GCM ROI ASAP:
What is “Geriatric Care Management” 
& How Can It Grow Your Care Continuum?

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National Assoc. for Home Care & Hospice
2013 Annual Meeting & Exposition
November 2, 2013

A GCM Business Plan

• Mission
• The Product
• Value Proposition
• Business Model
• Revenue Model
• Information Technology
• Target Market
• Sales Strategy
• Positioning
• Competition
• Projections
FY 2003 Revenues:  
ElderCare Advisors, Inc.

<table>
<thead>
<tr>
<th>Service</th>
<th>Revenue</th>
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</thead>
<tbody>
<tr>
<td>Care Planning/Coord</td>
<td>$84,382</td>
</tr>
<tr>
<td>(64 Undupl. Clients)</td>
<td></td>
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<tr>
<td>Indep. RN Care Mgmt.</td>
<td>$49,240</td>
</tr>
<tr>
<td>(18 Clients – 7 RNs)</td>
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<tr>
<td>HHA Services</td>
<td>$719,204</td>
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<tr>
<td>Support Services</td>
<td>$45,000</td>
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<tr>
<td>(Homakr., Chore, Barrier Modif)</td>
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<tr>
<td>TOTAL</td>
<td>$897,826</td>
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GCM is...  
• Prevention  
• Advocacy  
• Planning  
• Health Maintenance
5 Primary GCM Concerns

- Housing
- Homemaking
- Personal Care
- Care Oversight
- Care Coordination

5 Primary GCM Goals

- Prevent injury from falls
- Prevent skin breakdown
- Reduce Rx noncompliance
- Maintain nutrition/hydration
- Reduce caregiver burnout
RN GCM

- Prevention Nursing
  - Assessments
  - Care Planning
  - Education
  - Care Oversight
  - Medication Monitoring
  - MD Consults
  - Aide Supervision
  - Advocacy
  - Staffing

SW GCM

- Social Work Advocacy
  - Assessments ($300)
  - Resource Planning
  - Education
  - Family Care Coord.
  - MD/Lawyer/$$ Consults
  - Counseling
  - Advocacy
  - Staffing
PT/OT GCM

- Maintenance Therapy
  - Assessments ($300)
  - Care Planning
  - Coaching
  - Education
  - Care Oversight
  - Family Care Coord.
  - MD Consults
  - Aide Supervision
  - Staffing

A la Carte

1) Assessment Fee
   - Built in to Staffing Fees
   - Fixed Fee for Fixed Amount of Time
     - Eg - $300 up to 3 Hours, no travel

2) Retainer
   - Paid on Contract Signing

3) By the Hour
   - @ $100 p/hr
   - May slide fees on income thresholds
   - + Office Overhead
**PPS for GCM**

1) $350 p/mo (<12 hrs wk. HHA)
   - Self Directing
   - ≤ 3 GCM hours

2) $750 p/mo (12 – 40 hrs wk.)
   - Self Directing
   - ≤ 7 GCM hours

3) $1100 p/mo (> 40 hrs. wk)
   - Non Self Directing
   - ≤ 10 GCM hours

**FULL SERVICE HOME CARE**

- **Certified Services**
  - RN/PT/MSW
  - Assess and Tx
  - Aide

- **LT Home Care**
  - GCM
    - STAFFING
  - COORD
    - Technology
<table>
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<tr>
<th>Hours</th>
<th>GCM</th>
<th>Year 1</th>
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<th>GCM Plus Private Duty</th>
<th>Year 1</th>
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<tr>
<td><strong>Total Hours</strong></td>
<td>720</td>
<td>720</td>
<td><strong>Total Hours</strong></td>
<td>27,472</td>
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<td><strong>Revenue</strong></td>
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<td><strong>Revenue</strong></td>
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<tr>
<td><strong>GCM (Billable)</strong></td>
<td>48,000</td>
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<td><strong>GCM (Billable)</strong></td>
<td>550,986</td>
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<tr>
<td><strong>Total Revenue</strong></td>
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<td><strong>Total Revenue</strong></td>
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<tr>
<td><strong>Net Revenue</strong></td>
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<td>542,722</td>
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<td><strong>Direct Costs</strong></td>
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<td><strong>Direct Costs</strong></td>
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<tr>
<td><strong>GCM</strong></td>
<td>36,000</td>
<td>36,000</td>
<td><strong>GCM</strong></td>
<td>367,809</td>
<td>174,913</td>
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<tr>
<td><strong>Total Salaries</strong></td>
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<td><strong>Benefits</strong></td>
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<td><strong>Benefits</strong></td>
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<td><strong>Medical Supplies</strong></td>
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<tr>
<td><strong>Total Direct Costs</strong></td>
<td>37,000</td>
<td>387,809</td>
<td><strong>Total Direct Costs</strong></td>
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<td><strong>Contribution Margin</strong></td>
<td>10,280</td>
<td>174,913</td>
<td><strong>Contribution Margin (32%)</strong></td>
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Rural & Suburban

Litchfield Cty. Population: 189,000
Population > age 65: 16.4%
2nd Home Market
Mostly Middle Class

NYC

New Milford VNA & Hospice

- Free Standing, NFP
- One of Oldest NAHC Members
- Suburban/Rural Market
- Recent Disaffiliation from Local Hospital
New Milford VNA & Hospice

• Strategic Initiatives
  - ACO Affiliation
  - VNA Home, Inc. (Private Duty)
  - GCM Services
  - Data-Driven Referrals
    - PD
    - MSW

GCM at NMVNAH

• 2 RNs
  - 1 Employed by VNA
    - Limit to 3 GCM cases at a time
    - Generate own referrals
  - 1 Per diem
    - Receives referrals from all staff

• 2 Per diem MSWs
  - Employed by VNA for Certified Svc
  - Private Duty Side for GCM
  - Both MSWs self refer and receive from all staff
**GCM at NMVNAH**

- Program Launch – 9/1/13
- Conversions to GCM
  - Approved by Clinical Supv.
  - HHABNs
  - MD orders; Comprehensive Assessment
- Assessment Fee for non-VNA patients
- Retainer on Contract
- Hourly Fees; ½ Hourly Fee While Travel

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**GCM at NMVNAH**

- PD refers to Per Diem RN and MSW GCMs
- Low Income Fund Supports for the Poor
- Three Signed Contracts:
  - Consent for Service
  - Agreement to Pay
  - Description
- Paper record to start
- Quickbooks Billing (Records Credits)
ROI MEASURES

• Longitudinal significance re: ↓ Hosp.
  - Correlates to GCM?
  - Correlates to PD?
• Reduced return from PD to Certified
• Timely referrals back to Certified
• PD Revenue
• Certified Revenue
• GCM Revenue (RN and MSW)
• Customer Satisfaction

Why NMVNA GCM Works

• Organizational Development effort
• All staff buy-in
• Clinical staff can see THEY have a long-term financial/employment stake
• Staff believe in VNA Home’s mission
• Staff believe in one another
• Case Manager model in Certified Svcs.
What’s an ACO?

An organized effort between health care providers to coordinate care across settings for a defined population of patients. Higher reimbursements are earned for better outcomes, not volume of service. ACO providers manage cost and share in savings when quality and patient satisfaction measures are achieved within financial benchmarks.

And spend!

Healthy Human → Continued Health → Preventable Condition → Hospital → Acute Episode → Hospital → High Cost Outcome → Complications Infections Readmissions

FFS Pays More for Bad Outcomes and Less When People Stay Healthy
Healthy Human
Continued Health
Preventable Condition
No Hospital
Acute Episode
Efficient Outcome

Without GCM?

Ground Zero for ACOs

2010 Medicare Average Cost per Hospital Stay

$11,600!

Patient Accountability

“.....many outcomes depend as much on what consumers do.......as what providers do. Clear definitions of the roles and responsibilities of consumers.....will be needed....and, ideally, there should be measures of the extent to which consumers are carrying out [their] roles and responsibilities.”


H.E.A.R.T.

- H.E.A.R.T. – Hospital and Emergency Admission Reduction Team
- RN-MSW GCM team with ability to cross service boundaries
- 100 – 150 patients per year, per team
- Prevention Target – 50 Hospitalizations ($600K)
- Annual Prevention Bonuses per GCM
- Risk Share with ACO for hospital prevention
- Exclusivity for PD Home Care referrals
- GCM’s clocks have no hands...
Meet Gladys

- Middle Class
- Female
- Elderly & Disabled

with…..

• Alzheimer’s Disease; Hospitalized w/ UTI; Cellulitis; Needs ADL assist with bathing; Episodically Incontinent; Mobility Impaired
• $2,600 p/mo (Includes $790 p/mo Annuity)
• $85,000 savings; Annuity
• Home worth $200,000
• Rx Assistance
• Son lives in home; Son in CA; D’tr lives nearby; Husband recently deceased
• Everyone wants her home.

Gladys’s Plan – No GCM
(no H.E.A.R.T.)

• VNA for 9 weeks for PT following brief hospitalization 2° to UTI
• Son calls AAA; Buys LifeCall Pendant
• Home Care Program – 2 Baths a week, 2 Hrs. Homemaker QOW
• VNA D/C
• 2 Months later… Son burnt out; Client hospitalized for fall
• SNF placement
• Result
  - Home sold for $175,000
  - Several hospitalizations, 2 years later…
  - Dies in SNF at cost of $216,000
  - **Family Bequest = $00!!**
Gladys’s Plan – With GCM
(With H.E.A.R.T.)

- HEART Team works with family and hospital staff to prepare for D/C while patient is in hosp/rehab
- HEART MSW
  - Advance Directives executed; Estate Planning for T-19 Waiver
  - Sell Annuity for $10,000
  - Execute POA
  - Buy Irrevocable Funeral Trust & $1500 Burial Fund
  - Transfers $74,500 to joint account in son and d’tr’s name
  - Home transferred immediately to son (Caretaker-child Exception)
- HEART RN
  - Monitors course
  - Teaches family to enhance medical literacy
  - Advises on home care staffing following rehab
  - Develops care plan

Son and d’tr buy PD Home Care (40 hrs)

D/C to patient home from rehab
Apply for MA HCBS Waiver (Frail Elder Waiver)
Utilize gifted assets for ongoing RN-GCM
Result
- Better Rx Assistance
- Free Medical Transportation
- Free Aide/Homemaker under Waiver
- Family Home protected = $200,000
- PD Home Care plus GCM for two years out of gifted assets
- No more hospitalizations
- Dies at home on hospice
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