



■ **Instant Diagnostic Systems** predicts growth in the home sleep testing market, says Christian Kiely. **See page 28.**



■ **Product Spotlight:** This month we feature complex rehab technology, like the Quickie Iris from Sunrise Medical. **See pages 24-25.**



■ Would bundling for certain HME simplify the billing process? Would it reduce utilization rates? **See results on page 31.**

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# HME News

B U S I N E S S   N E W S   F O R   H O M E   M E D I C A L   E Q U I P M E N T   P R O V I D E R S

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## SMART TALK

■ This month, our columnists tackle F2F rule, collections. **PAGES 10-11**

## COMMENTARY



■ Strategic thinking helps you better understand who you are, where you want to go, and how you will get there, says consultant Tom Cesar. It forces you to identify priorities. **PAGE 9**

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## CMS pauses new audits

BY LIZ BEAULIEU, Editor



Stakeholders attended a forum in February to discuss a major backlog in the appeals process.

INDUSTRY STAKEHOLDERS caution HME providers against putting too much stock in CMS's announcement in February that it will not initiate new audits as it transitions to new recovery audit contractors (RACs). "Essentially, this

is common that a contractor slows down their new workload so they can finish it out before their contract ends," said Wayne van Halem, president of The van Halem Group. "So, unfortunately for the DMEPOS industry, I

believe it's just the calm before the next storm."

Here's how CMS plans to wind down operations for the current RACs: Feb. 21 was the last day the

RACs could send a post-payment additional documentation request (ADR); Feb. 28 was the last day the Medicare administrative contractors

(MACs) could send prepayment ADRs for RACs to review; and June 1 is the last day RACs can send improper payment files to the MACs for adjustment.

While it could be several

**AUDITS SEE PAGE 30**

### CMS pledges to add discussion period

See story page 3

### What's industry's next move?

See story page 3

## Technology overcomes distance

Provider uses Skype to help patient in Mexico

BY LEAH HOENEN, Associate Editor

**CHEYENNE, Wyo.** — When one of Michelle McMahon's clients moved from Wyoming to Mexico and began experiencing pain, she could not simply go adjust his seating system. So he asked her if she had Skype.

"He said, 'Could I have you at least see me in my chair once over the computer?'" said McMahon, president of Frontier Access & Mobility. "Sure enough, I could see him and he could see me."

On Skype, McMahon talked his Mexican therapist through a mat evaluation to determine how to modify the system. The therapist made adjustments to keep the patient comfortable until new parts arrived from Wyoming. McMahon's client feels better, she says, thanks to technology.

**SKYPE SEE PAGE 30**

## WHICH IS BETTER?

## Subcontracts vs. partnerships

BY THERESA FLAHERTY, HME News

**ORLANDO, Fla.** — Colonial Medical Supplies has built up a cross-country network of subcontractors, but it is rethinking how it wants to grow in the future.

"With subcontracting, there's a lot of duplicate work," said David Bruinsma, CEO. "If the subcontractors get a referral, they are going to first look to see if they can fill the order

themselves, and they check the insurance benefits and the documentation. Then they send it to us and we do the same thing."

The family-owned provider, which has three locations in Florida, won 632 contracts across the country in Round 2 of competitive bidding for seven product categories.

Colonial is now looking, instead, to partner with other

**COLONIAL SEE PAGE 30**

## Bundled payment proposal shocks

BY T. FLAHERTY, Managing Editor

**WASHINGTON** — A proposal in February to expand competitive bidding nationwide was likely a rude awakening for HME providers who have

## BIDDING

been sitting on the sidelines thinking that the program wouldn't directly affect them, say stakeholders.

"Many folks thought it was going to crash and burn," said John Gallagher, vice president of government relations for The VGM Group. "Folks that haven't been engaged better get engaged."

Under the Affordable Care Act, CMS is required to either expand the bid program or apply bid rates to non-bid areas by 2016. In an advance notice of proposed rulemaking published Feb. 24, the agency seeks comments on developing a methodology to adjust rates in non-bid areas based on bid rates; and on bundling payments for certain DME,

**BUNDLE SEE PAGE 6**

## Active clears hurdle with Pride's help

BY LIZ BEAULIEU, Editor

**SEWELL, N.J., and EXETER, Pa.** — A strategic alliance announced in February will make it easier for providers to offer Active Controls products on Pride Mobility/Quantum Rehab power wheelchairs.

Per the alliance, providers can order a Pride/Quantum power wheelchair with,



Jay Brislin

say, an Active Controls JoyBar already installed.

"That was the greatest hurdle we had in the U.S. market," said Jordan Flowers, general manager at Active Controls. "Providers were reluctant to install the products themselves or they didn't have the technical capabilities. This is something

**ACTIVE SEE PAGE 30**