



■ This is a “difficult time” for Invacare, says CEO Gerry Blouch. **See page 37.**



■ **Product Spotlight:** This month we feature CPAP devices, masks and related accessories like the Aloha Nasal Pillow System from InnoMed Technologies. **See pages 34-35.**



■ Are non-contract suppliers seeking out subcontracting agreements with contract suppliers in Round 2 areas? **See results on page 44.**

VOLUME 19 — NUMBER 6
JUNE 2013
\$7.00

HME News

THE BUSINESS NEWSPAPER FOR HOME MEDICAL EQUIPMENT PROVIDERS

NEWS

■ Sen. McCaskill calls out CMS, industry on fraud. **PAGE 3**

SMART TALK

■ This month, our columnists tackle vendor evaluations, technology advancements and more. **PAGES 18-19**

COMMENTARY



■ Roxie Murray has been singing the praises of e-prescribing for years. It increases efficiency and translates into better patient care. **PAGE 17**

DEPARTMENTS

PROVIDERS

■ Providers predict nightmare. **PAGE 21**
■ Apria ready to add scale. **PAGE 21**

MOBILITY

■ CMS issues demo update. **PAGE 27**
■ Coding changes abound. **PAGES 28-29**

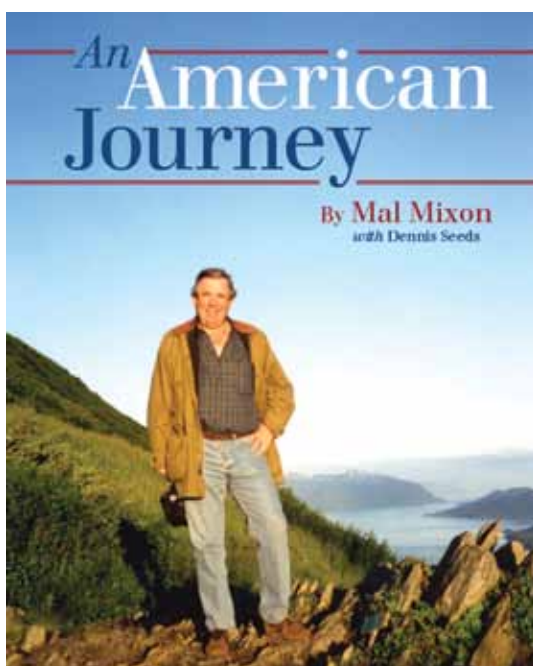
RX & SPECIALTY PROVIDERS

■ AOPA launches coalition. **PAGE 31**
■ Q&A: Rich Roberts. **PAGE 31**

VENDORS

■ Ad man inspires PJ top. **PAGE 37**
■ IDG offers Ritedose of help. **PAGE 38**

WWW.HMENEWS.COM



A retrospective

Mal Mixon recently completed a new book chronicling his life's experiences, but in no way is he ready to close the chapter on his company, Invacare, or the HME industry. **See story page 39.**

COMPETITIVE BIDDING FIGHT

New bill starts strong

BY THERESA FLAHERTY, Managing Editor

WASHINGTON – The HME industry needs to hit the ground running now that a new bill to replace competitive bidding with a market-pricing program (MPP) has been dropped, say stakeholders.

“This is not the beginning of the battle, this is the meat of the battle,” said Joel Marx, AAHomecare chairman. “There is no turning back.”

Right out of the gate, H.R. 1717, the “Medicare DMEPOS Market Pricing Program Act of 2013,” had 25 co-sponsors. Reps. Tom Price, R-Ga., and John Larson, D-Conn., introduced the bill April 24.

Price introduced a similar bill in the previous Congress. That bill eventually gained 94 co-sponsors.

“We’re hoping we can rack up a bunch of additional co-sponsors really quickly,” said Cara Bachenheimer, senior vice president of government relations with Invacare. “Those previous co-sponsors should

immediately be signing back on.”

The biggest weapon in the industry’s arsenal: The list of Round 2 contract suppliers, released April 9, which reveals a small number of total contract suppliers and a small number of local contract suppliers in bid areas. Industry stakeholders are working with state associations to flesh that out with data.

“We need to package that up, state by state,” said Bachenheimer. “Then they can see their local providers have been passed over in favor of these—in many cases—brand-new, inexperienced companies.”

For H.R. 1717, the “pay for” is split between reduced interim payments for providers in Round 2 areas until MPP is

MPP BILL SEE PAGE 4

Will ‘pay for’ pass muster with CBO?

See story page 3

Groups unite for common cause

See story page 3

‘Aggressive sale’ for TSS

In other company news: ESOP members sue founder Doug Harrison

BY ELIZABETH DEPREY, Associate Editor

NEW BRAUNFELS, Texas – The future of The Scooter Store is in the hands of prospective buyers now that it has filed for bankruptcy.

The Scooter Store has outlined a post-bankruptcy business model that would involve maintaining its core product offering and streamlining its footprint, but, ultimately, those decisions will be left to whoever buys the company’s assets.

“We might not see the end of The Scooter Store,” said Edward Vishnevsky, an associate at Munsch Hardt Kopf & Harr. “We might just see the end of this iteration.”

The Scooter Store announced April 15 that it filed a Chapter 11 case in the U.S. Bankruptcy Court for the District of Delaware. It plans to sell “substantially all assets” through an auction process under section 363 of the U.S. Bankruptcy Code.

TSS SALE SEE PAGE 28

ResMed outlines plans for growth

BY LIZ BEAULIEU, Editor

SAN DIEGO – Despite pervasive reimbursement pressures, ResMed officials have reported solid earnings for the third quarter and outlined “major growth horizons” for the company’s future.

During an earnings call with investors

on April 25, newly minted CEO Mick Farrell detailed ResMed’s plan to drive market penetration in three markets: sleep disordered breathing, COPD and heart failure.

“We are more excited than we have ever been,” he said.

ResMed reported \$383.6 million in

RESMED SEE PAGE 40

REPORTER’S NOTEBOOK

How did four nationals fare?

BY THERESA FLAHERTY, Managing Editor

BALTIMORE – When it comes to the Round 2 contract suppliers, everyone wants to know how the nationals fared.

It’s not an easy number to get a handle on, but Apria Healthcare and Rotech Healthcare confirmed to HME News the number of contracts they accepted: 371 and 190, respectively.

American HomePatient confirmed that it had received 255 contract offers, but it didn’t respond to queries about how many of those contracts they accepted.

Lincare did not respond to a call for comment. By our count, the provider shows up on the list



John Figueroa

NATIONALS SEE PAGE 41