



North Carolina Association for Medical Equipment Services

Provider Profile: Triangle Aftercare *Bidding program jeopardizes patient access*

With a storefront in a busy Durham shopping center near The Streets at Southpoint, Triangle Aftercare gets its fair share of walk-ins. Senior citizens, post-op patients and their family members, and assorted caregivers young and old choose from the myriad of home medical equipment lining the shelves and display racks: walkers, wheelchairs, bath aids, support hose, compression sleeves for lymphedema treatment, corrective sleep apnea supplies, back supports, mastectomy bras and accessories, orthopedic and diabetic shoes don't even begin to scratch the surface.



Marcia Ladd worries about the impact DMEPOS bidding will have on patient access to quality service.

The steady stream of 30-40 people a day and healthy dose of online and telephone fulfillment orders has built up over the years thanks in large part to the reliability and hard work of owner Marcia Ladd's 15-person staff. All that hard work, however, is in jeopardy if flaws in recently enacted Federal DMEPOS bidding rules are not revamped.

Member Snapshot

Name: Marcia Ladd
Company: Triangle Aftercare
Years in Business: 15
Location: Durham
Employees: 15
Website: www.triangleaftercare.com

What is Restrictive Bidding?

The Federal government's restrictive DMEPOS bidding program for Medicare-related services and medical equipment implemented in 2008 proved so confusing and disruptive to patient services that Congress passed the Medicare Improvements for Patients and Providers Act, temporarily halting the restrictive bidding process. Congress asked the Centers for Medicare and Medicaid Services in Washington, D.C. – the same Federal agency which administers Medicare, Medicaid, and the Children's Health Insurance Program – to reform the program in the midst of a sweeping overhaul of national healthcare.

On October 21, 2009, the restrictive bidding process was restarted in nine metropolitan areas across the U.S., including Charlotte, N.C. without any public comment or addressing fundamental problems in the program leading to the proliferation of inexperienced, unlicensed non-local vendors serving seniors and patients in

“If I could not bill Medicare, I’m not sure I could stay in business,” Ladd said of her reaction to the rules which will potentially block 90% of current home medical equipment businesses in North Carolina from providing equipment to Medicare recipients. Rolled-out in Charlotte in late 2009, the rules will be applied to other business communities throughout the state in the next two years.

The numbers of customers that would be affected by Triangle Aftercare having to close-up shop would be significant; the business services patients in need within a 50-mile radius of its two retail facilities in Durham and Roxboro housing 5,000 square feet of wheelchairs, hospital beds, oxygen systems, bathroom safety accessories and walkers.

“We have three to four delivery drivers each visiting an average of ten houses a day six days a week,” Ladd explained, adding, “We deliver 35 -50 wheelchairs a month and more than that in oxygen tanks and walkers. There are a lot of people in our community who depend on us.”

The same people who come in for wound care supplies and carpal tunnel braces come back when loved ones undergo surgery or, in many cases, are dealing with end-of-life hospice situations, Ladd said. The repeat business and numerous referrals her business has enjoyed over its 15 years of service leads to families becoming customers across generations, building close relationships in the process.

“This business, the home medical equipment business, is rare in that its one of a few industries where you can build a business that truly makes a difference in people’s lives,” said Ladd, who greeted a number of customers by name while being interviewed for this profile.

“The most compelling issue to me about this whole bidding program is that it limits access,” she said, adding, “When you have a situation with someone bringing home a loved one from a hospital for post-operative or end-of-life care, or you have an elderly family member or someone living alone depending on home oxygen systems, you hope it would be easy for

need; requiring fee cuts and desperation bidding on behalf of qualified, trusted HME providers in our state; and reducing options for patient access to quality care.

What is H.R. 3790?

A truly bi-partisan bill in Congress supported by 107 co-sponsors including eight of 13 North Carolina Congressmen such as Sue Myrick (R-N.C.), Bob Etheridge (D-N. C.) and Heath Shuler (D-N.C.), H.R. 3790 proactively corrects flaws in Federal government’s restrictive DMEPOS bidding program implemented in 2008 limiting bidding for Medicare-related services and medical equipment.

Rather than federalizing the home medical equipment industry and reducing patient choice, H.R. 3790 takes a practical approach to ensuring patient access to quality providers while saving taxpayers money. The bill reduces Medicare reimbursements to home medical equipment providers while allowing qualified, licensed home medical providers in North Carolina and across the country to compete on a level playing field with unlicensed, unproven vendors, providing our seniors and patients in need with access to the HME providers they know and trust.

What will H.R. 3790 Mean for North Carolina?

North Carolina HME patients and small businesses will benefit from H.R. 3790. Home medical equipment can be provided and maintained for just dollars a day. Home oxygen therapy, for example, costs less than \$7 per day in Medicare. That compares to an average daily cost of about \$200 for a

them to find one local provider they could trust to service all their needs and be available 24/7 to fix the equipment in an emergency situation.”

“This restrictive bidding from the Centers for Medicare and Medicaid Services doesn’t give people the option. In a lot of cases, they may have to use three or four different providers headquartered in California, New York, or Florida to get their supplies, many who are brand-new to the industry or North Carolina with limited experience. What happens when something breaks at two in the morning? Do these patients know which provider to call? Will the out-of-state companies be able to service the equipment? It’s the most patient-unfriendly program I’ve ever heard of.”

Ladd continues to serve her many customers and look into product lines not subject to Medicare while writing, calling, and visiting her elected officials to support the development of new legislation to fix what’s wrong with the current bidding process. A bill to do just that, H.R. 3790, currently has the support of 8 of the 13 members of the North Carolina congressional delegation.

“If we don’t fix what’s wrong with this program, long-time local providers like us are going to go out of business. If that happens, the list of victims is large and the impact on those victims is potentially devastating and in some cases life threatening,” Ladd said.

nursing facility, and \$5,000 for a hospital stay under Medicare.

H.R. 3790 will correct flaws in the DMEPOS program which selectively contracts with a very few HME vendors based on lowest-price bids and bars 90 percent of qualified HME providers.

H.R. 3790 will continue to provide access to HME providers which represent the most cost-effective, slowestgrowing portion of Medicare spending, increasing only 0.75 percent per year.

Additionally, by promoting patient access to cost-effective home-based care, H.R. 3790 will provide proven North Carolina HME providers greater impetus to grow their customer base, produce and sell more products, and hire more workers and expand operations in our state.

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