

Submitter : Ms. Dale Houston
Organization : Publix Super Markets, Inc
Category : Other Health Care Provider

Date: 08/03/2007

Issue Areas/Comments

Impact

Impact

Regarding a requirement for individual pharmacists needing a surety bond - Most individual pharmacists are employees of the Medicare and as such should not be required to obtain a surety bond if the organization is also required to obtain a surety bond. Most provider establishments have more than one pharmacist on staff and the requirement to obtain the bond at an individual level would be unfair. In addition, pharmacists may move from location to location and this would be require the bond to either move with them or be terminated and resecured, either option is beyond what we believe to be in the scope of the regulation

Exceptions to requiring a surety bond -- A significant portion of the Accreditation Process now in place is a requirement to provide financial information pertaining the organization. The Accrediting Agency is reviewing this information and approving your status as a Medicare provider. It would seem redundant to then on top of this requirement to mandate the need for a surety bond.

Our reading of the Proposed Rule does not appear to apply an onus on other employed individuals to obtain a individual surety bond, based on that we do not see a reason why an individual pharmacist should be required to obtain one.

Large public or privately traded companies without any historical 'adverse history' and have either begun the Accreditation process or have received Accreditation should not be required to obtain a surety bond. At most, the organization should be able to obtain one bond that covers the organization and is portable to any new locations that are opened.

Submitter : Dr. Stanley Beekman

Date: 08/04/2007

Organization : Dr. Stanley Beekman

Category : Physician

Issue Areas/Comments

GENERAL

GENERAL

This comment is in regards to the proposed rule that will require DMEPOS suppliers to supply CMS with a surety bond that will enable CMS to recover up to \$65K for erroneous billing. This is one more unnecessary restriction placed upon small providers and private practice practitioners. Accreditation was supposed to help eliminate fraud. Instead an additional burden is being proposed to place on the many who are not committing fraud to pay for the few who have bilked Medicare out of millions of dollars.

Provisions

Provisions

This is an additional expense that will impact small providers and private practice practitioners.

Submitter :

Date: 08/06/2007

Organization :

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

THIS REQUIREMENT FOR A SURETY BOND IS YET ANOTHER FINANCIAL REQUIREMENT FOR US BUSINESSES TO UNDERTAKE. WE HAVE CONTINUED TO GET BEAT DOWN FOR THOSE THAT BREAK THE RULES. WE HAVE BEEN FACING CONTINUED CUTS IN REIMBURSEMENT DESPITE RISING COSTS TO CONDUCT BUSINESS BECAUSE OF RISING FUEL COSTS, EQUIPMENT COSTS, AND INCREASING LIABILITY INSURANCE RATES. I HAVE BECOME SO CYNICAL IN THE LAST FEW YEARS ABOUT THE RATIONALIZATION OF OUR GOVERNMENT THAT WILL SPEND BILLIONS ON OTHER COUNTRIES PROBLEMS, BUT WE DO NOT INVEST ON OUR OWN CITIZENS, WE WILL SPEND 19 MILLION FOR A TOILET IN OUTER SPACE, BUT WE WANT TO LIMIT A PERSON'S OXYGEN EQUIPMENT. I CAN APPRECIATE YOUR PERSPECTIVE TO PROTECT MEDICARE. ADDING YET ANOTHER FINANCIAL REQUIREMENT IN THE WAY OF A SURETY BOND IS NOT THE ANSWER. THE PHYSICAIN'S ARE GETTING INCREASES IN REIMBURSEMENT AND YET WE GET CUTS. DMEPOS AMOUNT TO 2%OF MEDICARE SPENDING. THE HOSPITALS AND PHYSICIANS AMOUNT TO 60% OR MORE OF MEDICARE SPENDING AND YET YOU ARE TRYING TO CUT THE SMALLEST AREA OF SPENDING. WE ARE FACING COMPETITIVE BIDDING, BUT I DO NOT SEE PHYSICIAN'S OR HOSPITALS HAVE TO BID FOR WHAT THEY WILL ACCEPT. THESE CUTS ARE REQUIREMENTS ARE GETTING DANGEROUSLY CLOSE TO MAKING IT COST US MORE TO DO BUSINESS THAN WHAT WE CAN BRING IN TO SUPPORT BOTTOM BARREL OVERHEAD. I THINK WE HAVE TAKEN ENOUGH OF A BEATING IN THE LAST YEAR AND THIS IS AN UNNECESSARY EVIL. MAKE ACCREDITATION MANDATORY, I AM FINE WITH THAT, BUT DO NOT MAKE US GO THROUGH THIS AS WELL. I DO NOT MIND MAKING INVESTMENTS IN SOMETHING THAT WILL HELP MY COMPANY GROW, BUT IT SEEMS THAT I AM ALWAYS HAVING TO MAKE THESE INVESTMENTS TO CONTINUE TO MAKE LESS MONEY. NOW THAT JUST DOES NOT MAKE ANY LOGICAL SENSE.

Submitter :

Date: 08/06/2007

Organization :

Category : Health Care Industry

Issue Areas/Comments

Impact

Impact

instead of instituting another "hoop" for the industry to jump through why doesn't CMS "exclude" those providers who have had FBI investigations and repaid millions of dollars in restitution back to the government out of the medicare program all together. Why allow "known" violators to remain in the program?

Submitter : Mr. Maurice Lecker
Organization : Medical Homecare Supply, Inc.
Category : Health Care Provider/Association

Date: 08/06/2007

Issue Areas/Comments

GENERAL

GENERAL

If palmetto had done their job properly, we would not be here. They had no checks and balances and gave out money like a drunken sailor. Having auditors verifying the claims would have solved most of the problems. All they had to do is physically verify the delivery of the material goods, i.e. check serial numbers against the items from a list that CMS provided. Simple computer analysis, like the IRS uses would have caught most "errors". If a provider is billing a few thousand dollars per month and suddenly is billing hundreds of thousands per month, a flag should have popped up and an investigation started. This is not rocket science.

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Surity bond

Provisions

Provisions

Increase costs, Approx \$1000.00 per location. Is it really needed along with cost of accreditation. If you keep increasing the cost, nobody will be around to supply the goods especially with competitive bidding and the constant reductions, i.e. capping O2 at 18 months.

Submitter :

Date: 08/06/2007

Organization :

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

THIS IS YET ANOTHER WAY FOR INCREASED GOVERNMENT CONTROL. DME SUPPLIERS HAVE TAKEN A BEATING FOR THE LAST 2 YEARS AND WE ARE SUCH A SMALL PART OF MEDICARE SPENDING. THIS SURETY BOND WAS TRIED YEARS AGO AND NEVER IMPLEMENTED ACCORDING TO A CMS OMBUDSMAN AND FELL OFF THE BOOKS. PLEASE DO NOT ADD YET ANOTHER COST FOR NO ADDED BENEFIT TO OUR BUSINESS OTHER THAN TO CONTINUE TO GET LOWER REIMBURSEMENT THAT COSTS US MORE TO GET.

Submitter : Mr. Ken Wiese

Date: 08/06/2007

Organization : American Home Medical Supply

Category : Individual

Issue Areas/Comments

GENERAL

GENERAL

CMS needs to understand that DME fraud is but a tithe compared to the fraud committed by the MD's en masse. MD's schedule patients on a monthly basis whether they need it or not. MD's put the length of need on the CMN's to a minimum so they can see the patient again. Why would an amputee only need a wheelchair for 6 months? The leg isn't going to grow back. Yet the MD's have the possibility of not having a pay cut? DME's are on a fixed income. That income is fixed by fee schedules and referrals. We do not have the ability to schedule our patients to need more equipment and supplies when we need to pay the light bill. But MD's do. If CMS would spend more time policing the MD's instead of legislating the DME's to police the MD's then CMS might have more money in the budget to pay for little things like customer service 75 miles from the nearest town at 2am in the morning.

Provisions

Provisions

CMS is making a practice of punishing reputable businesses. The cost of doing business with Medicare is fast becoming cost prohibitive for small businesses. This Surety Bond is one more step in the direction of breaking the backs of small providers who service rural areas. The cost of obtaining and maintaining a surety bond is the difference between a better paid employee who cares about the patients and one who doesn't. Or better put Medicare in its attempts to cut back will force the DME industry to cut back on the only things we have any choice on and that is cost of goods and cost of doing business. The quality of the goods will and is slipping as is our ability to provide good service. CMS's simply stating that the providers WILL provide good product and service does not make either of them a workable solution. Things cost money and CMS doesn't want to pay.

Submitter : Erika Mikunda

Date: 08/07/2007

Organization : Express Medical

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

There is already enough changes in the industry. Lets wait and see if accreditation will keep the legitimate companies in business and keep fraud down without making small companies dish out more money that may ultimately drive them out of business.

Provisions

Provisions

The Surety Bond would greatly hurt our small business as a DME. We already have to pay for the accreditation. With the process of accreditation that should prove without a doubt that the company is legitimate. Where would this 3-5 thousand dollars go to? Why do companies have to pay in order to keep contracts with the government? This seems like another way to rid the industry of small DME's like ourselves. This will greatly hurt the industry and leave the elderly and the less fortunate without convenient local providers.

Submitter : Dr. Glenn Crowson

Date: 08/07/2007

Organization : Wewoka Medical Rural Health Clinic

Category : Physician

Issue Areas/Comments

Impact

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See Attached Word Document

CMS-6006-P-9-Attach-1.TXT

August 13, 2007

Glenn A. Crowson, MD
PO Box 1093
Wewoka, Oklahoma 74884-1093

Centers for Medicare & Medicaid Services
Department of Health & Human Services
PO Box 8017
Baltimore, Maryland 21244-8017

Re: CMS-6006-P
PROVISIONS

To Whom It May Concern:

I am a physician supplier of orthotics. This year I anticipate billing Medicare approximately \$200.00 for supplies for Medicare beneficiaries. In order to be able to provide this convenience to these four-to-five patients, I keep a large cabinet stocked with various sizes of orthotics from ankle supports to cervical collars and all joints in between.

My commercial insurance carrier estimates the cost of a \$65,000.00 surety bond for this service will cost a minimum of \$650.00 per year up to \$2,000.00 per year. An exact amount depends upon the form CMS will use.

Plainly, requirement of a surety bond excludes many physician suppliers and non-physician practitioner suppliers as small business owners from the program and favors large publicly or privately held companies. I hope CMS will establish an exception to the surety bond requirement for physician suppliers and non-physician practitioner suppliers. In looking for a threshold, CMS could start with the SBAs definition of a small business physician clinic. SBA limits a physician clinic to \$9.0 million in annual receipts. Further criteria could be based on percentage of Medicare revenue and/or percentage of revenue from Medicare DMEPOS—perhaps exceptions could be allowed for physicians receiving less than fifty percent of their total revenue from Medicare and/or less than one percent from Medicare DMEPOS. Under no circumstances should a \$65,000.00 surety bond be required of a physician or non-physician practitioner receiving less than \$100,000.00 annually from Medicare for DMEPOS.

Adding the expense of a surety bond for a service that for many physicians is simply a value-added convenience for their patients would unfairly limit the participation of small business owners and force many to eliminate the service. Elimination of rural physician suppliers by requiring a surety bond would decrease access to care for some Medicare beneficiaries who can not or will not travel an extra 25-mile round trip, or further, to a large retail supplier.

In summary, adding the cost of a surety bond will eliminate my clinic and probably many other small businesses from the DMEPOS program. Elimination of suppliers, especially rural suppliers, restricts beneficiaries' access to care. An exception to the surety bond requirements should be allowed for all physician and non-physician practitioner suppliers at or below SBAs physician clinic criteria of \$9 million in annual

receipts. If that is too simplistic then add criteria based on percentage of Medicare revenue and/or Medicare DMEPOS revenue as compared to total clinic receipts. All suppliers receiving less than \$100,000 in Medicare DMEPOS revenue should be excluded from surety bond requirements.

Respectfully submitted,
Glenn A. Crowson MD

Submitter : Mr. Clifford Doss

Date: 08/07/2007

Organization : AireCore Medical Services

Category : Other Health Care Professional

Issue Areas/Comments

GENERAL

GENERAL

Help us keep costs low and services high by not requiring a Surety Bond or exempting small business or lowering the amount of the bond.

Impact

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First there was the reduction in reimbursement for Oxygen services, then there was required accreditation with Competitive Bidding and now a Surety Bond requirement. All of these just add-up to more cost for small companies trying to serve patients in a more personal way. Why don't you just come out and say we are trying to eliminate all small providers!

Provisions

Provisions

Higher costs translate into less service. It's simple economics. If the feed supplier raises the price of feed then the farmer raises the price of beef. If we continue to lose reimbursement dollars and the cost of doing business goes up...services will decrease. This will translate into a greater instances of health problems which turn into more office visits and hospital admissions.

Submitter : Mr. Joe Ferrer

Date: 08/08/2007

Organization : BIO-MED of Louisiana

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

As a 25 year old small, privately owned specialty DME provider, I seriously doubt that our minimal profit structure will qualify us for a surity bond. We couldn't afford it if we did qualify. This rule would essentially put a 25 year old small business out of business.

Submitter :

Date: 08/08/2007

Organization :

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

I WOULD LIKE TO EXPRESS MY OPPOSITION TO THIS PROPOSAL. YOU NEED TO STOP HURTING DME SO MUCH. WE HAVE HAD TO GO THROUGH NPI IMPLEMENTATION, THEN THE CHANGEOVER IN REGION C TO A DIFFERENT CARRIER WHICH IS NO WHERE NEAR AS SMOOTH AS EVERYONE TOLD US IT WAS GOING TO BE. THEY ARE BEHIND ON PROCESSING, MAKING A MUCH HIGHER NUMBER OF MISTAKES THAT WE HAVE TO BRING TO THEIR ATTENTION TO REPROCESS WHICH TAKES MORE TIME AND EFFORT AND YES MONEY TO DO, THEIR PHONE SYSTEM HAS NOT BEEN NEAR AS USER FRIENDLY. PALMETTO WAS NOT BROKE AND YET YOU SPEND BILLIONS OF DOLLARS TO FIX SOMETHING THAT WAS NOT BROKEN. THIS IS A WASTE OF MONEY THAT NO OF US HAVE SINCE OUR COSTS TO DO BUSINESS CONTINUE TO GO UP AND YOU KEEP SHRINKING OUR REIMBURSEMENT AND YET DOCTORS CONTINUE TO GET THEIR REDUCTIONS REMOVED AND END UP GETTING INCREASES BECAUSE OF A STRONGER ASSOCIATION TO REPRESENT THEM. NOW WE ARE ALL WORKING ON ACCREDITATION AND COMPETITIVE BIDDING WHICH IS YET ANOTHER NIGHTMARE THAT IS NOT AS SMOOTH OR USER FRIENDLY AS IT WAS EXPLAINED. MAKE ACCREDITATION MANDATORY BUT DO NOT IMPOSE THIS UNNECESSARY ADDITIONAL EXPENSE ON US.

Submitter : Susan Majava

Date: 08/08/2007

Organization : Southeast Oxygen

Category : Other Health Care Professional

Issue Areas/Comments

GENERAL

GENERAL

We already have a 50,000 dollar surety bond for Florida Medicaid. It would be a financial burden to have to pay for two. If provider is in good standing, which should be easy to check, let it stay as a dual as it is now. Deal with poor performance as the individual provider presents, Don't make law abiding providers carry an unnecessary burden for the minority who don't comply.

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Submitter : Dr. H Finke
Organization : Elkton Friendly Pharmacy
Category : Pharmacist

Date: 08/08/2007

Issue Areas/Comments

GENERAL

GENERAL

I own a community pharmacy that also sells diabetic supplies which are billed to medicare part B and pulmonary drugs. I am not sure if I have to put up the surety bond because I do not rent any equipment or put bids on any contracts. Please inform me if I do need to be certified and a surety bond because the language is unclear.

Thank you, H. Finke

Submitter : Mr. Bill Bishop

Date: 08/09/2007

Organization : Advantage Home Medical Company

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

GENERAL

There must be other avenues available to the federal government than to require this \$65,000 surety bond from home medical equipment suppliers. As an owner of an HME business, I know that I am already strapped financially, having had to become accredited and trying to stay financially viable for the scrutiny that is coming with competitive bidding. Not every supplier out there is a crook - believe it or not, there's actually people in this industry who care about both the people they serve and whether they are doing so with any degree of integrity. I just think it's too easy for those in positions of power to wield that power indiscriminately over everyone - even those who would never defraud the government or anyone else. There may well come a time when those that are forced out of business because they couldn't "measure up" or keep up with all the extras expected of them to do business, may find someone seeking people to provide services that either no longer exist or in such short supply that needs are going unmet. God help the elderly and the infirmed.

Submitter : Mr. JERAL HOWARD

Date: 08/09/2007

Organization : COMPLETE HOME CARE SUPPLY INC.

Category : Health Care Provider/Association

Issue Areas/Comments

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I have been a healthcare provider since 1994. My opinion is, if a surety bond is required it should depend on the amount the provider billed the previous year. A set percentage that could increase/decrease from year to year. Example operation wheelcler dealer, 65000.00 probaly wouldn't cover the monies owcd to pay back. For a new/small business a minimum surty bond.