There are many options available to payers when it comes to arranging medical equipment for injured persons, including sourcing the equipment directly from medical equipment stores, tapping into the network of an ancillary services provider or purchasing from an online vendor. The latter is becoming increasingly more common as buying and selling merchandise on the internet becomes easier. In fact, the global market for home medical equipment is projected to grow to $26.2 billion by 2016.¹

As more vendors sell medical equipment online, payers are using the internet as a resource to find bargains. Sourcing equipment online brings risks and can frequently cost payers more over the long term. Whether an organization is currently purchasing equipment online or is evaluating such a strategy, it is essential to weigh the following considerations.

**Consideration #1:**
**Is the online medical equipment vendor licensed and accredited?**

When purchasing medical equipment online, it is important to ensure the vendor is licensed and has a reputation for providing quality service.

There are a couple of ways to determine if a vendor is accredited. The first is to see if the vendor is a licensed provider in the state in which their business operates. This can be done by conducting a public records search for business licenses. Search on http://publicrecords.onlinesearches.com to find where to access a business license database per state.² The second is to research if the vendor is a Better Business Bureau (BBB) accredited medical equipment provider. This can be done by calling the BBB at 1-703-276-0100 or visiting the BBB website at bbb.org. The BBB accredits and then rates vendors based on a specific set of criteria, such as duration of operation, obtaining required licenses and evaluating service complaints.³

As an alternative to researching licensure and accreditation status, you may choose to partner with an ancillary services provider. An ancillary services provider typically works with a network of vendors that offer equipment at discounted rates. This eliminates the hassle and time involved in evaluating vendors. Look for a partner that ranks its medical equipment vendors on stringent criteria, such as customer service, geography, proper licensure and credentials, compliance with state and federal laws, quality management, and contract adherence. The ranking system should also provide the injured person with on-time delivery, exceptional service, training as-needed and fully operative equipment. These ranking systems may ensure that the injured person receives the best care available at the most cost-effective price.

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Consideration #2: Does the online medical equipment provider set up equipment, offer training or provide fittings?

Payers are faced with the challenge of providing injured persons with quality care while managing claim costs. While finding a discounted piece of equipment online may seem like the best solution because of price, payers must consider the bigger picture. It’s about more than just the price for equipment; it’s also about ensuring the injured person’s safety.

Medical equipment that is set up incorrectly or injured persons who are not trained on proper use, can lead to re-injury, delaying recovery and ultimately, delay their return to function. Therefore, when purchasing medical equipment online, it is important to determine if the vendor will set it up upon delivery and arrange for proper fittings. Another critical consideration when evaluating medical equipment vendors is to determine if they will provide the injured person with comprehensive education on equipment use.

Many of these issues can be avoided by working with an ancillary services provider. Seek a provider that has the capability to fully coordinate services between the equipment vendor, injured person and claims professional. This means they will arrange all orders, delivery and necessary fittings. The ancillary services provider should also offer complimentary equipment set-up at time of delivery, as well as provide the injured person with comprehensive training on proper usage. Additionally, ancillary services providers will follow-up with the injured person as-needed to ensure the medical equipment is working properly and that there are no questions on how to use it correctly. These services provide convenience and ensure that the injured person gets the quality, dependable equipment they need when they need it.

Consideration #3: What is the online medical equipment vendor’s policy for replacing malfunctioning equipment?

Even the highest quality medical equipment can break or malfunction. Therefore, it is essential to closely review an online medical equipment vendor’s policy for replacing defective medical equipment. In many cases, it will be the responsibility of the injured person to contact the vendor directly to resolve the issue or return the equipment for a replacement.

This issue can be avoided by partnering with an ancillary services provider. In the event a malfunction occurs within warranty guidelines, most ancillary services providers will immediately resolve the issue. This means the injured person will not have to coordinate the return or wait a long time for a replacement to arrive.

Other Considerations
Avoid unauthorized medical equipment shipments

With workers’ compensation fraud statistics remaining high, it is important that a medical equipment vendor does not automatically ship equipment to the injured worker without prior authorization. This ensures the appropriate equipment is ordered, duplicate equipment is not shipped, and the injured worker receives the best available medical equipment for the nature of the injury. It also ensures that equipment that is no longer necessary isn’t automatically shipped. By eliminating unauthorized medical equipment shipments, payers can reduce medical equipment expenses - which comprise 10.1 percent of a workers’ compensation medical claim. 
Simplify the coordination of care

In addition to offering a network of quality medical equipment vendors, ancillary service providers can make arrangements for home health care, transportation, language services, diagnostics, physical medicine and catastrophic care needs; whereas, online medical equipment vendors typically only offer equipment. This coordination of care offered by ancillary service providers reduces multiple phone calls and hassles for the claims professional - ensuring care is centralized and that claim costs are managed effectively. It also increases the quality of care for the injured person and can provide convenience and peace of mind for caregivers. Providing coordinated care also creates an opportunity for an ancillary service provider's professional clinical staff to detect any potential issues with the therapy.

Eliminate out-of-network expenses

If an injured person attempts to replace defective medical equipment or is dissatisfied with the quality of service from the original vendor, they may take matters into their own hands. This can lead to out-of-network bills, meaning higher claim expenses, more paperwork and possibly even escalate to legal action. An ancillary services provider can reduce out-of-network bills in several ways. First, by providing a large network of accredited vendors that offer the quality products and services the injured person requires, and secondly by providing discounted rates through its network. Lastly, by having a process in place to redirect bills in-network should an injured person acquire their medical equipment out-of-network.

Manage utilization of rental equipment

Some online medical equipment vendors offer the opportunity to rent equipment or even rent-to-purchase. This may seem like a value, but payers need to ensure that over time, they’re not paying more in rental fees than it would cost to purchase the equipment. It is also important to reach out regularly to the injured person to ensure that they are still using or need the equipment that is being rented.

Conclusion

There are many options available when sourcing medical equipment and with the evolution of online shopping, selecting an online medical equipment provider is a viable option. But to ensure quality, safety and satisfaction for the injured person, be sure to critically evaluate a business’ legitimacy, reputation, defective equipment policies and customer service. By doing so, you will increase your ancillary awareness and help the injured person on the road to recovery.

About Optum for Workers’ Compensation

The workers’ comp division of Optum collaborates with our clients to deliver value beyond transactional savings while helping ensure injured workers receive safe and effective clinical care. Our innovative and comprehensive medical cost management programs include pharmacy, ancillary and managed care services from first report of injury to settlement.

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