Measuring and Monitoring Trends in Home Health Therapy Utilization

Combined Sections Meeting 2012
Home Health Section of American Physical Therapy Association

Agenda

- Identify measures and benchmarks of therapy utilization
- Discuss changes in health policy requirements impacting providing therapy services.
- Explore therapy utilization trends and benchmarks
  - Prediction vs. actual utilization
  - Average for agency
  - Average & median for patient receiving specific discipline
A Word About the Data

- **PPS Analyses are:**
  - Based on the OCS Proprietary Data Set
    - Over 2,000 agency locations
    - 1 million episodes ended in 2007
    - 1.6 million episodes ended in 2010
    - 1.8 million episodes ended in 2011
  - Unless otherwise noted, represent:
    - Non-LUPA, non-outlier episodes
    - Wage and therapy adjusted reimbursement
    - Traditional Medicare patients

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2010 Case Weight

<table>
<thead>
<tr>
<th></th>
<th>RAP</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. CW</td>
<td>1.35</td>
<td>1.41</td>
</tr>
</tbody>
</table>

Avg. CW (Standard Episodes)
Adjustment Impact

National 2007: -7.2%
National 2010: 4.4%

Adjusted Reimbursement

2007 National
- All: $2,642
- Standard: $2,929

2010 National
- All: $2,833
- Standard: $3,171

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Average Visits per Standard Episode

Total = 17.4

Total = 18.1

Visits per Episode

SN
PT
OT
SLP
MSW
HHA
Total
Modeled Reimbursement Changes

Percent of Visits in the Therapy Thresholds
Distribution by Therapy Visits

Distribution of Standard Episodes

<table>
<thead>
<tr>
<th>Therapy in 2007</th>
<th>Therapy in 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>20+ therapy visits</td>
<td>12%</td>
</tr>
<tr>
<td>14 to 19 visits</td>
<td>17%</td>
</tr>
<tr>
<td>10 to 13 visits</td>
<td>11%</td>
</tr>
<tr>
<td>6 to 9 therapy visits</td>
<td>42%</td>
</tr>
<tr>
<td>1 to 5 therapy visits</td>
<td>15%</td>
</tr>
<tr>
<td>0 therapy visits</td>
<td>5%</td>
</tr>
</tbody>
</table>

Distribution by Therapy Visits

PPS 2010 Distribution of Episodes, based on total therapy

<table>
<thead>
<tr>
<th>Therapy Visits</th>
<th>Expected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>20+ therapy visits</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>14 to 19 visits</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>10 to 13 visits</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>6 to 9 therapy visits</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>1 to 5 therapy visits</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>0 therapy visits</td>
<td>10%</td>
<td>11%</td>
</tr>
</tbody>
</table>
Therapy Accuracy – PPS 2010

When Therapy Expected (M0826 > 0)
Actual Therapy...

- Ended Same: 20%
- Ended Lower: 39%
- Ended Higher: 41%

Therapy Accuracy - When Therapy Expected (M0826>0)
Reimbursement Level...

- Ended Same: 28%
- Ended Lower: 25%
- Ended Higher: 47%

Therapy Reimbursement Level Change

Payment Level Change Based on Therapy – PPS 2010

- End Higher: 19%
- End Lower: 14%
- Same: 67%

Change in Reimbursement - RAP to Adjusted

- End Higher: 44%
- End Lower: -32%

Payment Level Difference Based on Therapy
LUPAs & Outliers

Distribution of Non-Standard Episodes

LUPA
- 2007 National: 9.6%
- 2010 National: 10.1%
Outlier
- 2007 National: 2.9%
- 2010 National: 1.9%

LUPAs

LUPA Reimbursement
- 2007 National: $297
- 2010 National: $379

Avg. Margin per 2010 LUPA
- $60
- $50
- $40
- $30
- $20
- $10
- $0
- ($10)
- ($20)
- ($30)
- ($40)
- ($50)
- ($60)
- ($70)
- ($80)
- ($67)
Outliers

Total Outlier Reimbursement

2007 National: $4,676
2010 National: $5,295

Avg. Margin per 2010 Outlier

($0) to ($3,631)

Visits per Episode

SN
PT
OT
SLP
MSW
HHA
Total

Oct-10 to Dec-11
Visits per Occurrence (Patient)

When a Discipline is utilized: Mean vs. Median

<table>
<thead>
<tr>
<th>CG</th>
<th>PT Average</th>
<th>Median</th>
<th>OT Average</th>
<th>Median</th>
<th>ST Average</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>9.03</td>
<td>9.05</td>
<td>5.80</td>
<td>5.48</td>
<td>6.16</td>
<td>5.74</td>
</tr>
<tr>
<td>Region-1</td>
<td>7.13</td>
<td>7.20</td>
<td>4.44</td>
<td>4.49</td>
<td>4.56</td>
<td>4.37</td>
</tr>
<tr>
<td>Region-4</td>
<td>10.34</td>
<td>10.16</td>
<td>6.68</td>
<td>6.20</td>
<td>6.69</td>
<td>6.42</td>
</tr>
</tbody>
</table>

- National = all 10 Medicare Regions
- Region 1 = New England (Low), also West and Northwest
- Region 4 = South (High), as Northeast

- When mean and median are similar, then similar variation.
- When variation, then uneven distribution of visits provided per patient receiving the discipline
### What Diagnosis Are Most Frequent?

<table>
<thead>
<tr>
<th>When PT Utilized</th>
<th>When OT Utilized</th>
<th>When ST Utilized</th>
</tr>
</thead>
<tbody>
<tr>
<td>V54-Other orthopedic aftercare</td>
<td>V54-Other orthopedic aftercare</td>
<td>438-Late effects of cerebrovascular disease</td>
</tr>
<tr>
<td>V57-Care involving use of rehabilitation procedures</td>
<td>V57-Care involving use of rehabilitation procedures</td>
<td>V57-Care involving use of rehabilitation procedures</td>
</tr>
<tr>
<td>V58-Encounter for other and unspec. procedures and aftercare</td>
<td>438-Late effects of cerebrovascular disease</td>
<td>401-Hypertension</td>
</tr>
<tr>
<td>428-Congestive Heart Failure</td>
<td>V58-Encounter for other and unspecified procedures and aftercare</td>
<td>428-Congestive Heart Failure</td>
</tr>
<tr>
<td>250-DM</td>
<td>428-Congestive Heart Failure</td>
<td>250-DM</td>
</tr>
<tr>
<td>438-Late effects of cerebrovascular disease</td>
<td>250-DM</td>
<td>V58-Encounter for other and unspec. procedures &amp; aftercare</td>
</tr>
<tr>
<td>401-Hypertension</td>
<td>401-Hypertension</td>
<td>V54-Other orthopedic aftercare</td>
</tr>
<tr>
<td>491-Chronic bronchitis</td>
<td>491-Chronic bronchitis</td>
<td>707-Chronic ulcer of skin</td>
</tr>
<tr>
<td>781-Symptoms involving nervous and musculoskeletal systems</td>
<td>707-Chronic ulcer of skin</td>
<td>332-Parkinson’s disease</td>
</tr>
<tr>
<td>707-Chronic ulcer of skin</td>
<td>781-Symptoms involving nervous and musculoskeletal systems</td>
<td>331-Other cerebral degenerations</td>
</tr>
</tbody>
</table>

### Changing Performance Data

- **CMS is shifting the way that they provide and use data to evaluate home health quality performance**
  - **Performance Triangle**
    - Quality – OASIS-C outcomes
      - Patient-focused
        - Positive: Behavioral, functional, clinical
        - Negative: Adverse Events
    - Process Measures – driven by OASIS-C
      - Provider activities that support best practices
    - Satisfaction – facilitated by HH-CAHPS
      - Patient/Family Perception of Care
  - **Future change ideas:**
    - Composite scores: Standardized Outcome Index (SOI)
    - Sub-population specific measures: Orthopedic
OCS Standardized Outcome Index™

- Composite Scoring
- Several key ADLs/IADLs and compared scores at SOC to scores at discharge to identify the change in patient status
- Values assigned to improved, stabilized and declined
- Outcome Scores were developed at the patient level and then rolled up to an agency level for comparative analysis of overall outcome trends

SOI® Variation by Diagnosis

Trended Average SOI by Primary Diagnosis
Reporting Changes – Quality Data

- The “old” way – CMS-provided reports
  - OBQM (Outcomes-Based Quality Management) – agency reports on Adverse Events
  - OBQI (Outcomes-Based Quality Improvement) – agency reports on case mix and outcomes data
  - Home Health Compare – Public reporting of select quality measures
Reporting Changes – Quality Data

- The “new” way – CMS is/plans to provide information
  - 2010-2011 CMS Public reporting “blackout”
  - CMS has changed all reports
  - CMS has added new measures
  - Adverse Events → Potentially Avoidable Events
  - OBQI Reports and Home Health Compare → OASIS-C OBQI Reports and Home Health Compare publication
    - Measure changes
    - Risk Adjustment changes – NEW model developed in 2011 and updated release in 2012
      - New CASPER (CMS home health reporting system for agencies) Reports were delayed until July 2011
      - New Home Health Compare measures published in July 2011
  - Future changes in OASIS-C – ICD-10, etc.

Reporting Changes – Process & Satisfaction Data

- The “new” way – CMS plans to provide information
  - NEW: Process Measures – PBQI (Process-Based Quality Improvement) reports plus public reporting
  - NEW: HH-CAHPS Reporting
    - CAHPS = Consumer Assessment of Healthcare Providers and Systems
    - Requirement for standardized collection of patient satisfaction data using an approved vendor
    - Public Reporting
      - Population based not patient
      - Patient Experience, not only clinical care
      - Time delay in collecting and reporting
CMS Reporting Changes Timeline

<table>
<thead>
<tr>
<th>Measure Type</th>
<th>Report Method</th>
<th>Date Available</th>
<th>Data Period of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHCAHPS</td>
<td>HH Compare (New Risk Adj.)</td>
<td>04/2012</td>
<td>10/2010-9/2011 (4 quarters)</td>
</tr>
</tbody>
</table>

MedPAC March 2011 Recommendations

- Current payment system is flawed, as it creates incentives for patient selection
- Current case mix model suggests
  - Therapy is overvalued
  - Non-therapy services undervalued
  - i.e. no longer use the number of therapy visits as a payment factor
- Recommend revising payment system
Public Reporting

Domains of Measures

- Outcome Measures
- Process Measures
- Patient Experience

A Word About the Data

- **Outcomes and Process Data**
  - Based on the OCS Proprietary Data Set
    - Over 2,000 agency locations
    - Almost two million cases in 2010

- **HH-CAHPS Data**
  - Based on the OCS Proprietary Data Set
    - Relatively early results from a **three month snapshot**
    - More than 1,500 agency locations
    - Almost 200,000 surveys sent, 32% response rate
  - Powered by NRC Picker
New OASIS-C Measures

*Potentially Avoidable Events (12 total)*

- Development of Urinary Tract Infection
- Discharged to Community:
  - with Unhealed Stage II Pressure Ulcer Present for More than 30 days
  - with Behavioral Problems
  - Needing Toileting Assistance
  - Needing Wound Care or Medication Assistance
- Emergent Care for:
  - Hypo/Hyperglycemia
  - Improper Medication Administration, Medication Side Effects
  - Injury Caused by Fall
  - Wound Infections, Deteriorating Wound Status
- Increase in Number of Unhealed Pressure Ulcers
- Substantial Decline in 3 or more Activities of Daily Living
- Substantial Decline in Management of Oral Medications

Hospitalization and Emergent Care

<table>
<thead>
<tr>
<th></th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACH</strong></td>
<td>27.6%</td>
</tr>
<tr>
<td><strong>Discharged Home</strong></td>
<td>67.6%</td>
</tr>
<tr>
<td><strong>ACH - Injury caused by Fall</strong></td>
<td>1.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inpatient Facility Admission</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hospital</strong></td>
<td>29.3%</td>
</tr>
<tr>
<td><strong>Nursing Home</strong></td>
<td>0.6%</td>
</tr>
<tr>
<td><strong>Rehab Facility</strong></td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Hospice</strong></td>
<td>0.1%</td>
</tr>
</tbody>
</table>
New OASIS-C OBQI Measures

- **OBQI Clinical Status Improvement (10)**
  - Improvement in:
    - Anxiety Level
    - Behavior Problem Frequency
    - Bowel Incontinence
    - Confusion Frequency
    - Dyspnea
    - Pain Interfering with Activity
    - Speech and Language
    - Status of Surgical Wounds
    - Urinary Incontinence
    - Urinary Tract Infection

- **OBQI Clinical Status Stabilization (3)**
  - Stabilization in:
    - Anxiety Level
    - Cognitive Functioning
    - Speech and Language

- **Utilization Measures (4)**
  - Acute Care Hospitalization
  - Discharged to Community
  - Emergency Department Use (Without Hospitalization)
  - Emergency Department Use (With Hospitalization)

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New OASIS-C OBQI Measures

- **OBQI Functional Status Improvement (12)**
  - Improvement in:
    - Ambulation/Locomotion
    - Bathing
    - Bed Transferring
    - Dressing – Lower Body
    - Dressing – Upper Body
    - Eating
    - Grooming
    - Light Meal Preparation
    - Management of Oral Medications
    - Phone Use
    - Toileting Hygiene
    - Toilet Transferring

- **OBQI Functional Status Stabilization (10)**
  - Stabilization in:
    - Bathing
    - Bed Transferring
    - Grooming
    - Light Meal Preparation
    - Management of Oral Medications
    - Phone Use
    - Toileting Hygiene
    - Toilet Transferring
HHC – OASIS-C Outcomes

To be published on Home Health Compare

- **Utilization**
  - Acute Care Hospitalization*
  - Emergency Department Care Without Hospitalization

* Unexpectedly changed calculations
  - Used to include all hospitalizations
  - Now only includes unplanned hospitalizations

Patient Discharge Disposition

<table>
<thead>
<tr>
<th>Patient Discharge Disposition</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remained in community without formal assistance</td>
<td>80.7%</td>
</tr>
<tr>
<td>Remained in community with formal assistance</td>
<td>15.7%</td>
</tr>
<tr>
<td>Transferred to a non-institutional hospice</td>
<td>2.0%</td>
</tr>
<tr>
<td>Unknown because patient moved</td>
<td>0.7%</td>
</tr>
<tr>
<td>UK – Other unknown</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

© OCS HomeCare 2011 National Benchmarks
HHC – OASIS-C Outcomes

To be published on Home Health Compare

- **Functional Outcomes**
  - Improvement in Ambulation/Locomotion
  - Improvement in Bathing
  - Improvement in Bed Transferring
  - Improvement in Management of Oral Medications

- **Health Outcomes**
  - Improvement in Dyspnea
  - Improvement in Status of Surgical Wounds
  - Improvement in Pain Interfering with Activity

- **Potentially Avoidable Events**
  - Increase in Number of Unhealed Pressure Ulcers

Home Health Compare Outcomes

Improvement Measures
National Benchmark, 2010

- Dyspnea
- Status of Surgical Wounds
- Pain
- Ambulation/Locomotion
- Bathing
- Bed Transferring
- Management of Oral Meds

Clinical Status: 65%
Functional Status: 85%
85%
66%
58%
67%
56%
51%
Home Health Compare

Outcome Measures National Benchmark, 2010

- Acute Care Hospitalization: 27%
- Emergent Care without Hospitalization: 4%
- Increase in # of Unhealed Pressure Ulcers: 0.4%

HHC – New OASIS-C Process Measures

- Process Measures endorsed by NQF and to be reported on Home Health Compare (HHC) and PBQI (process-based quality improvement) reports
  - Timely Initiation Of Care
  - Depression Assessment Conducted
  - Multifactor Fall Risk Assessment Conducted For Patients 65 And Over
  - Pain Assessment Conducted
  - Pressure Ulcer Risk Assessment Conducted
  - Pressure Ulcer Prevention In Plan Of Care
  - Pneumococcal Polysaccharide Vaccine Ever Received
New OASIS-C Process Measures

- Process Measures *NOT* endorsed by NQF;
- CMS determined that they will *NOT* be reported on Home Health Compare (HHC);
- Will be on PBQI (Process-Based Quality Improvement) reports
  - Drug Education On High Risk Medications Provided To Patient/Caregiver At Start Of Episode
  - Potential Medication Issues Identified And Timely Physician Contact At Start Of Episode
  - Potential Medication Issues Identified And Timely Physician Contact

Injury Caused by Fall (M2430_2)

<table>
<thead>
<tr>
<th>Region</th>
<th>National</th>
<th>New England</th>
<th>NorEast</th>
<th>Region II</th>
<th>East</th>
<th>Region IV</th>
<th>South</th>
<th>Region V</th>
<th>Central</th>
<th>Region VI</th>
<th>Soest</th>
<th>Region VII</th>
<th>Midwest</th>
<th>Region VIII</th>
<th>Montain</th>
<th>Region IX</th>
<th>West</th>
<th>Region X</th>
<th>Norwest IL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.61%</td>
<td>5.03%</td>
<td>3.87%</td>
<td>3.89%</td>
<td>4.95%</td>
<td>4.11%</td>
<td>5.16%</td>
<td>5.74%</td>
<td>8.26%</td>
<td>3.81%</td>
<td>6.17%</td>
<td>3.93%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Some Data About Falls Resulting in ACH

- 69 days is national median
- 25th Percentile at 31 days
- 75th percentile falls at 85 days
- Half of falls hospitalized are between days 31 and 85

79 days is CMS Region IV median, which is second highest

Predicting ACH and EC

<table>
<thead>
<tr>
<th>M1032 Risk for Hospitalization</th>
<th>There are risks for Hosp</th>
<th>There are no risks for Hosp</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACH</td>
<td>29.92%</td>
<td>9.88%</td>
</tr>
<tr>
<td>EC</td>
<td>3.91%</td>
<td>2.36%</td>
</tr>
</tbody>
</table>

(M1032) Risk for Hospitalization: Which of the following signs or symptoms characterize this patient as at risk for hospitalization? (Mark all that apply.)

- 1 - Recent decline in mental, emotional, or behavioral status
- 2 - Multiple hospitalizations (2 or more) in the past 12 months
- 3 - History of falls (2 or more falls - or any fall with an injury - in the past year)
- 4 - Taking five or more medications
- 5 - Frailty indicators, e.g., weight loss, self-reported exhaustion
- 6 - Other
- 7 - None of the above
Short-term/Long-term Process Measures

- Based on data collected at Transfer and Discharge and report care provided "since the last OASIS assessment"
- Calculated for short-term episodes and long-term episodes
- Short-term episodes
  - SOC/ROC to TRF/DC less than or equal to 60 days
  - Do not contain a 60-day follow-up assessment
- Long-term episodes
  - SOC/ROC to TRF/DC longer than 60 days
  - Do contain a 60-day follow-up assessment
- Only short-term episodes will be reported on HHC to ensure that reporting represents care processes implemented in first 60 days
- PBQI reports will include three versions of each measure:
  - Short-term episodes of care
  - Long-term episodes of care
  - All episodes of care

New OASIS-C Process Measures

- Short-term results to be publicly reported on HHC
  - Heart Failure Symptoms Addressed
  - Pain Interventions Implemented
  - Drug Education On All Medications Provided To Patient/Caregiver
  - Pressure Ulcer Prevention Implemented
- Not for HHC publication; short-term, long-term, and all episodes to be reported via PBQI reports
  - Depression Interventions Implemented
  - Treatment Of Pressure Ulcers Based On Principles Of Moist Wound Healing Implemented
  - Falls Prevention Steps Implemented
New OASIS-C Process Measures

- Additional measures to be reported on PBQI reports
  - Physician Notification Guidelines Established
  - Pressure Ulcer Risk Assessment Conducted
  - Diabetic Foot Care & Patient Education In Plan Of Care
  - Falls Prevention Steps In Plan Of Care
  - Pain Interventions In Plan Of Care
  - Pressure Ulcer Treatment Based On Principles Of Moist Wound Healing In Plan Of Care
Home Health Compare Process Measures

Process Measures - National Benchmark, 2010

- Depression: 93%
- Falls Risk: 94%
- Pain: 97%
- Pressure Ulcer Risk: 94%
- Heart Failure Symptoms Addressed: 97%
- Pain Interventions Implemented: 85%
- Diabetic Foot Care and Patient Care: 67%
- Influenza Vaccine Current Flu: 58%
- Pressure Ulcer Prevention: 88%

Assessment Conducted: 100%
Care Plan Implementation: 100%

HHC – HH-CAHPS Measures

- **Two Global Measures to be Reported on HHC**
  - Willingness to Recommend
  - Overall Rating of Care
- **Three Composite Measures will also be Reported on Home Health Compare**
  - *These measures are representative of responses from several individual items*
  - Patient Care
  - Communication
  - Specific Care Issues
New HH-CAHPS Measures

- **CMS will not provide additional reporting**
  - Most HH-CAHPS vendors do
    - Consider type of reporting, comparability of benchmarks
  - Useful additional information
    - Trending data
    - Measures contributing to the composite score
    - Local benchmarks
    - Non-top-box information
    - Drill-down analysis
      - By payer or diagnosis

### Home Health Compare HH-CAHPS Measures

**HH-CAHPS National Results,**
care provided August - October 2010

- Overall rating of care (responses of 9 or 10):
- Likelihood to recommend (definitely yes):
- Patient care (composite):
- Communication (composite):
- Specific care issues (composite):
Understanding HH-CAHPS Drivers

- **Which populations have higher ratings?**
  - Global ratings
  - Composite measures

- **Which populations have lower ratings?**
  - Specific care issues

- **Risk adjustment, which populations to target?**
- **Knowing who to target which issues & when**
  - Right patient, right intervention, at the right time

HH-CAHPS Measures by Diagnosis

[Graph showing overall rating of care and likelihood to recommend by diagnosis]
Talk About Pain and Medications

Treated Gently and Courtesy & Respect
Hot Topic: Attention on Fraud & Abuse

- Regulatory Review
  - Reduce overpayments and waste
  - Curb fraud and abuse
  - Multiple efforts from multiple angles, not entirely disconnected from the overall payment reform efforts

Crackdown

- From Managed Health, 2004
  That nightmare—$150 billion in losses—is one estimate of the cost of health insurance fraud and abuse in America. According to the Centers for Medicare and Medicaid Services, U.S. healthcare spending reached nearly $1.7 trillion in 2003.

Some quick math shows health insurance fraud and abuse wastes nearly one-tenth of America's healthcare resources.

- From Nixon Peabody, May 2009
  Health-care fraud enforcement is clearly a top priority of President Obama's administration. Providers should expect to come under increased scrutiny.
Hot Topic: Attention on Fraud & Abuse

- Crack-down on overspending, fraud, and abuse – not a new concept, but a renewed interest
  - 1997: Health Care Fraud and Abuse Control Program (HCFAC)
  - 2006: Recovery Audit Contractors (RAC’s)
    - Pilot program in 6 states – hospitals and physicians, recouped about $900 million in overpayments (returned $38M in underpayments)
    - 2009 – launching into all healthcare, including home care
    - Paid on commission
  - May, 2009: Fraud Enforcement and Recovery Act into law, introducing sweeping changes to the False Claims Act
  - May, 2009: Health Care Fraud Prevention and Enforcement Action Team (HEAT) to combat Medicare and Medicaid fraud

Hot Topic: Attention on Fraud & Abuse

- Crack-down in home health
  - March 2009: GAO report
  - May 2010: WSJ Article and Senate Finance Committee

From USA Today: Fraud and abuse helped boost Medicare spending on home health services 44% over five years as some providers exaggerated patients’ medical conditions and others billed for unnecessary services or care they did not provide, a Government Accountability Office report out Friday says.

In examining the issue, the GAO identified:
  - Fraudulent and abusive practices that may have contributed to home health spending and utilization, including upcoding, payments to physicians for referrals, payments to beneficiaries for the use of their Medicare identification numbers, and billing for services not rendered.
Hot Topic: Attention on Fraud & Abuse

- **How will auditors work?**
  - Still largely unknown
  - Reasonable to expect that data will be mined to identify agencies of interest

- **How can agencies be prepared?**
  - Understand what’s going on in the industry
  - Understand what’s going on with your agency
  - Pay attention to new information

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**Episode Distribution – Standard Episodes**

<table>
<thead>
<tr>
<th>Episode Type</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early/Low (1st or 2nd episode, &lt; 14 therapy visits)</td>
<td>54.6%</td>
</tr>
<tr>
<td>Early/High (1st or 2nd episode, 14 - 19 therapy visits)</td>
<td>9.4%</td>
</tr>
<tr>
<td>Late/Low (3rd or later episode, &lt; 14 therapy visits)</td>
<td>25.5%</td>
</tr>
<tr>
<td>Late/High (3rd or later episode, 14 – 19 therapy visits)</td>
<td>2.2%</td>
</tr>
<tr>
<td>Very High (20+ Therapy visits)</td>
<td>8.3%</td>
</tr>
</tbody>
</table>
Crackdown – Potential Measures to be Used

- **PPS Metrics that highlight opportunities to “work” the system:**
  - Episodes per patient
  - Use of diagnoses
  - Case weight & high domain levels
  - LUPA’s, outliers, and low-visit episodes
  - Therapy:
    - Thresholds
    - High Use
    - Upcodes and downcodes

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Crackdown – Potential Measures

**National Median Values**

- **THERAPY THRESHOLD** - Percent of “therapy episodes” receiving a number of therapy visits that exactly hits one of the major therapy thresholds (6, 14, or 20 visits): 12%
- **DOWNCODES** - Percent of episodes with a case weight that decreased due to actual therapy being lower than anticipated therapy: 25%
- **HIGH THERAPY** - Percent of “therapy episodes” receiving 14 or more therapy visits: 23%
Review Agenda

- Identify measures and benchmarks of therapy utilization

- Discuss changes in health policy requirements impacting providing therapy services.

- Understand health policy trends and benchmarks
  - Prediction vs. actual utilization
  - Average for agency
  - Average & median for patient receiving specific discipline

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