



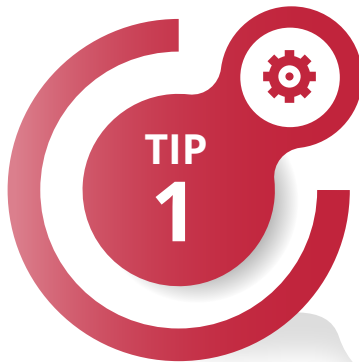
PRACTICAL TIPS FOR Minimizing Losses For Both 30-day Payment Periods

HIGH VOLUME THERAPY LOSSES

The most common instance of PDGM resulting in a lower reimbursement despite full payment in both periods is when a high volume of therapy services was provided. One of the largest changes from PPS to PDGM is the removal of the additional payment for high therapy utilization. In the 60-day PPS episodes, it was not uncommon to be reimbursed more than \$6,000. Under PDGM, the maximum reimbursement, even with full payment for both 30-day periods, falls well below that level.

CHRONIC CARE PATIENT LOSSES

Another scenario that can result in lower reimbursement under PDGM is related to the management of chronic care patients who tend to fall on the low end of the reimbursement spectrum. PDGM minimizes payment for patients who have not recently been in an institutional setting such as a hospital or post-acute facility. These are classified as “community” referrals and apply to many chronic care patients. Additionally, only the first 30-day payment period is reimbursed at the higher, “early” rate. Chronic care patients do not often receive a 60-day interruption in their care that would allow for a reset to an early timing, so they frequently remain in the lower paying, “late” category.



Use the Case-Mix Analysis Tool to Examine Revenue

Use the Case-Mix Analysis tool found in the Axxess Home Health software QA Center to see an episode-by-episode impact on reimbursement. There are therapy dollars built into the clinical groups, particularly for Musculoskeletal Rehab and Neurological Rehab. In this MS Rehab patient example, the revenue generated under PDGM exceeded what would have been earned under PPS for providing 10 visits. Therefore, in this case it is affordable to provide 10-12 visits and still have the same gross profit margin seen under PPS.

Testing Home Health Agency, Inc 16000 Dallas Parkway Suite 700 Dallas, TX 75248-0001		Case-Mix Analysis \$657.67 (PDGM Payment Impact)	
PPS (Ends December 31, 2019) \$3,100.99		PDGM (Effective January 1, 2020) \$3,758.66	
Episode Information (60 Days)		First 30 Days	Second 30 Days
Case-Mix Weight	1.0007	1.3845	0.7984
Timing	Early Episode	Early	Late
Clinical	Low	Musculoskeletal Rehabilitation	Musculoskeletal Rehabilitation
Functional	Moderate	Intermediate	Medium
Therapy Visits	10		
HHRG	C17254	Admission Source	Institutional
HPPS	1AGN5	Comorbidity Adjustment	None
		HPPS	2EB11
		LUPA Threshold	6
		Payment Amount	\$2,383.92
			\$1,374.74

Here is a similar example for a Neuro Rehab patient. In this case, the PDGM revenue is very similar to a PPS episode with 12 visits.

Testing Home Health Agency, Inc 16000 Dallas Parkway Suite 700 Dallas, TX 75248-0001		Case-Mix Analysis \$38.93 (PDGM Payment Impact)	
PPS (Ends December 31, 2019) \$3,663.43		PDGM (Effective January 1, 2020) \$3,702.36	
Episode Information (60 Days)		First 30 Days	Second 30 Days
Case-Mix Weight	1.1822	1.3681	0.7821
Timing	Early Episode	Early	Late
Clinical	Moderate	Neurological Rehabilitation	Neurological Rehabilitation
Functional	Moderate	Low	Low
Therapy Visits	12	Admission Source	Institutional
HHRG	C2225	Comorbidity Adjustment	None
HPPS	1BGP5	HPPS	2BA11
		LUPA Threshold	5
		Payment Amount	\$2,355.68
			\$1,346.67

TIP 2

MANAGE AND EVALUATE THE PATIENT CARE PLAN

It is entirely appropriate for Registered Nurses to make home health visits for management and evaluation of a non-skilled plan of care. Patients who benefit from the M&E skill usually have multiple comorbidities, multiple caregivers and need an RN to oversee non-skilled care such as logging of meals, medication administration, weights or glucose levels, intake and output sheets, or turn schedules for example. The skill is managing and evaluating these processes and data to ensure there are adjustments to keep the patient stable and out of the hospital.

This is an example of revenue margins using management and evaluation as a skill along with home health aides and telephone touch point calls. Because of the limited resources generated under PDGM, it is important to maximize the impact of each visit and to have appropriate clinical pathways in place to avoid visit over-utilization.

Cost Modeling

The case-mix rate includes the total number of therapy visits entered via the OASIS M2200. When the number of therapy visits are adjusted up or down, the case-mix rate will be updated when the recalculate button is selected.

SN 2 visits x \$149.68 HHA 8 visits x \$67.78 MSW 0 visits x \$210.88
 PT 0 visits x \$137.41 OT 0 visits x \$137.41 ST 0 visits x \$155.64
 Wage Index 0.7812 Supplies 0

Recalculate

Payment Projection

Payment projections are based upon the case-mix rate plus non-routine supplies (expected payment) subtracted by the cost of labor plus the additional cost of added supplies (total cost).

Expected Payment	\$1296.13
Total Cost	\$841.60
Gross Profit	\$454.53

35.07% Gross Margin

Gross profit is determined by the expected payment minus the total cost. The gross margin percentage is the percentage of the profit or loss based upon the case-mix expected payment rate.

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	HHA			HHA	TEL	
	HHA			HHA	SN	
	HHA			HHA	TEL	
	HHA			HHA	SN	
	EOB					

TIP 3

Maintenance Therapy

If the removal of therapy services would likely result in a decline in function or hospitalization, then consider using therapy for maintenance for patients at high risk. From a financial perspective, these resources need to be used wisely. To minimize cost, when appropriate, use PTAs, COTAs, and perhaps even specially trained home health aides to encourage exercises and mobility.

According to a study published in the Journal of the American Medical Directors Association, one physical therapy or two skilled nurse visits a week lowered the risk of rehospitalization in older patients by up to 82% and 48% respectively.





More Information can be found [here](#).



TELEHEALTH FOR CHRONIC CARE PATIENTS

Telehealth can play a significant role in reducing visit-related cost, by having contact with the patient without a physical visit. This can reduce hospitalizations as patients, including those in rural areas, have faster access to skilled providers. Wound care specialists may remotely view a patient's wound and provide appropriate guidance. High risk patients can be monitored, and care needs can be addressed through triage and education.

Emergency Plans like this can be used in the management of chronic care patients.

MY EMERGENCY PLAN		
WHAT TO DO?	CALL MY NURSE AT: (agency number)	CALL 911 WHEN
 <p>I hurt</p>	<ul style="list-style-type: none"> New pain OR pain is <u>worse</u> than usual Unusual bad headache Ears are ringing My blood pressure is above: ____/____ Unusual low back pain Chest pain or tightness of chest RELIEVED by rest or medication 	<ul style="list-style-type: none"> Severe or prolonged pain Pain/discomfort in neck, jaw, back, one or both arms, or stomach Chest discomfort with sweating/nausea Sudden severe unusual headache Sudden chest pain or pressure & medications don't help (e.g. Nitroglycerin as ordered by physician), <p>OR</p> <ul style="list-style-type: none"> Chest pain went away & came back
 <p>I have trouble breathing</p>	<ul style="list-style-type: none"> Cough is worse Harder to breathe when I lie flat Chest tightness RELIEVED by rest or medication My inhalers don't work Changed color, thickness, odor of sputum (spit) 	<ul style="list-style-type: none"> I can't breathe! My skin is gray, OR fingers/lips are blue Fainting Frothy sputum (spit)
 <p>I have fever or chills</p>	<ul style="list-style-type: none"> Fever is above _____ F Chills/can't get warm 	<ul style="list-style-type: none"> Fever is above _____ F with chills, confusion or difficulty concentrating
 <p>Trouble moving or fell</p>	<ul style="list-style-type: none"> Dizziness or trouble with balance Fell and hurt myself Fell but didn't hurt myself 	<ul style="list-style-type: none"> Fell and have severe pain