VIEWPOINT

The Rise of the Value-Based HME

As the industry continues to provide care in the ongoing COVID-19, HME providers can expect more patient demand and a broader set of needs from their clients and referral partners. Are they ready?

The COVID-19 pandemic won't last forever, but patient demand is here to stay. If anything, HME providers can expect more patient demand and a broader set of needs from clients and referral partners. Now the big question: Are you ready?

Sandy Canally, founder and CEO of accrediting organization The Compliance Team, is an expert on workflows and operational procedures at HME businesses and other post-acute providers. Despite the ongoing challenges of the Covid-19 public health emergency, she says she's seeing some serious pent-up demand in the marketplace, creating opportunities for HME providers to grow their businesses with a personal touch.

This interview originally took place on the HME Business Podcast. If you prefer to listen to the interview, click here for that episode.

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HMEB: We've seen some big changes due to the pandemic, but what are the other factors changing and expanding the needs of the chronic care populations that HME providers serve?

Canally: One of the reasons I wanted to talk about this is because certainly the population that HMEs serve is, indeed, that chronic care population. So I started thinking about how COVID and the pandemic has impacted not only their day-to-day lives, but their health care needs.

And certainly some of the things that have caused a disruption during the pandemic are their physical activity or lack thereof; their sleep, their stress, and mental health; and of course, a big one is access to their medications, and access to normal health care visits. Interestingly enough, for the most part it's been a negative impact. But conversely, some of the environmental risk factors that affect folks that have asthma and respiratory conditions that are so sensitive to air pollution may actually have improved some of their symptoms, because they haven't been out and about.

HMEB: You mentioned activity. I know that with long-term oxygen therapy patients, they've been saying that increased ambulation is good for their care. So, I imagine there's a lot of give and take within these factors.

Canally: Exactly. I think the key takeaway is that the pandemic, and the effects of that pandemic, are more far reaching than what you actually think they are.

HMEB: I know there's been debate over the pandemic starting to shift toward an endemic. Regardless, how do providers assess how things

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have changed for individual businesses as well as the industry? What do they do to get a good level set on what is the new lay of the land?

Canally: At the end of the day, we want the HME provider to offer solutions for this. And during the pandemic, many of them have had to change their processes, and the way that they operate and serve their patients.

So, today, I'm going to ask, what's their takeaway? During the pandemic, in their business model change, there are benefits of that change. Maybe the patient enjoyed the follow-up calls that they did, that brought them closer to the provider, whereas they didn't do as many of those before because they were doing more deliveries.

What I think they all need to do is survey their patients to see what changes they want to keep that they made during the pandemic. You can't automatically think that everything was bad, or is not then needed in the move forward.

HMEB: I would hope that some of these changes have been positive.

Canally: The key is, with these increased health care needs, they really need to assess what they did, assess where they're at now, and how they can build these increased demands into their day-to-day practices.

HMEB: So, can you give us some sort of qualitative examples of the increasing, or changing needs, among the chronic care population?

Canally: First, let me cite some statistics:

- In June 2020, about 55 percent of adults living with multiple chronic conditions reported delays or avoidance of medical care, which was attributed to the pandemic. It is huge.
- In another survey, 69 percent reported that COVID-19 affected their ability to manage their chronic conditions.

So I think it's key to also look at past pandemics, and data that is out there, whether it's from other countries really doesn't matter. It's all about understanding that chronic disease can be anticipated to be significant drivers of demand post-pandemic, with things like management of diabetes, with COPD, and of course, return of elective surgery.

Looking at past pandemics, currently six in 10 adults in the U.S. have at least one chronic disease, and the CDC says four in 10 have two or more. Obviously in our line of work, in the HME industry, this is our population. And the safety protocols instituted to slow the spread, with non-emergency routine care being put off for months, really led to the fact that they really need the providers to step up their game now.

HMEB: So the net-net here is that the numbers and history argue in favor of some pent-up demand. What might that demand might look like?

Canally: It all makes sense, if you look at what researchers are finding. What I would look at in assessing what the needs are, it goes hand in hand with including more virtual care, at-home prescription delivery, remote monitoring.

There are a lot of devices now in the HME industry that are directly related to remote monitoring. Digital diagnostics with support, and certainly applications for education, behavior modification, and that social support — it's all about expanding your model to maybe add some of these things. It can be done, and I believe that truly is going to be the future. And, as I always say, the future is here.

HMEB: So, we know that there's going to be not only pent-up demand, but there's going to be changes wrapped around that pent-up demand. So, how do HME

providers position their businesses to meet these increasing and changing needs? What do they do

Canally: I believe there needs to be an expansive model for their patients. So, let's use diabetes as an example. Certainly, as an accreditor, everything is directly related to product lines and product categories. If you look at diabetes more as a hub-type model than just diabetic supplies, the first thing that comes to my mind is if you want to increase your number of referrals, going to the physician saying, "We now can do this for your diabetic patients." Add products like diabetic shoes, add insulin pumps, do more follow-up, ask things like – and this is not typical of a DME or HME to do if they're basically calling themselves diabetic supply people – ask things of the patient: when they saw their primary care doctor last, have they filled their prescriptions, and are they taking it as ordered?

And again, this is all around, okay, maybe they're getting the supplies, are we asking the questions like, "Is your glucometer still working effectively? Are you testing at the right times?" And "Are you doing the medications and following up with your physician?" Because it's directly tied, it's all connected, to what the DME provider gives to the patient. Obviously, if they're testing and they're not taking their other medications, well, guess what? The physician that is prescribing the diabetic supplies, or the shoes, or the insulin pumps, is interested in the outcome.

And you can be part of the solution of asking those additional questions as you fill the order for the diabetic supplies, or the shoes, or whatever, it goes hand in hand. You want that patient to have a good outcome so you can then go to Dr. Jones and talk about how you've helped Mrs. McGillicuddy take care and better manage her diabetes.

HMEB: Yeah, it's interesting because we've talked about the role of HME providers in outcomes-oriented health care, and it seems like now it's really happening, now there's a real onus on providers to start facilitating that.

Canally: I agree. And diabetes was an example. Certainly from the respiratory side, with asthma and COPD, with nebulizer treatments, everything else with respiratory, can they add products there? Maybe they didn't do nebs, can they add that? Do they want to add CPAP, or oxygen, Bi-PAP? We talked about, during COVID, having difficulty with not only stress but sleep. I imagine coming out of this, we're going to have more people that have sleep issues, where perhaps CPAP can help.

So it does directly influence what the HME provider does on a daily basis. They just need to recognize it as it relates to their individual businesses and what they can do to rise to the occasion by not only talking with their patients more, but reporting that to the prescribers, so that they're the ones that are going to get the scripts, as opposed to the DME down the street that's doing it.

HMEB: During the pandemic so far, we have seen providers help provision acute care in the home. Do you think that's going to happen more in years to come?

Canally: I think certainly an increase in telemedicine, telehealth, whatever you want to call it, that's number one. Number two, I do believe that, more and more, things will be accomplished in the home. The home care model, we've proven that we can expand it and do it well, and chances are, to your point, that's going to continue. So I agree, I agree with you that

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home care certainly is where things are going for, we'll call it post-acute, but it's like semi-acute, right?

HMEB: What does all this mean in terms of policies and procedures and accreditation?

Canally: Certainly anybody that adds product, or changes their model, we want to see what the new policy and procedure is. But even more importantly, they can write a procedure. We then need to verify and validate that the actual process they're performing matches that policy and procedure. So I think in this evolution of care and changes in models, that's where we may discover when we're on site and we're verifying that, oh, okay, something has changed.

Either the process has changed, and they didn't write the policy and procedure to match it, or they changed the policy and procedure and didn't change the process. So we look at it both ways because it is important to give them that feedback that, okay, you're telling me that you're doing it this way, and when we interview staff and we observe, you're not actually doing it that way.

So, again, it's that third party validation, not only of quality and safety and all the things that an accreditor looks at, but of day-to-day practices.

It's all about the accreditation organization. The other thing that we would ensure is that the staff is trained for those additional products and the change in model. So it's not just about the paper and the documentation, it's about the hands-on competency of their staff. Now, some, if somebody added a respiratory item, like oxygen, or they added CPAP or whatever, the other thing that the accreditor may do, over and above looking at policy and procedure and training, is they may actually do an on-site visit as a follow-up because of the change in model.

HMEB: This sounds like we're arriving at a term that you've mentioned before, and that is "value-based HME." Can you describe that for us?

Canally: I look at value-based a couple different ways. I think most people just equate it to pay-for-performance, so if there's not additional dollars in the mix, then why do it? Let's talk about that. I see value-based as your company, your HME, DME, whatever you refer to yourself as, is bringing more value to the patient, to the community, and to the prescriber, because it's all about positive results, positive outcomes, and that's where you can link value-based to that outcome.

If you're doing more follow-up calls than your competition, and you can show that you have higher satisfaction, that your staff is better trained, and you manage your equipment better causing less breakdown, that is value. That is additional value that you can show to get more prescribers, and maybe the payer isn't going to pay you any better, but you're going to get more orders from the prescribers, because they're going to see you as a value-added provider, as part of the team, not just an equipment provider. That's what it's about. It's about additional services that result in better patient outcomes.

HMEB: This has been fascinating. If providers want to find out more about how you can help them meet these needs, how can they reach out to you and The Compliance Team?

Canally: Our web address is thecomplianceteam.org, or you could call us here at (215) 654-9110. Providers can send me an email at scanally@thecomplianceteam.org. And certainly, if you are a DME or HME business that is providing these valuable services to your community, you should get recognized for doing that as a community leader, and we can help you with that.

Learn more about Exemplary Provider accreditation at TheComplianceTeam.org