

WHITEPAPER

## MODERN DME MANAGEMENT

The business case for insourcing, plus, how to address barriers mitigate risks, and get started.





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# Introduction

After a hospital stay when patients are at their most vulnerable, having the right durable medical equipment (DME) in place and delivered on time is critical to ensure optimal outcomes, regulatory compliance, and a positive patient experience. Many large hospitals and health systems, hospice networks, and rehabilitation systems continue to rely on third-party vendors to manage DME, yet recent marketplace dynamics have made these partnerships less reliable. As costs continue to rise and organizations lack transparency and control of DME management, outsourcing has become a liability.

Moving operations in-house is increasingly becoming a viable option and one that provides more control and efficiency, lowers costs, and drives profitability, but having the right strategy in place is important to mitigate risks and ensure success.

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**88% of health system executives** are making significant investments in digital health solutions for operational efficiencies

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## FRAGMENTED AND OUTDATED

From the moment a DME order is placed until it's delivered to a patient's home, there are multiple points of friction and inefficient, time-consuming processes. Nurses and medical assistants are tasked with quickly understanding a patient's needs, identifying the right products, and coordinating with disparate vendors, departments, and systems all to ensure the right equipment will be delivered to the right member at the right time. Yet clinical staff often lack visibility into whether or not the order was accepted, the status of the order, and the tracking information. While the healthcare industry has been on a digital transformation journey for quite some time, a majority of organizations still rely on manual, fax-based processes that are error-prone, and contribute to the administrative burden felt by clinicians—leading to stress and burnout.

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**40% of nurses** in the U.S.  
intend to leave the workforce by 2029

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## DME AS A COST DRIVER

Spending on DME continues on an upward swing—reaching more than \$72 billion in 2023 and up 6.2% from the previous year. Despite rising costs however, in 2025, CMS only increased reimbursement rates 3%.

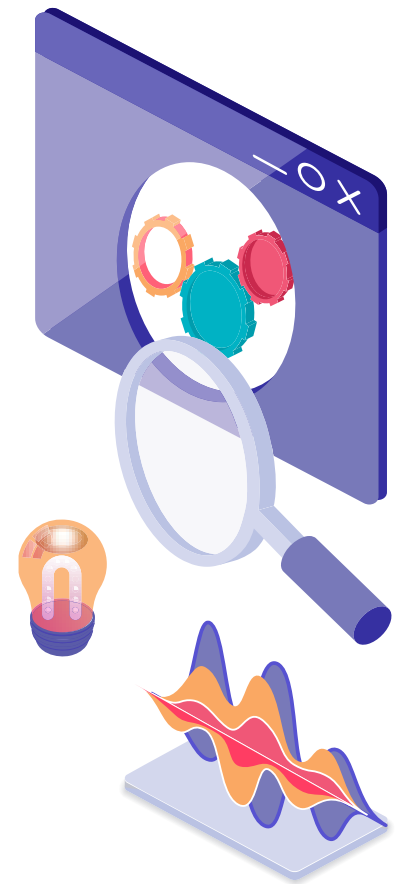
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By 2030, the DME market is  
**expected to reach \$93B**

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In recent years, DME suppliers have also experienced shrinking profit margins. After the COVID-19 pandemic, increased competition left many vendors in a challenging situation: either ship products before knowing whether or not they will be reimbursed or risk losing the business—leading some to close up shop altogether.

The industry also experienced significant consolidation and larger, regional, and national players dominated the market. In an industry where patients were accustomed to mom-and-pop suppliers who had been in business for decades and provided personalized, white-glove service, emerged



a select few that lacked an understanding of the local market and were unreliable. In fact, a 2023 report found that as private equity (PE) firms have acquired and consolidated DME manufacturers and suppliers, they have sought to cut costs to maximize returns. As a result of consolidation and cost-cutting measures, the experience patients were accustomed to started to fade away.

## IMPACTING THE PATIENT EXPERIENCE

When healthcare organizations work with third-party vendors, patients may not receive the right equipment or experience delays, which can lead to adverse outcomes including hospital readmissions. In fact, healthcare staff may not become aware of an issue with DME until the patient returns to the hospital. Gaps that occur during discharge and transitions of care can also negatively impact patient satisfaction, the patient experience, and HCAHPS scores, reviews, and ratings.

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Only about **8% of hospitals**  
earned CMS 5-Star ratings in 2024

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# Benefits of Working With DME Partner

As healthcare organizations continue to look for new ways to provide a positive patient experience, drive efficiency, and curb costs, moving DME operations in-house is increasingly becoming an attractive option. Those with an average daily census (ADC) of 500, in particular, have the right volume and scale and are well-positioned to bring DME in-house.

Here, we explore some of the benefits of transitioning from third-party contractors to a DME management platform solution.

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**36% of healthcare executives** say that investing in technology platforms is a priority in 2025

## ACCESS

Most partners will be able to provide access to a nationwide network of vetted suppliers that can provide all types of DME for a wide range of patient needs, including niche products. These may include vendors that organizations haven't worked with before and will not have to source on their own. Partners that work with a large network of suppliers also gather feedback from other healthcare organizations to build best practices into the platform.

## EFFICIENCY

Platforms that facilitate data-based decision-making and provide real-time analytics and data centralization enable comprehensive oversight across diverse asset types and locations. These solutions simplify the process by providing one place for staff to create, track and maintain equipment, supplies, and service orders sourced from multiple third-party vendors for fulfillment.

Staff use guided, custom assessments to identify the right equipment for the unique needs of their patients. Automated workflows are accessible from anywhere from a tablet or smartphone—easing administrative burden and saving time. Staff and patients receive real-time updates on order status, location tracking, maintenance repairs, and more.

These platforms integrate with existing tools and EHR workflows and unify operations across the entire journey from clinical to supplier and delivery. With in-app messaging and real-time location and asset tracking, patients receive the right equipment, on time.

## BETTER OUTCOMES

By using evidence-based clinical criteria, clinical staff easily determine patients' needs and are provided with a curated set of equipment as well as the ordering cadence for certain types of supplemental equipment. By eliminating the guesswork that's typical of third-party contractors and freeing up clinical staff to focus on patient care, these solutions ensure accuracy which leads to improved outcomes, and a more positive patient experience that supports HCAPHS scores.

## CUSTOMIZATION

Vendors that take a customizable approach can implement a-la-carte style features and workflows configured to an organization's EHR workflows and tailored for their unique needs. Organizations also have access to analytics, customized reporting, and performance insights to inform strategic business decisions.

## CUSTOMER SUPPORT

A pre-built platform ensures ease of use and an excellent user experience. Also, platforms provide the support that organizations need, including additional information or help that is needed from the supplier.

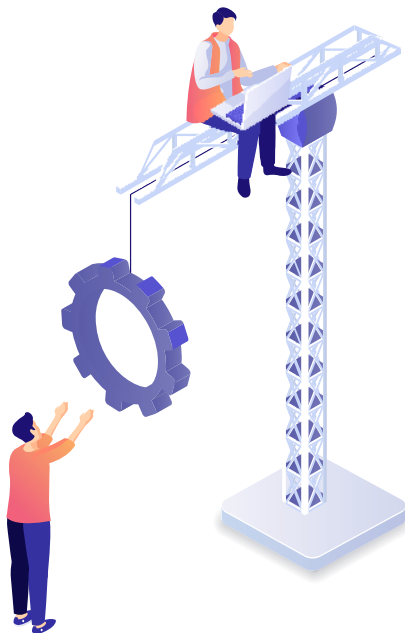
## REVENUE GROWTH

Since these platforms can be customized according to an organization's model, workflow, and operations, service lines can be added and the solution can scale as they grow. Plus, by automating processes, staff can be relocated—reducing costs and driving revenue and long-term profitability.

# Developing a DME Management Strategy

Before moving medical equipment management in-house, organizations should evaluate their current operations and workflows, consider how new technology solutions have been adopted and implemented in the past, and how challenges were addressed. They should also develop a plan for how the platform will be launched—all at once or over a period of time—and in which departments, for example.

Since staff are likely to be resistant to the idea, having a change management process in place is critical to ensure adoption and success. Leadership will need to articulate the why behind the decision, communicate the benefits, address questions and concerns, and have a plan for ongoing training.



# Evaluating Potential Partners

When identifying and vetting new vendors, there are certain considerations to keep in mind. For example, organizations should take stock of how many hours staff are currently spending to place orders and compare that to how many they could potentially save with a new platform. Also, they should know the current order completion rate on the first attempt, how much time is spent communicating with the supplier to ensure it's correct, and how much time can be saved by using the platform.

### WHAT TO LOOK FOR IN A VENDOR CHECKLIST

- ☒ User-friendly interface
- ☒ Equipment tracking, inventory, and work order management
- ☒ Smart delivery & pick-up scheduling & logistics
- ☒ Vendor management
- ☒ Automated documentation
- ☒ Meets compliance standards
- ☒ Integrations with external systems
- ☒ Billing & claims management
- ☒ Customizable reporting and analytics



## CONCLUSION

# Conclusion

With an aging baby boomer population, increasing patient complexity, and more older adults aging in place, the demand for DME shows no signs of slowing down.

As technology investments continue on an upward trajectory and the business case for DME management platforms becomes ever more apparent, expect to see increased adoption that will allow for a more effective and efficient industry. The right solution can satisfy business objectives and drive long-term profitability while also supporting better care quality, patient satisfaction, and an optimal experience that leads to trusted, loyal relationships.

# About Wynne Systems

Wynne Systems is a premier provider of DME/HME management and construction management software for enterprise companies around the world. Our software is designed to help increase efficiencies across an organization, from decisive reporting analysis to total asset management. We use the latest technologies to take the chaos out of DME/HME, and seamlessly integrate and manage the supply chain and service delivery to improve patient satisfaction and reduce costs. Our solutions allow clinical staff to automate business decisions according to patient needs with a configurator that replaces human decision-making. To learn more or schedule a demo, visit [WynneSystems.com](http://WynneSystems.com).

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