



HME Providers

Best Practices for Resupply Management

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Introduction

Home medical equipment (HME) providers offer vital, life-saving equipment and supplies to patients with respiratory diseases and sleep disorders. These patients require new supplies on a regular basis. Yet, a recent study by ResMed suggests a growing trend: Sleep therapy patients are more likely to cease treatment within a year unless they subscribe to a resupply program.

Resupply programs provide regular replacements of HME essentials such as positive airway pressure (PAP) masks, tubing, and filters to ensure that patients' devices are clean and work properly. They also benefit providers' bottom lines. Now, amid the COVID-19 crisis, resupply programs reduce person-to-person contact, thus saving lives of providers and patients alike.

In this white paper, Prochant revisits the fundamentals of resupply management. Rachel Schools, Senior Consultant, and Shannon Guilfoil, Reimbursement Success Advocate, offer guidance on how to manage resupply programs for sustainable provider and patient success.

Back to Basics

Resupply programs have long been a cornerstone of successful HME companies. Why, then, is it often difficult for patients, providers, and referrals alike to navigate these programs? The answer takes us back to resupply's first steps.

A physician or clinician first diagnoses a patient with sleep apnea, for instance, and refers this patient to an HME provider that fulfills the initial order: PAP mask, headgear or chinstrap, tubing, filters, humidifier, and water chamber. During this diagnostic visit, the doctor should discuss enrolling in the provider's resupply program –



a step that the doctor either fails to mention or the patient misses amid the flurry of information.

Yet, the benefits of resupply programs are many. Enrollment prolongs treatment, creates better outcomes, and increases patient compliance. It also boosts revenue for providers and physicians.

There is a drawback: As orders increase, providers may struggle to manage too many processes with too few resources. In turn, they might explore external options, including automated software or outsourcing resupply to third parties such as Prochant, to save time and build more efficient resupply programs.

Managing Resupply

What, then, are specific ways for providers to better manage their resupply programs? Rachel Schools and Shannon Guilfoil pull from their wealth of resupply experience to share their best practices for strong resupply programs below.

Engage with patients early.

Providers that reach out to new patients quickly ensure better compliance with resupply programs, including follow-up visits required by Medicare and many other payers. In addition, providers need to educate patients early about regularly replacing their PAP equipment and



supplies. These patients may stay on treatment longer; use cleaner, more effective devices; and have supplies shipped to their homes.

Know your payers, know your rules.

Most insurance companies provide coverage for PAP devices. Yet, their regulations may vary. Government-based payers Medicare and Medicaid have different rules than commercial payers such as Blue Cross Blue Shield and United Healthcare. Rules differ around prior authorization, compliance, and utilization – specifically, around quantity and frequency.

Educate your referral sources.

Education is crucial for creating strong relationships with your referral sources – physicians, nurses, and clinicians. Their daily schedules are likely filled with back-to-back appointments, leaving little time to tell pulmonary and respiratory patients about their resupply options. In addition, you may need to provide reminders about annual visits, yearly prescriptions, and patient compliance.

Know your margins.

Should you ship resupply items from your warehouse or as drop ship from the vendor? Which brands should you offer your patients? Your margins greatly influence these decisions.

Due to PAP's complexities, you need to create a formulary, or table that identifies PAP products available by payer. In some cases, you can charge a premium for off-formulary items. There may be major variances in margin depending on the make and model of the PAP device.

If patients have Aetna insurance and want the new mask advertised on a television commercial, that mask is not likely to be on the table because Aetna's reimbursement does not support it. You may be able to charge an upgrade fee or bill a non-assigned claim to support your margins, but also provide patients with their desired mask.

Partner with a resupply outreach vendor.

Despite following these best practices, some providers still struggle to manage their resupply programs. This is where a resupply outreach partner comes in. These solutions streamline the resupply experience for providers and patients.

For providers, partnering with a resupply outreach vendor saves time and money, aids in patient compliance, reduces paperwork, and increases revenue. Patients also see benefits. They receive frequent, ongoing communication with a sleep coach who understands their disease and helps them navigate their supply options. In turn, patients prolong their treatment, which sets up providers for sustainable resupply success.

Outsource your orders.

Sometimes, providers are unable to manage the high volume of orders, causing delays and frustration for patients and physicians. Providers may pause their resupply programs as a result to give themselves time to catch up. For providers that need extra help, there is a smart solution: outsourcing. HME billing and outsourcing

companies such as Prochant offer solutions for processing resupply orders.

These solutions fill the gap between resupply outreach and resupply order fulfillment, with outsourcers taking resupply orders and processing them using the provider's methods. Typically, this includes resupply order entry, documentation review, electronic documentation request, and follow-up; eligibility verification and prior authorization; and verifying that orders are paid before advancing them in the workflow.

Be smart with physician outreach.

Be proactive, yet smart, as you reach out to your physicians. Set reminders to contact them for renewal prescriptions on active resupply patients at least 30 days in advance. In turn, these physicians can schedule follow-up visits with their patients. Share outcomes data and keep physicians informed throughout the process.

Conclusion

Now, you have the tips and tools you need to better manage your resupply program – or to build a smart resupply offering from scratch.

The key is creating sustainable change. As you implement these best practices, Prochant is available to answer questions about resupply outreach and order processing.

Prochant is the nation's leading HME billing and process outsourcing company. Our highly skilled team helps providers become more profitable by outsourcing or enhancing front- and back-office processes. We rapidly implement changes, and proactively monitor metrics to ensure client success. Headquartered in Charlotte, North Carolina, we work with top medical equipment providers and health systems.

Rachel Schools is the Senior Consultant at Prochant. With 20 years of experience in resupply and HME, Schools provides invaluable advice to providers and guides them through best practices for their revenue cycle processes.

Shannon Guilfoil is a Reimbursement Success Advocate at Prochant. Guilfoil brings nearly a decade of experience in resupply and HME to Prochant's clients.



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