

Compliance Alert: M0175

By Betty Gordon, *Principal* – bgordan@simioneconsultants.com

Is your agency completing M0175 correctly? If not, your agency may come under the scrutiny of the OIG and be a target for medical review and possible financial recoupment.

It is vital that agency staff collect comprehensive information in order to answer this question accurately. All relevant facilities must be identified when a patient is discharged from more than one facility in the 14 days prior to the assessment. If the patient was discharged from both a hospital and a rehabilitation facility within the 14 days prior to the assessment, 2 points are added to the HHRG calcu-

M0175

From which of the following Inpatient Facilities was the patient discharged during the past 14 days?

1. Hospital
 2. Rehabilitation facility
 3. Skilled nursing facility
 4. Other nursing home
 5. Other (specify) _____
- NA Patient was not discharged from an inpatient facility

lation. However, 3 points are added when the patient was only discharged from a rehabilitation facility. Checking

only the most recent facility discharge may inappropriately increase your HHRG and result in a higher casemix.

The OIG is currently surveying agencies where they have been able to determine that the OASIS was scored inappropriately. We recommend that agencies take a good look at their internal processes and patient records to verify that this M0 item is consistently completed accurately.

It is essential that you have processes in place to obtain the information needed and that your staff understands how to accurately score this important M0 item.

Cost Reduction Strategies: Part 2

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In today's business environment, labor cost is the largest percentage of the expense in the operating budget. To control these costs, you must develop effective strategies and tactics. Is your plan for managing labor cost reactionary or strategic; focused on cost or service; well articulated and visible; or vague and unfamiliar? Applying a focused and proactive approach to your labor management program can help you ensure that you have the right answers to these questions.

A plan to manage labor costs is not just a cost reduction opportunity, but also includes mechanisms to continually ensure that the organization has the right amount of direct labor resources to provide the necessary levels of service. The key to success under PPS is more than achieving good outcomes with fewer visits. The plan must be flexible to adjust administrative labor expenses when war-

ranted, due to changes made to direct labor staffing levels.

Take a strategic view of labor costs to ensure that all aspects of labor management are taken into account; including patient service levels and satisfaction, internal service levels, and employee satisfaction and retention. Because labor represents such a large percentage of the cost of operating an agency, improving labor efficiency through productivity management offers a significant opportunity for profit improvement.

Understand Objectives

Establish realistic productivity standards for **all** departments. This can foster long-term productivity gains while protecting quality patient care. Make sure that clear, understandable objectives are determined at the start of implementing productivity standards. Home care organizations need to incorporate a balanced approach, and not just focus on the cost aspect, in order to generate results that are sustainable.

Timely Analysis Is a Necessity

In order to continually manage productivity, home care organizations must be able to review standards and cost figures on a timely basis. The review must reach every level: by department; team; discipline; or individual. Develop a process to gather, analyze and distribute labor cost information in a timely manner. A Microsoft Excel spreadsheet works well for this visible and timely review.

Make Competition a Factor

Internal benchmarking and comparisons can be very powerful. Once staff members recognize that their achievements will be compared to their peers, and included in performance measurements, they will look for more opportunities for improvement. Use a balanced set of performance metrics that encompasses not only cost measurements, but also patient and employee satisfaction ratings.

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Take the HIPAA Challenge

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With so many of us experiencing a very cold winter, it is likely that many people have turned their thoughts towards spring. Speaking of spring, the deadline for compliance with the HIPAA Privacy Rule is just around the corner (April 14, 2003). Are you ready? Have you completed

and documented your gap analysis, appointed your HIPAA Privacy Official, and filed your EDI compliance plan with DHHS? If so, you must be working diligently to implement the Privacy Standards within your organization. We have developed a checklist for you to use to assess your

progress with the many and varied tasks that HIPAA requires. If, after you complete the checklist, you find that you are far behind in the implementation process or are unsure of how to implement the Privacy Rules in your agency, let us help you get there in time for the compliance date.

Now Go Ahead and Take The HIPAA Challenge!

Task	Complete	Incomplete
1. Appoint HIPAA Privacy Official	<input type="checkbox"/>	<input type="checkbox"/>
2. Execute written contract with all business associates	<input type="checkbox"/>	<input type="checkbox"/>
3. Develop/implement HIPAA complaint procedure	<input type="checkbox"/>	<input type="checkbox"/>
4. Develop/implement Authorization form	<input type="checkbox"/>	<input type="checkbox"/>
5. Categorize workforce members for access to PHI	<input type="checkbox"/>	<input type="checkbox"/>
6. Develop/implement minimum necessary protocol for routine uses and disclosures	<input type="checkbox"/>	<input type="checkbox"/>
7. Develop/implement written criteria for non-routine uses and disclosures	<input type="checkbox"/>	<input type="checkbox"/>
8. Develop/implement Notice of Privacy Practices (NOPP)	<input type="checkbox"/>	<input type="checkbox"/>
9. Develop/implement procedure for NOPP acknowledgement	<input type="checkbox"/>	<input type="checkbox"/>
10. Post NOPP on website	<input type="checkbox"/>	<input type="checkbox"/>
11. Assign person responsible for reviewing requests for access, amendment, and accounting of disclosures	<input type="checkbox"/>	<input type="checkbox"/>
12. Develop/implement procedures and required forms for requests for restriction, alternate communications, access, amendment and accounting of disclosures	<input type="checkbox"/>	<input type="checkbox"/>
13. Define/document the contents of the agency's designated record set	<input type="checkbox"/>	<input type="checkbox"/>
14. Develop confidentiality statements for fax coversheets and email transmissions	<input type="checkbox"/>	<input type="checkbox"/>
15. Perform unannounced "walk-around" assessment of agency facility/employee cars for evidence of unprotected PHI	<input type="checkbox"/>	<input type="checkbox"/>
16. Obtain written Authorization for marketing activities as required	<input type="checkbox"/>	<input type="checkbox"/>
17. Develop/implement fundraising opt-out procedure	<input type="checkbox"/>	<input type="checkbox"/>
18. Develop Data Use Agreements (as needed)	<input type="checkbox"/>	<input type="checkbox"/>
19. Develop/implement HIPAA policies and procedures (25-30)	<input type="checkbox"/>	<input type="checkbox"/>
20. Educate workforce members on HIPAA Privacy Standards and new agency policies and procedures	<input type="checkbox"/>	<input type="checkbox"/>

We can help your agency prepare for HIPAA. Visit our web site www.HIPAAAsport.com or call 800.653.4043.

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Cost Reduction Strategies: Part 2

Skill Assessments and Effective Training

Staff mastery of the required skill sets is a critical and necessary factor in the effectiveness and efficiency of your labor force. Identify the competencies that are required for each job, then design and implement the needed training programs to improve the skills of administrative and direct care staff.

Let Them Know

It is imperative that executives solidly support the standards and the real consequences of not meeting those standards. Support and buy-in from operations is especially crucial. While instituting productivity standards can be viewed as a negative by employees, it is actually quite the opposite. Employees gain knowledge with clear expectations. The improved financial viability of the organization will promote increased job security and an opportunity for staff to

participate in the rewards.

For many home care organizations the development of an effective labor management program is an untapped opportunity to improve profitability, patient care and employee satisfaction. So why wait? Take the first steps in initiating productivity standards and begin enjoying the benefits sooner rather than not at all.

This is Part 2 of a series of 3 articles on Cost Reduction Strategies.

Using OASIS to Convert Your Medicare Patients to Private Pay

Betty Gordon, *Principal* – bgordon@simioneconsultants.com

With the advent of the Medicare Prospective Payment System (PPS), more agencies are looking to diversify their product line offerings and adding or increasing private pay services. Additionally as the baby boomers age and have more discretionary income than previous generations, this segment of the population prefers to remain in their own homes rather than moving to assisted living facilities and/or nursing homes.

Many patients that qualify for, and need Medicare reimbursed home health services on an intermittent short-term basis, still need and want paraprofessional care when their Medicare services are completed. The ability to transfer patients from your Medicare certified agency to your own private duty agency/department helps to meet your patient's ongoing supportive care needs while improving patient outcomes, client retention, and customer satisfaction.

The need for skilled care is often intermittent, however, the need for personal care for those with chronic illnesses or functional limitations may be on going. Offering skilled intermittent and long term care within the same agency/department allows for easy transfer of patients for services to meet their needs, maintains continuity of agency and staff, increases patient satisfaction, and reduces the risk that the patient will be lost to one of your competitors the next time there is a need for Medicare reimbursed services.

Many of the OASIS M0 items can be used to target these patients. Beginning with the initial assessment for Medicare services, responses to some of the OASIS questions may cue staff to think about potential private pay services. These private pay services could be an adjunct to the Medicare reimbursed services or the potential for a continuing need when Medicare reimbursed services are discontinued. An example is M0360. Checking (0) targets the pos-

M0360

Primary Caregiver taking lead responsibility for providing or managing the patient's care, providing the most frequent assistance, etc.

- 0 - No one person
- 1 - Spouse or significant other
- 2 - Daughter or son
- 3 - Other family member
- 4 - Friend or neighbor or community or church member
- 5 - Paid help

sibility that the agency staff may have a role as the coordinator of health care. If (1), (2), or (3) is checked, there may be a potential need for respite or care during the work or play hours of the caregiver. If (4) is checked, there may be a potential to act as a caregiver and relieve the patient of the need to rely on the charity of others. If (5) is checked the agency has the potential to capture this business.

Agencies are required to collect the OASIS data, therefore, it makes sense to use the information for the benefit of the agency as well as the patient. We strongly recommend that agencies develop tools to assist staff with identifying potential private pay opportunities from the responses to the OASIS. At admission, patients should be informed about the scope of services covered by Medicare and that the opportunity to continue to receive services after Medicare is discontinued is available. By providing a menu of service and prices at the start of care, the patient will be prepared for a discussion of paying for private duty services during the discharge planning process.

Too often in the past, patients were not given the opportunity to obtain services not paid for by Medicare. In many agencies, field staff do not focus on private pay as an option to meet continuing care needs once the patient no longer qualified for Medicare. Baby boomers are accustomed to paying for

services, and are likely to be willing and able to buy services in order to remain in their own homes. Therefore, not only do agencies need to develop effective tools, but they also need to spend time to re-train the staff to think about private pay as an alternative once services will no longer be reimbursed through the Medicare program.

Many agencies have commented on their decreased the utilization of home health aide services. As a result, staffing for private pay personal care service may be more available. If a patient requires home health aide service during their episode of Medicare reimbursed care, it is ideal to have that aide available to provide the private duty services after Medicare is discontinued. This will lead to increased patient and staff satisfaction as a result of the continuity of care.

Responses to the OASIS questions also can be extremely useful in assisting the agency to develop new and creative services. For instance, M0780 which

M0780

Management of Oral/ Medications: Patient's ability to prepare and take all prescribed oral medications reliably and safely, including administration of the correct dosage at the appropriate times/intervals.

- 0 - Able to independently take the correct oral medication (s) and proper dosages at the correct times
- 1 - Able to take medications at the correct time if:
 - (a) individual dosages are prepared in advance by another person; **OR**
 - (b) given daily reminders; **OR**
 - (c) someone develops a drug diary or chart
- 2 - Unable to take medication unless administered by someone else
- NA - No oral medications prescribed
- UK - Unknown

addresses the management of oral medications leads to the potential for the development of creative Medication Pre-Pour and Reminder programs.

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Many frail elderly are hospitalized repeatedly as a result of either forgetting to take their medications, or taking their medications incorrectly. A program that includes weekly licensed staff visits to pre-pour medications may keep a patient compliant and decrease hospitalizations. Fees may be based on a visit rate or a weekly rate. Additionally, a medication reminder program may be useful. Based on a flat rate, this program can be designed using office staff to call patients on a daily or more frequent basis, to remind the patient to take the pre-poured medications. Both of these services are less expensive and less disruptive to the patients than moving to an assisted-living facility or nursing home.

In order to be successful in converting your Medicare patients to private pay, it is essential that the agency develop related policies and procedures that include:

- Patient selection policies
- Program specifics
- Implementation, coordination and communication
- Mechanisms to communicate a payer change to billing staff
- Clinical activity documentation forms, including time and expense tracking.

Staff must be trained on how to use the new tools, the various programs offered by the agency, and how to encourage patients to "buy" the private pay services.

In summary, all Medicare certified agencies must collect OASIS information, which can readily be utilized to identify patients that may have a need for private pay services. Providing services beyond Medicare coverage can improve patient and referral source satisfaction, client retention for the agency and patient outcomes. Converting Medicare patients to private pay is a win-win situation for both the agency and the patient.

Presentation Schedule

Catholic Healthcare Association
St. Petersburg FL 3/3 - 3/5/2003
Cost Reduction Strategies to Keep Your Agency Profitable
Ron Barrera

Home & Health Care Association of Massachusetts
Sturbridge, MA 4/29 - 4/30/2003
Managing Patient Care Episodes Through an Appropriate Staffing Model
Betty Gordon

Winning Tools and Techniques to HIPAA-Train Your Staff
Laura Gramenelles

Idaho Association of Home Health Agencies - Teleconferences
3/12/2003

Fast Track to HIPAA Implementation In a Home Care Environment
Laura Gramenelles - Marion Donahue

3/19/2003
Understanding HIPAA Privacy Standards: What Every Home Care Employee Needs to Know
Laura Gramenelles - Marion Donahue

NAHC Policy Conference
Washington, DC 4/6 - 4/9/2003
How to Start a Hospice
Bob Simone - Susan Sanfacon

Northern New England Conference
Portland ME 5/7 - 5/8/2003
Using OASIS to Convert Your Medicare Patients to Private Pay
Betty Gordon

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2 Months to the HIPAA Compliance Deadline!

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can help you get there.

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