

Retail HME: A Great Opportunity

As Medicare, Medicaid, and third-party payers continue to reduce reimbursements for medical equipment, we need to diversify our business and look for ways to grow the “cash” side of sales. Now that your reliance on payers has either hit you with massive cuts, or ceased for your business, it’s time to review how to make retail HME a great success.

The Critical First Step

First, you must change your mindset. You are no longer a basic HME business - you are turning your HME business into a marketing company who happens to sell HME. Trying to spend each day conducting business as you have done over the past years, and waiting for your retail business to grow on its own, is fruitless. Think of the retail shopping experience you and your family have when you enter a retail store in a shopping center or in a mall. It is well-lit, products are displayed attractively, staff greet you as you enter and ask if you need any assistance. You must realize that this is the atmosphere you need to create in your retail store. You are now focused on being an HME retailer who sells and markets home safety, functional living, and health and wellness aids to the general public at a price consumers will pay, not an HME order-processing delivery service.



*Jim Greatorex
President, Black Bear Medical*

You must start to recognize that you are a destination business. The general public does not know what we carry and needs to learn the range of cash products we can offer them. We know that 8,000 – 10,000 baby boomers are turning 65 every day for the next 18 years. We know that they want to age in place and not live their retirement years in nursing facilities. Even those who are aged and infirmed can remain comfortably and safely in their home, or in an assisted living, with the assistance of equipment and devices designed to assist them in their tasks of

daily living. We are where people go to get products, advice, and training - a trait of a local company and not of a national provider. Change your thinking, and you can’t be afraid to ask people to pay for things.

What are you currently doing to market to and maintain this business? Much of the marketing that we provide in retail HME is education for our customers and our referral sources. They don’t necessarily know what items we provide, apart from the items that Medicare/Medicaid and insurance providers cover. We must show our customers and referral sources the new and exciting products that will meet the customer’s needs and enhance their quality of life. You should be looking for products that will set you apart from your competitors and those that your employees can believe in. Your philosophy should be gauged around bringing people into the store to see and touch items and get personal demonstrations. STOP DELIVERING EVERYTHING! Don’t be turned off by products that take you out of your comfort zone - you might be surprised at how well they may sell.

There are several myths that fly around our industry regarding retail opportunities:

- ***You are limited in what you can sell by Medicare rates and rules.***

Not true. You need to think “bigger”. Have products that are for Medicare or 3rd Party Payers and stock a different quality, whether it be up or down in price, for the retail customer.

- ***Nobody will buy the bigger ticket items.***

Again, not true. Does anyone in your town own an I-Pad or I-Phone? People do have money, but they may not be the consumers that are frequenting your

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The Pharmacist's Dose



Willis C. Triplett oversees HQAA's home infusion IV compounding and pharmacy programs. He has extensive experience in all aspects of home infusion therapy as an owner, senior leader, and consultant.

The Drug Quality and Security Act

On Saturday, September 28, 2013, the U.S. House of Representatives passed H.R. 3204, **The Drug Quality and Security Act**. This very important piece of legislation for the pharmacy industry was inspired by the fungal meningitis outbreak that occurred last year. The bill has not yet passed the U.S. Senate; but this was mostly a matter of timing, because it coincided with the senate activities that led to the federal government shutdown. Most legislative experts agree that the bill will pass easily when it comes to the Senate Floor before the end of this year.

This is critical legislation for all pharmacies that provide compounded prescriptions. When the fungal meningitis outbreak was directly tied back to products prepared by a compounding pharmacy in Massachusetts, it sent shock waves through the traditional channels of pharmacy regulation. This led to an outcry for better safety regulations on compounding. Congress demanded answers as to why no federal action had been taken, although the FDA was aware of complaints and bad outcomes tied to that pharmacy. In fact, the FDA had informed the Massachusetts Board of Pharmacy Regulation of its findings but believed that it was the role of the state board to investigate and discipline the pharmacies it licenses.

This relationship and balance between the state and federal regulation of pharmacy practice is vital to the future of our businesses. The standards by which the FDA operates and evaluates are known as current Good Manufacturing Practices (cGMP). cGMP requires record keeping and product testing that is beyond the capability of most compounding pharmacies, so it is vital that we continue to be regulated by our various state boards of pharmacy.

For more information on the bill, go to: <http://energycommerce.house.gov/fact-sheet/hr-3204-drug-quality-and-security-act>

The regulations governing the implementation of the Act will soon be promulgated, so this is the time to get informed. Our futures depend on it.

Retail HME: A Great Opportunity (cont'd)

establishment today. We need to market new technology to all consumer groups and all ages.

- ***You must bill insurance for everything possible.***

You should assume that every customer that comes into your store is a retail transaction about to happen until it has to be third party. Sell the product first, and give the consumer the ability to buy a better quality product for cash.

- ***The product offering is limited, and therefore so is the market.***

On the higher turning items, we need to offer good- better - best. Just like when we shop for ourselves, we are looking for what meets our needs at the best price and quality. This works just as well in the HME retail arena.

Hiring Excellent Staff

When hiring employees for your retail location, look for applicants with “Big Box” store experience. You should always be recruiting as you shop; meet potential applicants, and network. What you are looking for is a “people person”. In this case, industry experience is not a factor. You need trained and experienced sales staff who understand selling, not all of the nuances of HME billing. Additionally, do not try to make retail staff become billing experts. Teach them the very basics of coverage and to ask the qualifying questions. They should know what is and is not covered, when an ABN is needed, etc. and require that they bring in a billing expert from your billing department to assist the customer to answer any questions they cannot (and should not).

A good HME retail staff member should generate a monthly revenue of approximately \$30K in sales per month. If this is not occurring in your organization, look again at your sales staff, the products you carry, and more. Explore extended hours, have them involved with the marketing efforts, have regularly scheduled retail planning meetings, and have the staff take ownership of the whole retail process. You may need to let unproductive staff move on and replace them with motivated sales leaders.

Consider adopting methods to incentivize the staff and boost your sales. You might provide spiffs for high ticket items, add-on sales, or new lines you want to move. Maybe you can initiate a store bonus/profit sharing plan that rewards for profitable months/quarters. Post your sales results in non-customer areas, and recognize high sellers.

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From Mary's Desk

Mary Nicholas, MHA
President, CEO

Don't Diet When it Comes to Staff Education!

I would venture to say that most all of us, at one time or another, have experienced the ups and downs of dieting. Sometimes, in spite of our efforts, old habits might creep back and the pounds begin to return. We know that these ups and downs are not always a healthy way to live and that these changes can place stress on our bodies.

Let's compare that kind of dieting to educating our employees. We know that our accreditation has standards that require annual staff education and training. Yet, from a field perspective, it is not uncommon for us to find that staff education takes on a flurry of activity in organizations in the months leading up to renewal. It is very apparent when staff education and training only occurs within the six months prior to survey, that someone "rang the bell" and the catching-up began.

Staff education, not unlike taking off and putting on weight, can be a stressful activity. When there is an approaching deadline to complete a certain number of annual educational hours, or to obtain CEUs, fulfilling that requirement can cause stress that becomes apparent as other job tasks get rushed or pushed to the side so that the requirement can be completed in time. Does this strategy really add to your employee's knowledge? I would suggest that an underlying message is that education is offered only to complete an educational requirement for accreditation and that it is not an important process or meant to be helpful. Is this the message you should be sending?

And don't forget that on renewal surveys, the educational activity over the previous three years is reviewed. Are you completing this requirement annually in a stressful manner? This rise and fall serves mostly to add stress to employees in the struggle to meet a requirement, not in the value received in keeping them educated on important matters.

We all know that regular exercise and daily good nutrition choices are the best ways to maintain a healthy weight. Thus, it is easier to manage a regular routine of educational opportunities in monthly, or every-other-month, requirements for completed education. Why add the stress of a 'roller coaster effect' to burden staff to hurry and catch up on their annual requirements? Those responsible must make it a habit to provide educational opportunities, monthly topics, coursework requirements, etc. in "bite-sized" pieces so that full attention

can be given to the information being provided. The message then becomes that you are giving time and attention to the growth, development, and investment in employees and overall company improvement.

Our industry is fortunate to have multiple options when it comes to providing employee education and training. Make it a point to support employees as they participate in opportunities that will benefit their confidence and ultimately benefit the company. HQAA has multiple opportunities to support these efforts. See the "Ask the Coaches" section of this newsletter for a list of possibilities. With so many options to choose from, use different formats for your education to make it interesting, create your calendar a year at a time—and stick to it! Make it a habit to offer the nutrients of knowledge to the monthly diet of your employees as an ongoing function and not as a last-minute activity.



Retail HME: A Great Opportunity (cont'd)

Show your staff your commitment to retail success. Coordinate and execute a quarterly retail merchandising plan. Always offer product training on all items you sell. Ensure that customer service staff return unanswered phone calls within 1 hour of receipt of the call. Every customer who comes in the door must be greeted and acknowledged. Your office receptionist should never be your customer service staff receiving potential customers into your store. No customer service staff should be sitting behind a counter in a retail setting with their head down and waiting for customers to find THEM for help. Consider how you would feel if you walked into a retail store and you received that kind of treatment.

Are you offering the latest in items and devices that can enhance your customer's quality of life? As competitive bidding is stifling innovation in HME, retail is where the new technology is directed and the newest products are being created as cash sales opportunities for you. We must bring this new technology to new prospective customers. For success, we must be great marketers, product experts, have great execution, and have excellent and properly trained sales staff. Anything less will not provide the results you need.

Jim Greatorex is a 32 year veteran of the HME industry and President of Black Bear Medical in Maine.

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. It is the only such product offered to assist with accreditation renewal in the industry. AMPT (Accreditation Maintenance Program Toolkit) is its counterpart for all accredited providers. AMPT is not for HQAA customers, but all others that understand the importance of maintaining accreditation standards.

Each month, providers enrolled in ACT or AMPT 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.

Only HQAA offers on-going service to maintain the accreditation you've worked so hard to achieve.

For more information about ACT or AMPT, contact Gabriel Nicholas: gabe.nicholas@hqaa.org or 866.490.7980

Upcoming Topics

NOVEMBER
Transfers, Terminations, Discharge and Denials

DECEMBER
Delivery Process Review

JANUARY
Materials Management

In this issue we are highlighting the ACT/AMPT topics for November, December, and January, and listing some of the questions posed for subscribers to review to ensure that they are meeting their accreditation standard requirements.

November - Transfers, Terminations, Discharge and Denials

Does your staff recognize and deal effectively with major mileposts of change/transition in care delivery? What are your processes when a client must be terminated from service? Does your discharge process provide your clients with continuity of care when needed?

December - Delivery Process Review

Does your delivery process assure your clients of your organization’s exceptional and personal high quality service? Does your organization comply with all state, federal, and payer requirements regarding detailed delivery documentation? Is staff properly trained to conduct residential assessment evaluations to ensure equipment suitability if necessary? Are delivery vehicles checked regularly for safety issues, maintenance schedules, and cleanliness?

January - Materials Management

Can your organization ensure the effective and safe cleaning of all re-usable equipment? Do your storage areas ensure staff safety and appropriate storage for all “Patient Ready” equipment? Do you have an effective system in place to track and monitor your organization’s inventory? Do you have adequate processes in place to repair and maintain the equipment in your inventory?

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

“Using the ACT program and it’s content made becoming reaccredited much easier!”

*Lola Van Kalsbeek, Administrative Assistant
Wheelchair Dynamics, Inc.*

See more customer testimonials on the HQAA YouTube page by clicking [here](#).



HQAA

Recently Accredited Quality Champions

Please join us in congratulating these
recently accredited providers.

1st Class Medical Inc.
Abeldt Enterprises, Inc.
ACS Medical LLC
ACTS RESPIRATORY & MEDICAL EQUIPMENT INC.
Advanced Healthcare of the Palm Beaches, PLLC
Advanced In-Home Respiratory 24, L.L.C.
Advanced Pediatric Care, LLC
Advanced Rehab & Medical, PC
Anchor Medical Equipment Inc.
AOC-DME CORP
Apple Medical, LLC
Arapahoe Mental Health Center
Areli Medical Devices, LLC
Aspen Valley Hospital District
Atlas Integrative Medicine and Spine Center LLC
Baizan Medical Equipment Inc.
Bi-County Medical Supply, Inc.
Camelback Medical Centers, PLLC
CL Cressler Inc
Comprehensive Healthcare
Compton Chiropractic Care LLC
CRTS, Inc.
DME Tennessee, LLC
Dudley Medical And Wellness, Inc
Duramax Medical Supply, Inc.
EntraMed, Inc.
First Quality Medical Supplies, Inc.
Glory Medical Supply
Hardin County General Hospital
HEMECARE MEDICAL AIDS ,INC
Jerseyville Pain Management Center, S.C.
KASEY LEE ALFORD PHARMD INC
KCN Novak Inc.
Lee County Physical Medicine, LLC
Lexington Medical Supply
Life Rx Inc

Lindberg-Turner Medical Equipment LLC
Lowcountry Health Group LLC
Manuel Enterprises, Inc.
Martin and Tucker Investments INC
MCCOB Styles
MEDICAL CARE SPECIALISTS CORP.
Mountain Air, LLC
Nebraska Scooter Mart LLC
Pacific Biomedical Inc.
PACIFIC ISLAND MEDICAL, INC.
Perfect Medical Solutions, LLC
Performance Care Group Inc.
Perimeter Spine & Rehabilitation Center, LLC
Personal Care Products, Inc.
Personal Medical Equipment & Services, Inc.
Pharmacy Plus & Surgical Supplies LLC.
Precision Drugs LLC
Progressive Medical
R & J Pharmacies, Inc
Reagan's Rx Compounding Pharmacy & Home Care, LLC
Respiratory Medical Solutions
Richard Bradham, Inc
Rockville Medical and Disc Center LLC
Shasta Medical Equipment
Shelby Medical Associates, PA
Sleep Diagnostics, Inc.
SMN INC
SOUTH FLORIDA MEDICAL CORPORATION
South Florida Medical Supply, Inc
Southwest Georgia Center of Medicine, LLC
Specialty Wheelchairs LLC
Sweet Dreams Sleep Therapy LLC
THE HEALTHCARE STORE, INC
Tim Mitchell Medical Inc
Trinity Medical Pharmacy, LLC
Wolf Medical, Inc.
Woodward Medical Center LTD

**We look forward to listing your company as one of
our Quarterly Champions! Come join our family!**



Regulatory Update

Mary Ellen Conway, President
Capital Healthcare Group

What’s happening in your area with Competitive Bidding? Have your patients been suffering trying to obtain equipment from winning suppliers? Are they upset that they have to switch suppliers? Are they waiting days or weeks to receive necessary equipment, sometimes delaying their discharge from the hospital? Are they being asked to switch brands of diabetes supplies? Are they unable to find a contract supplier willing to take them?

These are the issues we hear from suppliers around the country, and the industry needs to have these issues documented.

As you may be aware, in Round 1-A, in the 9 (nine) competitive bidding geographical areas, CMS informed Congress that they had received **NO** complaint calls from beneficiaries, only some calls needing “clarification” And now, with Round 2 in 102 service areas, CMS claims that they’ve had only 33 complaints. Jay Witter, Senior Director of Legislative Affairs with AA Homecare, told the crowd at Medtrade that if that is true, and they’ve only received 33 complaints, “They must be geniuses and should win a Nobel Prize” for designing a program that has so few problems for the millions of beneficiaries now impacted across the country. Who knew CMS was that spectacular? Well, we know they are not so spectacular and to prove our case, we are documenting all of the calls that CMS is receiving.

It doesn’t serve our cause for us to log just our complaints, as they can be “written off” by CMS as “suppliers who are just mad.” We need the patients and discharge planners to complain. And while we need them to contact Medicare when they have problems, we also need to validate that information.

We need this information to show our legislators that CMS is not honest about the problems and troubles the program is experiencing and how the beneficiaries are being impacted. Staffers on Capitol Hill, both on the House and Senate sides, have indicated that they need solid data from us to confirm their suspicions that the data provided by CMS is not telling the whole picture of the bidding program’s impacts.

When your current or former customers call to complain, in addition to asking the beneficiary or referral source to

contact Medicare directly with access issues, we ask that you provide them with two additional phone numbers.

Through their division **People for Quality Care**, VGM has set up a telephone call center to track beneficiary complaints which is staffed 24/7. The call center staff will take the beneficiary’s name, location, and a brief summary of the issue. With the beneficiary’s permission, the complaint will be forwarded to a local Medicare ombudsman for resolution and added to the growing list of problems being gathered to present to members of Congress. During regular business hours (and not during another shut down!), they will also patch beneficiaries through to the congressional switchboard if they are interested in talking to their representative’s legislative staff member.

HQAA
On the Road
Come visit us at:
OAMES
11/19 - 11/20
(Columbus, OH)

What can you do today?

Consider making a handout for beneficiaries and referral sources that you can provide at your retail counter, post on your web site, and fax (when appropriate) to your referral sources. List the numbers to contact with a complaint about access or service, and ask them to **please be sure they contact all three:**

CMS (1-800-Medicare/1-800-633-4227)

Be sure the beneficiary knows that they have to file a complaint, and tell them to get the name of the person they speak with at CMS.

People for Quality Care (1-800-404-8702)

Members of Congress (1-202-224-3121) Ask first for their House Representative’s office, by state and district, and then call back and ask for their Senator’s office. The caller does not need to know who their Representative or Senator is, as they will be directed by the operator to the correct office.

As of this month, through the means above, the industry has logged over 2000 complaints since July 1, as compared to CMS’s 33, and we need them to continue. We have growing support for HR 1717 to overturn this reckless program and we, as the DME community, need to step up and get the job done by providing the facts and the truth.

Mary Ellen Conway, RN, BSN, is a nurse health care consultant with over 25 years expertise in management throughout the health care continuum, and the President of Capital Healthcare Group.



Ask the Surveyor

your questions answered...

Jim Moyer,

Director of Survey Quality

Preventive Maintenance

What are the requirements for preventive maintenance (PM) or testing of my durable medical equipment?

The best way to begin to answer this question is: "What does the equipment manufacturer require for performing preventive maintenance/repairs on their equipment?"

A good example to use for this question is how you manage oxygen concentrators. Over the last years, many oxygen concentrator manufacturers revised their requirements from an every three month concentrator check to an annual check or "possibly more than annually." That being said, what does your policy state that you do for preventive maintenance or testing of your durable medical equipment? If your policy states that you will follow the manufacturer's suggestions and guidelines, then your staff should be aware of those timeframes for each piece of equipment you dispense, as well as what is to be performed during each cycle. If your policy states that it is performed more frequently than the manufacturer's guidelines, then you must follow your policy.

Each manufacturer may have a different set of requirements for PM of their equipment. Manufacturers may require PM after a set number of hours of concentrator operation, or after a certain number of months of service for other pieces of equipment. Your organization needs to have a system in place to ensure that all PM is performed in a timely matter. This course of action, along with documented evidence, can be very helpful in the event of a patient having an incident or adverse event using that piece of equipment.

As an organization, you are required to document the maintenance and repair performed on all of your rental durable medical equipment. The basis for this information can be found in HQAA's Standard MM4. You can accomplish this through any means, such as a paper log or through your IT software. Your list must include the type of equipment, manufacturer, serial number, date the equipment went into service, and the scheduled maintenance for that piece of equipment. When the item is returned to you after rental, document what maintenance was performed (with date and reason) and that it is now patient ready. If it is not patient ready, document the disposition of the item. If the item needs

repair, document the disposition. If it was returned to the manufacturer or sent to a service center for the repair, log the date sent and the reason. When it is returned back to you, after you check/test it again, it is noted as patient ready in your log. If the equipment was disposed of, note the date and reason for disposal. Always ensure that the name of the staff member completing the service and the date are recorded, as these are key components of your tracking system.

When performing preventive maintenance or repairs on any piece of equipment, make sure that the staff member(s) performing PM or repair is trained and competent to perform this function according to the manufacturer's guidelines. Manufacturers may allow organizations to perform certain testing and PM after the staff have been trained and/or certified by their company. Keep track that all staff performing PM and repairs are competent with current proficiency to perform these functions.

When performing in-home concentrator checks, if the oxygen concentrator does not meet the manufacturer's specifications, the equipment must be removed from the patient's

To sign up to receive **Champion Chat** or to have copies sent directly to additional staff members, contact us at 866-909-HQAA and tell us who to add to our mailing list

home, and a replacement needs to be provided. When testing oxygen concentration and liter flow, many organizations utilize an oxygen analyzer that does not require routine calibration. If calibration of your oxygen analyzer is required by the manufacturer or by company policy, record the calibration information in your log for each calibration device used to verify that the analyzer was properly calibrated prior to use.

Remember that your organization is required to maintain a file of all of the manufacturer's maintenance guidelines, warranties, repair and testing instructions for all equipment and devices, old and new, that you provide.

Being proactive in testing and preventive maintenance of your equipment is not just a requirement, but can help reduce the expense of after-hour calls, decrease equipment failures, reduce liability exposure, and maintain open communications between your staff and patients which will keep your patients and referral sources pleased that they do business with your company.

Submit your questions by clicking ["Ask the Surveyor"](#)

Ask the Coaches

Q: How have the new HIPAA requirements affected the accreditation process?

A: The new requirements have not affected the accreditation process at all. HQAA requires that your organization maintains compliance with all federal, state, and local regulations. There may be internal updates or revisions that you need to do to your Business Associate Agreement for the new HIPAA requirements, but the accreditation standards have not changed.

Q: Are there any specific requirements regarding the source(s) for our annual education?


A: No. Although HQAA has requirements for the content for 4 (four) of the 6 (six) hours staff must complete every year, HQAA does not have any specific requirements for the type of education. There are many methods you can use when providing the required education:


- You can use the resources and webinars provided within the ACT service (for subscribers)
- Staff can attend seminars and participate in teleconferences
- Your organization can subscribe to on-line educational programs for the staff to do on their own time
- You can purchase written materials with post-tests to provide to the staff
- You can go to federal agency web-sites, such as HIPAA or OSHA, for materials
- Peruse through our blog for some interesting tips and organizational tools
- You can include in-services provided by manufacturers on new or current items you provide

Whatever means you choose for the education, remember that HQAA requires all staff participate in at least 6 (six) hours of education each year and that 4 (four) of those hours include, HIPAA, OSHA, bloodborne pathogens and safety and make sure all education provided/received is documented for review by the surveyor.

Q: Will HQAA automatically come out when it is time for our accreditation renewal?

A: No. Your organization will receive notifications alerting you that your renewal time is approaching. Your renewal application must be completed and approved by HQAA to “officially” begin the renewal process. We strongly recommend that suppliers have their renewal requirements complete in time for their on-site visit to be conducted within 90-120 days prior to your accreditation expiration date.

To start your re-application, begin by going to our home page at www.hqaa.org. Click on the renewal option tab within the blue tab bar labeled  in the upper right-hand side and follow the prompts to complete the application.

Another way to access the application is by locating the  tab towards the middle of the home page and clicking on the link [Apply for re-accreditation](#) directly below the icon. Once your application is successfully completed, you will be contacted by your Coach to begin the renewal process.



HQAA Accreditation is Non-Transferrable

When a company is accredited by HQAA, we assume the liability of reporting your accreditation award status to the Centers for Medicare and Medicaid Services indicating that you are in compliance for the three year award period.

HQAA accreditation is a non-transferrable award. Should a DMEPOS supplier decide to apply with another accreditation organization, they should keep this fact in mind, especially if given information indicating that a survey would not have to take place soon after transition occurs. A new survey and review should be conducted by any new accreditor so that they may assume the liability of compliance to their standards. Also, timing is essential so that maximizing your current investment in your three-year award remains a priority.