

Medtrade Spring's **Education Committee** understands the link between information and success, savs Bob Fary. See page 26.



■ Product Spotlight:

This month, we asked manufacturers to submit their flagship orthotic and prosthetic products and soft goods, like this Pro•Lite Deluxe Sling and Swathe - Shoulder Immobilizer. from FLA Orthopedics. See pages 28-29.



■ Mass market retailers are starting to carry more home medical equipment, say respondents to our February NewsPoll. What are providers doing to compete? See results on page 35.

> VOLUME 19 — NUMBER 2 FEBRUARY 2013 \$7.00

BUSINESS NEWSPAPER F 0 R HOME MEDICAL EQUIPMENT PROVIDERS

#### **NEWS**

- Providers lose out on payments thanks to overlap confusion. PAGE 3
- CRE files bid request. PAGE 3
- Consultant's corner: What's in store for 2013? PAGE 4

### SMART TALK

■ This month, our columnists tackle internal processes, data needs, accreditation steps and ACO waivers. **PAGES 12-13** 

#### COMMENTARY



■ Tapping into your customers in a social way allows you to gain insight into what makes them tick, says consultant Anna McDevitt. Just make sure you understand the purpose of each social media tool so

you can choose the most appropriate.

#### **DEPARTMENTS**

#### **PROVIDERS**

- HME consolidation heats up. PAGE 15
- Provider credits service for growth. PAGE 16
- Family Medical turns reimbursement loss into retail gain. PAGE 17

- What's up with ATP shortage? PAGE 19
- NSM has new PE backing. PAGE 19
- ISS says bring on consumers. PAGE 20

#### **RX & SPECIALTY PROVIDERS**

- AOPA questions OIG report. PAGE 23 Liberty Medical exits Medicare
- diabetes business. PAGE 23
- Sleep Nation scales up. PAGE 24

#### **VENDORS**

- Philips Respironics tests mass market
- Brightree makes another buy. PAGE 30
- Q&A: Phil Cunningham on bed safety.

WWW.HMENEWS.COM

# New sense of urgency for MPP

'We have another bite of the apple,' says Invacare's Cara Bachenheimer

BY LIZ BEAULIEU, Editor

■ITH NO time to lick their wounds, industry stakeholders are now targeting a must-pass bill to address a series of spending cuts as a potential vehicle for their market-pricing program (MPP).

The "fiscal cliff" deal, which did not include language to replace competitive bidding with MPP, delays \$130 billion in automatic spending cuts until March 1. That gives stakeholders a small window to resurrect the program.



### Wake up

A recent pilot project between Philips Respironics and several Kroger pharmacies in Ohio has served as a wake-up call for HME providers. See story page 30.

## **Diabetes payments** pushed off a cliff

BY THERESA FLAHERTY, Managing Editor

**WASHINGTON** – Medicare payments for all diabetes testing supplies stand to be drastically reduced this summer.

The "fiscal cliff" deal passed

by Congress on Jan. 2 included a provision that would reduce the Medicare payment amounts for diabetes testing supplies obtained at retail settings to the Round 2 rates when those rates CLIFF SEE PAGE 25

duced H.R. 27, a bill to repeal competitive bidding. Velazquez is the ranking member of the House Small Business Committee.

"We have another bite of the

apple, but we need to do every-

thing we possibly can to get our

act together and get into whatever

legislation moves in the next 60

days," said Cara Bachenheimer,

senior vice president of govern-

A possible first step in getting

that act together: Rep. Nydia

Velazquez, D-N.Y., on Jan. 3 intro-

ment relations for Invacare.

MPP SEE PAGE 6

### INVACARE SETTLES WITH FDA

## Limited operations, layoffs

BY LIZ BEAULIEU, Editor

**ELYRIA, Ohio –** A Dec. 21 agreement with the Food and Drug Administration (FDA) will limit opera-

tions at Invacare's Taylor Street manufacturing facility, but HME pro-

sells ISG.

viders will still have access to the manufacturer's manual and power wheelchairs, says Gerry Blouch, president and CEO.

Invacare may continue to manufacture and distribute wheelchairs and seating systems under certain conditions: when a patient requests the same or newer ver-

sion of an existing product and the clinician submits a form acknowledging the agreement; and when an evaluation determines the product is medically necessary for a particular condition that can't be addressed by another manufacturer's product, and the clinician and physician submit a form acknowledging the agreement.

"There will be some additional documentation," Blouch said. "At a time when the government is putting new rigors on documentation, it's not the best news providers have had, but the forms don't deviate from things they're accustomed to. We're confident

that with our education and support, they'll find the process reasonable.

Additionally, Invacare may



**Gerry Blouch** 

continue to fulfill orders and written quotes already in its system by Dec. 21, the date a district court approved the

agreement.

Invacare acknowledges that the agreement will have an impact on operations. Following the agreement, Invacare announced that it would lay off 143 employees at its INVACARE SEE PAGE 32

### Giants in complex rehab merge

BY ELIZABETH DEPREY, Associate Editor

ROCKY HILL, Conn., and ST. LOUIS - A combined ATG Rehab and United Seating and Mobility will have a whopping 124 locations in 39 states, but there may be room for further growth, say company execs.

"It would be very aggressive, but I wouldn't rule it out," said Cody Verrett, P. Bergantino



vice president of sales and marketing for ATG Rehab Following the merger, announced Jan. 3,

ATG Rehab President Paul Bergantino will become president and CEO of the new company, with USM President Bob Gouy taking the position of executive chairman of the

MERGER SEE PAGE 20