



## 2008'S HOT TOPICS IN SLEEP MEDICINE

by Duane Johnson PhD

**F**our hot topics have lit up the 2008 sleep business radar screen. Owners and managers of hospital and IDTF sleep labs as well as sleep DME services need to check their radar screens regularly for information that will help them make wise management decisions and action plans to keep their sleep business growing and profitable. The four hot topics are: portable sleep testing ('home testing'), DME competitive bidding and accreditation, sleep lab accreditation, and perioperative sleep apnea management programs.

**Topic 1: Portable Sleep Testing** - CMS (Centers for Medicare and Medicaid Services), the major sleep service payor announced at the end of 2007 they are considering reimbursement for portable sleep testing and invited comments through January 14, 2008. They offered the possibility of reimbursement for all four types of sleep test-

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ing equipment categories (types 1 –4).

While CMS's final ruling is to be due in March 2008, after this column has been written, the message is clear. Big changes will occur in portable testing in 2008.

So what management decisions need to be made? Here are a few: Should portable monitoring be included in the menu of services provided by your sleep lab? My professional recommendation is YES! How do you provide portable monitoring while keeping high quality assurance? What screening protocol should be used to determine which patients need 'traditional' sleep tests and which are reasonable candidates for portable testing? How should this new service be marketed within the context of the other sleep services? How can costs be managed to attain profitability from proposed low reimbursement?

**Topic 2: DME Competitive Bidding and Accreditation** - For those programs providing sleep DME and serving CMS patients, CMS has mandated a three stage competitive bidding program. The first stage was initiated last year and the application deadline was October 2007 for the first 10 MSAs (Metropolitan Statistical Areas) to submit bids to CMS for providing DME to CMS patients. Competitive bidding for these ten MSAs goes into effect this year.

One 'catch' so to speak of the CMS competitive bidding program is that a DME provider must be fully accredited to qualify for submitting an application and ultimately providing service. CMS provides a list of approved accrediting bodies on the CMS website which can be viewed at <http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS>.

Stage Two of the CMS competitive bidding program went into effect this year with the second round of 70 MSAs being announced in early January and is set to take effect in 2009.

In the midst of the competitive bidding program and announcing the 70 MSAs for this year, CMS made a separate announcement in January that all DME providers servicing CMS patients must be fully accredited by September 30, 2009. This means any and all providers of CMS patients must be accredited – no longer can you wait – you need to take action and start working towards DME accreditation now! It is hard work and can be a lengthy process.

Stage three will begin next year with the announcement of the last list of MSAs. DME providers in these MSAs will be required to meet CMS competitive bidding program requirements by 2010. But providers in these MSAs are required to meet the new accreditation deadline by September 2009.

If your sleep services program does not serve CMS patients then accreditation is not a Federal requirement for you, but a number of third party payors are and more will continue to follow CMS' lead in requiring DME accreditation for reimbursement.

The CMS competitive bidding application process is neither a quick nor an easy one. You need to develop an action plan that allows you appropriate time to complete the lengthy application process, review and /or create a quality assurance program and policies/procedures to make sure you meet the high patient care standards competitive bidding and accreditation require, then schedule a site visit, and have time to attend to any provisos handed down by the accrediting body.

If you are in the first round of 10 MSAs and have missed the deadline for Stage one, there are some possible options that while not as good as meeting the CMS deadlines may still be available to keep you in the DME business. Do not decide to shut down your sleep DME program until you know all your business options.

**Topic 3: Sleep Lab Accreditation** - Accreditation for sleep labs has heated up this past year as a topic of interest. Many sleep lab managers have procrastinated and not gotten their sleep labs AASM or JCAHO accredited. As a result, their sleep labs are under the gun to get accredited and quickly. We at SCMI have heard a lot of clients say 'the Blues in our region now require accreditation for reimbursement, what do we do?' It is also true that many other third party payors are moving towards requiring accreditation for reimbursement. This trend is gaining momentum across the country. I agree with many sleep management professionals who believe that all payors will require accreditation in the near future.

What is the solution? Set a 2008 goal to begin your sleep lab accreditation process NOW! Accreditation will verify the high quality of patient care your program provides and most likely point out deficits that need to be corrected. For staff it provides strong educational benefits and service upgrades that will last. Accreditation is an excellent marketing tool to share with referring physicians, assures patients of your quality of service, and further secures reimbursement from those third party payors that do not yet require accreditation.

**Topic 4: Perioperative Sleep Apnea Management** - Perioperative sleep apnea management programs are new on the sleep scene but quickly rising to the forefront of sleep services in 2008. Sleep Apnea Management (SAM) programs impact patients undergoing sedation for surgeries and procedures in hospitals, outpatient surgery centers, clinics and physician offices.

There are five significant steps to develop a SAM program. It is not simply a few questions to ask a patient prior to surgery or procedure anesthetics being given. These five critical steps are: (1) A thorough screening to uncover a known sleep apneic or a potential high-risk sleep apnea patient. (2) Anesthesiologist, surgeon, physician alert policies and procedures that assist the doctor to modify their anesthesia protocol. (3) Post surgery/procedure sleep apnea assessment and monitoring by staff before discharge. (4) Post discharge evaluation and monitoring to reduce rebound sedation complications. (5) Sleep apnea patient referral process for sleep study evaluation and CPAP treatment.

A sleep apnea management (SAM) program will be required in the near future. Both ASA (American Society of Anesthesiologists) and JCAHO are continuing to expand their initial patient safety guidelines. Their goal is to reduce the many serious adverse events as more and more medical professionals become aware and trained in SAM policies and procedures. This is a must-have program. Implementing a SAM program will: Reduce patient risk, reduce medical liabilities and create new sleep service revenue streams.

Indeed these are four major sleep service hot topics that deserve your attention in 2008. Keep them on your radar screen. What management decisions do you need to make now based on the above information? What planned actions will you take? Knowledge alone does not produce results. ACTION PRODUCES RESULTS!

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