

I Have Decided....Have You?

"We have too many high sounding words, and too few actions that correspond with them."

Abigail Adams

"A real decision is measured by the fact that you've taken new action. If there's no action, you haven't truly decided." *Chin Ning Chu*

We're at a "tipping point" in the world of HME. I won't try to be overly dramatic: No matter what happens in the delivery or payment system, home medical equipment will still be manufactured, sold and used in this country.

The issue is who is going to be supplying it and what quality of equipment will it be. Will it be thousands of local independent providers supplying high-quality products and services or a few government-selected "low bidders" that over time and under the mantra of "competitive bidding," become the Halliburtons of HME or the airlines of home health care? If logic and the markets control, as they are supposed to in a free economy, the locally owned, independent HME provider will continue to be the dominant supplier. There is no question about that. There is, however, a big question about whether HME providers will be allowed to continue to operate in a free economy as that term is normally used.

A free economy allows buyers to select from whom they will buy, based on criteria that they deem important. Price of a transaction is determined freely between buyers and sellers. Poor suppliers fail and go out of business while good suppliers prosper and grow. New suppliers, who are willing to risk capital, work hard and meet reasonable criteria, can easily enter the market. Some buyers will select on price alone without much consideration for service or quality; most will factor quality and level of service into their decision on where to buy. Over time and over thousands and thousands of transactions, quality at reasonable prices wins. Prices are settled at a fair and sustainable level, needs are met and fairness with adequate supply are ensured for all. Frauds and cheats are dealt with harshly and quickly. Honesty, reliability and hard work are rewarded. The "invisible hand" of competition between suppliers and the self-interest of buyers leaves little room for error. That is the way it is supposed to work.

As we all know, that is NOT the way it is going to work in HME if people like Bill Thomas and Joe Barton continue to have their way. They and a handful of others in Washington have imposed a law on us that will turn this system on its head. They are opening a Pandora's Box in health care. So-called "competitive bidding" or more accurately "selective contracting," will likely lead to the demise of many independent providers, and cause extreme stress to the elderly and disabled they now serve. (I won't repeat the arguments against selective contracting that you have all heard here and I won't deny that under extreme pressure section 302 was amended a trifle to extend a pretension of protection for small business. There are also continuing efforts to further amend MMA but even if that effort succeed -- and that is far from certain -- the "beast" will still live and the threat remains real and near.)

That they have done this in the name of “competition” is maddening and borders on the lunacy of the paradox of “Catch 22.” We at VGM and many others have tried to stop this by arguing logically with administrators and legislators. Those who will listen almost always say that they agree with us but that they can’t do anything to help. Those who will not listen seem unreachable by anyone and free to make the wrong decision regardless of the consequences. Many inside our own HME “tent” tell us to “give it up,” readjust our deck chairs and enjoy the rest of the trip on our Titanic. I am not ready to do that. I can’t and you shouldn’t.

So, I have decided to take off the gloves and fight as if our lives and the lives of our patients depended on it. To paraphrase the famous line from the movie “Network,” I am mad as hell and I am not going to take it quietly anymore. Announcements will be made at the opening of Medtrade regarding the steps we are taking. They will be controversial, derided by some, but supported by many. They are unorthodox, risky and maybe even impolite. To quote William Shakespeare: “Strong reasons make strong actions.” I am not going to apologize for trying and for fighting in every way possible.

Please understand two things about our actions. First, we are not unmindful that these efforts, even in total, are a long shot, perhaps the equivalent of the proverbial “hail Mary” pass in football. But we see little harm in trying everything possible and great shame in not bothering to make the effort. Others can be polite and work “with” CMS and the legislators who smiled, took our money and pretended to care while they were doing this to us. We are going the other way for awhile.

Secondly, we are not saying that the independent HME can’t survive selective contracting. Our strong belief is that this dumb scheme will ultimately fail on its own and that most independent HMEs can and will survive it. But, great and, in some cases, irreparable harm to HMEs, their patients and the health-care system will be done if this has to run its course. I’ve made up my mind to fight. Have you?

Van Miller is CEO and founder of The VGM Group.

Editor's note: The following commentary by VGM CEO Van G. Miller appeared in the Oct. 19 Show Daily issue of HME News.