
HomeCare®

2008 Forecast

- › Investigation conducted exclusively for *HomeCare*.
- › Methodology, data collection and analysis by Penton Research.
- › Data collected October 18th through October 30th, 2007.
- › Methodology conforms to accepted marketing research methods, practices and procedures.

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Research Findings

- § Respondents are a politically active group:
69% contacted a member of Congress in some way:
 - o Email 51%
 - o Letter 41%
 - o Phone call 33%

- § Half of the respondents plan to become more politically active in 2008 with regard to HME issues.

Q30a: Is your organization involved with MOBILITY PRODUCTS?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents.	445	2	205	238	102	114	212
No reply	2.5%	100.0%	1.5%	2.5%	1.0%	1.8%	0.9%
Yes	65.8%	-	68.3%	64.3%	69.6%	71.9%	62.3%
No	31.7%	-	30.2%	33.2%	29.4%	26.3%	36.8%

Q30b: If yes, in which area do you expect the most growth for your organization in 2008? (Select only one.)

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = respondents involved with mobility products.	293	-	140	153	71	82	132
No reply	3.4%	-	2.1%	4.6%	4.2%	1.2%	2.3%
Power wheelchairs	24.2%	-	23.6%	24.8%	19.7%	22.0%	28.0%
Manual wheelchairs	17.7%	-	10.7%	24.2%	9.9%	17.1%	22.0%
Ambulatory aids	13.7%	-	17.1%	10.5%	23.9%	12.2%	9.8%
Bariatric mobility products	12.6%	-	10.0%	15.0%	11.3%	11.0%	15.2%
Scooters	10.9%	-	12.1%	9.8%	11.3%	13.4%	9.8%
Vehicle lifts/transfer products	5.5%	-	8.6%	2.6%	5.6%	12.2%	1.5%
Seating and positioning products	5.1%	-	6.4%	3.9%	2.8%	7.3%	5.3%
Sport/lightweight wheelchairs	2.4%	-	3.6%	1.3%	4.2%	1.2%	2.3%
Other (specify below)	2.4%	-	2.1%	2.6%	2.8%	1.2%	2.3%
Indoor lifts/transfer products	2.0%	-	3.6%	0.7%	4.2%	1.2%	1.5%

Q31: What percentage of your company's revenue is derived from power mobility?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = respondents involved with mobility products.	293	-	140	153	71	82	132
Mean	17.5	-	20.6	14.4	21.5	15.2	16.7
No reply	8.5%	-	4.3%	12.4%	4.2%	4.9%	9.8%
1% to 9%	28.0%	-	24.3%	31.4%	18.3%	34.1%	30.3%
10% to 19%	21.5%	-	22.1%	20.9%	21.1%	17.1%	25.0%
20% to 29%	9.2%	-	12.9%	5.9%	14.1%	11.0%	6.1%
30% to 49%	9.6%	-	8.6%	10.5%	9.9%	9.8%	9.1%
50% to 99%	8.5%	-	12.9%	4.6%	14.1%	4.9%	8.3%
100%	0.7%	-	0.7%	0.7%	-	1.2%	0.8%
None	14.0%	-	14.3%	13.7%	18.3%	17.1%	10.6%

Analyst Note: Write-in responses were coded into the above categories.

Q32a: If complex rehab is not excluded from competitive bidding, will you remain in the complex rehab business?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = respondents involved with mobility products.	293	-	140	153	71	82	132
No reply	3.8%	-	1.4%	5.9%	1.4%	1.2%	3.8%
Yes	26.6%	-	24.3%	28.8%	18.3%	23.2%	33.3%
No	9.6%	-	7.1%	11.8%	11.3%	8.5%	9.8%
Not sure	21.5%	-	20.7%	22.2%	15.5%	24.4%	23.5%
Do not supply complex rehab	38.6%	-	46.4%	31.4%	53.5%	42.7%	29.5%

Q33: Which of the following products will your organization purchase in 2008?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	10.1%	50.0%	8.8%	10.9%	7.8%	6.1%	9.9%
Wheelchairs, manual	70.1%	50.0%	67.3%	72.7%	63.7%	77.2%	71.2%
Beds	66.7%	50.0%	62.0%	71.0%	56.9%	74.6%	69.3%
Ambulatory aids	66.5%	50.0%	64.4%	68.5%	61.8%	75.4%	66.5%
Bath safety products	64.7%	50.0%	63.9%	65.5%	60.8%	73.7%	64.2%
Nebulizers	64.3%	50.0%	59.5%	68.5%	47.1%	75.4%	68.9%
CPAP/bi-level	61.1%	-	49.8%	71.4%	40.2%	66.7%	70.8%
Oxygen concentrators	59.1%	-	48.8%	68.5%	37.3%	64.9%	68.9%
Lift chairs	56.2%	50.0%	54.6%	57.6%	52.0%	64.9%	54.7%
Oxygen conserving devices	55.5%	-	43.4%	66.4%	33.3%	64.9%	63.2%
Wheelchairs, bariatric	54.8%	50.0%	49.8%	59.2%	47.1%	57.9%	58.0%
Bariatric products	54.2%	50.0%	51.2%	56.7%	48.0%	57.9%	57.1%
Portable oxygen systems	54.2%	-	42.4%	64.7%	33.3%	58.8%	63.7%
Scooters	51.7%	50.0%	53.2%	50.4%	47.1%	58.8%	50.9%
Pulse oximeters	49.2%	50.0%	38.5%	58.4%	26.5%	49.1%	60.8%
Wheelchairs, power	49.2%	50.0%	50.2%	48.3%	45.1%	57.9%	47.2%
Support surfaces/mattresses/pads	47.2%	50.0%	43.9%	50.0%	37.3%	51.8%	50.5%
Incontinence	45.4%	50.0%	45.4%	45.4%	36.3%	57.9%	44.3%
Wheelchairs, sport/lightweight	45.4%	50.0%	42.0%	48.3%	35.3%	51.8%	47.2%
Compressed gas regulators	43.1%	-	33.7%	51.7%	20.6%	48.2%	53.3%
Diabetes	40.9%	50.0%	40.0%	41.6%	37.3%	41.2%	42.9%
Nutrition	40.2%	-	30.2%	49.2%	13.7%	40.4%	54.2%
Seating and positioning	40.2%	50.0%	42.0%	38.7%	35.3%	47.4%	38.2%
Compression hosiery	39.3%	50.0%	39.5%	39.1%	39.2%	50.0%	35.4%
Sleep disorder treatment products	38.0%	-	30.2%	45.0%	20.6%	37.7%	48.1%

Q33: Which of the following products will your organization purchase in 2008?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
In-home oxygen fill systems	37.8%	-	26.3%	47.9%	15.7%	37.7%	50.0%
Ramps	37.8%	50.0%	42.9%	33.2%	40.2%	45.6%	33.5%
Wound care	37.8%	50.0%	40.0%	35.7%	30.4%	41.2%	39.6%
Orthopedic soft goods	37.5%	50.0%	39.5%	35.7%	37.3%	48.2%	33.0%
Urological/ostomy	35.1%	50.0%	33.7%	36.1%	26.5%	37.7%	38.2%
Hot and cold therapy	29.7%	50.0%	33.7%	26.1%	27.5%	37.7%	26.4%
Skin care	27.9%	50.0%	28.8%	26.9%	26.5%	26.3%	29.7%
Liquid oxygen systems	25.4%	-	15.1%	34.5%	7.8%	21.9%	36.8%
Pediatric respiratory	25.4%	-	19.0%	31.1%	8.8%	25.4%	34.4%
Sleep diagnostic products	24.3%	-	15.1%	32.4%	9.8%	21.1%	34.4%
Pediatric mobility	23.6%	50.0%	19.0%	27.3%	14.7%	22.8%	27.4%
Orthotics/prosthetics	23.4%	-	22.0%	24.8%	19.6%	31.6%	21.2%
Vehicle lifts	23.4%	50.0%	29.3%	18.1%	25.5%	29.8%	19.3%
Continuous passive motion (CPM)	21.8%	50.0%	13.7%	28.6%	6.9%	16.7%	31.6%
Aspirators	20.9%	-	16.1%	25.2%	8.8%	21.1%	27.4%
Apnea monitors	20.2%	50.0%	11.7%	27.3%	4.9%	14.9%	29.7%
Indoor lifts	19.3%	50.0%	20.0%	18.5%	17.6%	21.9%	18.4%
Pediatric rehab	19.3%	50.0%	16.6%	21.4%	9.8%	17.5%	24.1%
Stair lifts	18.0%	50.0%	19.5%	16.4%	16.7%	26.3%	14.2%
Home ventilators	17.5%	-	7.8%	26.1%	3.9%	7.0%	29.2%
Women's health	16.9%	50.0%	16.1%	17.2%	13.7%	23.7%	14.6%
Electromedical	15.3%	-	18.0%	13.0%	12.7%	23.7%	12.7%
Sports medicine & physical therapy	15.3%	-	18.0%	13.0%	14.7%	19.3%	13.7%
Home modification products	15.1%	50.0%	17.1%	13.0%	16.7%	15.8%	13.7%
HME business software	12.8%	-	14.1%	11.8%	14.7%	11.4%	13.2%

Q33: Which of the following products will your organization purchase in 2008?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
Infusion therapy	11.9%	-	6.8%	16.4%	2.9%	5.3%	20.3%
Vehicle modification products	11.0%	50.0%	11.7%	10.1%	7.8%	14.9%	10.4%
Telemonitoring equipment	5.4%	50.0%	2.9%	7.1%	3.9%	5.3%	5.7%
Elevators	3.6%	-	4.4%	2.9%	2.0%	6.1%	2.8%

Q34a: In 2008, will you do any of the following?

	No reply	Yes	No	Already done
Base = all respondents; multiple answers.				
Limit or eliminate delivery of any products in company-owned vehicles	9.7%	23.8%	50.8%	16.4%
Reduce the number of hours available for delivery	10.3%	18.2%	63.4%	8.8%
Require more co-pay and other patient payments in advance	10.8%	46.5%	31.2%	12.4%
Stop taking assignment of benefits from payers (if yes, or done already, specify which payers below)	12.8%	16.2%	62.7%	9.2%

Q35: Which of the following do you consider the biggest challenges facing your company in 2008?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	6.5%	50.0%	3.9%	8.4%	2.0%	3.5%	6.1%
Keeping costs under control	57.5%	50.0%	53.7%	60.9%	53.9%	57.0%	62.7%
Medicare oxygen rental cap	48.1%	-	39.0%	56.3%	34.3%	51.8%	54.2%
Competitive bidding/preparation	45.6%	-	47.8%	44.1%	41.2%	50.0%	48.1%
Keeping up with legislation/regulation	37.1%	50.0%	38.5%	35.7%	43.1%	33.3%	37.3%
Changing business model	36.9%	50.0%	41.0%	33.2%	37.3%	32.5%	41.0%
Medicare DME rental cap	34.8%	50.0%	31.7%	37.4%	37.3%	33.3%	35.4%
Paperwork/administrative activities	31.9%	50.0%	34.1%	29.8%	33.3%	31.6%	32.1%
Claim processing/payment time	30.1%	-	30.7%	29.8%	29.4%	30.7%	31.6%
Medicaid cuts	27.6%	50.0%	26.3%	28.6%	27.5%	29.8%	26.9%
Accreditation/Supplier quality standards	27.4%	-	37.1%	19.3%	44.1%	36.8%	16.0%
Viability in a changing market	25.6%	50.0%	29.3%	22.3%	34.3%	25.4%	22.6%
Medicare coverage/pricing for PMDs	24.5%	-	27.3%	22.3%	29.4%	26.3%	21.7%
Claim denials	24.3%	50.0%	23.9%	24.4%	25.5%	21.1%	25.9%
Staff issues (retention, training, etc.)	22.2%	-	21.0%	23.5%	19.6%	19.3%	26.4%
Managed care contracting	20.4%	-	19.5%	21.4%	26.5%	13.2%	23.1%
Quality patient care/services	19.8%	50.0%	20.0%	19.3%	17.6%	26.3%	17.9%
Compliance	16.0%	-	15.6%	16.4%	20.6%	14.9%	15.6%
Technology investment	12.1%	-	10.2%	13.9%	11.8%	11.4%	13.7%
Competition (specify below)	11.5%	-	12.2%	10.9%	18.6%	7.9%	10.8%

Q36: Please mark the statement that best describes your plans to stay in business.

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents.	445	2	205	238	102	114	212
No reply	2.9%	50.0%	1.5%	3.8%	2.0%	0.9%	1.4%
I plan to stay in business through 2008	8.1%	50.0%	8.8%	7.1%	9.8%	8.8%	7.1%
I plan to stay in business through 2009	2.9%	-	3.4%	2.5%	7.8%	3.5%	0.5%
I plan to stay in business through 2010	9.7%	-	10.2%	9.2%	6.9%	9.6%	11.3%
I have no plans to leave the business	76.4%	-	76.1%	77.3%	73.5%	77.2%	79.7%

Q38: How do you plan to grow your business?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = respondents with no plans to leave the business; multiple answers.	340	-	156	184	75	88	169
No reply	5.6%	-	3.2%	7.6%	4.0%	3.4%	5.3%
Adding patients	61.8%	-	63.5%	60.3%	66.7%	63.6%	60.9%
Entering new product areas	49.1%	-	57.1%	42.4%	50.7%	58.0%	45.0%
Increasing retail business	47.6%	-	52.6%	43.5%	46.7%	69.3%	38.5%
Expanding into another geographic area	33.8%	-	25.6%	40.8%	22.7%	36.4%	38.5%
Changing product mix	32.6%	-	34.0%	31.5%	34.7%	33.0%	31.4%
More advertising	32.1%	-	33.3%	31.0%	34.7%	34.1%	30.8%
Changing payer mix	26.2%	-	26.9%	25.5%	22.7%	28.4%	27.2%
Increasing sales staff	23.5%	-	26.9%	20.7%	22.7%	23.9%	24.9%
Acquisition	21.2%	-	11.5%	29.3%	6.7%	18.2%	29.6%
Expanding your showroom	20.6%	-	24.4%	17.4%	22.7%	26.1%	17.8%
Opening a new location in your area	18.2%	-	15.4%	20.7%	13.3%	22.7%	18.3%
Specializing business	15.9%	-	19.9%	12.5%	20.0%	13.6%	16.0%
Other (specify below)	3.5%	-	5.1%	2.2%	8.0%	1.1%	2.4%

Q39: Which of the following do you use?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	21.1%	50.0%	22.9%	19.3%	31.4%	17.5%	13.2%
DME software package	59.1%	50.0%	59.0%	59.2%	46.1%	69.3%	63.2%
Document imaging system	30.8%	50.0%	21.0%	39.1%	5.9%	23.7%	48.1%
Activity-based costing	27.6%	50.0%	25.4%	29.4%	20.6%	19.3%	37.3%
Bar coding for inventory	20.2%	50.0%	16.1%	23.5%	10.8%	21.1%	25.0%
Automated inbound/outbound telephone technology	13.3%	-	7.8%	18.1%	2.0%	10.5%	20.8%
Automatic inventory order/replacement system	12.8%	-	10.7%	14.7%	8.8%	12.3%	16.0%
Referral collection via the Internet	9.9%	-	7.8%	11.8%	3.9%	10.5%	13.2%

Q40: Of which of the following are you a member?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	30.1%	50.0%	33.7%	26.9%	44.1%	24.6%	22.2%
State DME/HME association	53.3%	50.0%	50.2%	55.9%	39.2%	57.0%	61.3%
National DME/HME association	32.8%	50.0%	24.4%	39.9%	15.7%	27.2%	45.8%
Politically active buying group	28.8%	-	27.8%	29.8%	15.7%	33.3%	34.9%

Q41: What industry/trade shows do you plan to attend in 2008?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	10.1%	50.0%	7.3%	12.2%	7.8%	7.9%	9.0%
Medtrade Fall	45.2%	-	43.9%	46.6%	40.2%	45.6%	50.0%
State HME/DME association meeting	33.7%	-	31.7%	35.7%	22.5%	33.3%	40.6%
Medtrade Spring	32.1%	-	30.7%	33.6%	26.5%	30.7%	37.3%
VGM Heartland Conference	18.2%	-	17.1%	19.3%	8.8%	25.4%	19.8%
None of the above	12.8%	50.0%	12.7%	12.6%	17.6%	12.3%	10.4%
AARC (American Association for Respiratory Care)	11.2%	-	6.8%	15.1%	5.9%	6.1%	17.0%
National HME/DME association meeting	8.1%	-	5.4%	10.5%	1.0%	7.0%	12.3%
AAHomecare Legislative Conference	7.9%	-	5.4%	10.1%	-	7.0%	12.3%
RESNA (Rehabilitation Engineering & Assistive Technology Society of North America)	6.5%	-	7.8%	5.5%	7.8%	8.8%	5.2%
NAHC (National Association for Home Care and Hospice)	4.3%	-	2.9%	5.5%	2.0%	3.5%	6.1%
NCPA (National Community Pharmacists Association)	2.7%	-	2.0%	3.4%	-	4.4%	3.3%
ISS (International Seating Symposium)	2.5%	-	2.9%	2.1%	3.9%	1.8%	2.4%
APSS (Associated Professional Sleep Societies)	1.8%	-	2.4%	1.3%	2.9%	2.6%	0.9%
Essentially Women	1.6%	-	1.0%	2.1%	2.0%	1.8%	1.4%

Q41a: In 2007, did you contact your Congressmen?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents; multiple answers.	445	2	205	238	102	114	212
No reply	7.0%	50.0%	4.4%	8.8%	6.9%	1.8%	6.1%
Sent an email	51.0%	50.0%	47.3%	54.2%	39.2%	50.0%	59.0%
Wrote a letter	41.3%	50.0%	40.0%	42.4%	34.3%	40.4%	46.7%
Made a phone call	32.8%	-	31.7%	34.0%	21.6%	33.3%	39.2%
Did not contact	23.6%	-	25.4%	22.3%	31.4%	29.8%	17.9%
Visited office in my area	18.4%	-	14.6%	21.8%	6.9%	16.7%	25.5%
Sent political contribution	15.1%	-	11.2%	18.5%	4.9%	14.0%	20.8%
Attended a fundraiser	11.2%	-	6.8%	15.1%	3.9%	7.0%	17.5%
Visited office in Washington	9.4%	-	5.4%	13.0%	-	7.9%	14.6%

42: Do you plan to become more politically active in 2008 with regard to HME issues?

		Number of locations			Annual Revenue		
		No reply	1	More than 1	Less than \$1 million	\$1 to \$2.99 million	\$3 million or more
Base = all respondents.	445	2	205	238	102	114	212
No reply	4.5%	50.0%	2.9%	5.5%	2.9%	1.8%	3.3%
Yes	50.1%	-	47.8%	52.5%	43.1%	55.3%	53.8%
No	9.0%	-	10.2%	8.0%	11.8%	7.9%	8.5%
Not sure	36.4%	50.0%	39.0%	34.0%	42.2%	35.1%	34.4%

Appendix A – Write-in Responses

Q1. What type of company do you work for?

Specialty HME:

Ancillary Provider
Compression Therapy
CPAP's/Bi-levels/Oxygen
Diabetic, disposable goods supplier
Electrotherapy
Enteral feeding
Environmental Accessibility - Lifts-Home Mods
Hi Tech Peds
Home Care , Orthopedic, First Aid
Home Infusion (4 mentions)
Independent Pharmacy/Home Medical Equipment Prov.
Infusion (2 mentions)
Lymphedema Pumps
Mastectomy and diabetic shoe
Mobility
Obstructive Sleep Apnea Devices
Orthotics; diabetic shoes; TENS
Ostomy, urological, diabetic testing
Oxygen concentrator & liquid oxygen repair shop
Part B supplies for nursing facilities
Pediatric respiratory
Pediatric ventilator patients
Post-mastectomy
Rehab (3 mentions)
Rehab Power Wheelchairs
Repair and Complex Rehab
Respiratory (4 mentions)
Respiratory - PAP, O2, SVN
Respiratory and Sleep
Support Surfaces

Other responses:

Accreditation
Accreditation/Compliance Consulting
AmerisourceBergen

Billing & Consulting for Ten HME Providers
Consulting (3 mentions)
Covidien-formerly Kendall Healthcare manufacturing
DME Manufacturer
Drug Wholesaler
Healthcare Equipment Financing
Healthcare Finance
HME billing service
HME Manufacturer
HME software developer
Home Care Consulting Group
Home Health Agency without HME
Interactive Marketing for DME/HME businesses
IT Solutions Provider
M&A
Manufacturer (4 mentions)
Manufactures Rep Group
Medical Device Manufacturer
Medical Product Development, i.e. <http://www.miracleenema.com>
Medical supply distributor
Member Service Organization
OEM Supplier
Respiratory products manufacturer
Software
Trade association for allied health
Wholesaler (2 mentions)

Q6. With which of the following is your company currently affiliated, or do you plan to affiliate with in 2008? Other responses:

???
ACCP, AARC, CSRC, ASST, ADMEA
All healthcare organizations focused on direct to consumer
American Academy of Pediatricians, American Lung

Billing service for HME providers
HIRA
HME companies
Home care companies
Home Healthcare OEMs
Hospice Providers
Medicare, Medicaid, some insurance
N/A
None of the above (2 mentions)
Product designer
Regional trade association (NEMED)
Rehab. Dealer
Sleep disorder center

No answer (2)

Q9a. Why don't you plan to become accredited? Other responses:

Because I am an OT, not a HME company
Because we are the accreditors
Cost, time involved, too much government intervention.
Don't want to
Membership trade association
My company only consults for Home care business
NA
Not applicable (3 mentions)
Not needed
Not needed as mfg
Not required
Not required for Res.
Not required to do so as a consulting group
Our clients are accredited; we simply provide IT solutions
The cost for accreditation does not reflect what my benefit would be.
We are a distributor and do not sell retail
We are a finance source for the industry

Appendix A – Write-in Responses

Q9a. Why don't you plan to become accredited? Other responses: *(continued)*

We are a manufacturer
We are not a provider
We do not bill Medicare
We do not do medical billing
We work with HME providers; we are not an HME provider.
We're an interactive marketing company

Q12. On what will you base your selection of an accreditation organization? Other responses:

Attitude of accrediting organization.
Benefits to my agency
Do not plan to become accredited
N/A *(3 mentions)*
Not going through accreditation
Not required but may be something in the future
Price and service
We educate prospective clients about their choices!
We have over 25 years in this business, we're not naive regarding what we expect from this process.
Which companies may offer me a competitive advantage

No answer (3)

Q15. If you expect 2008 revenue to be less than 2007, why?

1. Lost M & S on capped rental. 2. Medicare PMD process changes. 3. State Medicaid reductions. 4.
36 month oxygen cap. 13 month transfer of title of equipment.
CB

Changes in Medicare, oxygen cap & DME equip purchase
Competition from national company
Competitive Bidding Loss of Oxygen revenue
Higher delivery costs Higher permitting fees and taxes
Competitive Bid & exiting unprofitable lines
Competitive bidding *(7 mentions)*
Competitive Bidding, Decreasing Regional coverage areas
Competitive bidding new reimbursement and HMO low reimbursement
Continual decrease in reimbursement
Declining fee schedules major providers moved into area
Decrease in reimbursement
Due to nebulizer medication cuts.
Due to the introduction of competitive bidding
Economy
Federal cuts in reimbursements, state cuts in reimbursements and a local hospital chain has opened four
Florida Medicaid One-Source Provider proposition and new companies starting up (moving in) the area
Hanging it up. After 25 years in business, can no longer compete with large companies with the O2 cap
I don't expect to be accepting new Medicare patients.
Indiana Medicaid outsourcing ostomy, urinary care and incontinence products to Michigan.
Medicare cuts
Medicare cuts and increased competition from national companies.
Medicare cuts, Medicaid cuts, changes in the industry,
Medicare rate changes, increased medical qualification criteria

Medicare rule changes
New Capped Equipment Guidelines
Oxygen cap
Reduced reimbursement
Restrictive reimbursement, difficulty in dealing with payers
The cost of doing business is increasing while insurance allowables are decreasing.
We are getting more exposure in our new home
We are not participating with Medicare therefore we are not participating in competitive bidding loo
We lost a managed care contract
We may drop Medicare, this will be a large dollar loss, hard to make up in one year, maybe a multi-y

No answer (3)

Q17. What percentage of your revenue is generated from each of these sources?

Other responses:

Consulting fees
Contracts *(2 mentions)*
Dealer sales
Fed and state agencies
Fee for service
Generated by working w/HME providers
Government Contract
Hospice *(2 mentions)*
Hospice and VA
Hospice Contracts
HOSPICE/NURSING
Hospital contract
Hospitals, Provider networks
Independent pharmacies and HME providers
Internet
Nursing homes, hospice
Passport
Pip

Appendix A – Write-in Responses

Q17. What percentage of your revenue is generated from each of these sources?

Other responses: *(continued)*

Private pay *(5 mentions)*

Providers who use our software

Public

Refunds, misc

Repair

Repairs and rentals

Sales to HME co's

Secure Horizons

Self pay *(2 mentions)*

Self pay 3.5%, hospice .5%

Suppliers/Providers of HME

Training

VA *(4 mentions)*

VA contract

Vendors' revenue: Medicare, Medicaid,
Private, Mgd

Weekly pay by bank

No answer (14)

Q20a. If you bid in a Medicare competitive bidding area and win a contract, how will your company adjust?

??

Acquisition

Action Plan in place

Add more employees (expect sales to increase)
but drop some benefits to help curb
overhead (401K)

Add more locations/staff/vehicles

Add staff

Add staff and look for subcontractors

Adjust purchasing directions, marketing and
retail sales

Adjust staff, expenses, service

Adjust to area growth.

Assuming the bid increases overall
revenue...operational \$\$ will adjust
accordingly

Become better efficient

Business as usual *(3 mentions)*

Buying more quantities to obtain more
discounts

Can't answer here

carefully

Change Product Line

Change the service component of our business

Concentrate on core products -- consider retail
supply expansion

Concentrate on more sales in that area to offset
the loss in revenue in that area

Continue as we currently do.

Continue to driver down expenses and increase
gross profit percentage

Continue to operate cost-effectively

Continue to streamline purchasing

Contract with other companies that did not get
the bid to assist in providing equipment.

Contract with others to help fill in the blanks

Cut any necessary costs that we can

Cut backs in payroll

Cut equipment costs

Decrease revenue costs

Decrease services

Depending on the reimbursements, deliveries
will decrease, business models will change,
outsourcing

Depends on the anticipated volume numbers

Do a swat analysis and adjust accordingly

Do not quite know at this point

Don't anticipate major changes

Don't know *(2 mentions)*

Don't know enough to say at this time

Efficiency & technology

Expand current operations and diversify
business

Expand operations *(2 mentions)*

Expand operations and personnel

Expand our locations to serve the area

Expand, buy cheap stuff.

Expanding our business a little at a time

Explore all opportunities

Gear up for more deliveries

Get business loan to expand, if loan is
unavailable, sell

Get more competitive contracts from suppliers

Growth

Hire additional staff; increase inventory, and
delivery vehicles to meet the increase in
business

I wish I knew

If fee is acceptable, we will buy cheaper
products and reduce delivery and overheads

If we win the bids at a price we can live with
and as a result gain more volume, we will
survive.

I'm not sure

Increase assets and resources and sub-contract

Increase distribution department and head
count

Increase efficiencies and place more of the
deliveries on the client

Increase exposure and locations to service the
area

Increase in Medicare business

Increase manpower and inventory; perhaps
subcontract with a non-bid winner for
deliveries

Increase oxygen services

Increase sales reps, renegotiate purchase prices

Increase service area and add personnel

Increase space and manpower

Increase staff to accommodate new business

Increasing capacity

It will

Appendix A – Write-in Responses

Q20a. If you bid in a Medicare competitive bidding area and win a contract, how will your company adjust? *(continued)*

Key management will make adjustments to handle the increased volume.	Provide home care, accept other payers and hope for market density	Tighten up delivery model, route, cut overtime deliveries, and offer the least costly effective product
Layoffs, Raised retail pricing, Vendor negotiation, Cut emp. benefits	Provide less service	Tighter inventory control; increase non-Medicare marketing; refine billing practices
Look at your business model before and what your capable of doing, what is your training procedure	Provide less service/ push retail	To be determined <i>(3 mentions)</i>
Look for more efficiencies, monitor costs and market other carriers	Provide services	Too many unknowns to respond
Lower quality and service.	Put people in place to handle the services bid.	Try to branch carry more cash items
May have to reorganize staffing	Quickly	Try to cut operations expenses
More business, hopefully.	Reduce # vendors we purchase from, continue to decrease operating costs, marketing program	Unknown <i>(5 mentions)</i>
More inventory, more staffing, more education	Reduce Expenses	Unsure <i>(2 mentions)</i>
More subcontracting	Reduce service levels, restrict formulary	Use technology to stream line processes
N/A <i>(3 mentions)</i>	Reduced product selection, delivery/service model change, go-to-market change to include consolidate	Very aggressive
Need to hire additional employee(s)	Remain the same	We are currently operating at about 65% capacity so the adjustment will be minimal
Networking	Run leaner than ever	We are looking at software solutions, operating cost reductions and networking opportunities
No	Satellite Locations and Contractual Arrangements	We are small enough to adapt and change easily
No adjustment	Services will be cut to fit the performance model for the revenue received	We do not know, right now Medicare is not significant in the bid area
No adjustment needed - current business model is highly capable and effective	Shift towards the winning product lines as well as marketing add ons and accessories and other lines	We will be ready for any increase in business. We already have financing in place
No changes; all changes will be made prior to win	Since we are a national comp. we will not have to adjust much	We will continue to make certain that our efficiencies improve.
No major changes, we have been getting ready for years	Slimming down	We will continue to supply our client base, and add homecare residents as needed
None, same as before	Software, Vehicles, Employees	We will do what is required to service the patients, order more equipment, hire more service techs
Not for sue yet	Staffing, product quality, frequency of visits	We will do whatever we have to do to stay alive
Not my area of the company to discuss	Streamline	We will find products that are reduced in cost but still try to provide quality equipment.
Not sure <i>(9 mentions)</i>	Streamline costs and build non-Medicare business	We will forecast the needed changes and work on efficiencies
O2 deliveries will be changed to monthly - services trimmed	Streamline operations	We will have to add locations in the MSA's
Open 2 more locations	Streamline our delivery process	We will have to NETWORK to accommodate the service area
Partner with another regionally located dealer to provide services	Sub contracting	
Patient care, service will have to take a hit	Sub-Contracting Relationships	
Provide	That remains to be seen, on what goes on with the first bidders	
Provide equipment that reduces delivery	This will be a corp directive	
	Tighten expenses	

Appendix A – Write-in Responses

Q20a. If you bid in a Medicare competitive bidding area and win a contract, how will your company adjust? *(continued)*

We will increase our infrastructure to accommodate the growth.
 We will investigate alternate equipment manufacturers.
 We will provide the best service we can to the quantity we can
 We will service the customer
 We will try to operate even more efficiently, offer fewer value-add services.
 We would have to change our purchasing to less costly products
 We'll adjust according to what the patients needs are
 We're not yet sure
 We're well positioned
 Will expand facilities somewhat; add staff; buy more equipment; add to sales force.
 Will have to streamline & change billing software for greater efficiency
 Will increase business/staff to accomodate
 Will probably add staff
 Working on this
 Working with lower reimbursements we will have to be more efficient.

No answer (262)

Q20b. If you bid in a Medicare competitive bidding area and do not win a contract, how will your company adjust?

??
 Adjust FTE's as necessary
 Adjust retail sales, marketing contract w/ insurance co. & purchasing
 Again, we're well positioned
 Already gearing up to be more of a "retail" store

Angrily
 At present only 5% of our business in straight Medicare, so we will not lose a great deal.
 Attempt to sell store location to a winning bidder
 Business as usual *(2 mentions)*
 Can't answer here
 Cash cash cash
 Change marketing program, probably change product mix, not totally sure yet
 Change the focus of the business
 Change the payer mix, look to have our billing co. be the outsource solution for those who win
 Close
 Close business
 Close if not allowed to bill according to winning bid
 Concentrate on other contracts.
 Concentrate on the private insurance business
 Consider retail supply expansion
 Continue to find niche markets along with increase retail, also sub contract
 Continue to grow non-Medicare business
 Continue to service existing patients and then market to other carriers and retail equipment.
 Contract with a company that did get the bid.
 Cry
 Currently working to decrease dependence on Medicare revenues - diversifying revenue
 Cut any necessary costs that we can
 Cut back
 Cut cost, look for more efficiencies, monitor costs, push collections, and market other carriers
 Cut work force, and target private insurances, caids, HMO, participate with winning bid
 Cutback staff
 Decrease coverage area

Decrease in staff; & attempt to go after more contracts
 Decrease inventory, distribution department and some head count
 Decrease number of employees
 Decrease staff and/or locations
 Decrease Staffing
 Decrease the amount of Medicare beneficiaries we currently care for
 Diversified product offerings
 Diversify business
 Do a swat analysis and adjust accordingly
 Do not like competitive bidding, it hurts small companies
 Don't know *(3 mentions)*
 Don't know enough to say at this time
 Down size
 Down size or quit
 Downsize, do items not on competitive bidding
 Downsizing/diversify or exit the market
 Drop Liquid 02, ?Downsize? Focus on Cash n Carry
 Employees, Space, Inventory
 Exit all bid lines and convert to a primary retail, commercial, and non-delivery business
 Expand cash retail business especially in area of contract items!
 Explore other product classes/types; increase self-pay products/selection
 Figure out what it took to win.
 Find new line of business, increase business next county not in CB
 Find other avenues to generate revenue
 Focus more on cash sales
 Focus more on retail, private insurers, contracts, possibly down-size
 Focus more on self-pay items
 Focus on other payers

Appendix A – Write-in Responses

Q20b. If you bid in a Medicare competitive bidding area and do not win a contract, how will your company adjust? (continued)

Focus sales efforts on younger population centers	N/A (3 mentions)	The winners will be so busy trying to adjust; we will take their 3rd party payer business
Get out of the business	No adjustment required	There are other areas we can go into. We already are looking at products no effected.
Go after more private and/or state business	No big deal	This will be a corp directive
Go into new product areas	No change	To be determined (2 mentions)
Grow other areas of business	No changes; all changes will be made prior to not winning	Try to become a sub-contractor or eventually dissolve business
Hit retail sales harder	Not my area of the company to discuss	Try to get in line for later
I seriously doubt NCB will get to our area	Not provide	Try to increase retail/private pay sales
I'm sure we will adjust and still be successful.	Not sure (11 mentions)	Try to increase revenue in sales
Increase advertising for the retail (cash) market	Nursing, infusion, and HCA's	Try to reinvent ourselves for private pay non insured items
Increase business in markets outside of MSA.	Offer to contract myself for delivery and set up as well as increase retail exposure	Trying to decrease dependency on Medicare right now in preparation
Increase cash sales and less Medicare focus	Offering other services	Unknown (5 mentions)
Increase marketing effort for non-bid items	Open 1 location in different area	Unsure (4 mentions)
Increase marketing to non-Medicare populations and increase other service lines	Pizza delivery! Look out Domino's.	Very little most of our 10% will not be in the round two area
Increase Point of Sale and Retail products	Promote business in other areas	Wait and see
Increase retail sales (2 mentions)	Push more cash sale items	We are not in any of the top 100 MSAs.
Increasing market share	Reassess current business model	We are primarily a pharmacy, so will likely turn more focus on pharmacy
Increasing Retail and Contracts Other than Medicare	Reduce services	We may have to stop providing some services
Increase retail business and the private sector	Retail sales and other insurance	We will continue to expand other payers and continue to expand revenue opportunities.
It will	Same	We will go out of business in a heartbeat as Medicare is 66% of our business.
Join forces with a group that won a bid	Seek alternative contracts	We will go with a new business model
Layoffs and develop different business models	Seek different sources of revenue	We will have to down size and decrease staff
Layoffs could be possible, have to increase cash sales or 3rd party business	Seeking out of more managed care contracts and increasing retail	We will have to reduce our staff.
Lay-offs!	Sell	We will hold out hope that the bill will pass for rural areas to accept the negotiated rate.
Leave that area	Shift emphasis to hospice and increase retail presence	We will look to buy one of the contract winners
Less HME, more IV	Start growing your business in different areas before hand	We will open small rural branches
Limit less profitable business sectors	Status quo	We will ramp up our retail efforts
Look for more institutional sales, reduce our overhead as necessary	Still unsure	We will seek networking opportunities.
Major restructuring must occur to stay in business or sell out	Streamline and retail	We will survive, several contracts in place
More on private insurances	Streamline costs and build non-Medicare business	We will try to grow our managed care business or shut down
More retail	Streamline operations	
Move toward private insurers	TBD	
	The majority of our business is concentrated in capitated (sic) managed care contracts	

Appendix A – Write-in Responses

Q20b. If you bid in a Medicare competitive bidding area and do not win a contract, how will your company adjust? *(continued)*

We'll buy the winner
 We're not yet sure
 Will have to go after non-Medicare business
 Will have to let a few employees go to offset the decrease in revenue. Add more private pay
 Will lose a small percentage of current patients
 Will probably decrease staff
 Won't happen - we will win in each and every competitive bidding area
 Work force reduction
 Working on this
 Yes
 Your Question is: Are you going to BID, the answer is MAYBE, Yes or No is not an appropriate answer

No answer (256)

Q20c. [If you don't plan to bid in the second round of competitive bidding if your MSA is selected], why not?

Already in 1 group
 Because I am an independent therapist
 Bid in 2009
 Bids on repairing equipment are only per customer
 Corporate does the bidding
 Coverage areas too sparsely populated for MSA selection in 2nd round
 Direct public sales only.
 Do not have enough \$\$\$
 Do not need the politics
 Do not operate in those areas
 Does not apply (2 mentions)
 Don't accept Medicare
 Don't do Medicare

Don't feel like I understand process well enough
 Don't need it
 Don't sell to Medicare
 Don't want to
 Don't want to jump thru all the hoops. Also don't want to change the personalized way we do business
 Home care only
 I am in the first round of cities (Kansas City)
 I am not a provider
 I don't have a location in the bidding area
 I hate Medicare
 I hope just to make it to the end of 2008
 I think competitive bidding is a disaster for the industry
 It does not affect us yet.
 Little to no Medicare
 Located in rural area
 Lost cause, just like HMO
 Low reimbursement
 Management decision
 Medicare doesn't care about the elderly because if they did they wouldn't be doing this to begin with
 Medicare is a bad joke
 My business is so small I don't feel I could win a bid
 N/A (10 mentions)
 New Business
 No advantage
 No need to
 No need to, we live in a small town with one other supplier
 No one should bid
 Not a DME or HME
 Not allowed
 Not applicable (3 mentions)
 Not eligible
 Not enough working capital to support the bid

Not expected be included in projected 2nd round CBAs
 Not in area (2 mentions)
 Not in MSA (3 mentions)
 Not in our area (6 mentions)
 Not in round
 Not included
 Not located in MSA
 Not mandated yet
 Not necessary for business
 Not needed for us
 Not required (3 mentions)
 Not sure if we will or not. We will see how the 1st round goes.
 Not worth the time
 Only 1 MSA servicing area
 Our area is very small and will not be selected as an MSA
 Our clients bid
 Our members can bid
 Peds specialty; very little Medicare
 Pricing already too low with 36 month cap (18 month cap possible)
 Products not up for bid
 Rural provider
 Since I don't plan on getting accredited why would I?
 Small company working in rural areas
 Small town
 Start up company too small to compete yet
 Supplier to companies bidding
 The Government is too flaky. I don't need them to have a successful business.
 Too far
 Too small (2 mentions)
 Too remote
 Too small in rural area
 Too small/located in rural area
 Too soon for us
 Transforming into Full Retail Sales

Appendix A – Write-in Responses

Q20c. [If you don't plan to bid in the second round of competitive bidding if your MSA is selected], why not? (continued)

Unclear where the MSAs will be at this point
Waiting
We already bid because we are in the first round
We are a 3rd party leasing source for healthcare industry
We are a Manufacturer & support our dealer network!
We are a manufacturer
We are a supplier to OEMs
We are a wholesaler
We are going away from Medicare--not towards.
We are in a rural area and will not likely be affected in either 1st or 2nd round
We are in a small rural area - We've got lots to learn and want to be accredited first
We are ineligible as an accreditor
We are located in a rural area that has not been affected yet by competitive bidding
We are not a provider
We are not an actual provider - we are consultants to the providers
We are not near any of the test areas
We are not required to bid, but we do help our clients bid.
We are the distributor in Thailand and do not have such DMEPOS bidding.
We are under the million dollars #
We do not bill Medicare (2 mentions)
We do not feel the expense and work in accreditation is worth the amount we net from diabetic supply
We do not foresee being included in the second round of national competitive bidding.
We do not think CB will prevail
We don't do Medicare

We don't feel the expense of bidding and the reduced reimbursement justifies our participation
We don't know much about it
We don't sell the consumer
We fly under the 5 million dollar mark
We only provide electrotherapy
We're not in a bid area. We are in a very rural state.
Why
Why bother
Work comp only - no Medicare

No answer (44)

Q21. If you do not bid, how do you plan to replace Medicare revenues? Other responses:

Add more members
Agency
All private pay
Already retail model
Can't
Close the business
Do not bid
Does not apply
Don't have Medicare revenue
Focus is Medicaid, private pay
Have no idea! Hoping it does not happen!
I don't believe there is a plan in place
Increase existing retail model
Increase retail sales bring in new products
Internet
Lower repair cost
N/A (10 mentions)
Not in my area
Pick up another line of products
Private Pay sources
Repairs on scooters, sell more cash items for less, lift chairs and scooters

Try to do more retail business
We do not bill Medicare
We don't do Medicare
We will not support anything that takes away from patient's choice
We would be concerned about limited providers!
We're screwed, may go out of business if trend in low dispensing fees continues

No answer (7)

Q23. How does your organization intend to buy most of its products for 2008? Other responses:

Bidding process
Combination of Buying Group and Direct
Direct from China
DO not buy
Mfg, we sell
N/A (5 mentions)
Not sure, things are in flux
Services versus products are our business
Subcontract
We are an independent leasing company
We assist clients with buying.

No answer (3)

Q24. Which of the following do you use to purchase most of your products? Other responses:

A multiple of the above, not one over the other, all play a role.
All of the above
Buying group (2 mentions)
Buying system- fax
Combination of all of the above

Appendix A – Write-in Responses

Q24. Which of the following do you use to purchase most of your products? Other responses: (continued)

Contracting
Contracts (2 mentions)
Contracts with manufacturers
Customer Service
Direct
Direct call to mfg
Direct contact to manufacturers - import
Direct from manufacturers (3 mentions)
Direct purchase from distributor
Direct through customer service
Direct/via phone/via fax
Distributors or mfg direct
Fax Direct
I am a rep
Manufacture phone CSR, Fax, some Online
Mfg, we sell
Most of our clients use corp buying structure
N/A (4 mentions)
National accounts with manufacturers
Online, sales reps and shows
Personal contacts
Phone (3 mentions)
Self manufacture
Subcontract
Through the manufactures
Through the website and exhibitions
We are an independent leasing company
We call... Place orders
Weekly purchase orders

No answer (5)

Q25. What are your most important considerations when purchasing products? Other responses:

According to our clients!
All of the above
Buying Group Contracts
Doctor Preference
ease of repair and repair parts
Honest hassle free company to deal with,
MADE IN AMERICA! Makes a big
difference, if we can we buy American, its
quite often very hard to do this.

N/A
N/A
products that we feel are the best on the market
Quantity rebates
sales reps
Terms
We recommend versus purchase
Will have to move into low end cost products

No answer (1)

Q26b. If [involved in RESPIRATORY PRODUCTS], in which area do you expect the most growth for your organization in 2008? Other responses:

All of the above (2 mentions)
CPAP supplies
Don't know what to expect
N/A
Only supply sleep and CPAP/Bi-levels
Portable oxygen concentrators
Services to Respiratory Companies
Ventilators (2 mentions)
Will not reveal

No answer (1)

Q30b. If [involved with MOBILITY PRODUCTS], in which area do you expect the most growth for your organization in 2008? Other responses:

All of the above (3 mentions)
In the area of accreditation
Repairs
Rolling walkers
Unknown

Q32b. Why won't you continue in the complex rehab business?

ATS
Cannot afford any further reductions in
reimbursement
Do not want that market
Impossible to provide quality complex rehab
with competitive bidding
Instability in market and risk of loss
Insurances take too long to pay for the product
and do not respect the knowledge it takes to
provide complex power
It is to difficult and low ROI
No margins
No money in it
No reason to
Not a priority
Not a product for financing
Not enough profit for all the costs associated
with the provision of these products.
Not into that type of business
Not profitable
Reimbursement too low
Steep reimbursement cuts
Too costly and time consuming
Too costly to continue
Too difficult to get reimbursed
Too expensive
Too much cost and maintenance/delay in
payments from carriers

Appendix A – Write-in Responses

Q32b. Why won't you continue in the complex rehab business? *(continued)*

We don't do it now.

We have only been selling canes, crutches, walkers

We just provide base PMD's with complex accessories

No answer (3)

Q34. Please specify which payers you have or will stop taking assignment of benefits from.

All payers except limited Medicare

Anthem - on some items

BCBS

Currently investigating

Depends on payer coverage including medicare

Everyone but Medicare

Medicaid

Medicaid HMO's

Medicare *(13 mentions)*

Medicare on some products

Medicare, Medicaid, Blue Cross Blue Shield

Medicare, Medicaid

most likely united health care

Possibly United Health Care, Aetna.

We do not participate, what's coming will determine what we do "next year" very poorly written question.

Workers Comp, Auto, non-local payers

No answer (44)

Q35. Which of the following do you consider the biggest challenges facing your company in 2008? Type of competition:

Competition for referrals

Competitive bidding

Direct sales from Asia

Hospital captive referrals

Imports

Local HME *(2 mentions)*

Low cost with low quality

Mass merchandise store

mass merchandise stores and TV advertisers

Mass merchandise stores posted on WEB

National chains & local drugstore

National chain with HME *(3 mentions)*

National chains *(3 mentions)*

National chains decreasing prices to increase volume

National Chains w/ HME and new small providers going for the small provider advantage

National DME

National HMEs

National respiratory chains, mass merchandise store

Providers cheating the system !!!!

Retail

The corporation owns the hospitals, clinic, facilities and now HME providers

What's coming, the next unknown, it's a surprise.

No answer (24)

Q37. If you plan to exit the business in the next few years, why?

\$\$

Acquisition

Age and interest change due to other investment opportunities

Because we are losing our shirt and can't keep giving equipment away

Can't compete

Challenge issues

Competitive bidding *(2 mentions)*

Concerns over changing reimbursement

Depends on what happens w/competitive bidding. We are a very small co and it's not worth it to us to continue if plans remain the same.

Entrepreneurs: Plan has always been to build businesses and sell. We have reached our target.

High stress, Poor return

Hope to stay in business

If I cannot repair patient-owned o2 units

It's time

Lack of growth & Patient Census Down due to Cap Rules

May retire early or change to fill-in pharmacist-better income than store owner

Medicare cuts below present levels

N/A *(2 mentions)*

No profit. The government has set the program to work with the "big company's" the obvious vector of these attacks as I would call them is the small vendor, whom is blamed for all crime in the industry. We are constantly having to reprove our honesty, constantly under attack from the government. Perhaps less is more in this instance. This is what I know how to do, this is what my wife and I have done since 1990, we do not know where we'll end up this coming year with all the changes.

Not making money

Personal retirement

Profitability

Regulations are becoming absurd

Reimbursement

Reimbursement reduction with legislative burdens

Reimbursement, too expensive

Retirement

Rural area business

Sell out to competitor

Appendix A – Write-in Responses

Q37. If you plan to exit the business in the next few years, why? *(continued)*

Timing and Tired of dealing with government cuts, rules and regs and payment issues.

Tired - over 35 years - too much has changed

Tired of regulatory bull****

Too much bureaucracy, oversight, cost pressures

Too stressful, too many games with the insurance comp. I can't keep giving equipment away although if I could afford it I would

Will exit third party business unless profitable. Will stay in Retail.

You cannot care for your customers the way you use to with reduction in payment

No answer (53)

Q38. How do you plan to grow your business? Other responses:

100% sales on the Internet

Adding members

All of the above

Consolidating some and expanding others

Do not desire to grow. Want to stay small, patient focused, and personal.

Do not see much that can be done to survive

Grow bottom line by increasing efficiencies

Improving marketing skills

Increased demand for accreditation

Increased referrals from providers

Increasing my referral base for w/c evals

Internet

Marketing.

My clients are doing some of all the above

Repairs

Selling out

We don't plan to grow.

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

A few large national companies will rule the entire industry

A lot less sales calls

A lot of profit suffering

A mess, customer will be totally confused and not serviced

A reduction in providers, a change in services provided, and an industry that provides product not service.

A reduction of DME providers by 60%. The patients will get slow or no service at all.

A shambles. Unless it expands, we should be okay.

A typical government snafu -- more paperwork, less service available to beneficiary and less profit.

About 10 national companies drop shipping all products

Access and Quality

Access problems, quality of equipment, delay in delivery

Agencies will go out of business, federally funded, cutthroat business

Awaiting final outcome

BAD

Beneficiaries will suffer the most as access to choice, in both product line and providers, will be compromised. The industry on a whole will be cost driven vs what is really required to meet client needs.

Beneficiary access problem with less providers and severely declining quality of service and items

Big business will take over--The little guy is not afforded the discounts or opportunity to successfully bid competitively

Cheap equipment, poor service

Companies and mfg. giving less service

Companies will become more efficient and the number of companies will shrink.

Competitive bid will drive down prices, cause companies to close and cause a drastic cut in patient services. It will not work in it's purest intended form.

Competitive bidding fully implemented will ensure lower levels of customer service and access to services. It is simply not feasible to provide the same quality at lower rates and survive. Simple mathematics.

Competitive bidding will shift the business to the Nationals. Then in round two they will be able to set their price.

Consolidated

Consolidation will occur among providers
County owned facility, therefore cannot expand service area, National companies will take over and most small business will be forced out of business. Rural areas will be affected the most, and service to the patient will decrease.

Crap, less providers to choose from, less customer satisfaction

Decrease services

Discharges to home will be delayed, quality of equipment will decrease, service levels will decrease.

Does not affect us at all as we do not rely on Medicare.

Don't know

Downsizing of Mom-Pops and expansion of nationals

Elimination of some competition

Few companies with narrowing product lines

Few suppliers will be able to stay in business.

Less competition.

Fewer businesses with less customer service

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Fewer choices - unhappy patients

Fewer companies

Fewer companies due to smaller suppliers selling out to larger ones, or going out of business

Fewer companies providing less service.

Fewer companies to choose from for the patient.

Fewer companies will remain, as smaller companies go out of business. Our organization will purchase some of these companies.

Fewer competitors, reduced profits, consolidation

Fewer DME/O2 providers

Fewer larger firms with worst patient service will survive

Fewer Medicare providers who will be larger companies operating on lower margins

Fewer providers resulting in less patient choice

Fewer providers who are centered around cost, not patient care

Fewer providers, fewer employees, more involvement by the pts. w/ their own plan of care.

Fewer providers, less profit, less choices for patients

Fewer providers, less service

Fewer providers, mostly larger/national companies

Fewer providers. If we win the bids we will grow the business.

Fewer providers. Increased patients. Decreased margins.

Fewer providers. Service.

Fewer providers; initial drop in customer service; much confusion with beneficiaries

Fewer provides, lower payment, poor service for patients

Fewer small and independent providers; the big will get bigger and have more economies of scale

Fewer small companies, poor patient service, more cost to the taxpayer in the long run

Fewer small providers, more large chain providers, poorer quality equipment, less choice for patients.

Fewer suppliers and adverse availability to patients

Fewer suppliers, less choices, poorer quality of services, less assignment accepted by suppliers for patient insurance including Medicare

Fewer suppliers, less service, lower quality products

Fewer suppliers. A disaster

Fewer suppliers. as a hospital based HME company we have no choice but to continue operations even at reduced margins

Fewer, larger DME providers - more consolidation and acquisition plus many companies leaving the business

Fewer, larger providers as a rule. I think patients will have the most difficult time especially regarding traveling or capped equipment.

Four or less BIG companies

Go Mass Retailers!

Go out of business

Hard to tell

I am afraid to think about it....

I am not sure I see the good and the bad of such systems in other areas of the health care industry.

I believe 80% if the independent companies in the industry will be out of business.

National providers and hospital based companies will be left and provide poor service to the patients.

I believe it will operate like most HMO plans, where a patient has to wait a week or longer to get equipment. They will also have a lot of trouble getting the most efficient and up to date equipment to meet their needs. We will develop special cash programs that people will be willing to pay for due to inferior service.

I believe it will reduce the number of dealers by 85-90%, I am not sure that those who are billing less than 300,000/year will survive.

I believe my business will increase when the 38-month cap is in full force. I believe the competitive bidding will hurt the industry and decrease patient care.

I believe over 40% of current DME companies will be forced out of business with only national chains surviving. I believe the government knows this and this is the overall plan, in their eyes this will cut out the fraud & abuse.

I believe Reps will no longer exist

I believe that many small businesses will disappear, and more importantly, it will become difficult and almost impossible for a small business to start-up in this industry.

I believe that more fraud will be committed making the industry look like the stereotype of used car sales lots.

I believe there will be significantly fewer providers for customers to choose from, and the products available to them will be seriously limited. Customers may receive less than "state of the art" technology due to cost constraints.

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

I do not think it will be fully implemented. It is not well thought out.

I don't like Medicare now it won't affect me

I don't know

I expect that the only survivors will be the regionals and nationals, we as a small company will become extinct

I feel patients are going to suffer b/c product will become more cheaply made and companies will be looking for the most cost effective way to operate

I feel that at some point within the bidding time period Medicare will tell it's suppliers this is what we will pay - take it or leave.

I feel that it will open the doors for trouble. I do not think there are enough providers ready to handle competitive bidding.

I feel the beneficiary will suffer

I see the National chains getting bigger and the small businesses limited. I also see too many of the current "small" providers giving up. The small providers left will be new (green) or offshoots from opportunists who just want to get the bid then sell out.

I think competitive bidding will force providers (not us) to choose an inferior product instead of standing by the supplier that has stood by them (not us) - the focus will be on the dollar instead of the patient (not us) - force a company that usually stands on it's own merit to become frantic and unable to properly conduct themselves in a stressed market (not us) - force both small and big companies out of business (not us)

I think it will be bad for both the suppliers and the patient, many companies will end up going out of business or not being able to provide for Medicare customers anymore.

I think it will decrease the service that patients currently receive especially training on equipment and the quality of the equipment. More than just the HME industry will need to acknowledge the decline in services and availability in order for change to occur.

I think it will eliminate many suppliers, and create new and innovative ways to survive!

I think it will have a detrimental effect on research and development of better products. I think product quality will deteriorate because providers will no longer be able to afford to supply higher quality equipment. I think the field will be dominated by companies that only care about the profits; as a result, good customer care will go out the window. We will continue to provide the best service and quality we can afford, but there will be greater restrictions on our ability to do so.

I think it will limit patient access and potentially make providing services far more complicated than it needs to be...some patients could end up with several (or even MANY) suppliers...Why not just set a new pricing floor and let all ACCREDITED HMEs provide services if they are willing to meet the new lower pricing? Maybe that solution is just too simple...

I think it will limit patient choice on products as well as providers. I think it will be confusing to physicians and referral sources if you win a bid on one category but not another and they have to order from several different providers.

I think it will only be the larger companies that will have contracts and customer service will fail the consumer.

I think that it will continue to change, that by the time we get through that process it will no longer be supported by home care providers

I think there will be fewer DME companies, and more DME companies that are number oriented rather than patient oriented

I think there will be less providers and much of the fraud and abuse will be eliminated

I think we will have a better control of fraud, but will lower the quality of service due to the decrease in prices

I will not do any Medicare just cash

I'm not sure

If competitive bidding is fully implemented it will drive the small distributors under.

It will make it extremely difficult to be a DME provider

In 2 years 95 % of all dealers gone

In a rural area so the effect eventually will be revenue. This will force less service to patients and force us to implement non delivery type of service.

Increased hospitalization for oxygen patients, thus > Costs

Increased pressure will set up for free Government Health Care!

Increased role of national companies to the detriment of the small providers

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Industry governed by a few large companies, eventually leading to increased costs to Medicare; if competitive bidding goes nationwide, our little business will be shoved out - a bad situation for the elderly living in this rural area nearly 100 miles from an large city; personal touch which beneficiaries need so badly will be eliminated with just large companies controlling the market.

It may

It should limit lesser dealers and should enhance our company

It will affect patients the most because they will not have access to the products they need for their daily living. it will affect our business because products will cost us more than reimbursement

It will be a mess and affect the industry greatly

It will be a mess for small providers

It will be a mess. Beneficiaries will have to wait days for equipment. We will try to offer equipment at a fair price in order to continue to sell products covered under competitive bidding.

It will be reduced to national players w/a few subcontractors and access to equipment WILL be severely limited

It will be run by the "big dogs" and the small rural provider will fall by the wayside. it will violate one of the Medicare-mandated requirements that beneficiaries have the right to choose their provider, which they will no longer be allowed to do, except

from a list with which they had nothing to do.

It will cause our company to continue to work more productively

It will change and some very good companies will not be around

It will consist mostly of the Large Chain HMEs.

It will decrease the type and availability of service after the sale for patients.

It will destroy the business as well as the quality of equipment and customer/patient relations

It will destroy the industry

It will destroy the small local company, which in turn will limit the quality of care for patients. The government is cutting off its nose to spite its face.

It will go down the toilet because patient care has always been our main priority but with competitive bidding the patients have been put out in cold.

It will have competitive companies providing poorer service. We will never compromise care to make a profit, and will continue to service the customer.

It will limit the patients' options for providers

It will look like a big box store and our customers will suffer if forced to switch suppliers.

It will look like the VA. Patients with the financial resources will opt out of the low bid Medicare system and pay cash money for the quality and value they demand. The rest will be dependent on the low bid government contractor.

It will reduce patient choice in providers

It will reduce the number of suppliers, reduce the quality of care, and reduce patient choice,

It will reduce the service level resulting in poor patient care

It will shrink the provider network. If independent providers close it will adversely impact our business.

It will weed out the industry-monopoly

It's just a way to lower reimbursement and lower the number of companies billing Medicare

Kaiser

Large companies control(money talks and BullS___ walks, cheaper products, less service...push small companies to brink of out of business

Large faceless organizations and the absence of the mom and pop DME

Large reduction in number of small HMEs

Larger nationals will expand

Less business and less profits. Patient will be the ones to lose the most

Less competition, less service oriented companies

Less competitors, but those who survive will become more aggressive

Less HME companies, less patient choice, more complicated industry

Less local personal service for patients.... the small "mom and pops" will not be able to compete with the national companies at the lower prices.

Less mom and pop companies; patients will suffer from big businesses not caring about the patients

Less patient choice and poorer service for pts.

Less providers and customers not getting good equipment and suffering from it!!

Less service; fewer suppliers; less profit; a more narrow product mix

Limited access for patients due to limited number of DME outlets available.

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Limited choice on new technology and service.

Limited options to beneficiaries

Lower quality products leading to worse outcomes

Lower revenues for every company

Lower the quality of repairs

Make it hard for businesses

Many fewer companies, especially small, 1 owner companies

Many in the industry will race for the bottom, leaving patients with fewer quality options.

Some will make bad business decisions to stay in business, or force the exit of competitors. Some in the industry,

particularly the solid regionals, will find a way to stay in the business and still

compete on quality as well as price. The number of small start-ups who can live off

of one or two referrals will decrease as they will not be permitted to bill. The end result

will be fewer, stronger players.

Many providers will exit market - less service to patients - decreased competition

Massive layoffs, bankruptcies, increased fraud and abuse for us we will flow with the

punches we could exist with out Medicare but on a smaller scale

More big guys less small good guys like us and patients will suffer as well as us.

More providers will be forced out of business and margins will be lower overall

More than 900,000 suppliers will exit Medicare and there will be insufficient capacity to

serve the population. Patient access will be dramatically reduced. Medicare costs will

soar due to increased ER and hospital admissions. Prices will rise due to reduced competition. Medicare will apply IR to reduce prices nationwide. National companies will initially capture market share but will crash under the weight of patients and losses.

Most importantly our patients will suffer greatly! 99% of our patients value there relationship with our company because we are not a huge company. We are able to listen to their needs and take care of those needs or concerns on a timely and professional manner. As for our company? Don't know if we can make it on our own? Scary thought.

Move to retail

Much like services in England or Canada, One maybe Two Oxygen vendors all the others are gone. It's socialized medicine.

N/A *(4 mentions)*

National chains will grow but lack customer satisfaction, customer will lose the right to choose!

Negative *(2 mentions)*

No effect as we are going 100% retail on the Internet.

No one knows. I only hope that patients receive quality care across the board.

None

Not certain the impact in our geographic market.

Not convinced it will impact MS at all. The state is too rural to achieve the cost savings that are realized in metro areas.

Not involved with Medicare.

Not sure *(3 mentions)*

Not sure. Hoping rural areas will be protected.

Nothing

Of course it will hurt revenue as well as quality care for the pt-no more "personal" care

On the whole less patient oriented-with probably lower quality products being used.

Only a few (3-4) major players will survive

Only a few companies, mostly nationals. Very few services provided to the patients.

Only a few national companies will control the industry

Only the big DME companies will survive in metro areas

Our industry will become less patient oriented and the service we have all been able to

give will basically go away. Pts will be

scrambling for someone to repair and

provide loaner equipment for their

purchased. The patient will be effected in a negative way for sure.

Our patients will not receive quality equipment or have any choice in what they receive

Patient gets lower quality of service, fewer choices

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Patients are going to lose their individualized care and become a number, the hospitals and Drs will have to find another source to take care of indigent patients because the HME can not afford it. The hospitals will have to do a much better job planning the discharge of patients since the HME company will have less staff and can not be ready to discharge the patient at a moments notice, instead it will take 24 to 48 hour notice. The Dr will have to have the CMN filled out prior to discharge because no HME provider can afford to take a loss because the Dr does not want to fill out the paper work correctly or in a timely manor. Our company will have to shift its thinking from Specialized Care One Patient at Time to thinking like the post office I her 8 hours a day and I get paid the same if I service you today or tomorrow (next)

Patients will be frustrated by having to buy different products from different suppliers. Product Quality will go down

Patients will follow who ever takes Medicare. Complex Rehab will change (which it already has started to)those who have been in the system will see a decrease in service, those just entering won't know any difference

Patients will get less service. Locations will close.

Patients will have diminished quality of care; industry will be reduced to a few national companies

Patients will lose the personal attention and service they've grown used to.

Patients will not be able to afford their oxygen, we will not be able to provide it. Many patients use multiple oxygen tanks and we will not get reimbursed for them, so we will need to limit them. It is costly to deliver refills, so we might have to consider having patients come here for mid-month refills.

Patients will suffer from all suppliers

Patients will suffer. They'll likely have poorer quality products and less customer service.

Patients won't have many choices as to where their purchases will be made. We live in a small area and would hate to see our elderly patients have to drive a great distance to obtain services that we are now providing for them.

Poor customer service, poor quality product

Poor patient care

Problems that affect the service to the patients after the 13 months.

Quality

Quality in patient services will suffer greatly. We will seek contracts with more hospices/nursing homes/assisted living facilities

Quality of merchandise and service will decline

Quality of service will go down for Medicare patients

Reduce availability and reimbursement

Reduced number of providers in business with national / regional providers dominating market. If we are not successful bidders, downsizing is likely. Patient choice of provider will be severely limited and patient service and product choice will take back seat to cost efficiency.

Reduction in companies, reduction in pay scales, reduction in products, consolidation of location.

Reduction of small competitors, serious complications for the home patient - multiple equipment vendors, delivery issues due to reduction of vendors

Remaining suppliers will be mostly national/regional w/ quality of services/equipment being sacrificed at the expense of the patients

Reserve comment 'till after implementation of the first round. I believe that the mandate to be Accredited will reduce the number of providers overall

Ruin industry

Scary

Service levels will drop.

Service quality will decrease. "BIG BOX" HME SYNDROME = Customer becomes a # not a person. Limited choice.

Service will be poor. When equipment needs repaired patients are going to have trouble.

Service will decline for the resident.

Service will decrease

Service will drastically diminish. The Public will find out how easily and affordably they can purchase DME if no insurance is involved. Hospital censes and Emergency Room visits will increase drastically.

Service will go down quickly

Service will slow down, we will drastically eliminate overtime deliveries and utilize drop-shipping products more often

Shift to larger providers. Decrease in the amount of small providers

Shlock. Rates will go too low, and service will suffer. We may lose staff if we can't pay them a decent wage.

Should never happen

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Shrink the industry and cause patients to receive poor service
Shut us down because we are small (It will destroy the industry)
Significantly fewer companies in business. Reduced profits therefore reduced level of customer service.
Since it is not in my area i don't think it will affect my business yet.
Small companies won't have a chance
Small providers will be eliminated. Product quality will fall drastically.
Smaller companies will merge or leave the market
Smaller organizations will probably close. We will lose reimbursements from Medicare but plan to make up the difference with more retail and different payers.
Socialized medicine with only a few choices
Sorry for the patient. The care will be gone from Homecare. The industry will turn into a UPS or DHL. Distribution only. No Frills. Kind of like Value-Jet; who crashed and sent their passengers swimming with the alligators.
The beneficiaries are going to suffer, as it is very confusing. They will need to have numerous providers in and out of their home. They will have confusion as to whom to call for service per piece of equipment.
The big guys will overtake the market. The little guys will go out of business. Patient care will suffer, turnaround time will suffer, hospital time will increase, Medicare

spending will increase in other areas due to the negative affect on the HME market.
The big will get bigger and patient care will do into the toilet. The government does not care as all they see is dollars.
The business will implode. No one at CMS has thought through the complete process, as it will play out. Discharge planners & Drs. will have NO IDEA where to send patients for products they need. The beneficiaries will be completely lost. Can you imagine having to keep track of where to send referrals if each company has different products they can provide?
The consumer will be most affected. They will probably receive substandard care and products. There will probably be fewer small companies
The entire industry will be in shambles. The service/product quality will drop so drastically that all of us, bid winners or not, will be perceived as crooks. The general public will never know the whole story. No matter how hard we try, we will be tarnished forever.
The industry will be dominated by metro giants like Wal-Mart run like the Dept. of Licensing with remote/rural, private-owned HMEs. Being small and relatively new, our company will be gone. Our patients are mostly from Mexico and will not be able to negotiate a trip to a metro area for supplies or not have sufficient information to reach a HME hub. They will join the army of former HME owners and march on the US Congress and Senate and stage a bloody revolt that will trigger an invasion of radical Muslim suicide bombers who will completely destroy the major population centers of the world.

The industry will become even more confused
The industry will have fewer HME dealers and therefore less availability for consumers to have informed and caring treatment.
The industry will have low cost providers, such as Wal-Mart. Patients will suffer and die. Individuals that have complex needs will be left in the cold. There will be no R &D. Those that are on Fed/State assistance will receive low quality imports
The industry will have many familiar faces exiting the industry. Our industry has not done well to protect itself over the years. We should have a stronger voice and more representation. We also need to police ourselves as those companies that are guilty of fraud and abuse have give us good companies a bad reputation. Because of Competitive Bidding, I am afraid that the patients will lose quality care because of companies trying to monitor cost. I believe that those companies will not intentional try to provide less service but because of where the industry may put us, it may just limit what a company can and can't do to provide service.
The industry will look like a disaster.
The industry will see a huge consolidation. CMS is aiming to "commoditize" a product, while still requiring hundreds of rolls of red tape. There will be a select few very large providers, who provide the cheapest available equipment and services to their patient.
The industry will self implode, leaving fewer choices for beneficiaries

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

The industry will shrink by 30 to 40% with the smaller providers going out of business due to increased barriers to competition like accreditation and competitive bidding. We will survive because we are positioned to expand and have already increased our efficiency through technology. Patients are going to experience some lack of choice and accessibility until the industry adjusts to the new environment. Things should settle down by 2012 for the survivors. Those that survive will be stronger and more technologically sound. I predict that "delivery" of most HME products will decrease and the industry will move to a cash and carry modality with patients paying out of pocket for the upgrade from the A "standard" equipment their insurers are going to pay for by fee schedule. I foresee an industry backlash and a move to refusing assignment - pay now and we will bill for you.

The industry will streamline and force providers in specialization

The larger nationwide companies who can most afford to lose money in some areas because they will make it up in quantity will remain in business while the smaller privately-owned companies will be forced out of business. I thought there was a federal law against monopolies. Bidding just plays into the hands of companies like Apria and Lincare.

The nationals/regionals will control the Medicare business, while local

independents will close, sell or find new ways to capitalize on an aging market with more disposable income

The patient's access to quality healthcare will be reduced

The patients will not have their right to chose, causing customer service in our industry to drop at unbelievable rates. The industry will have an even worse perception going forward.

The quality of service to our patients will suffer. Equipment will not be serviced or checked as often.

The small provider will disappear

There will be a two tier healthcare system and in areas of the country seniors will have trouble getting good health care. There will be fewer services given to seniors and we will see more hospital visits. Our company will have less profit to expand and buy new technology.

There will be far fewer providers on the field, but larger coverage areas. I think the quality of products and care to our patient's will be at risk.

There will be fewer providers. The survivors will run their businesses very efficiently.

There will be increased consolidation of companies within the Competitive Bidding Areas. CMS will use the data obtained from the bids to justify reducing reimbursement in non-bid areas. Those companies with a sound financial base with little debt load will survive. Many others will go out of business.

There will be less HME independent companies, a greater concentration of national companies in control

There will be many less DME companies and the patient's choices will be greatly reduced

There will be mass consolidation of larger companies, operated by holding groups, not healthcare professionals. This will eventually force a National Healthcare (Socialized) model.

There will be only larger HME DME companies left. CB will force people to work off lower margins and lower reimbursement.

There will be very few businesses. The ones that last, are going to be so busy, they won't be able to do a good job and listen to the patient.

There will only be one company to choose from

There will very few small providers and those that were big and don't win may join the ranks of the small provider

This industry will change from a cottage industry to a service line industry dictated on cost of product not patient satisfaction.

This legislation is the most damaging concept to come to the table. If implemented without severe modification, it will kill the common man's right to choose what equipment to be used in his own home for his safety well being and recovery, totally outrageous.

This will become a National Company and Regional Company Business

Those who have cash will buy and those who do not have cash will suffer

Total Medicare suppliers will shrink by 70/90%
Totally different

Trouble for small operators

Two or three biggies not caring about the patient

Unsure (3 mentions)

Very little effect (2 mentions)

Very poor

Appendix A – Write-in Responses

Q43. If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients?

(continued)

Wal-Mart

Wal-Mart. It is a major disaster waiting to happen. I pity the future patients are facing.

We are a pharmacy first, so this is a brave new world for all of us. Honestly, we're not sure.

We may lose money; patients may have higher costs

We will lose smaller companies, National companies increase business

We will lose the business, our rural area will be serviced by mail order

Will have to run business more lean, I think a lot of customers will see a lesser level of care

Will make it very difficult for everyone

Will not affect this year

Win or lose, our company will be able to weather the results.

With competitive bidding I believe there will be many companies that go out of business. If you can survive long enough for things to turn around I feel it will once aging be a good industry to be in. If things continue in the direction they are headed our company will have to reduce it's size and services, be lean and mean. Our patients will be faced with a lot more out of pocket expenses to get the same level of service or same quality of product.

No answer (143)

Q44. What are you most pessimistic about for your company/the industry?

18 month Oxygen cap

Ability to balance equipment quality and client needs.

Ability to bid

Ability to give our assets away and the ever changing reimbursement environment with less reimbursement and more admin overhead

Accreditation and Competitive Bidding (2 mentions)

All the changes made will hurt the smaller companies the most

An 18-month oxygen cap could be the most devastating

As bidders are competing for business the prices may get lower and lower and no one will be able to keep on top of their expenses.

Asian suppliers

Before CB actually dies, there will be a great loss of providers

Being able to maintain or increase profits.

Beneficiaries would assume ownership of oxygen equipment, and that the first round bids will be to low and not represent the true cost of doing business.

Bidding against the national DMEs

Can a business remain profitable

Cap

Cap on oxygen payments

Capped rental on DME; no net profit till 5-7 months into the rental.

Caps affecting patient care levels

Certain markets will disappear

Change - Politicians are still not making the decisions that will take care of those who most need the system. They are looking for monies to run other programs.

Clients dying in emergency rooms due to their capped oxygen not working

CMS & its contractors. They all do a very poor job, and have little incentive to get better.

Competitive bidding. Unfair regulatory rules

Competition

Competitive bidding (10 mentions)

Competitive bidding and oxygen cap (3 mentions)

Competitive bidding can force a company from an entire geography

Competitive Bidding Program outcomes

Competitive bidding will put tens of thousands of small businesses out of business and lost jobs

Competitive bidding. Ever decreasing reimbursement.

Competitive bidding and legislative issues

Compliance issues

Confused/confusing government regulations leading to less care for patient health.

Congress has no idea what we do.

Continued reductions forcing drastic changes in our ability to conduct business

Continuing reimbursement declines; legislators punish all for the actions of a few;

Continuing the quality of service and patient care we have been absorbing to this point; i.e. having an abundance of RRTs on staff.

Congress changing an industry they know nothing about and not one member of Congress will be affected by the changes it is making

Cost containment

Cost increase for health care

Customer access, choice and care will be limited. Fraud will be rampant

Customer focus

Cuts will keep coming

Death of patients

Appendix A – Write-in Responses

Q44. What are you most **pessimistic** about for your company/the industry? *(continued)*

Decrease in reimbursements *(2 mentions)*
Decreased quality of care
Decreasing Profit Margins
Decreasing margins
Decreasing reimbursement with more competition coming in that has much lower over head
Difficult to stay in business with reduced reimbursements.
Ever changing rules
Everything *(2 mentions)*
Fears about the future care and benefits available to our customers
Fewer companies doing more for less
Finish the home service to the patients increasing the visits and stay in the hospital for conditions that can give in the home.
Fraud
Fraud & Abuse and what the government HASN'T done to prevent this.
Fraud and abuse by national chains that affect those trying to do honest business for the customer being served
Free Government Health Care!
Freedom of choice for subscribers
Further erosion of reimbursement
Future existence
Future rate cuts
Geographic bidding
Government decreasing quality care
Government reduction in reimbursement
Governmental cuts
Governmental price fixing will effect the whole industry, maybe very little new technology, just cheaper less durable products. I believe unless the clients (patients) get involved in the political battle there will be no changes. We may care about our clients but the

politicians see us for what we are - a business.
Govt controls
Higher costs
Hilary Clinton
Home oxygen - the reduction in benefits will cause hardship to patients
Hospital self referrals and monopolies
How Congress thinks we are making a killing and how all this is going to hurt a lot of people.
How much longer we can hang on while our gov. continues to put the elderly that built our country by the waste side
I am concerned that the unethical players will continue to be unethical, increasing the black eye that our industry already has. Politicians are well aware of this and we are looked at in a very negative light when we try to make legitimate arguments about quality of care and sustainability. Many good providers are being squeezed to the point of death because of these profiteers (some would even suggest racketeers). Not enough of the quality people in our industry are mad enough to get politically active, making us an even easier target.
I am an ATS, I have one other employee, he is an ATS, we are very knowledgeable about seating and positioning, etc. We take good care of our customers, my business is small, but my customers keep coming back because they know we know are business. I would rather take time to sit down with a customer and discuss their needs and satisfy them than to worry about all the garbage Medicare wants in the customers file. For example on a complaint or a repair. My customer calls with a problem, I go out the same day and take care of it. Maybe they

just had it out of gear is why is didn't go. I am not going to come back and write a 5-page report on what was wrong with the chair just to have something in their file. When my customer has a complaint I take care of it.

I feel for the end user - our patients. They will be the ones suffering the most. Our industry will survive. Many patients will have a reduced quality of life due to these changes.

I have concern that providers that are uneducated on the competitive bid process will deteriorate the pricing.

I see patient not being taken care and they are going to be responsible for thier own equipment. This will ok for some but many so have the resources to handle this.

I think the quality of products/services supplied to Medicare patients will be significantly less effective than to those with disposable income

If CMS implements the bonding for supplies, it may be more than we can manage.

I'm not looking forward to sending business to my competitors.

I'm pessimistic about the industry and the patient care that will ensue with competitive bidding and capping oxygen. Oxygen is considered a drug monitored by the FDA and yet people will own concentrators and be selling them at garage sales yet oxygen is a drug. I think people will die unnecessarily before a positive change occurs and there will need to be wrongful death lawsuits.

Imports

In "cleaning house" CMS will be losing many honest, caring, hard-working providers.

Appendix A – Write-in Responses

Q44. What are you most pessimistic about for your company/the industry? *(continued)*

In regards to the industry I feel that companies are going to rush into accreditation and competitive bidding but are not going to look at the whole picture. They are not going to account for all cost factors of operating a business but will only look at the purchasing cost and bid from that.

Increased costs and ever changing rules

Increased reimbursement

Increasing reimbursement for electrotherapy devices

Industry concentration

Industry state of flux, constant disruption in the market place for the next 1-3 years

Insurance companies

Insurance company denials

Insurance problems

Interference from government

Keeping high standards with low reimbursement

Level of care in the industry as costs continue to rise and reimbursement continues to decrease.

Limiting the number of providers

Long-term future

Long-term relationship with Medicare because of all these new regulations

Losing in competitive bidding

Loss of Medicare business and very low dispensing fees dictated by pbm's

Loss of patient care

Loss of revenue with the inability to cut costs to meet this loss.

Lowering oxygen reimbursement - 18-month cap.

Medicaid. We have a certified fitter for Orthotics and Diabetic Shoes. Even when we get prior approval Medicaid will not pay

us because they say we are not a doctor. Medicaid does not even understand Medicaid. They can't keep up with themselves. We can't get straight answers from them.

Medicare (2 mentions)

Medicare and Competitive Bidding

Medicare billing

Medicare continuing to fix prices instead of letting the market set the price

Medicare cuts and competitive bidding

Medicare denial rates. Medicare audits. oxygen/pwc caps

Medicare gives out provider numbers to jerks and then won't monitor them, or give us the means to do so. Then they complain.

Medicare is changing it's way and the industry is whining about it not changing to work.

Medicare is stupid to think less means more.. less providers and more Medicare beneficiaries such as 80 million baby boomers equals poor products and service for all

Medicare reimbursement cuts

Medicare will be the downfall of honest reliable companies who have been there for their patients.

Medicare, Medicaid, and private insurance cuts and denials.

Medicare/CMS doing the right thing with regard to competitive bidding. Lower the fee schedules and be done with it.

Medicare/Medicaid reimbursement cuts

Medicare/Medicaid reimbursement, government issues

Medicare's incompetence and lack of concern for the nation's elderly population

Money and competition. There will be a lot more imported products putting us AMERICAN MANUFACTURERS at risk.

More government legislation

More reduction in oxygen revenue

More reimbursement

My intention was to eventually sell and retire. My company is now worth nothing.

N/A (3 mentions)

NCB

NCB succeeding

New fee levels

NO

No apparent action by the government to act on information from whistleblowers; national companies

No areas whatsoever.

None (2 mentions)

Non-stop funding source reductions and changes. State Medicaid cuts! Higher patient expectations.

Not being able to afford to give our patient the quality of service we are use to.

Not being able to help individuals whom we normally would.

Not being able to penetrate insurance companies due to exclusive vendor contract

Not getting a winning bid

Not passing the rehab carve-out

Not right now

Nothing (2 mentions)

Number of independents will dramatically decrease

O2 cuts

Only the Nationals will be left to control the market

Operational costs, and continuing great referral service while still eliminating overtime

Other insuring companies will follow Medicare's pricing and the patient's will end up with no availability of HME

Our ability to adapt

Appendix A – Write-in Responses

Q44. What are you most pessimistic about for your company/the industry? *(continued)*

Our ability to service our patients with the quality that we have had in the past
Our future is being controlled by a bunch of egomaniacs in Washington who know absolutely nothing about what we do
Our service depends on HME providers, with fewer providers our business could suffer
Our size, we are a small company providing the best service we can to the our customers. The giants are going to take over in the future and I'm afraid we will be eliminated.
Oxygen caps *(3 mentions)*
Oxygen capped rental will be harmful to the patents
Oxygen cuts continuing
Patient owned equipment service issues
Payers still seem to not appreciate HME
Providers value and as an industry we seem unable to get our message to govt and other payers
Physicians will continually become more and more of a problem with time restraints in keeping up with changing technology
PMD's will be included in comp bidding
Politicians favoring Big Pharma - squeezing out the little guy.
Poor economy will decrease sales
People in our industry need to get more involved in govt issues
Positive legislation
Possibility of hospital owned DME's carved out of competitive bidding; 1st month purchase option for PMD;s removed; reduction in monthly Oxygen payments
Price cuts--PBMs unfair practices
Pricing
Profit margins
Profitability

PT- owned concentrators
Quality of care / accessibility
Quality of patient care.
Quality of products to our patients
Quality of services.
Raising cost for less reimbursement
Rec. enough reimbursement on expenses
Receivable turns and reduced margins
Reduced reimbursement *(2 mentions)*
Reduced reimbursement, higher cost to serve, more regulatory requirements. Idiots that move the cost of one program to administering another and think they are saving the government money.
Reduced revenue
Reimbursement *(6 mentions)*
Reimbursement will drive down number of staff, leading to lower quality of care, leading to leaving industry.
Reimbursement cuts, less products offerings
Reimbursement, the "bad apples" in our business casting a negative shadow over the rest of the legitimate providers.
Reimbursements will continue to go down from Medicare / Medicaid.
Same as above
See above. I fear, for a change, the pendulum will too swing far and decapitate many caring companies. Let's face it, as Americans we want the lowest price, but you get what you pay for. I resent the fact that I was in this industry when the first question was "what's wrong?", not "What's your insurance?" And the insurance will dictate the level of care you get.
See the above
Service & quality will have to go so far down to get the attention to force a change
Service after bidding
Shortage of employees who can be trained

Shrinking allowables as costs continue to escalate
Sleep is doing awesome. We got out of the DME market (other than the CPAP) due to what was coming down the road.
Small companies won't have a chance
Small dealers could be gone.
Sometimes you catch yourself wondering, why bother?
Staying ahead of competition. Creating more separation, having a differentiator that can be associated with the brand for the long term
Still providing quality care with decreased reimbursements
Successfully migrating through the change
Survival *(2 mentions)*
That as an industry we still don't seem to be able to trust our competitors which we need to do in order to present a united front to congress
That customers are complaining that they cannot afford the equipment they need. Many companies make they pay for their scooters and power chairs upfront and most cannot afford that.
That it will grow
That other insurance carriers will follow Medicare and that it might shut down our operations.
That politicians do not have a clue and until they destroy an excellent benefit (HME) as we know it today they will never know how good a system they have had and too many patients will suffer and to many good honest HME providers will be out of business.

Appendix A – Write-in Responses

Q44. What are you most pessimistic about for your company/the industry? *(continued)*

That provider exclusivity for a region's

Medicare population will create lower levels of care and responsibility...an overall downturn in patient-care.

That reimbursements will be so low from

Medicare and underhanded competitors will be eating away on our commercial customers.

That the government will ever comprehend our cost value.

That the nationals will create an image that is degrading for the smaller service driven companies

The 18-month Oxygen capped rental.

The 36-month cap on oxygen from the

legislature is absolutely ridiculous and I am very concerned as to how it is going to effect the patients when no one will service there oxygen needs due to them owning the equipment now

The ability to keep the number of employees, which will affect patient care.

The bidding

The bottom dollar

The care of the patients

The company is strong. The industry will contract because of small business going out of business.

The congress is not holding CMS accountable for fraud and abuse. CMS is really at fault for the problems a few have caused for the industry.

The current mindset of CMS and the feeling that they are looking in the wrong direction in their attempts to cut costs. If there were greater oversight of the regional contractors, I think there would be less opportunity for fraud. I think CMS is too

politically influenced to be an effective vehicle for management of the nations healthcare.

The decrease in quality services to our patients - the inability to get Congress to understand that we are cost-effective

The deeper the cuts, the less patient services are provided. Changes our industry from care services to merely supplier

The fact that CMS thinks that competitive bidding will work

The federal government does not see value in our products and services. They think Medicare is a free service to the beneficiaries and do not care what the patient gets or how the patient gets it.

Congress will not touch the real problem that being of fraud and abuse in hospitals and physician offices.

The government's ability to legislate us out of business

The government interference with free trade

The government only wants the large companies because they know that when a problem arises the large companies just declare no contest pay a big fine and everyone will be happy

The government seems determined to eliminate as many providers as possible from the Medicare system. The ruthless tactics used by Congress and CMS will cause a lot of honest family business to go under.

The government's ability to save money by the competitive bidding process compared to the overall cost of administering the process and system.

The government's ever increasing role in dictating patient care standards and the providers allowed to do it.

The government's lack of understanding in terms of the impact of the changes being made.

The growing gap between the market / customer expectation and the limits put on resources through the reduction of available reimbursement. Our industry becomes the bearer of bad news.

The industry is being asked by the government to provide services but not wanting to pay or support the industry. Don't the government know that if people are able to maintain themselves in their homes that they will be forced to enter some type of care facility which will cost the government more money.

The oxygen capping and the comp. bidding will make it very difficult for us to continue to provide great service and care for our patients, It will be impossible to be profitable with the staff and method of operation we have now.

The patient care that will be available will certainly diminish

The payer mix

The perception that we are crooks

The possibility of a 18 O2 cap and the amount of loss associated with competitive bidding contracts

Appendix A – Write-in Responses

Q44. What are you most pessimistic about for your company/the industry? (continued)

The potential with the Oxygen Concentrator Cap for patients to end up with sub par equipment or equipment that isn't working properly and potentially endangering their health to be unable to get the quality of equipment and/or care. Why not keep Concentrators on a non capped monthly billing but require retesting/recertification on an annual basis to include compliance statements from physicians and patients...thereby weeding out the non compliant patients and those no longer meeting the medical necessity requirements? Again...maybe that is too simple a solution...

The prospect of growing public disdain of our industry. A few suppliers and the sensationalism of their fraudulent activities by the press have fostered an environment of mistrust of DME companies as a whole. Regulation and credentials are a good thing, and the federal government should have required accreditation years ago.

the quality is already going to hell with other companies forgetting the personal side of the industry. We also have to deal with misinformation that our local competition is disseminating to garner new patients.

The reduction of health care coverage/increase in share cost for people in our region

The smaller really dedicated companies are going to go away and this is going to be a sad day for your elderly population.

That we will continue to serve Medicare patients

The whole Medicare system will fail

Things are going to get slim, can we hang in there??

This is the birth of Socialized Medicine, as a Respiratory Therapist with 25 years of experience; I see this is going to have a huge decline in the quality and services in the United States. Its going to be like going to the VA for healthcare, that not a good thing, you want the "low bid heart surgical procedure"?

This whole competitive bidding thing will blow up in our faces. But it will only happen after its too late. So many people bankrupt, out of jobs, etc. The beneficiaries will find what they need. Someone will always be there to supply it. But it won't be good.

Those making decisions about our healthcare have nothing to lose, because the Federal Government has a different health plan for those retiring from government service. Federal Medicare is for the common man...hope he has enough money to buy all the items that will be needed, because the program is being designed to discourage the use of Medicare Coverage, as an avenue for Safe Living, Illness Recovery, and Disease Treatment.

Thru competitive bidding allowables will be so low that services will have to be reduced to a Wal-Mart type of mentality. This will hurt everyone, the employer and the consumer.

Too many providers - consolidation is inevitable

Too much government control

Too much time and money spent to do job

Unsure (2 mentions)

Value added services will cease to be offered by companies and dealing with patients will become a liability.

We are a non-profit co

We as an industry should be left to do things that are more client focused, not money focused. In the long run it is the client that suffers.

We feel that the changes in the industry are definitely unfriendly to small businesses and many will not survive.

We need to know more about competitive bidding.

We sell or go out of business. The number of providers in the industry shrinks drastically and patients are affected dramatically in several ways.

We're small

What bidding will do to us

What competitive bidding WILL REALLY do the our business

What will be the next round with Medicare

Whether or not the competitive bidding/accreditation will work.

Worse patient care

No answer (150)

Q45. What are you most optimistic about for your company/the industry?

? (2 mentions)

A really smart staff

Ability to adapt (2 mentions)

Ability to adjust

Able to be visionary and see how to be in best position in the market place.

Able to give access and patient care

Able to respond quickly to changes in the industry

Absolutely nothing.

Accreditation to curb fraudulent providers

Advocacy groups will start to convince legislators that they are creating a train wreck

Appendix A – Write-in Responses

Q45. What are you most optimistic about for your company/the industry? *(continued)*

Aging population *(2 mentions)*

Aging demographics and attendant product shifts

Aging of America and someone must serve them>

An optimistic company is a company that will not only survive but thrive. I believe.

As a State agency I hope we can still participate in Care

As hard as the government tries i don't think they can put all small businesses out of business

As long as there are customers with a need for the products and services we provide we will find a way to serve those customers at a profit. The question is "Who will pay?" If nobody can or will pay for what we do then we don't have a business anyway.

Baby boomers *(2 mentions)*

Baby boomers retiring

Better more qualified companies who hopefully will be good to their customers.

Cash sales

Cash sales market

Cash sales will increase as beneficiaries become disgrusted.

Change - with change comes opportunity. Few companies will be smart enough to grasp the opportunity and make something of it.

Changes will prevail, but not necessarily what we want or the customer needs

Competition will lessen

Competitive bidding will go away

Continue to give great care

Continued need for services to be provided.

Costs

CPAP growth

Decrease number of local companies.

Demand for products and services

Demand for quality local health care products will rise as the baby boomers reach retirement

Demographics show growing senior market

Demographics will continue to drive significant % growth in DME spending.

Due to good management we will survive.

EHR

Elimination of fraud & abuse. therefore more business for reputable companies

Everything

Expanding need for local service

Expanding our service area.

Expanding product lines/contracting locations and expanding others

Expansion

Finding ways to survive with Medicare reimbursement. Wouldn't it be great if all the HMEs could tell Medicare, hey we don't need your business! Then what would Medicare do???

For the industry, pulling the weeds, getting rid of the fly by night companies that have made the industry as a whole the target of many of these issues.

For us as a repair company we should see an increase in business. We are working to develop ways to continue patient care in maintaining their equipment.

Forcing an increase in retail sales

Getting a bid

Good regional demographics; need for our services

Great service pays off. Less fraud.

Grow of total potential market.

Growing

Growing baby boomer population

Growing business through better practices.

Growing demographic that needs HME services

Growing need

Growing number of baby boomers needing equipment

Growing the business

Growing the business with Medicare.

Growth *(3 mentions)*

Growth in retail

Growth in sleep

Growth of CPAP *(2 mentions)*

Growth of Market

Growth through diversity.

Hard to be optimistic. I look forward to branching out in to new products and services so I can stay in the business.

Hard to say

Have a great team with a great reputation in town with an ever increasing patient base

Helping people

High quality focus

Homecare is the most economical way to care for a patient who is medically stable and people live longer in the home setting and have a better quality of life. Eventually CMS needs to acknowledge that fact.

Hopefully the riff-raff in south

Florida/Texas/California will leave the industry

Hospice growth

Human spirit

I am hoping that competitive bidding will not work and go back to business as usual especially for the small business. We pride our selves on service. Competitive bidding does not provide service

I am in a specialty niche of DME/HME

I am not optimistic about the industry, I am about our company. We started with nothing and survived.

Appendix A – Write-in Responses

Q45. What are you most optimistic about for your company/the industry? *(continued)*

I believe I will be able to stay in business in some form, but it won't look anything like it does now.

I believe our company will be one of the "Last Man Standing" and will ultimately be more profitable but the ride will be very challenging.

I feel my company will survive, just not sure how

I have been in the industry for 36 years. I have seen these cycles before and this industry is very flexible.

I hope that we live in a country where the government is for the people and will do what is best for the aged population.

I think most of our politicians in Washington and across the nation are slowly getting the real picture of where this is headed.

If it works, there will still be rich folks who can afford what we have to offer. They still need to travel and like local services. We provide excellent service and services; we hope this will be sufficient to allow us to eke out a living. We're a simple bunch, low maintenance, work hard, do the right thing, hope and prayer, its all we have left. Not getting any younger here...

If the government does not get in the way, a growing customer base to serve.

If we are more efficient, and we will benefit from the thinning out of companies to compete with.

If we do it right (as therapists) and Medicare truly enforces the ATP provision, we can continue to provide quality products with medical justification based on the patient's need.

If we win the bid and we get enough new business we will have a chance to survive.

If you can survive the next 3 years the business should come back to you. the baby boomers are getting older and there will be a bigger need for HME services and products.

I'm generally an optimistic person, but I really don't see what there is to be optimistic about. The government is doing just like all the insurance companies, they don't care about the people or their needs, they only want to save money now and not worry about how much saving today is going to cost them tomorrow.

I'm hoping that any willing provider will be able to supply covered items.

I'm optimistic about the culling out of renegade DME companies. That should allow for larger pieces of the pie for surviving compliant companies.

Increase demographics

Increase in boomer retirements and ailments

Increase in clientele

Increase in sleep therapy

Increased client load

Increased number of baby boomers will demand better service and change the competitive bidding model

Increased size of population needing services

Increasing customer knowledge about electrotherapy

Increasing facility volume due to the baby boomers aging.

Increasing retail business

Increasing revenues by providing quality products and services with the help of our vendors.

Increasing sales through more advertising

Incredible new product that appeals to millions of people because it solves their chronic bowel problems.

Innovation

Insurance reform

Intelligence level of the patients will increase

It's hard to be optimistic as long as the government does not understand or respect our business.

It has to turn around to accommodate the boomers who are used to getting what they want/need

It is hard to come up with anything to be optimistic about at this time

It will be cheaper for the customer

Knowing that good, competent quality care is still available from local providers, such as me!

Less competition *(3 mentions)*

Less competition/ more volume

Less fraud

Limit the number of dishonest suppliers

Long -Term relationships

Major changes are inevitable

Making it through to the "other side" of this problem causes by our government and Medicare.

Mandatory accreditation will reduce fraud

Many locations are in rural areas

Many more people will need our services

Maybe less competition as the smaller companies drop out or are acquired by the larger companies

Medicare advantage plans - the private sector can do such a better job. I would like to see more things like this.

Medicare paying for new oxygen technology.

More and better products and services to choose from

More patients

Appendix A – Write-in Responses

Q45. What are you most optimistic about for your company/the industry? *(continued)*

Most people are already going out of business in my area -- or just not providing Oxygen-- so our market share is increasing

Motivated manufacturers and well funded industry groups and the reliability of the AK-47.

My company and industry must specialize in non competitive bidding items to survive

My company will maintain our service while the national companies provide below standards service.

N/A *(3 mentions)*

NCB failing

Need continues

New markets

New Opportunities

New product offerings and diversified business plans

New products

New products, the US Congress realizing the big mistake they made and fixing it.

New technology

New technology in HME software & document imaging etc.

New technology may help to reduce some of the negative impacts from cb.

No comment

Not having to deal with the Government anymore.

Not much *(3 mentions)*

Not optimistic at all

Not optimistic

Not real optimistic

Not sure. *(2 mentions)*

Nothing unless everyone stops participating in Medicare & managed contracts

Nothing *(3 mentions)*

Nothing in a down mode.

Nothing right now

Nowhere to go but up

Opportunity to diversify payer sources

Optimism is hard right now

Optimistic about my company because of our ability to adapt and out diversity, however, that's where it ends. I do not have a good feeling about the industry, and it won't be until people die, that someone will take note. Lets face it we get what we deserve. I can't believe our politicians have sold us out, but we let them.

Optimistic??? you are crazy???

Our best providers will become better and growth could be substantial for those providers that survive CB

Our company is fluid enough to change into a business model that will survive without Medicare opportunities will exist w/o the federal gov't

Our company is small and personal. Our retail is not only profitable but also fun. We will through honest information and fair pricing on good products, eventually rule.

Our Company is very stable and continuing to look for new avenues of growth and where we can continue to succeed in the changing of the market place

Our competitors are panicking

Our niche

Our people

Our service will keep the patients referring others to us

Our size, Because we are large enough to serve, but small enough to care, I feel we have a great reputation to help get us thru the rough times.

Overcoming challenges with technology; self-filling of cylinders; portable concentrators; telephone systems; document scanning;

improved billing and documentation systems.

Oxygen cap eliminated

People

People will still need DME.

Physicians understand how important we are

Population getting older

Population shift to older people. More clients more money

Potential for business

Profitability

Providing repair services and other equipment not covered by insurance. Cash sales of equipment insurance won't cover.

Reducing Medicare costs

Reduction of poor quality providers

Retail

Retail market is growing many seniors have money and would rather buy outright than jump though Medicare hurdles

Retail opportunities as more people take control of purchasing their own healthcare products.

Retail sales *(5 mentions)*

Revenues increase due to increased compliance in elderly and rising drug prices

Ride it out and hope there is change in the future

Right now it is hard to be very optimistic about much...I guess the weeding out of sub par providers through auditing and regulation is a step in the right direction and there seem to be an increasing number of agencies tasked with just that...it's a good thing!

Rural homecare business

Same as above

Shifts in the industry create opportunity along with challenges.

Sleep

Sleep medicine is growing

Appendix A – Write-in Responses

Q45. What are you most optimistic about for your company/the industry? (continued)

Somehow we will survive!

Stabilization at some pt, w/in the next 3-4 years

Technology

That as smaller providers drop their Medicare patients and we win the bid in our area that we will increase our patient base.

That bidding will not affect our totals

That CMS will realize they have really

increased the cost to the Medicare system due to increased hospitalizations/admissions to facilities because patients are no longer getting the benefit of our services.

That common sense will prevail and competitive bidding will go away.

Reductions to fee screens across the board can accomplish more savings and not destroy the free enterprise system. Surely someone out there has some sense!

That competitive bidding fails and the capped rentals is lifted

That competitive bidding will collapse and this business will stay viable.

That competitive bidding will not work in the long run.

That in other ways, standards are being raised and people and companies are being held responsible.

That orthotics and prosthetics were not involved in the first round of bidding and hopefully won't be in the next round either.

That our service will outshine the national companies.

That someone gets into office that really cares about the people of our country instead of people from other countries

That the strong will survive

That we can survive this process and become more efficient in the future.

That we can withstand the changes by adjusting and regrouping

That we have run our business legally ethically and we have a excellent staff and financial position today and even though we have many more improvements that we have already identified we are in as good a position as we could be in to survive this huge train wreck that will happen by the end of 1st QTR 2009

That we will be able to come together to at least soften bidding a bit

That we will make more money with less work by moving to a retail/commercial model.

The Baby Boomers are the largest group of consumers ever to be present, and their clout has only just begun to be felt by the Legislators with special interests.

The fact that the competitive landscape will become clearer with attrition of the independent providers

The failure of Government programs!

The growing number of older people

The growth curve is in our favor and technology expands to help reduce our non-product costs.

The hope for change before the Train Wreck

The horizon does not look good for our industry; the one thing that does save us is "people are always going to get sick" (sad but true)

The industry fighting the changes.

The industry has been very good and will continue to be very good for those who are willing to adapt and change where necessary.

The industry will evolve and go on

The need for our industry is only going to get stronger

The opportunity to work with more managed care providers at decent margins

The people will not let this happen

The potential growth. We are seeing huge growth in the knowledge base of our doctors, which in turn is increasing our patient base.

The Sleep Market continues to expand.

The small businessperson is resilient and innovative. We will survive

There is always going to be a need

There is always room to grow, build relationships and help everyone you can stay in business

There is still money to be made in HHC if done correctly. There are numerous cash sale items not linked to a third party payment. Most retailers have no concept of how to go get the sale.

There will always be a need for our services

There will always be a way to make it

Those people who need our services are not going away, those that remain open, and survive, will have a very good opportunity to expand and be profitable.

Trying to maintain current staffing levels

Unsure (2 mentions)

Volume growth

Washington and the public cannot do without us.

We are a company that has been around for over 130 years and have survived many things, we always find a way to serve our customers, and make adjustments to make money.

We are a start up company

We are all a year older than we were last year.

We are going to face the challenges head on and continue to provide the best care possible to our very deserving customers.

Appendix A – Write-in Responses

Q45. What are you most optimistic about for your company/the industry? *(continued)*

We are going to satisfy a necessity

We are growing very rapidly, our sales cover our operational deficits, we are slowly making progress cleaning up the operational data entry, delivery, to payment

We are learning how to work smarter.

We are small enough to make rapid changes in our business model

We are solid financially and excited about the changes that are coming

We are stable; 30+ years overall experience in home DME industry; we have always been able to adapt to changes/cuts over the years

We are successful in competitive bidding at reasonable allowables and grow our retail business - profitability increases. The industry adapts to the new playing field and patients are not impacted severely.

We can become industry leader in our market

We can compete with anyone in the market.
We have a motivated and highly trained/certified staff.

We have a better chance of surviving than a mom and pop operation

We have a high retail percentage base already, so we are not as dependent on Medicare revenue as many of our competitors

We have been in business for over 50 years and have been actively involved in retail sales for the last 15 years. As the population continues to grow older there will always be room for growth in our industry.

We have great staff and we are eager to increase our sales and revenue.

We keep facing new changes with a positive attitude and go with the changes.

We still have a core of very knowledgeable and concerned employees who make the

journey going forward look more positive.

Our company is well-respected in the community and we will work hard to remain the best in our area.

We will still be needed and we make a positive difference in the lives of our patients.

We will survive locally here. Not sure about the industry.

We will survive with or without Medicare.

Weeding out those that give the industry a bad name

We'll just have to wait and see. There's always potential out there...

We're cards on the table face up with everyone we deal with. We go the extra mile to provide excellent patient care. When a patient does not qualify for a piece of equipment we still provide it at our expense - At Med Trade I learned that we're all in the same boat - Of the 13,000 people there I was interviewed and put in Home Care Magazine (Cindy Hubers Pungo River Pharmacy Inc. Belhaven NC / Not South Carolina - I was going to partner with 2 larger companies but won't because we got it going on more than they do - "People First" Employee / Patient

We're motivated and go-getters

Will reduce the amount of providers

Winning competitive bidding

With looking at our profit margin and reviewing our operating expense for the last three years we will be able to bid with numbers that will still leave us monies for operating expenses. Along with doing our diligence before hand we can see the number of lives we have the possibility of looking at.

No answer (155)

Appendix B – Survey Instruments

WIN AN IPOD NANO...

Dear [-FIRST_NAME-]:

HomeCare is preparing our annual forecast for 2008, and we need your input! The more readers we hear from, the more accurate our data.

Simply click on the link below to access the survey:

LINK: <http://www.snap-surveys.com/prismb2b/jan/forecast/hcfcst.htm>

Since the number of subscribers being contacted is small, your assistance is vital for us to achieve meaningful results. And because of your hectic schedule, our questionnaire is designed to be completed quickly and easily. As always, your answers will be kept strictly confidential and reported only in aggregate with those of other survey respondents.

PLEASE REPLY BY Tuesday, October 30, 2007.

For questions or comments about this survey, please call our research department at 770-618-0394, or email jan.rabinowitz@penton.com and reference “*HomeCare* Forecast Survey.” Thank you for your participation in the study and for making *HomeCare* a part of your day-to-day business agenda.

Sincerely,

Gail Walker
Editor-in-Chief

P.S. At the end of the survey, you may ENTER A DRAWING FOR ONE OF TWO IPOD NANOs. To view the rules and regulations regarding the drawing, please click on the following link:

<http://www.snap-surveys.com/prismb2b/jan//forecast/hcswp.htm>

TO REMOVE YOUR ADDRESS FROM FUTURE E-MAILS: Penton Media likes to inform its subscribers of special Penton-related shows, products and other offers that we believe they will find helpful in their business or career. To STOP receiving these non-subscription related e-mails, please click here:

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Penton Media | 249 W. 17th Street | New York, NY 10011

WIN AN IPOD NANO...

Dear [-FIRST_NAME-]:

We recently invited you to participate in *HomeCare's* 2008 Annual Forecast Survey. If you have already completed the survey, please accept our thanks and disregard this email. IF NOT, IT ISN'T TOO LATE – we still want to include your opinions! The more readers we hear from, the more accurate our data.

Simply click on the link below to access the survey:

LINK: <http://www.snap-surveys.com/prismb2b/jan/forecast/hfcfst.htm>

Since the number of subscribers being contacted is small, your assistance is vital for us to achieve meaningful results. And because of your hectic schedule, our questionnaire is designed to be completed quickly and easily. As always, your answers will be kept strictly confidential and reported only in aggregate with those of other survey respondents.

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[http://admin.pbm-pm.com/OptLandingPage_Web/landingPage.do?e=\[-emailaddr-\]&p=6030&o=O](http://admin.pbm-pm.com/OptLandingPage_Web/landingPage.do?e=[-emailaddr-]&p=6030&o=O)

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HEMOCARE Forecast for 2008

Q1 What type of company do you work for?

- Home Medical Equipment Provider
- Pharmacy/Chain Drugstore with HME
- Hospital-based HME
- HME with Home Health Agency
- Specialty HME (specify type of specialty below)
- Other (specify below)

Please specify Specialty HME here

Please specify Other here

Q2 How many locations does your company operate?

- 1
- 2
- 3-9
- 10-24
- 25-49
- 50 or more

Q3 How many employees does your company have overall?

- 10 or fewer
- 11-19
- 20-49
- 50-99
- 100 or more

Q4 How long has your company been in business?

- Less than 5 years
- 5 to 10 years
- 11 to 15 years
- 16 to 25 years
- More than 25 years

Q5 In what region does your company primarily operate? (If your company has more than one location, choose the region that includes the majority of your branches.)

- Region A
- Region B
- Region C
- Region D
- Nationwide

Q6 With which of the following is your company currently affiliated, or do you plan to affiliate with in 2008? (Select all that apply.)

- | | |
|---|---|
| <input type="checkbox"/> Buying group | <input type="checkbox"/> National trade association |
| <input type="checkbox"/> Health maintenance organization | <input type="checkbox"/> Pharmacy |
| <input type="checkbox"/> Home health agency | <input type="checkbox"/> Skilled nursing facility |
| <input type="checkbox"/> Hospital/Physician | <input type="checkbox"/> State trade association |
| <input type="checkbox"/> Independent home care provider network | <input type="checkbox"/> Other (specify below) |
| <input type="checkbox"/> Managed care organization | |

Please specify Other here

ACCREDITATION

Q7 Is your company currently accredited?

- Yes
- No

Q8 How long has your company been accredited?

- Less than 1 year
- 1 year to less than 2 years
- 2 to 5 years
- More than 5 years

Q9 Do you plan to apply for accreditation?

- Yes, we have already begun the accreditation process
- Yes, we will achieve accreditation before the 10/31 deadline for first-round competitive bidders
- Yes, in 2008
- Yes, in 2009
- Yes, when CMS requires it for all providers
- We do not plan to apply for accreditation

Q9a Why don't you plan to become accredited?

- I don't need it for my HME operation.
- I plan to close/sell my business.
- I plan to stop accepting Medicare.
- My payers don't require it.
- It's too expensive.
- Other

Q10 If you are not accredited, have you already chosen an accreditation provider?

- Yes
- No

Q10a Through which accreditation organization are you accredited or working with to become accredited?

- Accreditation Commission for Health Care (ACHC)
- American Board for Certification in Orthotics & Prosthetics (ABC of O&P)
- Board of Orthotist/Prosthetist Certification (BOC)
- Commission on Accreditation of Rehabilitation Facilities (CARF)
- Community Health Accreditation Program (CHAP)
- The Compliance Team
- Healthcare Quality Association of Accreditation (HQAA)
- The Joint Commission
- National Association of Boards of Pharmacy (NABP)
- National Board of Accreditation for Orthotic Suppliers

Q11 How are you getting information about selecting your accreditation provider? (Check all that apply.)

- Attending trade show or other industry show accreditation sessions
- Consultant
- Looking at advertising
- Recommendation from other providers
- Visiting booths at industry shows
- Word of mouth

Q12 On what will you base your selection of an accreditation organization?

- Price
- Service provided by accreditor
- Time it takes to complete the process
- Type of process
- Other

Q13 Please estimate your company's 2007 annual revenue.

- Less than \$1 million
- \$1 million - \$2.99 million
- \$3 million - \$5.99 million
- \$6 million - \$9.99 million
- \$10 million - \$24.99 million
- \$25 million or more

Q14 Do you think your company's revenue will increase, decrease or stay the same in 2008 compared to 2007?

- Increase (specify by what percent below)
- Decrease (specify by what percent below)
- Stay the same

Enter percent change below:

Q15 If you expect 2008 revenue to be less than 2007, why?

Q16 What percentage of your company's revenues are derived from...

Rentals

Sales

Q17 What percentage of your revenue is generated from each of these sources? *(Total should add to 100%. If you don't receive revenue from a listed source, please enter a "0".)*

Commercial/institutional accounts

Managed care (MCOs, HMOs, PPOs, etc.)

Medicaid

Medicare

Private insurer

Retail sales (cash/bank cards)

Other (specify below)

TOTAL

Please specify Other

Q18 Did you bid in the first round of DMEPOS competitive bidding?

- Yes
- No

Q19 Do you operate in any of the first 10 competitive bidding areas?

- Yes
- No

Q20 Do you plan to bid in the second round of competitive bidding if your MSA is selected?

- Yes
- No

Q20a If you bid in a Medicare competitive bidding area and win a contract, how will your company adjust?

Q20b If you bid in a Medicare competitive bidding area and do not win a contract, how will your company adjust?

Q20c Why not?

Q21 If you do not bid, how do you plan to replace Medicare revenues? (Select all that apply.)

- Changing business to retail model
- More business from other payers
- Subcontract
- Other

Q22 By what percent do you think competitive bidding will reduce reimbursements?

- Less than 10%
- 10% - 15%
- More than 15%

Q23 How does your organization intend to buy most of its products for 2008? (Select all that apply.)

- Through buying groups
- Through distributors
- Direct from manufacturers
- Other (specify below)

Q24 Which of the following do you use to purchase most of your products?

- Online
- Through sales reps
- At industry show
- Other (specify below)

Q25 What are your most important considerations when purchasing products? (Select all that apply.)

- | | |
|---|--|
| <input type="checkbox"/> Availability/delivery time | <input type="checkbox"/> Past experience with manufacturer |
| <input type="checkbox"/> Brand name | <input type="checkbox"/> Price |
| <input type="checkbox"/> Customer preferences | <input type="checkbox"/> Product quality/reliability |
| <input type="checkbox"/> Maintenance costs/service issues | <input type="checkbox"/> Referral source preferences |
| <input type="checkbox"/> Manufacturer financing | <input type="checkbox"/> Technological/design innovation |
| <input type="checkbox"/> Manufacturer service/support | <input type="checkbox"/> Other (specify below) |

Please specify Other

Q26a Is your organization involved with RESPIRATORY PRODUCTS?

- Yes
- No

Q26b If yes, in which area do you expect the most growth for your organization in 2008? (*Select only one.*)

- CPAP/Bi-levels
- Liquid oxygen systems
- Portable oxygen system
- Conserving devices
- Nebulizers
- Sleep products
- In-home fill systems
- Oxygen concentrators
- Other (specify below)

Please specify Other

Q27 What percentage of your company's revenue is derived from home oxygen?

Q28 Do you plan to continue home delivery of oxygen?

- Yes
- Plan to change to non-delivery model
- No
- Not sure

Q29 If the government reduces the 36-month oxygen rental cap to 18 months or lower, will you remain in the oxygen business?

- Yes
- No
- Not sure

Q30a Is your organization involved with MOBILITY PRODUCTS?

- Yes
- No

Q30b If yes, in which area do you expect the most growth for your organization in 2008? (Select only one.)

- Ambulatory aids
- Bariatric mobility products
- Indoor lifts/transfer products
- Vehicle lifts/transfer products
- Manual wheelchairs
- Power wheelchairs
- Scooters
- Seating and positioning products
- Sport/lightweight wheelchairs
- Other (specify below)

Please specify Other

Q31 What percentage of your company's revenue is derived from power mobility?

Q32a If complex rehab is not excluded from competitive bidding, will you remain in the complex rehab business?

- Yes
- No
- Not sure
- Do not supply complex rehab

Q32b Why won't you continue in the complex rehab business?

Q33 Which of the following products will your organization purchase in 2008? (Select all that apply.)

- | | | |
|--|--|---|
| <input type="checkbox"/> Ambulatory aids | <input type="checkbox"/> Incontinence | <input type="checkbox"/> Scooters |
| <input type="checkbox"/> Apnea monitors | <input type="checkbox"/> Indoor lifts | <input type="checkbox"/> Seating and positioning |
| <input type="checkbox"/> Aspirators | <input type="checkbox"/> Infusion therapy | <input type="checkbox"/> Skin care |
| <input type="checkbox"/> Bariatric products | <input type="checkbox"/> Lift chairs | <input type="checkbox"/> Sleep diagnostic products |
| <input type="checkbox"/> Bath safety products | <input type="checkbox"/> Liquid oxygen systems | <input type="checkbox"/> Sleep disorder treatment products |
| <input type="checkbox"/> Beds | <input type="checkbox"/> Nebulizers | <input type="checkbox"/> Sports medicine & physical therapy |
| <input type="checkbox"/> Compressed gas regulators | <input type="checkbox"/> Nutrition | <input type="checkbox"/> Stair lifts |
| <input type="checkbox"/> Compression hosiery | <input type="checkbox"/> Orthopedic soft goods | <input type="checkbox"/> Support surfaces/mattresses/pads |
| <input type="checkbox"/> Continuous passive motion (CPM) | <input type="checkbox"/> Orthotics/prosthetics | <input type="checkbox"/> Telemonitoring equipment |
| <input type="checkbox"/> CPAP/bi-level | <input type="checkbox"/> Oxygen concentrators | <input type="checkbox"/> Urological/ostomy |
| <input type="checkbox"/> Diabetes | <input type="checkbox"/> Oxygen conserving devices | <input type="checkbox"/> Vehicle modification products |
| <input type="checkbox"/> Electromedical | <input type="checkbox"/> Pediatric mobility | <input type="checkbox"/> Wheelchairs, bariatric |
| <input type="checkbox"/> Elevators | <input type="checkbox"/> Pediatric rehab | <input type="checkbox"/> Wheelchairs, manual |
| <input type="checkbox"/> HME business software | <input type="checkbox"/> Pediatric respiratory | <input type="checkbox"/> Wheelchairs, power |
| <input type="checkbox"/> Home modification products | <input type="checkbox"/> Portable oxygen systems | <input type="checkbox"/> Wheelchairs, sport/lightweight |
| <input type="checkbox"/> Home ventilators | <input type="checkbox"/> Pulse oximeters | <input type="checkbox"/> Women's health |
| <input type="checkbox"/> Hot and cold therapy | <input type="checkbox"/> Ramps | <input type="checkbox"/> Wound care |
| <input type="checkbox"/> In-home oxygen fill systems | <input type="checkbox"/> Vehicle lifts | |

Q34

In 2008, will you do any of the following?

Yes

No

Already done

Limit or eliminate delivery of any products in company-owned vehicles

Reduce the number of hours available for delivery

Require more co-pay and other patient payments in advance

Stop taking assignment of benefits from payers (if yes, or done already, specify which payers below)

Please specify which payers you have or will stop taking assignment of benefits from:

Q35 Which of the following do you consider the biggest challenges facing your company in 2008? (Select all that apply.)

- | | | |
|---|---|---|
| <input type="checkbox"/> Accreditation/Supplier quality standards | <input type="checkbox"/> Keeping costs under control | <input type="checkbox"/> Paperwork/administrative activities |
| <input type="checkbox"/> Changing business model | <input type="checkbox"/> Keeping up with legislation/regulation | <input type="checkbox"/> Quality patient care/services |
| <input type="checkbox"/> Claim denials | <input type="checkbox"/> Managed care contracting | <input type="checkbox"/> Staff issues (retention, training, etc.) |
| <input type="checkbox"/> Claim processing/payment time | <input type="checkbox"/> Medicaid cuts | <input type="checkbox"/> Technology investment |
| <input type="checkbox"/> Competition (specify below) | <input type="checkbox"/> Medicare coverage/pricing for PMDs | <input type="checkbox"/> Viability in a changing market |
| <input type="checkbox"/> Competitive bidding/preparation | <input type="checkbox"/> Medicare DME rental cap | |
| <input type="checkbox"/> Compliance | <input type="checkbox"/> Medicare oxygen rental cap | |

Please specify what type of competition will be your biggest challenge in 2008 (local HMEs, national chain with HME, mass merchandise store, etc.)

Q36 Please mark the statement that best describes your plans to stay in business.

- I plan to stay in business through 2008
- I plan to stay in business through 2009
- I plan to stay in business through 2010
- I have no plans to leave the business

Q37 If you plan to exit the business in the next few years, why?

Q38 How do you plan to grow your business? (Select all that apply.)

- | | |
|---|---|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Changing payer mix |
| <input type="checkbox"/> Expanding your showroom | <input type="checkbox"/> Increasing sales staff |
| <input type="checkbox"/> Opening a new location in your area | <input type="checkbox"/> More advertising |
| <input type="checkbox"/> Expanding into another geographic area | <input type="checkbox"/> Increasing retail business |
| <input type="checkbox"/> Entering new product areas | <input type="checkbox"/> Specializing business |
| <input type="checkbox"/> Adding patients | <input type="checkbox"/> Other (specify below) |
| <input type="checkbox"/> Changing product mix | |

Please specify Other

Q39 Which of the following do you use? *(Select all that apply.)*

- Activity-based costing
- DME software package
- Bar coding for inventory
- Document imaging system
- Automated inbound/outbound telephone technology
- Referral collection via the Internet
- Automatic inventory order/replacement system

Q40 Of which of the following are you a member? *(Select all that apply.)*

- State DME/HME association
- National DME/HME association
- Politically active buying group

Q41 What industry/trade shows do you plan to attend in 2008?

- AAHomecare Legislative Conference
- AARC (American Association for Respiratory Care)
- APSS (Associated Professional Sleep Societies)
- Essentially Women
- ISS (International Seating Symposium)
- VGM Heartland Conference
- Medtrade Spring
- Medtrade Fall
- NCPA (National Community Pharmacists Association)
- RESNA (Rehabilitation Engineering & Assistive Technology Society of North America)
- NAHC (National Association for Home Care and Hospice)
- National HME/DME association meeting
- State HME/DME association meeting
- None of the above

Q41a In 2007, did you contact your Congressmen?

- Attended a fundraiser
- Made a phone call
- Sent an email
- Sent political contribution
- Visited office in my area
- Visited office in Washington
- Wrote a letter
- Did not contact

Q42 Do you plan to become more politically active in 2008 with regard to HME issues?

Yes

No

Not sure

Q43 If competitive bidding is fully implemented, what do you think the industry will look like? What effect will it have on your company/your patients? *(Note: boxes will expand as you type.)*

Q44 What are you most pessimistic about for your company/the industry?

Q45 What are you most optimistic about for your company/the industry?

Please enter the information below in order to enter the drawing for one of two iPod Nanos. This information will ONLY be used to ship the iPod to you in the event that your name is drawn. Therefore, ALL items below must be completed in order for your entry to be considered valid. If you don't wish to enter the drawing simply omit this section and click the SUBMIT button.

Name

Address (if shipping to your company, please include the company name here)

City, State, ZIP

Phone number

E-mail address (to send you tracking information for the shipment)