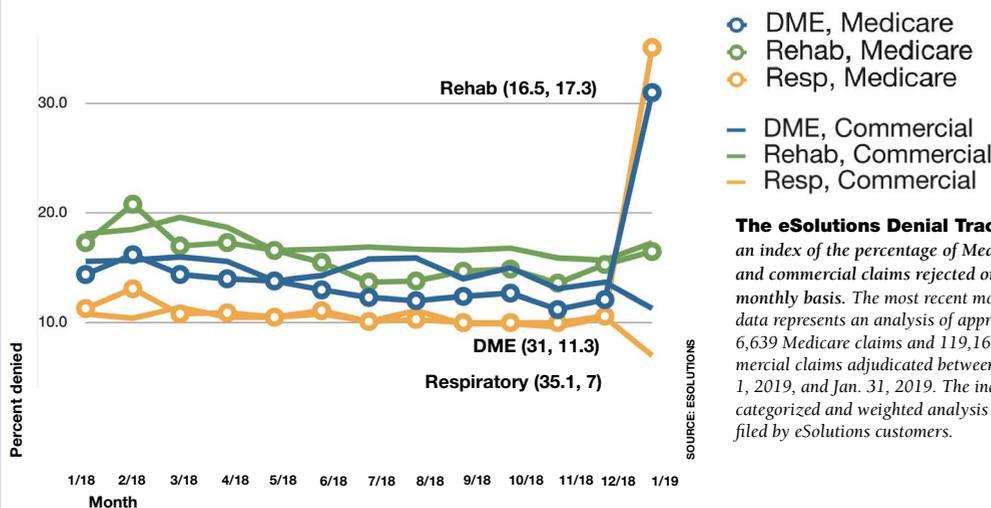
Private Equity Sponsored Platform Transactions



Given their high expectations for growth and frequent use of follow-on transactions to fuel this growth, perhaps the best barometer of acquisition interest in a sector is the number and trend of market-entry platform deals completed by private equity sponsors. As illustrated in the chart above, with a new record set for all health care services platform deals in 2018, it's clear that interest is extremely high. Notably, a substantial portion of the surge was attributable to home medical equipment, as the sector equaled the all time high set in 2012. The thinking is that with little room left for further cuts in reimbursement, and the possibility that revised competitive bidding rules might even yield some increases, HME's investment risk profile is perhaps as low (favorable) as it has ever been. Accordingly, capital is once again flowing into the sector. The question remains, however, as to whether this will be a sustained push, or a brief interlude as we saw in 2012. Stay tuned.

Source: The Braff Group, 412-833-5733.

The eSolutions Denial Tracker



The eSolutions Denial Tracker is an index of the percentage of Medicare and commercial claims rejected on a monthly basis. The most recent month's data represents an analysis of approximately 6,639 Medicare claims and 119,164 commercial claims adjudicated between Jan. 1, 2019, and Jan. 31, 2019. The index is a categorized and weighted analysis of claims filed by eSolutions customers.

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