

## SUPPLYDIRECT<sup>SM</sup> DROP-SHIP PROGRAM FAQs

### What is the SupplyDirect service from Respironics?

SupplyDirect is a direct-to-patient drop-ship program for replacement OSA (Obstructive Sleep Apnea) supplies. The following can be shipped directly to your patient by Respironics Logistics Services:

- Masks
- Headgear
- Cushions
- Tubing
- Filters
- Chinstraps
- Humidifier chambers

SupplyDirect orders are fulfilled by Respironics Logistics Services, a wholly owned subsidiary of Respironics, Inc.

### Why is the program restricted to the shipment of *replacement OSA* supplies? Why can't I ship CPAP devices?

There are a number of reasons:

- Respironics Logistics Services was not set up for, nor is it licensed to provide, CPAP or other therapeutic devices.
- Respironics believes that direct personal instruction during new patient PAP and mask set-up is critical for patient adherence and long-term compliance.
- These replacement supplies are frequently ordered and generally do not require additional instruction by, or interaction with, a healthcare provider.

## ORDERING

### How do I order products for direct delivery to my patients?

In order to provide you with a cost-effective solution, SupplyDirect orders must be electronically submitted. Once your enrollment in the program is initiated, you can begin to place your orders via our Web portal, **My.Respironics.com**. (Other electronic order alternatives may be available upon request, including a standard fax order form and EDI. Implementation fees may apply for custom integration.)

### Why can't I just call in my orders or send you my normal purchase order?

As you can imagine, individual direct-to-patient orders dramatically increase the number of transactions into our order entry systems. Orders sent electronically can automatically populate our systems, eliminating the need for manual entry by our Customer Service Representatives. The SupplyDirect service would not be economical for you, or Respironics, without these electronic methods.

### Can I e-mail orders to you?

No. The HIPAA Security Rule does not expressly prohibit the use of e-mail for sending electronic protected health information (EPHI). It does, however, require the implementation of policies and procedures to protect EPHI during transmission and has made the use of encryption for electronic transmissions strongly preferred unless a suitable alternative is used. For further guidance on e-mail, refer to [www.hhs.gov/hipaafaq](http://www.hhs.gov/hipaafaq). Patient permission would be required to send unprotected e-mail containing EPHI.

### How can I get detailed order information?

The portal at My.Respironics.com provides all the support documentation and tracking you need for medical billing and patient inquiries. It includes the following convenient order search features:

- Order details
- Package tracking ID with links to the carrier's tracking site
- A copy of the packing list
- A copy of the order invoice

### Can you automatically ship the same products to my patient each quarter or every six months?

No. Medicare and other insurance carriers generally require you to:

- Contact the patient each coverage period
- Confirm that the patient meets eligibility requirements for the supplies (i.e., still meets coverage criteria for the OSA device)
- Ask the patient about their need for supplies. Since most patients have a co-pay, it is also important to confirm quantities desired by the patient.

### Can I use a previous order to create a new order in the future?

Not at this time, however, we understand that this would be a time-saving alternative and hope to be able to provide that option in the future.

### What if there is a backorder—will Respironics send multiple shipments?

We will only ship SupplyDirect orders when all items are available, eliminating multiple shipments and additional shipping and handling charges.

### How quickly will orders be shipped after I've entered an order?

Our commitment is to ship all SupplyDirect orders by the end of the next business day after order receipt, provided that all the products are available.

## PATIENT EXPERIENCE

### What will the package and the packing list look like to my patient? How can the service be customized to ensure we offer personalized service to patients?

By working with your Respironics Account Manager, you can customize elements of the program to provide a personal touch.

**Packing List:** The packing list will look as if it was packaged by you. It will include your company logo (if provided), your company name, address and phone number.

The order notes area of the packing list states: *Thank you for placing your order with us. If you have any questions on this order, or need additional supplies, please contact us at the phone number listed above.*

**Package Label:** The outside of the package will include your company name in the "From" section of the address label, followed by "Shipped by Respironics Logistics Services" and our address. In the event UPS cannot deliver a package to a patient, this information is necessary for the return of the package to us. You will be notified if a package is returned (see the "Returns" section below for further information).

### **I'd like to have my company logo included on the packing list. What type of file do you need?**

The file must be in GIF, TIF, JPG or EPS formats only. (Other file formats cannot be resized without distortion.) E-mail the file as an attachment to [dropship@respironics.com](mailto:dropship@respironics.com). Include your drop-ship account number and account name in the e-mail.

### **We have several branch locations—can you still customize the program?**

Yes. The packing list can reflect the patient's **local** branch name, address and phone number. The local branch name will be printed on the package label. As you place an order, you have the opportunity to designate the patient's local branch location.

## **SHIPPING SERVICE**

### **How will the order be shipped?**

Orders will be shipped by the end of the next business day after order receipt. When shipped, you will have a choice of two service levels—UPS Ground Home Delivery or UPS Overnight service.

Standard tracking information, with links to the UPS tracking application, is available via the Order Status application on the [My.Respironics.com](http://My.Respironics.com) Web portal.

### **Am I able to get "signature required" service?**

The SupplyDirect service does not provide that delivery option. Proof of delivery is one of the supplier standards for payment in 42 CFR. § 424.57. Chapter 4 of the *Medicare Program Integrity Manual, section 4.26 "Supplier Proof of Delivery Documentation Requirements"* gives recommendations for proof of delivery. When using a "shipping service or mail order," it is stated that proof of delivery could include the service's tracking slip and the supplier's shipping invoice. Actual patient signature is not required.

## **HIPAA CONSIDERATIONS**

### **How is my patient data protected?**

Respironics has adopted and implemented reasonable and appropriate security measures that address current HIPAA regulations (dated August 2007) related to the storage and access of patient medical data. The Business Associate Agreement incorporated into the SupplyDirect service agreement delineates how Respironics will support you in meeting your requirements for HIPAA compliance.

Patient information is restricted to a small number of HIPAA-trained employees supporting the SupplyDirect program.

## **INVOICING**

### **Will I have to pay each drop-ship invoice separately?**

You can elect to be invoiced for each order separately, or you can receive a daily or monthly consolidated invoice. You will have the option of a detailed or summary consolidated invoice. Payment is due net 30 days from the date of the consolidated invoice.

## **NEW DROP-SHIP ACCOUNT NUMBERS**

### **Why do I need to establish a new "sold to" account number for the SupplyDirect program?**

Many of our beta pilot accounts preferred to have an easy way to track their OSA *replacement* business versus their new set-up business. Many of their billing systems did not include an efficient way to segment these two types of orders for analysis purposes. Therefore, we built the program so it would be consistent for all users.

## RETURNS

### **If I've made an error in an order, can I return the product?**

Ideally, you should work with your patient directly to correct the order using your own stock. If the product is returned to us, we will refund the cost of the merchandise only, less a \$10 return reprocessing fee.

### **What is the return policy for the SupplyDirect program in the event that UPS cannot deliver the package?**

UPS will return the package to us if it is undeliverable because of a bad address or if the package is refused. We will send an e-mail letting you know that the order was returned.

Use the Order Status application on My.Respironics.com to obtain specific details about the return—use the UPS link provided on the order record. Once you have clarified the reason for the incomplete delivery, you will need to place a new order for your client.

You will be credited for the value of the returned merchandise only, less a \$10 return reprocessing fee. Shipping and handling charges will not be refunded.

### **Why am I being charged a return reprocessing fee?**

When packages are returned to the original shipper, the shipper is charged for the freight on the return shipment. Since Respironics did not data enter the order or the address, we do not incur expenses resulting from such errors.



Customer Service: 1-800-345-6443 or 1-724-387-4000  
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Respironics Asia Pacific: +852-3194-2280  
www.respironics.com

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