



■ Claims with the names of physicians not enrolled in PECOS will be rejected starting April 1, says Andrea Stark. **See page 4.**



■ **Product Spotlight:** This month, we asked manufacturers to submit their flagship skin care and incontinence products, like this MA55 pressure mattress from Invacare. **See page 26.**



■ A majority of HME providers that accepted contracts as part of Round 2 of competitive bidding say they'll have to lay off staffers. **Find out how many on page 31.**

VOLUME 19 — NUMBER 4
APRIL 2013
\$7.00

HME News

THE BUSINESS NEWSPAPER FOR HOME MEDICAL EQUIPMENT PROVIDERS

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SMART TALK

- This month, our columnists tackle payer networks, organizational priorities, retail locations and TENS coverage. **PAGES 12-13**

COMMENTARY



■ "We have all seen the signs of disengaged employees," writes consultant Richard Davis. Fortunately, it's a fixable situation. "We have to start at the beginning to establish the systems necessary to maintain or improve engagement," he says. **Start with a job description. PAGE 10**

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Industry talks tough

'You have to fix this—not us,' says Stanfield



'Everybody's in panic mode'
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Provision blocks lawsuits
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No 'golden ticket'
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Buy-sell debate fuels diabetes market
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THE VGM GROUP'S VAN MILLER (left) hosted a reception for Sen. Orrin Hatch, R-Utah (right), during a recent industry fly-in to fight competitive bidding.

BY LIZ BEAULIEU, Editor

WASHINGTON – The HME industry's efforts to fight competitive bidding have taken on a new tone.

With only a few months before Round 2 goes into effect, stakeholders are no longer mincing words with lawmakers, telling them that if the program moves forward as planned, the blood will be on their hands.

"We're telling them, 'Don't call us in July about all the Medicare beneficiaries who

are no longer able to get equipment and services,'" said Wayne Stanfield, president and CEO of NAIMES. "You have to fix this—not us."

Stakeholders say they've given lawmakers plenty of evidence that the program is flawed (bids aren't binding, pricing is based on a non-weighted median) and a valid tool to make it right (the market-pricing program or MPP).

During a "fly-in" the week of Feb. 25,

LOBBYING SEE PAGE 8

No 'CPAP killer'—yet

Alternatives like Provent, Apnea Rx can be expensive, providers say

BY THERESA FLAHERTY, Managing Editor

ALTHOUGH CPAP remains the treatment of choice for sleep apnea, some HME providers say consumers are pushing for alternatives, so they're carrying those, too.

"At some of my retail locations we

offer alternative things," said Eric Parkhill, vice president of clinical operations/corporate compliance for Home Medical Professionals in Gainesville, Ga. "We'll see people come to us asking if the insurance will pay for it."

The answer to that question is usually

KILLER SEE PAGE 24

FBI INVESTIGATES

Will indictment be next step for Scooter Store?

BY ELIZABETH DEPREY, Associate Editor

NEW BRAUNFELS, Texas – Federal and state officials, as well as The Scooter Store, are keeping a tight lid on the details of a raid at the company's corporate headquarters.

The FBI joined the Office of the Inspector General (OIG) and the Medicaid Fraud Control Unit of the Texas Attorney General's Office to execute a search warrant at 9 a.m. Feb. 20 as part of an ongoing probe into possible Medicare fraud. The agencies left the premises at 2 p.m. Feb. 21.

"We were all present conducting a regular and usual investigative activity at that location, the details of which I can't discuss further," said FBI Spokesman Erik Vasys.

The Scooter Store released a statement the week after the raid to say it is complying with the investigation.

"We respect the government's investigation and will continue to work with investigators to make sure they have access to the information they need to conclude their activities," stated Marty Landon, CEO.

Local news sources reported officials searched The Scooter Store's main offices, as well as a building that houses IT servers and billing information. The search does not automatically mean The Scooter Store has done anything wrong, says healthcare attorney Edward Vishnevetsky.

"Right now, it's a search warrant that allows them to search for documents and go into their facility," said Vishnevetsky, an associate at Munsch Hardt Kopf & Harr in Dallas. "We won't



Vishnevetsky

SCOOTER SEE PAGE 20

Cardinal Health closes healthcare loop

BY LIZ BEAULIEU, Editor

DUBLIN, Ohio, and TWINSBURG, Ohio – One of Cardinal Health's many plans in the wake of its expected acquisition of AssuraMed may hit

a sour note with HME providers.

Cardinal Health execs say that they plan to use AssuraMed as a platform to begin offering Cardinal Health-branded products not only through providers but also

direct to consumers, something they say competing distributors are already doing.

"Given that we operate in the middle of the healthcare

CARDINAL SEE PAGE 29