Value of Therapy
Beyond the Thresholds

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That Was Then....

Home Health Time Line

Cost Based Reimbursement → Prospective Payment
Nursing Focus → Function Focus

Medicare Medicaid DRGs ORT BBA OASIS HHQI ACH VBP
Medicaid


PPS Refinements

?
This is Now....

• Coverage criteria are mostly unchanged
• Conditions of Participation are changing with an emphasis on
  – measurable quality
  – coordinated care
• Research, policy & payment initiatives greatly affect our practice

### Changes in Utilization

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Agencies</td>
<td>10,917</td>
<td>7,528</td>
<td>12,311</td>
<td>-31%</td>
<td>64%</td>
</tr>
<tr>
<td>Total spending [in billions]</td>
<td>$17.7</td>
<td>$8.5</td>
<td>$18.0</td>
<td>-52</td>
<td>112</td>
</tr>
<tr>
<td>Users [in millions]</td>
<td>3.6</td>
<td>2.5</td>
<td>3.4</td>
<td>-31</td>
<td>38</td>
</tr>
<tr>
<td>Number of visits [in millions]</td>
<td>258.2</td>
<td>90.6</td>
<td>113.7</td>
<td>-65</td>
<td>25</td>
</tr>
<tr>
<td>Visit type [percent of total]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skilled nursing</td>
<td>41%</td>
<td>49%</td>
<td>52%</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>Home health aide</td>
<td>48%</td>
<td>31%</td>
<td>14%</td>
<td>-37</td>
<td>-54</td>
</tr>
<tr>
<td>Therapy</td>
<td></td>
<td>10%</td>
<td>19%</td>
<td>34</td>
<td>101</td>
</tr>
<tr>
<td>Medical social services</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>-2</td>
</tr>
<tr>
<td>Number of visits per user</td>
<td>73</td>
<td>37</td>
<td>33</td>
<td>-49</td>
<td>-10</td>
</tr>
<tr>
<td>Percent of FFS beneficiaries who used home health services</td>
<td>10.5%</td>
<td>7.4%</td>
<td>9.4%</td>
<td>-30</td>
<td>28</td>
</tr>
</tbody>
</table>

**Percent change**

**Note:** FFS (fee-for-service). Medicare did not pay on a per episode basis before October 2000.

**Source:** Home health standard analytical file; Health Care Financing Review, Medicare and Medicaid Statistical Supplement 2002; and Office of the Actuary, CMS.
Therapy Thresholds

<table>
<thead>
<tr>
<th>Early (1st &amp; 2nd) Episodes</th>
<th>Late (3rd or Later) Episodes</th>
<th>All Episodes</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 13 Therapy Visits</td>
<td>Change In Pay-&lt;br&gt;ment</td>
<td>0 to 13 Therapy Visits</td>
</tr>
<tr>
<td>Payment Grouping 1</td>
<td>Payment Grouping 2</td>
<td>Payment Grouping 3</td>
</tr>
<tr>
<td>0 to 5</td>
<td>$9</td>
<td>14 to 15</td>
</tr>
<tr>
<td>6</td>
<td>$555</td>
<td>16 to 17</td>
</tr>
<tr>
<td>7 to 9</td>
<td>$555</td>
<td>18 to 19</td>
</tr>
<tr>
<td>10</td>
<td>$555</td>
<td>10</td>
</tr>
</tbody>
</table>

Volume to Value Based Health Care

- “… the main culprit for the current system’s ills is the fee-for-service payment system, which rewards volume over value and does nothing to promote the coordination of care among providers.
- The first step in correcting the system is a transition from volume-based to value based methods of payment”

Volume Based Home Health Therapy

“The Secretary should revise the home health case-mix system to rely on patient characteristics to set payment for therapy and nontherapy services and should no longer use the number of therapy visits as a payment factor”

(MedPac), March 2014

Volume Based Practice

- Payment adjustment occurring at visit number thresholds
- Documentation justifying number of visits to payer
- Visit focus care management, implying progress depends on the clinician

Value Based Practice

- Service delivery (not just visits) based on the contribution toward desirable and sustainable outcomes
- Justification, not to the payer, but to the agency, that therapy services are worth providing
Value Based Competencies

• Know what is effective . . . and what is not
  – Select sustainable outcomes
  – Select efficient interventions
• Address relevant aspects of therapy, NOT just:
  – Body structures
  – Body functions
  – Performance skills
• Use the full scope of therapy tools to address relevant aspects

Defining Key Therapy Concepts

Skill

Exclusive to the therapist

• proficiency, facility, or dexterity that is acquired or developed through training or experience; an art, trade, or technique

Reasonable

The amount makes sense

• governed by or being in accordance with reason or sound thinking; not excessive or extreme

Necessary

The care is indispensable

• Absolutely essential; needed to achieve a certain result or effect; requisite
Conditions for Coverage of Therapy Services

Skills of a qualified therapist are needed to restore function.

Patient’s condition requires a qualified therapist to design or establish a maintenance program.

Skills of a qualified therapist are required to perform maintenance therapy.

Restorative  Maintenance  Maintenance

Restorative
PLOF Clear
Chronic Disease Impacts
Higher Frequency
Shorter Duration

Maintenance
PLOF Fluid
Chronic Disease Drives
Lower Frequency
Longer Duration
Making a Decision

Therapy Assessment

Return to PLOF?

Need Intervention?

Restorative Therapy

No Therapy

At Optimal Level?

Need Intervention?

Maintenance Therapy

No Therapy

One Beneficiary – One Plan of Care

Reducing Re-hospitalization

• M1033: Risk for Hospitalization

Improving Function

• M1860: Ambulation/Locomotion
• M1830: Bathing

Reducing Falls

• M1910
• Home safety assessment

Managing Medications

• M2020: Management of Oral Medications
Reducing Re-Hospitalization

(M1033) Risk for Hospitalization: Which of the following signs or symptoms characterize this patient as at risk for hospitalization?

1 - History of falls (2 or more falls - or any fall with an injury - in the past 12 months)
2 - Unintentional weight loss of a total of 10 pounds or more in the past 12 months
3 - Multiple hospitalizations (2 or more) in the past 6 months
4 - Multiple emergency department visits (2 or more) in the past 6 months
5 - Decline in mental, emotional, or behavioral status in the past 3 months
6 - Reported or observed history of difficulty complying with any medical instructions (for example, medications, diet, exercise) in the past 3 months
7 - Currently taking six or more medications
8 - Currently reports exhaustion

Oral Med Management

(M2020) Management of Oral Medications: Patient's current ability to prepare and take all oral medications reliably and safely, including administration of the correct dosage at the appropriate times/_intervals. Excludes injectable and IV medications. (NOTE: This refers to ability, not compliance or willingness.)

0 - Able to independently take the correct oral medication(s) and proper dosage(s) at the correct times.
1 - Able to take medication(s) at the correct times if: (a) individual dosages are prepared in advance by another person; OR (b) another person develops a drug diary or chart.
2 - Able to take medication(s) at the correct times if given reminders by another person at the appropriate times
3 - Unable to take medication unless administered by another person.
NA - No oral medications prescribed.
New York Heart Association

<table>
<thead>
<tr>
<th>Class</th>
<th>Patient Symptoms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I (Mild)</td>
<td>No limitation of physical activity. Ordinary physical activity does not cause undue fatigue, palpitation, or dyspnea (shortness of breath).</td>
</tr>
<tr>
<td>Class II (Mild)</td>
<td>Slight limitation of physical activity. Comfortable at rest, but ordinary physical activity results in fatigue, palpitation, or dyspnea.</td>
</tr>
<tr>
<td>Class III (Moderate)</td>
<td>Marked limitation of physical activity. Comfortable at rest, but less than ordinary activity causes fatigue, palpitation, or dyspnea.</td>
</tr>
<tr>
<td>Class IV (Severe)</td>
<td>Unable to carry out any physical activity without discomfort. Symptoms of cardiac insufficiency at rest. If any physical activity is undertaken, discomfort is increased.</td>
</tr>
</tbody>
</table>

What are the key elements a CHF patient needs to focus on to prevent re-hospitalization?
GOLD Spirometric Criteria for COPD Severity

I. Mild COPD
* FEV1/FVC < 0.7
* FEV1 > or = 80% predicted
Patient is probably unaware that lung function is starting to decline

II. Moderate COPD
* FEV1/FVC < 0.7
* FEV1 50-79% predicted
Symptoms progress, with shortness of breath developing upon exertion.

III. Severe COPD
* FEV1/FVC < 0.7
* FEV1 30-49% predicted
Shortness of breath worsens and COPD exacerbations are common

IV. Very Severe COPD
* FEV1/FVC < 0.7
* FEV1 < 30% predicted or < 50% predicted with chronic respiratory failure
Quality of life at this stage is gravely impaired. COPD exacerbations can be life threatening.

What are the key elements a COPD patient needs to focus on to prevent re-hospitalization?
Value Based Practice

• Our practice is defined by the way in which we assess, plan & manage the care of our patients
• Our definition of quality practice is influenced by internal & external factors
• Our practice patterns, as an industry, influence our patient outcomes