



1877 NE 7th Ave Portland OR 97212
Phone: 503-335-9118 • Fax: 503-335-9148

February 3, 2014

Testimony of Norco Medical Inc.
In Support of HB 4108, Durable Medical Equipment Reuse
Before House Health Care Committee

Dear Members of the House Health Care Committee,

Norco Medical is a 65-year old company that specializes in providing durable medical equipment to patients throughout the northwest. Our company is in support of House Bill 4108 relating to the Durable Medical Equipment Reuse initiative intending to pilot a DME Reuse program as an addition to the existing Medicaid program. The project will provide much needed "gap coverage" for those individuals who have exhausted their durable medical equipment (DME) benefit or do not meet the DME qualification requirements as currently covered by the Oregon Health Authority.

In order to ensure success of the Bill, the Committee must consider the viability of a DME Reuse program that excludes the involvement of DME suppliers. If the program is administered out of a non-profit, community based organization, they may not have the capital resources or accreditation required to maintain the pilot in the manner necessary to ensure success.

In recent years, several states have implemented similar models, but had to adjust to a state-DME supplier partnership in order to ensure that high-quality care and service was received. By utilizing established DME suppliers, you will remove the following barriers that have led to program failures in other states:

1. Federal accreditation and licensing requirements
2. Properly trained and licensed staff
3. Equipment maintenance and refurbishing
4. Equipment tracking for recalls and warranty issues
5. Liability Insurance

An example of a program that failed due to ineffective DME reuse standards was the New Jersey Medicaid Reuse Program. In this case, shortly after the reuse program launched, a pediatric recipient fell out of a tilt-n-space wheelchair and died. After further investigation, The Department of Justice determined the death was related to a lack of proper caregiver education given by an employee who was not properly licensed or trained in DME use. Litigation was pursued and the program was subsequently shut down.

The need for this program is pressing as aging and disabled populations continue to go under-served. However, the program must adhere to standards developed to protect patient safety and ensure continuity of care. DME suppliers can take on the liability risk and staffing requirements necessary to protect the pilot project's success.

We urge the committee to support HB 4108 to partner the DME reuse program with established, accredited DME suppliers who can meet or exceed current DME standards.

Sincerely,

A handwritten signature in black ink, appearing to read "Stacey Bilka". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stacey Bilka
Regional Quality Assurance Manager
Norco Medical
staceyb@norco-inc.com
503-209-2314