CHAMPION CHAT

Healthcare QUALITY ASSOCIATION ON ACCREDITATION ®

HQAA's
Quarterly Newsletter
to our peers, colleagues &
Quality Champions

Full DMEPOS | Home Infusion / IV Compounding | Retail Pharmacy with DME | Physician Practice with DMEPOS | 3rd Party Billing

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AUGUST 2012

It's Time to Start Thinking Outside the Box

Mary Ellen Conway, President
Capital Healthcare Group

Those of us involved in various segments of healthcare know that the landscape is changing and will continue to do so in the years ahead of us. The ways we have done business in the past may not exist 10 years from now. But how did we get here?

Both the President and the Congressional Budget Office have stated numerous times that the number one fiscal problem facing the U.S. is the high and rising cost of Medicare. Nothing else even comes close.

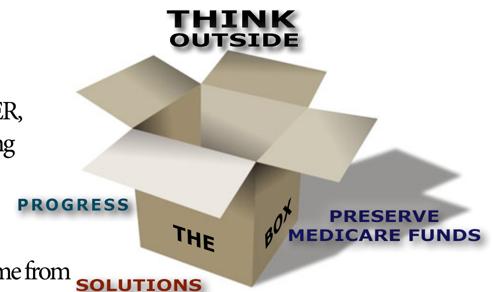
When Medicare was signed into law in 1965, the average life expectancy was 70.2 years. In 1996, it was 79.1 years and in 2025, it is expected to be 82.6 years. In 1965, the system was not designed to handle today's patients with more complex illnesses, higher needs and greater life expectancy.

In addition, the Medicare trust fund is being depleted year by year. As approximately 8,000 baby boomers become 65 every day for the next 11 years, those individuals exit the work force and no longer contribute through payroll deductions to the system and become beneficiaries themselves. These baby boomers are not being replaced in the force work in great numbers, so the payroll contributions are no longer at such a high rate and the expenditures continue to increase dramatically.

Over the years, we have tremendously improved medical care; we have greater technologies available and we have found ways to manage conditions that were previously unmanageable and terminal. With the increase in treatment and success, come some interesting statistics of today's healthcare environment. They include:

- 97% of Medicare home health beneficiaries have one or more chronic condition
- **25%** of Medicare beneficiaries account for **43%-85%** of costs. These are beneficiaries with specific multiple chronic conditions and are the fastest growing segment of the population
- **The bottom 50%** of beneficiaries account for ***only 4%*** of costs
- In 2011, Medicare expenditures were $485 billion
  - Expenditures on hospital services (including outpatient) were $175 billion ~**40%** of total spending
  - Expenditures on physicians' services were $70 billion ~**15%** of total spending
  - Expenditures on skilled nursing facility services were $30 billion ~**6%** of total spending
  - Expenditures on home health services (both HHA and DME) were $20 billion ~**4%** of total spending
- In 10 years, by 2021, Medicare spending is projected to grow by 60% to $821 billion
- Medicare spending on home health services will grow by 55% to $36.3 billion (still **4%** of total spending)

Even if we entirely eliminated the Medicare home health and DME benefit, it would only reduce Medicare spending by 4% but would drive up costs by sending more beneficiaries to the ER, the hospital and the nursing home. So, if we are going to materially reduce Medicare spending, the reductions will have to come from where most of the spending is—**the hospital**.



We have a health care delivery system that is designed to treat acute conditions and we have done nothing to convert it to a system that treats the #1 cost driver—chronic illness. But the most important thing to realize is that ***the future of services/items provided in the home is bright*** because the health care delivery system will have to conform to the demographics of the population.

Starting today and in the years ahead we are going to see new programs evolving (that are "outside the box") to manage these populations, reduce hospitalizations and preserve Medicare funds. Currently the President's Affordable Care Act offers two such programs that are designed to tackle these two challenges:

- Accountable Care Organizations (Sec. 3022)
- Community-based Care Transition Programs (Sec. 3026)

Each of these programs offers the DME Supplier an opportunity to provide products to Medicare beneficiaries without billing Medicare and without winning Competitive Bidding contracts in Competitive Bidding Areas. Sounds too good to be true? It's not!

In next month's issue we'll review the basics of each program and show you how you should be at the table becoming a primary player in each of these new opportunities.

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Mary Ellen Conway, RN, BSN, is a nurse health care consultant with over 25 years expertise in management throughout the health care continuum. As the President of Capital Healthcare Group, she is known for her special expertise in operations and regulatory compliance issues in the acute care setting as well as in the post acute arena, from physician practice, home health, hospice, medical equipment, to supplemental staffing and accreditation.

From Mary's Desk

Mary Nicholas, MHA
President, CEO

Who is Anti-Quality?

I would dare say that, when polled, not one person would answer that they are anti-quality. We all want quality in our life.

As I was perusing the July 2012 *Quality Progress* magazine, I came across a quote that stimulated my thoughts for this edition's article. Govind Ramu, the Director of Quality Assurance for SunPower Corp. wrote, "Based on 20-plus years of quality management experience in different parts of the world, one thing I am more than sure of is that no one is anti-quality". I thought this statement was pretty profound. As consumers we all want quality products; quality in the foods we eat, in the goods we purchase, in the cars we drive. We may not consciously think, "I want to buy a can of quality vegetables", but we all want to believe that the vegetables are of a certain quality, with a certain taste and processed with a high level of sanitation and safety. We all seek quality, if not once, but numerous times a day even if it is not a conscious thought.

Regarding quality in our business operations, we have observed an unfortunate trend. In our recent renewal surveys, we've documented the deficiency of managing the Quality Improvement Program more often that I'd like to see. Therefore, I thought I would use my pen (ok, keyboard) and this space to break the "quality beast" in to bite-size segments over the next few editions.

I have personally adhered to a structure of ***Plan-Do-Study-Act*** as a framework for quality improvement spanning throughout my career. This cycle, also known by ***Plan-Do-Check-Act***, or **The Deming Cycle**, was developed by W. Edwards Deming and was originally implemented overseas long before managing quality in an organization was heard of in this country. For this edition, let's concentrate on the "Plan" portion of the structure.

How does one plan for quality? Planning comes about mostly when an activity or process performs with lower quality than is expected.

In other words, ask yourself such questions as:

- ✔ What areas are not functioning as well as you expect?
- ✔ What areas seem to be costing more than we should be spending?
- ✔ Are products being returned at a higher rate than we would like?
- ✔ What are the areas showing increased and excessive cost?

Select a problem area and gather as much information as possible regarding the possible cause(s) of the results you are observing. Seek input from as many sources as possible- employees are usually the best resource and your customers are too, depending upon the process you are reviewing.

At HQAA, when we recognize that a process is not functioning as efficiently as we would like, we begin by interviewing all staff that directly 'touch' that process. We learn in great detail where they get the work to be processed, what they do with it and where it goes or who it gets handed off to when they are done. All employees know the Input-Throughput-Output components in their work.

Once a process has been identified as needing improvement, conduct a session to review all of the preliminary information you can gather and look at how the process currently works so that the focus can become how to improve it. That activity can start with brainstorming ideas or getting right in to specific suggestions on how things can change. The problem at hand dictates how detailed or how long a planning session should occur. The ultimate end result is to have a solution (or plan) that you anticipate will improve the process, or save money, or create efficiencies, or improve the rate of returned equipment, etc. Everyone should agree on the plan and everyone should have a day or two to "simmer on it" before implementation to ensure that every aspect has been covered.

While you're at it, document this planning session as one of your QI meetings! Now that's efficient!

To sign up to receive **Champion Chat** directly, click **here** or contact us at 866-909-HQAA and ask us to add you to our mailing list

HQAA On the Road
Come visit us at:

ADMEA
8/2-8/3
(Pensacola Beach, FL)

GAMES
8/5-8/7
(St. Simon's Island, GA)

AZMESA
8/9
(Phoenix, AZ)

ATHOMES
8/14-8/15
(Nashville, TN)

HBMA
9/12-9/14
(National Harbor, MD)

WAMES
9/26
(Middleton, WI)

MAMES
10/4-10/5
(Des Moines, IA)

Medtrade Fall
10/16-10/18
(Atlanta, GA)

Get connected

follow us on twitter

twitter.com/HQAA
Follow @HQAA on Twitter, where Mary tweets a tip (#twip) everyday that relates to the standards, quality or efficient business practices for your company. To sign in and start an account (HQAA follows many DME businesses on Twitter) go to www.twitter.com. This is yet another good place for informative resources. You should see what your fellow DMEs are saying and doing!

3rdParty Billing
HQAA ACCREDITATION
For more info visit www.hqaa.org/billing

ACT Topics

AUGUST
The 3 R's: Recalls, Returns, Repairs

SEPTEMBER
Physical Locations

OCTOBER
Personnel Files

NOVEMBER
Emergency-Disaster Preparedness

DECEMBER
Infection Control & Safety

JANUARY 2013
Compliance

FEBRUARY
Managing Your Retail Area

MARCH
Client Medical Records

APRIL
Staff Education, Training and Competency

MAY
Quality Improvement Program

JUNE
Leadership Review

JULY
Forms Review

This Month in ACT

www.acttoolkit.com

ACT Accreditation Continuation TOOLKIT

ACT (Accreditation Continuation Toolkit) is the program offered to HQAA accredited providers after their successful accreditation to assist them in maintaining and updating their high quality standards and accreditation requirements on an ongoing, on-line basis so that accreditation renewal is smooth and seamless.

Each month, providers enrolled in ACT work with a "bite-sized" component of standards to ensure that they are reviewing and updating their processes as needed. By addressing accreditation compliance requirements in small, "bite-sized" components, last-minute renewal work is eliminated, and what can be extensive work is accomplished in efficient, incremental steps. Featured monthly topics assist providers in conducting audits and updating information. Providers who subscribe to ACT receive the plans, tools and access to experts in one easy-to-use website, saving both time and money.

In this issue we are highlighting the ACT topics for August, September and October and listing some of the questions posed for subscribers to review to ensure that they are meeting their accreditation standard requirements.

August - ***The 3 R's: Recalls, Returns, Repairs***
Are your staff members aware of your policy for recalls? Are all lot and serial numbers up to date in order to locate recalled items? Who checks the FDA website routinely for recalls? Is your return policy posted? Is the information provided to your customers for returns correct? For the staff who repair items, are their HR files complete with competency assessments that include repair training?

September - ***Physical Locations***
Is each location equipped to handle infection control and safety issues? Are all of your current permits, licenses and certifications posted? Are your MSDS copies up to date? Are items in your retail space clearly marked with prices?

October - ***Personnel Files***
Are your files maintained in a secure area? Are they up to date? Are you ensuring that all newly hired staff are completing your orientation? Do your job descriptions need updating? Who has access to personnel files and how is this enforced?

Only HQAA offers on-going service to maintain the accreditation you've worked so hard to achieve. For more information about ACT, contact Gabriel Nicholas:
gabe.nicholas@hqaa.org
866.490.7980

Here's what a current customer has to say about HQAA:

"ACT was such a wonderful tool and I look forward to enrolling in the ACT program again. And, I could not have done this without the excellent help and services I have received from HQAA."

Teresa Lynne Aldridge, Owner
American Mobility Products, Inc.

HQAA Recently Accredited Quality Champions

Please join us in congratulating these recently accredited providers. We look forward to listing your company as one of our Quality Champions! Come join our family!

200 Pharmacy Inc.
2nd Wind Sleep Medical Equipment, LLC
Aabco Medical Inc.
AB4U, Inc
Abbaspour Inc
Acadian Medical Equipment & Supply, LLC
Access Rehab And Mobility, LLC
Accessories For Personal Mobility
Acton Pharmacy Inc.
Advanced Home Medical Inc
Advanced Laser Equipment, LLC
Air Exchange Oxygen Inc
Aircare Home Medical Inc.
Airway Oxygen Inc
AJI Inc
Alamo Med Connection, Inc.
Alegent Health Bergan Mercy Health System
Alfredo Sandoval
All Care Medical Supplies
Allcare Medical Supplies And Health Services, LLC
Alpha Medical Equipment & Supplies, Inc.
Alpha Surgical Inc.
Alraj Inc
Alton Memorial Hospital
Always There Home Care, LLC
American Best Medical Surgical Supply Inc.
American Home Health Care Company Inc
American Medical Equipment, Inc.
American Medical Equipments, Inc.
American Medical Inc.
American Mobility Products, Inc.
American-Med-A-Care Supply Inc.
Amerimed Pharmacy And Equipment, LLC
Apnearx, LLC
Apothecary Rx, Inc.
Applied Health Services, Inc.
Arrow Prescription Center #12, Inc
ASM, LLC
Attain Med, Inc.
Austin Respiratory Equipment, Inc.

Avera St. Luke`s Hospital
Axess Medical Equipment & Supply Service, LLC
B. Hoffman Drug, Inc.
Babylon Surgical Supplies Inc
Barton Direct Inc.
Bay Wide Medical Dme Co Inc
Beacon Drive-In Of Booneville, Inc.
Bean & Wilson, Inc
Beavans Medical, Inc.
Bennetts Pharmacy
Blount Medical, LLC
Boston Orthopedic & Respiratory Equipment LLC
Braxten Home Care Medical Equipment, LLC
Bridgeman Brothers Mediquip, Inc.
Broadway Medical Service & Supply, Inc
Brookins Inc.
Bryan`s Family Pharmacy
C And C Community Pharmacy Inc
C And C Drugs Inc.
Calallen DME, Inc.
Cape Fear Respicare, Inc.
Caremed LLC
Caresource LLC
Carolina Family Pharmacy
Causey`S Pharmacy Inc.
Central Avenue Pharmacy, Inc.
Chandler Drug, LLC
Charles Deron Lewis
Cherokee Health Care Supply, Inc.
Chism Group, Inc
Choice Healthcare Inc
Claremore Compounding Center
Clarendon Outpost Co.
Clark`S Home Medical Equipment, Inc.
Coastal Diagnostic Testing Group LLC
Colonial Heights Pharmacy, Inc.
Columbine Medical Equipment, Inc.
Community Home Medical, Inc
Comprehensive Health Care Systems
Crow Creek Therapeutics, LLC

CT Medical, Inc.
Custom Medical Equipment, LLC
D & B Development Group, LLC
D & L Rx Inc
D & M Home Medical, LLC
Darrenkamps Mt Joy Market, Inc
Delaware Valley Medical Supply Inc.
Dme Services LLC
Dmeco Inc.
Doctors Choice Medical Rental & Supplies, Inc.
East Alabama Durable Medical Equipment Inc
East Side Prescription Center, Inc.
Ella E.M. Brown Charitable Circle
Empire Drugs Inc.
Erik Nelson
Escentuals Medical Supply
E-Tex Homecare LLC
Fayette Medical Supply, Inc.
Fields Medical Supply, Inc.
First Medical Equipment, Inc.
Four Seasons Oxygen, Inc.
Fourco Inc
Fred Taylor
Freedom Medical Supply, LLC
Freeman-Oakhill Health System
Fresno Pharmacy LLC
Frontier Medical Equipment, Inc
G L Davis Drug Inc.
Gabler Enterprises Inc.
Garden City Home Medical Equipment, LLC
Ge Medical Inc
Gem Restoration Service, Inc.
Gil-Co Faith Pharmacy
Goodale Medical, LP
Grace Pharmacy, Inc
Greenwood Drug, Inc.
Griffin Drugs Inc
Guardian Pharmacy, LLC
H & M Drug, Inc
Hancock Pharmacy, Inc

Please join us in congratulating these recently accredited providers. We look forward to listing your company as one of our Quality Champions! Come join our family!

HQAA Recently Accredited Quality Champions

Harrington Surgical Supply Inc
Hart Pharmacy, Inc.
Healix Infusion Therapy, Inc.
Hennepin County
Herbison Medical Inc.
Heritage Home Medical Equipment, Inc.
Holland Health Services, Inc.
Home Air Of Joliet,Ltd.
Home Health Medical Equipment
Home Health Warehouse
Home Healthcare Inc.
Home Medical Equipment Specialists,LLC
Home Medical Inc.
Home Oxygen & Medical Equipment, Inc.
Homecare Medical Groups LLC
Homecare Medical Products, Inc.
Hope Medical LLC
Hope Rehabilitation Equipment Company
Horizon Health Care Services, Inc.
Huffman Medical, Inc.
Hughes Pharmacy Services Inc.
Imperial Surgical Supply Corp.
Independent For Life, Inc.
Independent Living Supplies, LLC
Indiana Respiratory Services, LLC
Instacare Medical Supplies LLC
Interior Medical Supply LLC
Iowa Veterans Home State Of Iowa
J & A Medical Center Pharmacy LC
J & P Medical
J Acra Inc.
J&K Surgical & Medical Supply Corp
James Drug Store Inc
JD Medical Services, Inc.
Jencyn Inc.
JVA Mobility, Inc.
KC 717, Inc.
Klingensmith`S Drug Stores, Inc.
KMR Medical LLC
Lakeshore Respiratory Therapy Care Services, Inc
LC Pharmacy Inc.
League Of Human Dignity, Inc.
Letapco-Progressive Home Medical, Inc.
Lewis Drugs Inc
Lewis Drugs, Inc
Lifeaid Medical Equipment, LLC
Lifecare Technology, Inc.
Linde Gas North America LLC
Lisa Sindelar-Overleese
Louisiana Nursing Supply, Inc.
LTC Services, Inc
M & M Dme LLC
M Drug LLC
M. Rogers Inc.
M.B.Care Medical Supply.Inc
Madison Pharmacy And Homecare, Inc
Magnolia Health Care Corp
Main Street Family Pharmacy LLC
Management Services Of Beauregard
Marc Glassman, Inc.
Marian Respiratory Care, Inc.
Mark W. Hammond
Martha J Inman
Masters Medical Supply
Mathews Rental, Inc.
Mcleod And Associates
Mcminnville Drug Center
Meacham Pharmacy Inc
Med Way Medical, Inc.
Medcare, Inc.
Medctr Inc
Med-Equip ,Inc.
Medhome Specialty Services, LLC
Medical Direct Club, LLC
Medical Health Specialist Of Tn Inc
Medical Industry Services, Inc.
Medical Products Group, Inc
Medical Rentals, Inc.
Medicate Pharmacy, Inc.
Medi-Chair, LLC
Medi-Equip Inc.
Medi-Health-Care, Inc.
Medone Healthcare LLC
Medsource Of St. Louis, Inc
Medstar Home Medical, LLC
Met Medical Inc
Michael & Cynthia Christenson
Michigan Medical Equipment, Inc.
Mid Valley Medical Supply
Midwest D.M.E.Supply, Inc.
Midwest Medical Supply Company, LLC
Midwest Respiratory Care, Inc
Millstone Healthcare Associates, PA
Minden Homecare Equipment & Uniforms LLC
Minnich`s Pharmacy Inc.
Mission Health Concepts, Inc.
Missouri Baptist Medical Center
Mit Holding Inc
Mobilitygiver,Inc
Modern Medical, Inc.
Montgomery Medical Equipment, Inc.
Morgan And Associates, Inc.
Murphy Medical Supply LLC.
My Sleep Apnea, LLC
Myers Drug Inc
Narayan Medtech Equipment LLC
Nix`s Medical Supply, Inc.
North Sunflower Medical Center
Northeast Louisiana Pharmacy, LLC
Oxygen Oklahoma North, Inc
Oxygen Rich, LLC
Pacific Medical Pharmacy, Inc.
Palmco Inc.
Patterson's Pharmacy
Paul's Pharmacy Inc
PBR,Inc
Peace Mgmt Inc
Pee Dee Kay Inc.
Peoria Specialty Inc.

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Pet Rhino, Inc.
Pharmacists' Home Medical Inc.
Pharmacy Shop, Inc
Pharmasync, LLC
Pharmnet, Inc.
Physician Preferred Pharmacy, Inc.
Pierce Medical Products, Inc
Piggott Community Hospital
Positive Air
Premier Medical Equipment & Supply
Premier Medical Equipment Inc
Premier Medical Supply
Prescription Place Of Defuniak Springs, Inc.
PRN Medical Services, Inc.
PRN Pharmacies Ltd
Procaire, LLC
Professional Home Care, Inc.
Professional Pharmacy Inc.
Professional Rehab Services
Proper T Ltd
Public Drug Co., Inc
Pulmonary Providers Group, Inc.
Purvis Pharmacies, P.C.
Qbaum Enterprises, LLC
Quad County Home Medical Supplies & Equipment, Inc.
Quality Home Oxygen, Inc.
Quality Medical Equipment, LLC
R & D Medical Enterprises, Inc
R & R Medical Supply, Inc.
R&B Healthcare Services, LLC
Randy L. Smith
Rapha Medical,LLC
Rawhide Drug Company Inc.
Regent Care Center Of El Paso
Rehab Technologies, LLC
Reid Hospital & Health Care Services
Reliable Medical Equipment Of South Carolina, LLC
Relief Health Supply, LLC
Respiratory Connections Inc.
Respiratory Medical Services, LLLP
Restoration Medical Supplies Inc.
Rice Home Medical LLC
Riley White Inc.
Rollin`s Home Medical
Romo Medical Equipment, LLC
Russell Medical Inc
S&S Drug Inc
Saint Luke Community Hospital
Sandcreek Medical Sales & Rentals
Saunders Medical Inc
Schaefer Health Enterprises, Inc.
Scott Valley Respiratory Homecare, Inc
SDA Inc
Serve You Custom Prescription Management, Inc.
Service Drug Co Inc
Service Master Medical, LLC
Sevvan Companies, Inc
Seymour Medical Supply, Inc
Sheepshead Bay Pharmacy, Inc
Signature Healthcare, Inc.
Silvia R Ventura
Sleep Well Inc
Smith Medical Inc.
Smokey Mountain Medical Equipment, LLC
Southeast Missouri Hospital Assn
Southeastern Medical Supply, LLC
Southern Medical, Inc.
Southern Nevada Oxygen, Inc
Southtown Econodrug, Inc.
Spartan Medical Supplies LLC
St Augustine Medical Equipment, L.L.C.
St. John Valley Pharmacy LLC
State Medical Equipment
Steven A Moore
Stone's Drug, Inc.
Stonewall Home Oxygen Therapy, Inc.
Strive Medical LLC
Sunshine Medical Equipment & Supplies, Inc.
Sunstate Medical Supplies, Inc
Sure Health Enterprises LLC
Synergy Pharmacy Services, Inc.
Team Adaptive, Inc.
Tech Surgical Inc
Texas Home Medical, Inc.
The Healthcare Store, Inc.
The Medicine Chest, Inc.
The Mobility Store Of Iowa Inc.
Therapy One, Inc.
Thriftway 10th Ave Drug Corp.
Thrifty Home Medical Inc.
Thrifty White Drug Stores Inc.
Tim's Home Medical Supplies,Inc
Toby Churchill Limited
Total Respiratory Care Inc.
Totalcare Comprehensive Home Health Supply
Town And Country Drug Store
Tricorex Inc.
Troy Pharmacy
Tuba City Regional Health Care Corporation
Universal Health Care And Professional Services LLC
Uptown Pharmacy Of Kingman Inc.
Us Medical Equipment Inc
Valley Medical Supplies, Inc
Village Pharmacy Of Nokomis, LLC
Virginia Medical And Respiratory Equipment Co., Inc.
Vistacare Health Services, Inc
Vitacare, LLC
Wauconda Pharmacy Inc.
West Covina Pharmacy, Inc
Wheelchair & Seating Clinic Of Oklahoma LLC
Wheelchair Resources, Inc.
Wheelchairs Unlimited, Inc.
Willard D King
Wound Care Specialist
Wright Care Home Medical Supplies, Inc.
Wrinkle Respiratory And Dme Inc.
Wyatt`s Pharmacy
Yancey Home Care, Inc

Compliance Corner

Curtis McLees
Director of Compliance

The Foundation of an Effective Compliance Program

Back in 1999, The Department of Health and Human Service's Office of Inspector General published a compliance program guide for Durable Medical Equipment organizations, which is still the model for compliance programs today. The intent in creating this guide was to minimize unnecessary expenditures of federal and state funds for DME. In addition, the program guide provides an outline of good business practices, it sets the framework for a profitable operation and greatly reduces the risk of penalties and fines, which can include $11,000 per claim and triple the amount billed.

Since then, the President's Affordable Care Act sets the stage that requires all healthcare providers have a formal compliance program. While it is only mandatory for skilled nursing facilities at this time, with all of the focus that we are experiencing in DME, industry experts feel that our mandatory date will be announced very soon.

While every accredited organization has some sort of basic compliance program, or compliance statement to meet accreditation standards, the compliance plan you will need to create to meet these requirements is more specific and takes your compliance activities to a higher level.

The OIG's compliance program, whether it is for hospitals, nursing homes or DME companies, contains seven elements, which are the foundation of an effective healthcare compliance program. These seven elements must be active, applied and part of an organization's daily operations to deter potential fraud and abuse. Let's review the first three elements.

#1: Implementing written policies, procedures and standards of conduct

There must be written policies and procedures that promote the organization's commitment to compliance. These areas would include policies for such items as the claims submission process, not allowing improper coding, barring improper financial relationships with providers and more.

It is expected that the supplier would need to create some additional policies and procedures that they may not have included in the creation of policies and procedures to meet accreditation standards. This step creates the foundation of the supplier's compliance program and a road map to rely on in case fraud and abuse are discovered by staff within the organization.

Policies in your compliance program are created based on recognizing an organization's weaknesses, which may lead to the areas where fraud and abuse would likely occur.

#2: Designation of a compliance officer and compliance committee

Each organization must designate a compliance officer who manages the compliance program. For many, this is often a staff member who has multiple responsibilities in the office. Help for an overworked compliance officer may be found in the formation of a compliance committee that can include billing personnel, human resource staff and possibly sales personnel. The compliance officer will have the responsibility of operating and monitoring the organization's compliance program. The compliance officer must have a direct line of reporting to the CEO/owner/Board of Directors.

The compliance officer may be responsible for the program, but management must support this role from the beginning and continue with visibly strong support thereafter. Lack of senior management support sends the wrong message to employees and can derail a compliance program.

#3 Conducting effective training and education

This element requires the development, implementation, and documentation of regular, effective compliance education and training programs for all affected staff and any applicable contractors.

Deciding on the items to include in compliance training should be driven by the prioritized list of the organization's identified risk areas. Training should be developed for those areas that have the potential to become gateways for fraud and abuse. For example, illegal payments for referrals, or billing for items never provided are often cited as the fraudulent activities conducted by guilty parties in press releases from prosecutors. In their compliance training programs, organizations must include how to recognize and report these risks within the organization. This training must be included in the organization's orientation program and on an ongoing basis to all current staff, preferably each year.

The next Champion Chat will review the remaining four elements of your compliance program.

Regulatory Update

Mary Ellen Conway, President
Capital Healthcare Group

I just returned from Cardinal Health's Annual RBC Program in Orlando, FL. It was great seeing so many of you there and having a chance to speak with you and answer your questions. I thought I'd use this column to highlight the two main issues everyone wanted to talk about, both to reinforce the answers and to educate those who were unable to attend.

The Delivery of Diabetic Supplies after July 1, 2013

As I have previously advised you in this column, and as you have read elsewhere, Medicare's national mail-order diabetic supply program is scheduled to begin on July 1, 2013. In this program, Medicare's new definition of mail order is the delivery of diabetic supplies, by any means, that is not done in a face-to-face retail encounter. This includes any diabetic supply (pump, lancets and strips) that you, your staff member, courier or driver would deliver to a beneficiary's home or to a resident living in any type of facility. This new definition means that even if you are a pharmacy delivering the patient their insulin, oral diabetes medications and alcohol wipes, you CANNOT also deliver their strips and lancets unless you have won the bid for mail order diabetic supplies in all 50 states and all of the US territories. The bid winners are expected to be announced after January 1, 2013 and this new law is scheduled to go in effect on July 1, 2013.

We all understand how ridiculous this situation will be and what additional challenges it will present for those beneficiaries who are facility-bound. However, unless CMS changes the definition, this will be the new requirement.

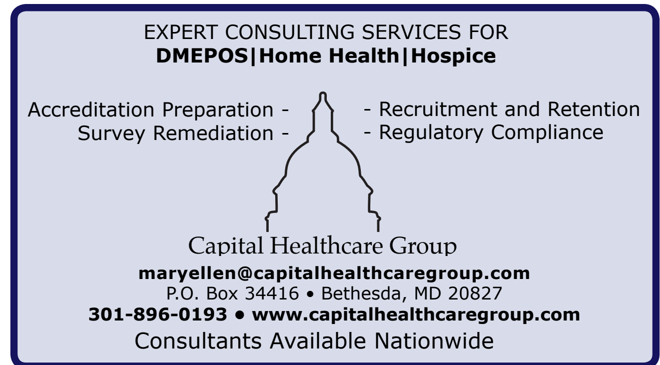
How can you challenge this? Get involved with your state DME and Pharmacy Associations and get your beneficiaries (the ones who are really going to suffer) involved. With Congress in recess this summer and with the elections coming up in the Fall, there are many local town hall meetings with representatives, as well as other functions that your federal legislators will be attending. Get out and tell them all about the challenges and disparities with Competitive Bidding and with the National Diabetic Mail Order Program.

Audits

One of the biggest issues hitting all DME suppliers, including pharmacies that merely provide diabetic supplies under Part B, is the increase in audit activity. There are several types of audits that suppliers are facing these days, but the one item that is the most challenging in any audit is having correct and complete documentation from the prescriber in your records. As you know, under Medicare guidelines, a prescriber cannot just simply order DME for a beneficiary-the beneficiary has to meet the Medicare coverage requirements for that item. While it has always been a requirement that the prescriber have documentation in their medical record that the patient meets the criteria for the ordered item, until recently, it was not reviewed on audit to ensure that it existed and that it met all of the necessary coverage criteria. As recently as three years ago, a supplier would receive an audit request and need to provide only the complete, signed order and the delivery ticket signed by the recipient documenting that the item was received. Today, when records are requested in an audit, the supplier must also have a copy of the prescriber's medical record for the beneficiary showing that the criteria has been met. Supplier generated forms or copies of completed checklists are not a substitute for the prescriber's records.

What can you do? Start by educating your referral sources if you have not done so already. Show your prescribers the Medicare coverage guidelines (the LCD's) and explain to them that you must have their complete documentation on file in the event of an audit. For prescribers who respond that they will send it only if you are audited, decide if you can take that risk. Too often, a supplier gets an audit request long after the item has been furnished and payment has been received. The supplier contacts the prescriber for the medical records and finds that what is sent is inadequate, or, in some cases, of no value at all. Often the notes do not include any of the required documentation, as the beneficiary may have been recently seen for something unrelated to their DME use, such as a flu shot. If you don't have a chance to see those records up front, how are you going to survive when you receive them post-payment and they are of no use for you?

If you continue to accept referrals without asking for documentation, you are running a risk that could potentially put you out of business. Don't take the excuse that "No one else is asking for this". EVERYONE should be asking for this, and if they are not, let's see if they are still in business and ready to accept referrals one year from now.



Ask the Coaches

Q: The HQAA contact for our organization no longer works here and our username and e-mail information needs to be changed. How do we handle this?

A: It is very important that you notify HQAA of new e-mail or contact information as we send out updates and new information to you electronically. This will also prevent unauthorized access to your company information. You can contact us with the change or update your information yourself by logging into the HQAA website and clicking on the word "Profile" on the top right-hand side of your screen. If you are unable to log in to make the change, simply contact your coach and he/she will make sure it is updated.

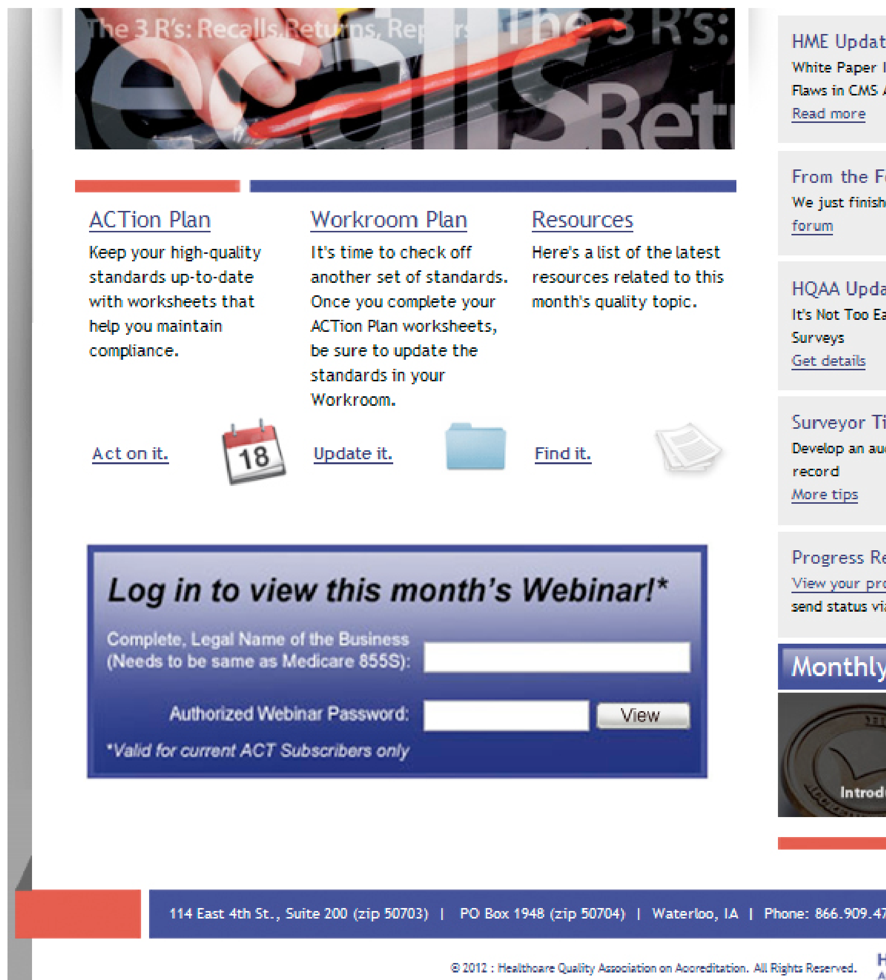
Q: What type of information should be included in the company summary we write?

A: The summary you write helps give the coach an overview of your organization and the products and services you provide. This also assists the coach to ensure that the correct standards are included within your workroom. This summary should include such things as your organization's scope of services, delivery area, types of equipment provided, and more. Please note that we have added an area for your company website information as well--let your coach know if you would like to add your website to your profile.

Q: What is the purpose of the Accreditation Services Agreement and Pre-Survey Forms?

A: The Accreditation Services Agreement is a document stating that your company agrees to the terms and conditions of the accreditation process. The Pre-Survey Form is used by our survey scheduler and the surveyors to assist them in planning your unannounced site visit. Both of these documents must be completed and returned prior to your survey being scheduled. If you have misplaced either of these documents, please contact your coach right away for replacement copies.

Coming soon to the ACT Service

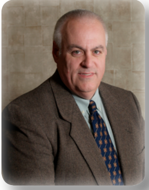


By mid-August, the ACT Service will have a new feature where all staff and employees will be able to view the Accreditation Topic Webinars from their own PC's at a time that works into their schedule!

This new feature is available for those companies that subscribe to the ACT Service, the accreditation maintenance service that keeps you up-to-date.

All ACT subscribers should watch for an Email that will be giving you instructions on the username and password for employees.

A giant THANK YOU goes out to Sue, from Hammer Medical for giving us this suggestion!



Ask the Surveyor

your questions answered...

Steve DeGenaro, RRT
Director of Survey Services

Organizations are often surprised to realize that their retail showroom is part of the survey process and that there are accreditation standards that apply. This is common, perhaps due to the fact that the retail showroom is associated with "cash sales" as opposed to the business of rental HME provided to patients and billed to payers.

What does a surveyor look ***at*** in the retail showroom and what is he or she looking ***for***? What should your company do to prepare your retail space in advance of a survey?

First and foremost, remember that the retail showroom is the "first impression" for both the surveyor and the visiting public. Your customers will most likely not see your cleaning and repair area, nor your billing office, but they will certainly see the retail showroom when they visit you. If you have a retail showroom, the surveyor will enter your place of business through that showroom. Keeping that area clean, orderly, attractive and efficiently laid-out should be high on your priority list.

Your surveyor enters your showroom taking in the layout. Is the showroom organized? Are items arranged and displayed neatly and safely? Are the aisles clear and free of debris and overflow equipment and supplies? The surveyor will check the equipment to ensure that there are prices on all items in the showroom. Expect him/her to look at any supplies with an expiration date to make sure that you don't have any expired product on the showroom shelves. Typical supplies with expiration dates include diabetic testing supplies (including lancets), some catheters, and various wound care supplies.

Your surveyor will walk through your showroom and expect to see exit signs above doors and marked exit strategies (those "you are here" maps of your organization that designate the exits). Depending on the size of the showroom, you may need to have a fire extinguisher in the showroom. If so, be sure that extinguisher and all fire extinguishers are checked and maintained properly with appropriate documentation of the date of last service visible on each.

Staff members working in the retail area who wait on customers should be conversant with knowledge of all products provided and be able to answer questions about the appropriate use of any equipment or supplies they are providing. Additionally, they should have a basic knowledge of third party billing—the payers your organization is prepared to bill and what equipment and supplies are covered by the major plans. Many organizations maintain a written list of payers with whom they participate and post this list (or have it available) in the retail area.

Surveyors will often identify a piece of equipment (lift chairs are a good example) and ask the person working in the retail area some basic questions, such as how much they cost and whether payers and/or Medicare cover the product. Make sure the staff are prepared to answer these types of questions. Also, be sure that your retail customers are able to get a receipt for any product they purchase.

Finally, how is your showroom equipped for customers to return used and/or damaged (which is considered dirty) equipment? This may be one of the most common deficiencies the surveyors see in retail areas. When a customer brings in a used nebulizer, wheelchair, breast pump, or oxygen tank for return, repair, or replacement, what does your organization do with that equipment? How do you handle repairs? Surveyors will observe your process for an equipment return if it occurs during the survey, or ask staff members how they process returned equipment. Showrooms will often have an identified area to place used equipment which is segregated from the clean, patient-ready equipment and supplies on the showroom floor. That area should provide a good separation of dirty or "contaminated" equipment from the clean, patient-ready equipment and supplies. Items returned to the showroom must also be processed with a cleaning/disinfecting process that is similar to used equipment picked up from the field. Some stores attempt to have returns facilitated through a separate door or area, which is perfectly acceptable as long as it is a successful process. If this is your process, have a plan and educate the staff on how to handle these returns when the customer brings the returned item into the showroom.

The retail area is most certainly part of a thorough survey process. Educate your staff and ensure they understand infection control guidelines regarding dirty/contaminated items. Make sure everyone complies with all applicable standards, laws and regulations in the showroom to ensure a good survey outcome. More importantly, remember that the retail showroom is often your customer's first impression of your business and should be clean, neat, organized, and efficient with knowledgeable, friendly staff waiting to provide excellent customer service.

Submit your questions by clicking "Ask the Surveyor"

Here's Our Latest News - What's Yours?

We hope you are enjoying your issues of Champion Chat as much as we enjoy providing them to you. Help us stay in touch with what's happening in your world by keeping us up-to-date. We rely on you to suggest stories, submit questions to our team of experts and give us feedback on the items and articles you are reading. We need you, our industry colleagues and accredited providers, to keep us in your "loop". If you, a co-worker, supervisor or owner of your company has been recognized in some way, or has done an outstanding job of demonstrating Champion behavior, submit your nominations for ***HQAA Champions in the News*** *to info@hqaa.org so that we can share your pride in making a difference in your customers lives, your community or in the industry. We appreciate the questions you've sent to* ***Ask the Surveyor*** *and* ***Ask the Coaches*** *and hope the questions and answers we've featured have been helpful. Your involvement helps us stay informed and in touch. Keep those emails coming!*