

Home Care Operational Management

Essentials for Success



Patricia Jump, President
www.AcornsEnd.com

Acorn's End
Training & Consulting

Know Fraud and Abuse Laws

False Claims Act

- Prohibits the submission of false or fraudulent claims to the government

Anti-Kickback Statute

- Prohibits asking for or receiving anything of value in exchange for referrals of Federal health care program business

- Physician Self-Referral Statute

- Limits physician referrals when you have a financial relationship with the entity

- Exclusion Statute – check list regularly

http://oig.hhs.gov/exclusions/exclusions_list.asp

- Civil Monetary Penalties Law

Acorn's End
Training & Consulting

PREVENTING PROBLEMS

- Conduct Audits
- Train Staff
- Review CoPs
- Review Interpretive Guidelines
- Benchmark Data
- Periodically Analyze Business Operations
- CONSTANT Communication with Staff

Acorn's End
Training & Consulting

Preventing Re-Hospitalization

1. Fall prevention
2. Front load (60% or more of visits in first 14 days)
3. Management culture/support – not just a clinical issue
4. Medication management
5. 24-hour availability/response
6. Maximize Performance During Visit & Between Visits
7. Increase client participation in Plan of Care + Other Team Members
8. Evaluate progress toward goals EACH visit

Acorn's End
Training & Consulting

Avoid Survey “Dumping Ground”

484.12 Standard: Compliance with Professional Standard & Principles – G121

- Comply With Own Policies/Procedures
- State Practice Acts
- Monitor Staff for Compliance and Take Corrective Action
- Ensure Appropriate Staff Skills to Care for Client
- Coach staff for surveyor interviews

Acorn's End
Training & Consulting

484.14(g) Standard: Coordination of Services Citations

- Care Coordination Efforts - G143
 - Care conferences – G144
 - Signature on notes
 - Documented conversations
 - Regular communication with physician
 - **Clinical Situations Requiring Physician Notification** Handout
- Written Summary to MD q60 days – G145

Acorn's End
Training & Consulting

484.36 Home Health Aide Services G 223 – G227

Citations R/T HHA Assignment & Duties

- Assigned By RN – G223
- Written Instruction – G224
- Duties Of Aide On POC – G225
- Orders include discipline, frequency, duration, tasks – include on certification, recertification and interim/phone orders

Acorn's End
Training & Consulting

484.55 Comprehensive Assessment

- Required on All Non-homemaker Clients
- Includes OASIS On Skilled Medicare And Medicaid Clients (12/8/03)
 - Includes Medicare Advantage, Medicaid HMO And Most Medicaid Waivers
- OASIS Integrated Into Comprehensive Assessment
- Ongoing Determination Of Medicare Eligibility, Including Homebound

Acorn's End
Training & Consulting

Drug Regimen Review - G337

- Review All Medications Currently Using
 1. Adverse Effects
 2. Drug Reactions
 3. Ineffective Drug Therapy
 4. Side Effects
 5. Significant Drug Interactions
 6. Duplicate Drug Therapy
 7. Noncompliance With Drug Therapy
- Document Review
- All Clients Regardless If OASIS Client
- Notify Physician of Problems
- Document how issues were addressed (i.e.: pain identified in OASIS – are pain meds ordered?)

Acorn's End
Training & Consulting

10th Scope of Work (August 3 Federal Register)

QIOs responsible for completing requirements for aims:

- Beneficiary and family centered care
- Improve individual care (patient safety aim)
 - Focus on Healthcare Associated Infections (HAI), pressure ulcers, physical restraints, nursing home systemic improvement, adverse drug events, and quality reporting and improvement
- Integrate care for populations and communities (care transitions aim)
- Improve health for populations and communities (prevention aim)

Acorn's End
Training & Consulting

Supplies: Routine vs. Nonroutine

Routine

- Staff member uses during course of homecare visits (i.e.: gloves)
- Small quantities
- Cost of doing business
- Not reported on claims

Nonroutine

- Patient-specific
- Ordered by MD (485/orders) & document usage
- Necessary to carry out plan of care
- Reported on claims
- Agency responsible for codes on master list (bundled supply list)

HealthPPS/03_coding&billing.asp#TopOfPage

Acorn's End
Training & Consulting

NOT Subject to Consolidated Billing

- DME
- Supplies needed in conjunction with DME (glucometer and testing supplies)
- Enteral and Parenteral Nutrition & Supplies
- Medications – they are considered pharmaceuticals

Acorn's End
Training & Consulting

Keep Supplies from Draining Bottom Line: Critical Steps

1. Manage supply ordering & storage
2. Develop SIMPLE tracking form
3. Train staff
4. Do a search & seizure
5. Manage supply usage
6. Strengthen communication between clinical & billing
7. Audit final claims
8. Evaluate discharge policy

Acorn's End
Training & Consulting

Agency Responsibility: Documentation of Supplies

Document on Plan of Care

- CMS 100-2, Chapter 7, §50.4.1.3: Supplies must be specifically ordered by the physician or the order must require use of specific supplies
 - MD must order (locator 21 or 14)
 - Supplies need to be on Plan of Care (not necessary to detail the quantity)
 - Report diagnosis connected to use of supply
 - Supplies must be necessary to carry out POC
 - Need details supporting severity level

Acorn's End
Training & Consulting

LUPA RATE

(Average =12 to 14)

- 350 LUPA's
- Ave Episode reimbursement = \$2,797
- $\$2,797 \times 350 = \$978,950$
- Per visit reimbursement \$104.91
- $\$104.91 \times 4 \text{ visits} = \$419.64/\text{case}$
- $\$419.64 \times 350 \text{ LUPAs} = \$146,874$

Financial Implications

- $\$978,950 - 146,874 =$

\$832,076 lost revenue

Acorn's End
Training & Consulting

Critical Knowledge

- Average Cost of Care Provision
 - Gross Margin by Client **HANDOUT**
 - PPS Calculation **HANDOUT**
- Average Visits per Episode
 - Divide total PPS visits per episode by # of episodes
- Average LUPA Rate
 - Divide # LUPA episodes by total # episodes
- Average LUPA Payment
 - Divide total LUPA episode reimbursement total # LUPA episodes
- Average non-routine medical supply cost per visit
- Average Case Mix per Episode (Benchmark)
 - Divide total case mix weight by number of episodes
 - Calculate at final payment
 - Exclude LUPAs

Acorn's End
Training & Consulting

Average Visits Per Episode

SN	14.4
PT	9.23
OT	5.26
ST	5.39
HHA	22.43
MSW	1.94
Total	17.73

Average #
episodes = 1.49

Acorn's End
Training & Consulting

Calculate Averages

Average Visits Per Case-mix Unit

- Divide average visits per episode by average case mix (exclude LUPAs)
- Blended Look
- Links changes in utilization with changes in case mix
- Monitor over time = efficiency level
- Drop over time = efficient utilization
- Average Utilization per HHRG per Episode by Discipline

Acorn's End
Training & Consulting

Best number

Visit Volumes

for Best Results

Type	2009	%	2010	%
RN	66,426	58.7%	64,521	52.3%
PT	33,196	29.4%	38,159	31%
SLP	2,262	2.0%	9,599	7.8%
Aide	11,186	9.9%	10,972	8.9%
Total	113,070	100%	123,251	100%

Acorn's End
Training & Consulting

Head to Toe Assessment to Control Cost & Provide Excellent Quality

Key Financial Measures

- PPS Profit Margin
- Individual Payer Profit Margins
- Program Profit Margins
- Agency Profit Margins

Key Operational Measures

- Averages
- Productivity for visit staff
- Mileage and other factors for non-visit staff

Key Quality of Care Measures

- OBQI Results
- Home Health Compare Results
- Patient Satisfaction Results
- Employee Satisfaction Results

Acorn's End
Training & Consulting

Cost & Excellent Quality

Assessment

- **Benchmark with National**
- **Determine drivers affecting results**
- **Determine action steps affecting results**

Interventions

- **Test & return (OBQI Cycle)**
- **Staff input regarding recommendations**
- **Decide on best intervention strategies for improvement**

Acorn's End
Training & Consulting

Cost & Excellent Quality

Implementation

- **Train on changes**
- **Take it off the paper**
- **Train on all aspects affecting results (OASIS, Survey, Basics)**
- **Train at least 7 times on each topic**

Ongoing Review

- **Current practice to previous**
- **Lessons learned**
- **Continue forever**

Acorn's End
Training & Consulting

Outcomes	Montana	US
Percentage of patients who are short of breath less often	61	62
Percentage of patients who get better at bathing	63	64
Percentage of patients who get better at getting in and out of bed	57	53
Percentage of patients who get better at taking their medicines correctly (by mouth)	44	46
Percentage of patients who get better at walking or moving around	51	55
Percentage of patients who had to be admitted to the hospital	21	26

Acorn's End
Training & Consulting

Outcomes	Montana	US
Percentage of patients who have less Pain when moving around	62	66
How often patients had more pressure sores (bed sores) when home health care ended.	1	0
Percentage of patients who need urgent, unplanned medical care [CMS data issue]	19 (2010)	22 ('10)
Percentage of patients whose wounds improved or healed after an operation	86	87

Acorn's End
Training & Consulting

Home Health Compare Process Measures Collection Period April 2010 to March 2011		
Measure	MT	National
Patient was assessed for pain, using a standardized pain assessment tool	94	97
Patient had pain and pain interventions were included during the care plan and implemented	93	96
Patients exhibited symptoms of heart failure for whom appropriate actions were taken	94	97
Patient was assessed for risk of developing pressure ulcers	97	96
Interventions to prevent pressure ulcers were included in the physician-ordered plan of care for patients assessed to be at risk	87	92

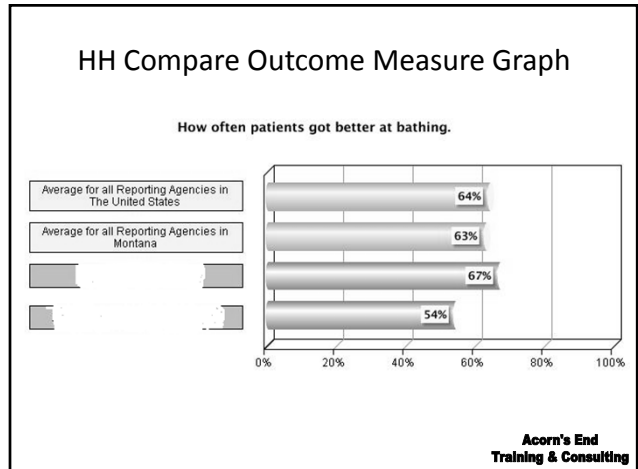
**Acorn's End
Training & Consulting**

Home Health Compare Process Measures Collection Period April 2010 to March 2011		
Measure	MT	National
Interventions to prevent pressure ulcers were included in the physician-ordered plan of care and implemented	86	90
The start or resumption of care date was either on the physician-specified date or within 2 days of the referral date	83	88
Patient/ caregiver was instructed on how to monitor the effectiveness of drug therapy, recognize potential adverse effects, and how and when to report problems	76	86
Patients 65 and older had a multi-factor fall risk assessment	93	94

**Acorn's End
Training & Consulting**

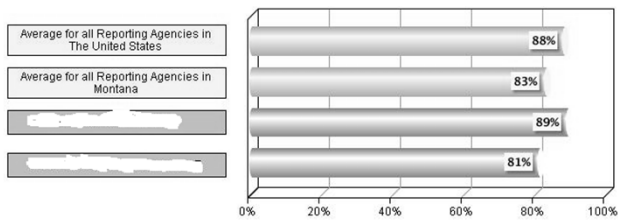
Home Health Compare Process Measures Collection Period April 2010 to March 2011		
Measure	MT	National
Patients were screened for depression	92	95
Patients received influenza immunization for the current flu season	73	65
Patients were determined to have ever received Pneumococcal Polysaccharide Vaccine (PPV)	70	61
Diabetic foot care and education specified during the physician-ordered care plan was implemented	78	87

**Acorn's End
Training & Consulting**



HH Compare Process Measure Graph

How often the home health team began their patients' care in a timely manner.



Acorn's End
Training & Consulting

Create/Maintain LEARNING Culture

- Acknowledgment "we don't know" rather than assuming are doing it right
- Understand: perfect clarity about all things at all times is not a reality
- Clarity about the question as well as the answer
- Humor at all levels
- No pretense of knowing more than is actually known
- Respect for emotions in learning (trust, admiration, gratitude, respect, concern, fear, etc.)
- Constant alertness for and elimination of triviality (trivializing other's ideas)

Acorn's End
Training & Consulting

Create/Maintain LEARNING Culture

- Conceding that "having information" is not equal to "knowing;" "knowing" is not the same as "having opinions" nor is it equal to having the "truth"
- Eliminate addiction to knowledge
 - Continual search for perfection only
- Positive self-empowerment to learning
 - Not waiting for others to feed us information: actively seek it
- Not allowing "too busy" or "I don't have the recipe handed to me" as excuse for not learning
- Inclusion of all domains of learning - we all learn differently

Acorn's End
Training & Consulting

Create/Maintain LEARNING Culture

- Ability to accept assessments of ourselves
- Being driven by long-term fixes rather than the quick fixes
 - Avoid crisis mode on a daily basis
 - Leaders allowed to back away from daily operations to plan for the future
- Failures are seen as learning opportunities
 - Mistakes dissected to review what went wrong, what went right and find learning opportunities
 - Avoid punitive approach to mistakes

Acorn's End
Training & Consulting

Create/Implement Leader Growth Plan

- Plan/accept responsibility self-growth
- Plan/accept responsibility to grow others
- Share what you learn
- Initiate new experiences for self and others
- Surround yourself with others who have strengths in the leader's area of weakness
 - Compensate for areas needing improvement
 - Tap into areas of strength
- Recommended reading: Marcus Buckingham
 - Go Put Your Strengths to Work

Acorn's End
Training & Consulting

Forecasting the Future for Exceptional Providers

LEADERS FOCUS ON:

1. Planned retention strategies including flexible schedules
2. Planned profitability – include analysis if not there (operational + margins)
3. Eye on quality at all times – community that recognizes you as better quality than competitors
4. Planned growth
5. Customer satisfaction – rated high by all

Acorn's End
Training & Consulting

LEADERS of Exceptional Home Care Providers

- MAKE SURE AGENCY EXCELS IN ALL FIVE AREAS
- Monitor key environmental factors that can negatively or positively impact each of the 5 areas
- KNOW:
 1. What is going to happen?
 2. What are the implications?
 3. What should we do about it?
- Recognize government \$ will continue to decrease
 - Financial stability depends on lowering cost through best practice

Acorn's End
Training & Consulting

LEADERS of Exceptional Home Care Providers

- Recognize competition will continue to increase
 - Need to differentiate yourself to customers
- Find ways to improve agency outcomes (future payment depends on it)
- Provide excellent customer service from the bottom up
 - Servanthood leadership practice
 - Caring, quick responses
 - CAHPS results/improvement strategies
- Recognize staffing shortages
 - Turnover affects quality
 - Staffing affects profit

Acorn's End
Training & Consulting

Snapshot of Success

Organizational Goal

- Profitability
- Quality Above Others
- Satisfied Customers
- Increasing Referrals
- Content Employees

Outcome Measure

- 11.4% profit/MCR Episode (Med PAC)
- Top 20% HH Compare
- Top 20% satisfaction
- 5% growth over last year
- Turnover less than 15%

Acorn's End
Training & Consulting

Drivers of Profit

- Set profit goal
- Revenue/episode
- Cost per visit
- Visits per episode
- Best practice every day
- OASIS Accuracy

Acorn's End
Training & Consulting

OASIS Profit Drivers

Payment subject to:

1. Case Mix Diagnoses
2. Therapy Thresholds
3. Episode Timing
4. Clinical, Functional & Service Coding Severity

BOTTOM LINE: Comprehensive OASIS understanding

Acorn's End
Training & Consulting

Key Focus: OASIS Assessment

Average Case Mix Weight	Revenue per Episode	500 SOC Net Revenue	Small Improvement \$
National 1.23	\$2,279.49	\$1,396,247	N/A
1.20	\$2,724.38	\$1,305,434	(\$34,055)
1.15	\$2,610.87	\$1,305,434	(\$90,813)
1.10	\$2,497.34	\$1,248,676	(\$147,571)
1.00	\$2,270.32	\$1,135,160	(\$261,087)

OASIS Accuracy determines case mix

Acorn's End
Training & Consulting

Quality Drivers

- Outcome improvement
- Staff competency/training/transition to home care
- Potentially Avoidable Event Analysis and Correction
- View toward excellence

Acorn's End
Training & Consulting

Satisfaction Drivers

- Caregiver interpersonal approach
- Caregiver training on customer services
- Patient perception
- Organizational culture
- Satisfied workers

Acorn's End
Training & Consulting

Referral Drivers

- Marketing Plan
- Know profitable referral sources & their perception of your agency
- Fast, easy to work with, responsive providers
- Market DIRECTLY to consumers
- Teach staff to be best marketers
- Use outside experts
- High patient satisfaction results

Acorn's End
Training & Consulting

Retention Drivers

- Find out individual needs & provide
- Solid retention plan
- Employee satisfaction survey with planned follow-up
- Flexible schedule
- Reasonable wage
- Recognition programs
- Performance Pay

Acorn's End
Training & Consulting

All Things in Perspective

Agency Priorities	Referral Source Priorities	Managed Care Priorities	Patient Priorities
Agency Profits	Patient Satisfaction	Clinical Quality	Clinical Quality
Clinical Quality	Clinical Quality	Patient Satisfaction	Patient Satisfaction
Patient Satisfaction	Agency Profits	Agency Profits	Agency Profits

Acorn's End
Training & Consulting

Streamlining to Cut Cost

- Analyze need for “paper”
 - Delete when possible
 - How many hands touch it?
- Maximize case loads: Consider case management model
- Plan geographic visits
- Admission nurse: Yes? No?
- Avoid non-billable visits
- Monitor productivity/overtime
- Auditing process
 - Focus on problem areas

Acorn's End
Training & Consulting

Streamlining

- Eliminate clerical duties from clinicians
- Streamline communication
 - Flow chart – who needs what
 - Consider employee committee
- Minimize interruptions
- Establish internal “experts”
 - Use mentors for training
- Educate all on time management
- Analyze need for meetings
- Consider formal “LEAN” training
- Have some fun

Acorn's End
Training & Consulting

Streamlining Meetings

- Define purpose of meeting: Can't identify? Don't have it!
- Start and end on time
- Don't repeat information for late-comers but hold accountable to find out information
- Have agenda with times attached to each item
- Only include persons that need to contribute something
- Estimated the cost of meeting, then weigh cost-benefit
- Outline final decisions and action items
 - Make part of meeting minutes
 - Assign responsibility to all action items
- Print & disseminate minutes/next agenda
- Maximize technology

Acorn's End
Training & Consulting

Diversification for Revenue

- What is missing in community?
- Approach with “Build and They Will Come” philosophy
- Be creative
 - Pampered in pink
 - Nutritional assistance
 - Medication compliance
- Be committed to finish
- Market new & existing programs

**Acorn's End
Training & Consulting**