



A Recent KPMG Study Supports that Home Non-invasive Ventilation for COPD Reduces Costs and Hospitalizations

Four-year analysis of Medicare data shows other home respiratory devices, such as BPAPs, cost 32 percent more without better outcomes

LAFAYETTE, La., October 4, 2018— Patients suffering from chronic obstructive pulmonary disease (COPD) with chronic respiratory failure (CRF) using home non-invasive ventilation (NIV) live longer, are less likely to be admitted to a hospital and cost Medicare significantly less than patients using other devices.

These are the recently released findings from a study of four years of Centers for Medicare and Medicaid Services (CMS) data analyzed by KPMG, a global audit, tax, and advisory firm, and VieMed (TSX:VMD), a leading provider of post-acute home respiratory services, which commissioned the report.

“The evidence is clear,” said VieMed’s CEO Casey Hoyt. “Using a non-invasive ventilator at home coupled with a high-touch home care model saves lives, saves money, and keeps patients out of the hospital. It is time for both medical practice and health insurers, including Medicare, to catch up with changes in technology. Since the introduction of modern highly sophisticated home ventilators within the last decade, NIV has become the gold standard for treating patients in the late stages of COPD.”

The KPMG study, “CRF/COPD 4-year CMS Data Comparison of Mortality & Cost, (2013-2016),” examined the costs and the benefits of the various respiratory assistive devices physicians commonly prescribe for patients suffering from COPD with CRF. A chief finding was that patients using NIV at home with a high-touch care model have the lowest overall costs and hospitalization rates. A high-touch care model includes multiple home visits by a certified respiratory therapist, 24-hour access to medical professionals, and enhanced coordination with physicians and other clinicians.

COPD is a chronic condition that affects as many as 24 million Americans and is the country’s third-leading cause of death, after cancer and congestive heart failure. Treating patients diagnosed with this progressive, chronic condition also costs the country more than \$30 billion a year. The KPMG study offers compelling evidence that both outcomes and costs can be improved through home NIV with a high-touch care model.

Outcome and Cost Improvements

Specifically, the study examined results of untreated patients who used no respiratory device at home, patients using a bi-level positive airway pressure device (BPAP), and patients using a NIV. The study looked at mortality, the number of times patients were hospitalized and the total cost of caring for patients in each group.

The analysis found that patients using a BPAP or NIV lived longer than untreated patients. For example, only 22 percent of COPD patients with CRF using NIV died, compared to 38 percent of untreated patients. Although there was little difference in the overall death rates between patients using a BPAP or NIV, there were significant differences in the cost of treating these patients and hospitalization rates.

For example, over a six-month period:

- Patients with no ventilation support cost CMS \$41,000
- Patients using a BPAP cost \$39,000
- Patients using NIV coupled with a high-touch care model cost \$29,000
- 25 percent of untreated patients were admitted to a hospital
- 26 percent of patients using a BPAP were admitted to a hospital
- Less than 20 percent of patients using NIV and receiving high-touch care model were admitted to the hospital

“The KPMG study is one of the most important studies of this issue to date,” said VieMed Chief Medical Officer and pulmonologist William Frazier, MD. “It should help physicians and others make informed decisions about the best approach to treating patients suffering from COPD.”

About VieMed Healthcare Inc.

VieMed, through its indirect wholly-owned subsidiaries Sleep Management, L.L.C., and Home Sleep Delivered, L.L.C., is a home medical equipment supplier that provides post-acute respiratory care services in the United States. Sleep Management, L.L.C. focuses on disease management and improving the quality of life for respiratory patients through clinical excellence, education, and technology. Its service offerings are based on effective home treatment with Respiratory Therapists providing therapy and counseling to patients in their homes using cutting edge technology. Home Sleep Delivered focuses on providing in-home sleep testing for sleep apnea sufferers. Visit our websites at www.viemed.com and www.homesleepdelivered.com.

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