



NAHC
March on Washington
& Law Symposium

Financial, Billing, & Service-Level
Data: the Impact on Hospice
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Faculty

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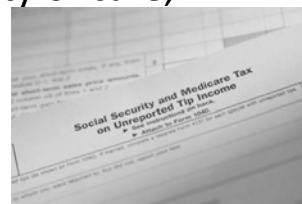
About MedPAC

- The Medicare Payment Advisory Commission (MedPAC) is an independent Congressional agency established by the Balanced Budget Act of 1997 to advise the US Congress on issues affecting the Medicare program.



MedPAC's Mandate

- Advising the Congress on payments to private health plans participating in Medicare
- Advising the Congress on payments to providers in Medicare's traditional fee-for-service program.
- Analyzing access to care, quality of care, and other issues affecting Medicare.



MedPAC Reports



- Two reports each year, one in March and another in June.
- The primary source for recommendations.
- Advises Congress through comments on reports and proposed regulations issued by the Secretary of the Department of Health and Human Services, testimony, and briefings for congressional staff.



MedPAC Hospice Summary

MedPAC Hospice Stats



- 2008 Medicare Hospice exceeded \$11billion.
- The supply of hospices grew substantially from 2000 to 2008 (47 percent) and almost all new hospices were for-profit providers
- Medicare spending on hospice nearly quadrupled between 2000 to 2008.
- This growth reflects that more beneficiaries are enrolling in hospice as well as longer lengths of stay.

Hospice Quality

- MedPAC does not have sufficient evidence to assess quality. (PEACE study in Carolinas, current NY study)
- Currently the information on quality of care is very limited.
- There are ongoing efforts to provide a pathway for further development of quality measures.



Medicare Hospice Margin

- The aggregate Medicare margin was 5.9 percent in 2007.
- MedPAC projects the margin will be 4.6 percent in 2010.
 - This estimate excludes the costs of bereavement services (about 1.5% of total costs) which are not reimbursable by Medicare.
 - (also excludes cost of fundraising And cost of marketing services)



MedPAC Conclusions

- Hospice providers can operate within the current payment system with a moderate update.
- The recommendation is that the Congress update payment rates for hospice services by the hospital market basket index, less the Commission's adjustment for productivity growth.

MedPAC's focus on Hospice- 2009

- Lacks data vital to the effective management of the hospice Medicare benefit
- Change payment structure (U shaped)
- Hospice physician or NP to make visit @ 180th day recertification, & all subsequent ones, attestation statement, and brief narrative describing clinical basis of prognosis
- 40% over 180 days = medical review
- Collect data
- Look at relationship between hospice and nursing homes
- Cap Issues

MedPAC's Report



5 Key MedPAC Recommendations for Hospice 2010

1. Updated payment rates
2. U-shaped payment curve
3. Continuation of eligibility
4. OIG Investigations
5. Improvement of Data Collection



Hospice Recommendations

1. Updated Payment Rates
 - Congress should update the payments rates for hospice for 2011 by the projected rate of increase in the hospital market basket index less the Commission's adjustment for productivity growth (a net update of approximately 1.1%)

Hospice Recommendations (cont)

2. U-shaped Payment Curve

- Congress should direct the Secretary to change the Medicare payment system to have relatively higher payments per day at the beginning of the episode and relatively lower payments per day as the length increases with a higher payment for the costs associated with patient death at the end of the episode.
- MedPAC recommends implementing the payment system changes in 2013 with a brief transitional period.
- The first year the payment system should be done in a budget neutral manner.

Hospice Recommendations (cont)

3. Continuation of Eligibility

- There should be a requirement that a hospice physician or advanced practice nurse visit the patient to determine continued eligibility prior to the 180th day recertification and each subsequent recertification, and attest that such visits took place.
- Include a brief narrative describing the clinical basis for the patient's prognosis.
- Each stay in excess of 180 days be medically reviewed for hospices which stays exceeding 180 days make up 40 % or more of the total cases.

Hospice Recommendations (cont)

4. OIG Investigations should be done if the following situations exist:
 - Prevalence of financial relationships between hospices and long-term care facilities that may represent a conflict of interest and influence hospice admissions.
 - Differences in patterns of nursing home referrals to hospice
 - Appropriateness of enrollment practices with unusual utilization patterns. (Very long or short, etc)
 - The appropriateness of hospice marketing materials and other admission practices and potential correlations between length of stay and deficiencies in marketing or admission practices.

Hospice Recommendations (cont)

5. Improvement of Data Collection
 - The Secretary should collect additional data on hospice care and improve the quality of all data collected to facilitate the management of the hospice benefit.
 - Additional data could be collected from claims as a condition of payment and from hospice cost reports.

Health Care Reform

- MedPac's recommendations were incorporated into the Senate's version of Health Care Reform
- Market Basket Cuts & Productivity-productivity adjustment reduction into the market basket update beginning in fiscal year 2013, as well as a market basket reduction of .3% from fiscal years 2013 – 2019
- Revision to billing and cost reports by 2011

Health Care Reform Continued

- Implement revisions to the methodology for determining the payment rates for routine home care and other services included in hospice care no earlier than 2013 (based on best available data)
- As of 1/1/2011, hospice physician or NP must have a face to face encounter with all patients at 180 days for recertification, and each recertification thereafter, attest to the visit, and document the clinical basis for recertification

Health Care Reform Continued

- Medical review for certain patients in hospices with longer length of stays.
- Medicare Concurrent Demonstration Project.
- Hospice Value based Purchasing/ Promoting High Value Health Care- Pay 4 Performance.
- Require Quality Measures reporting.
- National Criminal Checks.
- Focus education and research on pain management

Health Care Reform Continued

- Curative care and palliative care for children on Medicaid and CHIP programs.
- Create Independent Payment Advisory Committee (IPAC) to
 - Reduce excessive cost growth.
 - Improve quality of care.

CMS Collecting Hospice Data

- CR 5745- 1/7/08 include location of services on claim.
- CR 5567- 7/1/08 reporting # of visits / week with charges for RN, Aide, SW, MD/DO/NP.
- CR 6115- 1/5/09 identify hospice discharges for cause with new condition code.
- CR6440- 10/5/09 visits reported in 15 minute increments, include some SW calls

CMS Collecting Hospice Data

- CR 6606- 10/1/09 physician narrative on recertification
- CR 6540- 4/1/10 NPI numbers of attending and hospice physician on the notice of election and claim form
- CR 6791- 4/29/10 separate line item for each change in level of care

Why are They Collecting the Data?

How Do We Prepare for the Future

1. Track same data within your agency.
 1. Visit utilization over the length of stay.
 2. Breakdown visits into 15 minute intervals.
 - a) Determine the length of visits at the front and back end of the length of stay and compare to visits in the middle.
 - b) Determine direct cost per visit based on time studies.
 3. Based on Cost Analysis determine cost in beginning and end of episode divide by number of days to determine cost per day.



Hypothetical Examples of U-Shaped Reimbursement

Assumptions for Hypothetical Scenarios:

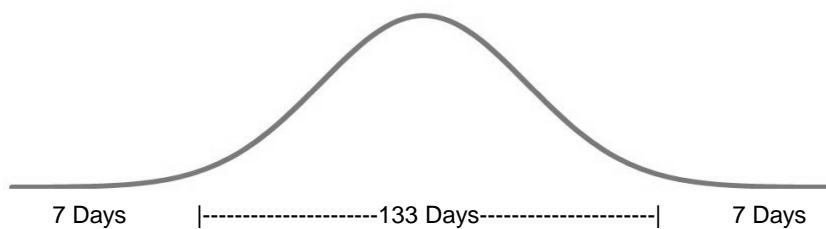
1. Reimbursement
 1. Increased Routine Home Care Rate by 20% for beginning and end of Length of Stay.
 2. Decreased Routine Home Care Rate by 10% for middle of Length of Stay.
2. Costs
 1. Estimated Average Cost Per Visit (based on Cost Report) does not account for time differential.
 2. Cost Per Day for ancillaries based on actual.
3. Utilization of Services based on averages by Diagnosis and Length of Stay.

Case 1: Facts

- Length of stay – 147 days
- Non Cancer Diagnosis
- Visits – 108
- Location of Patient – Home
- Frequency of Visits = .73



Case 1: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 133 Days	Last 7 Days	
RN	2	30	3	35
HHA	0	28	1	29
MSW	1	10	1	12
Music Therapy	0	10	1	11
Chaplain	1	13	1	15
Volunteer	0	5	1	6
TOTAL	4	96	8	108

Case 1: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		133		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	2	\$ 481	30	\$ 7,215	3	\$ 721
HHA	75.56	0	-	28	2,116	1	76
MSW	157.35	1	157	10	1,574	1	157
Music Therapy	190.27	0	-	10	1,903	1	190
Chaplain	104.84	1	105	13	1,363	1	105
Volunteer	72.64	0	-	5	363	1	73
TOTAL		4	\$ 743	96	\$ 14,533	8	\$ 1,322
Cost Per Day		\$ 106.17		\$ 109.27		\$ 188.88	

Case 1: Cost of Service

Skill	First Week	Middle	Last Week
Days	7	133	7
Cost Per Day	\$ 106.17	\$ 109.27	\$ 188.88
Drug Cost Per Day	7.82	7.82	7.82
DME Cost Per Day	6.88	6.88	6.88
Supplies Cost Per Day	2.99	2.99	2.99
TOTAL Cost Per Day	123.86	126.96	206.57
Reimbursement	165.16	123.87	165.16
Gain (Loss) Per Day	41.30	(3.09)	(41.41)
TOTAL GAIN (LOSS) PER PERIOD	289.12	(410.76)	(289.84)
TOTAL		\$ (411.48)	

TOTAL GAIN (LOSS) ON THIS CASE \$ (411.48)

Case 1: Cost of Service

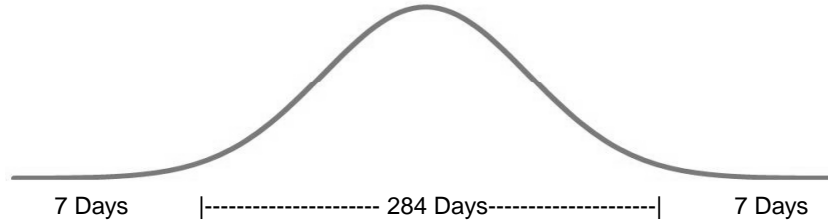
Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		133		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	2	\$ 481	30	\$ 7,215	3	\$ 721
HHA	75.56	0	-	28	2,116	1	76
MSW	157.35	1	157	10	1,574	1	157
Music Therapy	190.27	0	-	10	1,903	1	190
Chaplain	104.84	1	105	13	1,363	1	105
Volunteer	72.64	0	-	5	363	1	73
TOTAL		4	\$ 743	96	\$ 14,533	8	\$ 1,322
Cost Per Day		\$ 106.17		\$ 109.27		\$ 188.88	
Drug Cost Per Day		7.82		7.82		7.82	
DME Cost Per Day		6.88		6.88		6.88	
Supplies Cost Per Day		2.99		2.99		2.99	
TOTAL Cost Per Day		123.86		126.96		206.57	
Reimbursement		165.16		123.87		165.16	
Gain (Loss) Per Day		41.30		(3.09)		(41.41)	
TOTAL GAIN (LOSS) PER PERIOD		289.12		(410.76)		(289.84)	
TOTAL				\$ (411.48)		-2.19%	

Case 2: Facts

- Length of stay – 298 days
- Non Cancer Diagnosis
- Visits – 208
- Location of Patient – Nursing Home
- Frequency of Visits = .70



Case 2: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 284 Days	Last 7 Days	
RN	2	49	3	54
HHA	0	83	1	84
MSW	1	18	1	20
Music Therapy	0	16	0	16
Chaplain	1	22	1	24
Volunteer	0	10	0	10
TOTAL	4	198	6	208

Case 2: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		284		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	2	\$ 481	49	\$ 11,784	3	\$ 721
HHA	75.56	0	-	83	6,271	1	76
MSW	157.35	1	157	18	2,832	1	157
Music Therapy	190.27	0	-	16	3,044	0	-
Chaplain	104.84	1	105	22	2,306	1	105
Volunteer	72.64	0	-	10	726	0	-
TOTAL		4	\$ 743	198	\$ 26,965	6	\$ 1,059
Cost Per Day		\$ 106.17		\$ 94.95		\$ 151.32	

Case 2: Cost of Service

Skill	First Week		Middle		Last Week	
Days	7		284		7	
	Visits	Cost	Visits	Cost	Visits	Cost
Cost Per Day	\$	106.17	\$	94.95	\$	151.32
Drug Cost Per Day		7.82		7.82		7.82
DME Cost Per Day		6.88		6.88		6.88
Supplies Cost Per Day		2.99		2.99		2.99
TOTAL Cost Per Day		123.86		112.64		169.01
Reimbursement		165.16		123.87		165.16
Gain (Loss) Per Day		41.30		11.23		(3.85)
TOTAL GAIN (LOSS) PER PERIOD		289.12		3,190.13		(26.93)
TOTAL			\$	3,452.32		

TOTAL GAIN (LOSS) ON THIS CASE \$ 3,452.32

Case 2: Cost of Service

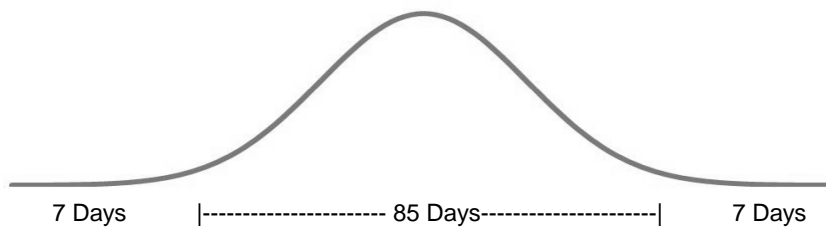
Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		284		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	2	\$ 481	49	\$ 11,784	3	\$ 721
HHA	75.56	0	-	83	6,271	1	76
MSW	157.35	1	157	18	2,832	1	157
Music Therapy	190.27	0	-	16	3,044	0	-
Chaplain	104.84	1	105	22	2,306	1	105
Volunteer	72.64	0	-	10	726	0	-
TOTAL		4	\$ 743	198	\$ 26,965	6	\$ 1,059
Cost Per Day		\$	106.17	\$	94.95	\$	151.32
Drug Cost Per Day			7.82		7.82		7.82
DME Cost Per Day			6.88		6.88		6.88
Supplies Cost Per Day			2.99		2.99		2.99
TOTAL Cost Per Day			123.86		112.64		169.01
Reimbursement			165.16		123.87		165.16
Gain (Loss) Per Day			41.30		11.23		(3.85)
TOTAL GAIN (LOSS) PER PERIOD			289.12		3,190.13		(26.93)
TOTAL				\$	3,452.32		9.21%

Case 3: Facts

- Length of stay – 99 days
- Cancer Diagnosis
- Visits – 86
- Location of Patient – Home
- Frequency of Visits = .87



Case 3: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 85 Days	Last 7 Days	
RN	4	21	3	28
HHA	0	33	2	35
MSW	2	7	1	10
Music Therapy	0	3	1	4
Chaplain	0	7	1	8
Volunteer	0	1	0	1
TOTAL	6	72	8	86

Case 3: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		85		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	4	\$ 962	21	\$ 5,050	3	\$ 721
HHA	75.56	0	-	33	2,493	2	151
MSW	157.35	2	315	7	1,101	1	157
Music Therapy	190.27	0	-	3	571	1	190
Chaplain	104.84	0	-	7	734	1	105
Volunteer	72.64	0	-	1	73	0	-
TOTAL		6	\$ 1,277	72	\$ 10,023	8	\$ 1,325
Cost Per Day		\$ 182.38		\$ 117.91		\$ 189.29	

Case 3: Cost of Service

Skill	First Week	Middle	Last Week
Days	7	85	7
Cost Per Day	\$ 182.38	\$ 117.91	\$ 189.29
Drug Cost Per Day	7.82	7.82	7.82
DME Cost Per Day	6.88	6.88	6.88
Supplies Cost Per Day	2.99	2.99	2.99
TOTAL Cost Per Day	200.07	135.60	206.98
Reimbursement	165.16	123.87	165.16
Gain (Loss) Per Day	(34.91)	(11.73)	(41.82)
TOTAL GAIN (LOSS) PER PERIOD	(244.37)	(997.25)	(292.76)
TOTAL		\$ (1,534.38)	

TOTAL GAIN (LOSS) ON THIS CASE \$ (1,534.38)

Case 3: Cost of Service

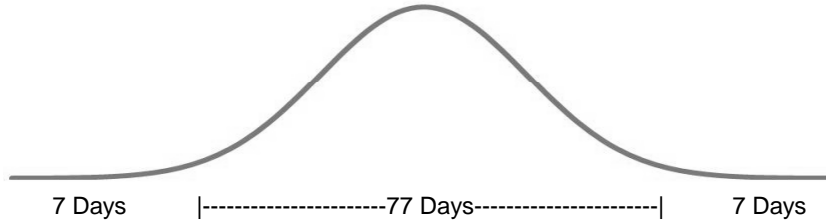
Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		85		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	4	\$ 962	21	\$ 5,050	3	\$ 721
HHA	75.56	0	-	33	2,493	2	151
MSW	157.35	2	315	7	1,101	1	157
Music Therapy	190.27	0	-	3	571	1	190
Chaplain	104.84	0	-	7	734	1	105
Volunteer	72.64	0	-	1	73	0	-
TOTAL		6	\$ 1,277	72	\$ 10,023	8	\$ 1,325
Cost Per Day		\$ 182.38		\$ 117.91		\$ 189.29	
Drug Cost Per Day		7.82		7.82		7.82	
DME Cost Per Day		6.88		6.88		6.88	
Supplies Cost Per Day		2.99		2.99		2.99	
TOTAL Cost Per Day		200.07		135.60		206.98	
Reimbursement		165.16		123.87		165.16	
Gain (Loss) Per Day		(34.91)		(11.73)		(41.82)	
TOTAL GAIN (LOSS) PER PERIOD		(244.37)		(997.25)		(292.76)	
TOTAL				\$ (1,534.38)		-11.95%	

Case 4: Facts

- Length of Stay – 91 days
- Cancer Diagnosis
- Visits – 65
- Location of Patient – Nursing Home
- Frequency of visits = .71



Case 4: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 77 Days	Last 7 Days	
RN	2	19	2	23
HHA	0	25	1	26
MSW	1	4	1	6
Music Therapy	0	3	0	3
Chaplain	0	6	1	7
Volunteer	0	0	0	0
TOTAL	3	57	5	65

Case 4: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		77		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	2	\$ 481	19	\$ 4,569	2	\$ 481
HHA	75.56	0	-	25	1,889	1	76
MSW	157.35	1	157	4	629	1	157
Music Therapy	190.27	0	-	3	571	0	-
Chaplain	104.84	0	-	6	629	1	105
Volunteer	72.64	0	-	0	-	0	-
TOTAL		3	\$ 638	57	\$ 8,288	5	\$ 819
Cost Per Day		\$ 91.19		\$ 107.63		\$ 116.96	

Case 4: Cost of Service

Skill	First Week	Middle	Last Week
Days	7	77	7
Cost Per Day	\$ 91.19	\$ 107.63	\$ 116.96
Drug Cost Per Day	7.82	7.82	7.82
DME Cost Per Day	6.88	6.88	6.88
Supplies Cost Per Day	2.99	2.99	2.99
TOTAL Cost Per Day	108.88	125.32	134.65
Reimbursement	165.16	123.87	165.16
Gain (Loss) Per Day	56.28	(1.45)	30.51
TOTAL GAIN (LOSS) PER PERIOD	393.96	(111.70)	213.56
TOTAL		\$ 495.82	

TOTAL GAIN (LOSS) ON THIS CASE \$ 495.82

Case 4: Cost of Service

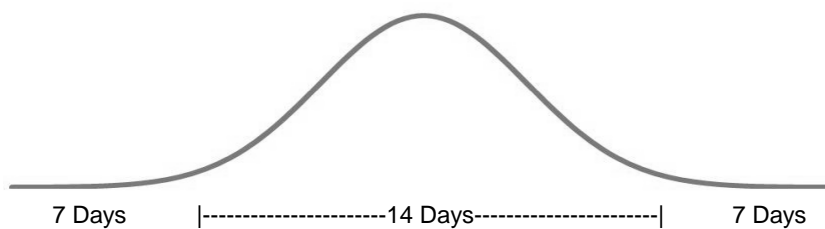
Skill	Fully Loaded	First Week		Middle		Last Week	
		Visits	Cost	Visits	Cost	Visits	Cost
Days		7		77		7	
	Cost Per Visit						
RN	\$ 240.49	2	\$ 481	19	\$ 4,569	2	\$ 481
HHA	75.56	0	-	25	1,889	1	76
MSW	157.35	1	157	4	629	1	157
Music Therapy	190.27	0	-	3	571	0	-
Chaplain	104.84	0	-	6	629	1	105
Volunteer	72.64	0	-	0	-	0	-
TOTAL		3	\$ 638	57	\$ 8,288	5	\$ 819
Cost Per Day		\$ 91.19		\$ 107.63		\$ 116.96	
Drug Cost Per Day		7.82		7.82		7.82	
DME Cost Per Day		6.88		6.88		6.88	
Supplies Cost Per Day		2.99		2.99		2.99	
TOTAL Cost Per Day		108.88		125.32		134.65	
Reimbursement		165.16		123.87		165.16	
Gain (Loss) Per Day		56.28		(1.45)		30.51	
TOTAL GAIN (LOSS) PER PERIOD		393.96		(111.70)		213.56	
TOTAL				\$ 495.82		4.18%	

Case 5: Facts

- Length of Stay – 28 days
- Non Cancer Diagnosis
- Visits- 22
- Location of Patient – Home
- Frequency of Visits = .79



Case 5: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 14 Days	Last 7 Days	
RN	6	3	1	10
HHA	1	1	1	3
MSW	3	1	0	4
Music Therapy	1	1	0	2
Chaplain	2	1	0	3
Volunteer	0	0	0	0
TOTAL	13	7	2	22

Case 5: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		14		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	6	\$ 1,443	3	\$ 721	1	\$ 240
HHA	75.56	1	76	1	76	1	76
MSW	157.35	3	472	1	157	0	-
Music Therapy	190.27	1	190	1	190	0	-
Chaplain	104.84	2	210	1	105	0	-
Volunteer	72.64	0	-	0	-	0	-
TOTAL		13	\$ 2,391	7	\$ 1,249	2	\$ 316
Cost Per Day		\$ 341.50		\$ 89.25		\$ 45.15	

Case 5: Cost of Service

Skill	First Week	Middle	Last Week
Days	7	14	7
Cost Per Day	\$ 341.50	\$ 89.25	\$ 45.15
Drug Cost Per Day	7.82	7.82	7.82
DME Cost Per Day	6.88	6.88	6.88
Supplies Cost Per Day	2.99	2.99	2.99
TOTAL Cost Per Day	359.19	106.94	62.84
Reimbursement	165.16	123.87	165.16
Gain (Loss) Per Day	(194.03)	16.93	102.32
TOTAL GAIN (LOSS) PER PERIOD	(1,358.21)	237.03	716.24
TOTAL		\$ (404.94)	

TOTAL GAIN (LOSS) ON THIS CASE \$ (404.94)

Case 5: Cost of Service

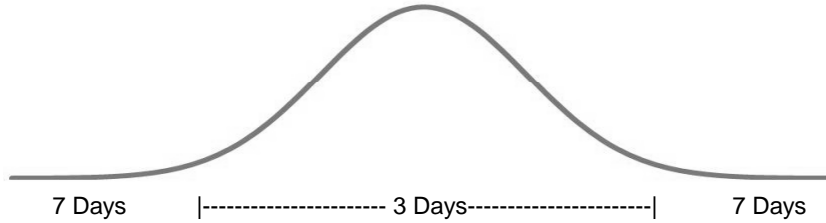
Skill	Fully Loaded	First Week		Middle		Last Week	
		Days	7	7	14	7	7
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	6	\$ 1,443	3	\$ 721	1	\$ 240
HHA	75.56	1	76	1	76	1	76
MSW	157.35	3	472	1	157	0	-
Music Therapy	190.27	1	190	1	190	0	-
Chaplain	104.84	2	210	1	105	0	-
Volunteer	72.64	0	-	0	-	0	-
TOTAL		13	\$ 2,391	7	\$ 1,249	2	\$ 316
Cost Per Day			\$ 341.50		\$ 89.25		\$ 45.15
Drug Cost Per Day			7.82		7.82		7.82
DME Cost Per Day			6.88		6.88		6.88
Supplies Cost Per Day			2.99		2.99		2.99
TOTAL Cost Per Day			359.19		106.94		62.84
Reimbursement			165.16		123.87		165.16
Gain (Loss) Per Day			(194.03)		16.93		102.32
TOTAL GAIN (LOSS) PER PERIOD			(1,358.21)		237.03		716.24
TOTAL					\$ (404.94)		-10.01%

Case 6: Facts

- Length of stay – 17 days
- Non Cancer Diagnosis
- Visit – 10
- Location of Patient – Nursing Home
- Frequency of visits = .59



Case 6: Utilization of Services



Skilled Service	Visits			TOTAL
	First 7 Days	Next 3 Days	Last 7 Days	
RN	3	2	1	6
HHA	0	1	0	1
MSW	2	0	0	2
Music Therapy	0	0	0	0
Chaplain	1	0	0	1
Volunteer	0	0	0	0
TOTAL	6	3	1	10

Case 6: Cost of Service

Skill		First Week		Middle		Last Week	
Days	Fully Loaded	7		3		7	
	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	3	\$ 721	2	\$ 481	1	\$ 240
HHA	75.56	0	-	1	76	0	-
MSW	157.35	2	315	0	-	0	-
Music Therapy	190.27	0	-	0	-	0	-
Chaplain	104.84	1	105	0	-	0	-
Volunteer	72.64	0	-	0	-	0	-
TOTAL		6	\$ 1,141	3	\$ 557	1	\$ 240
Cost Per Day		\$ 163.00		\$ 185.51		\$ 34.36	

Case 6: Cost of Service

Skill	First Week	Middle	Last Week
Days	7	3	7
Cost Per Day	\$ 163.00	\$ 185.51	\$ 34.36
Drug Cost Per Day	7.82	7.82	7.82
DME Cost Per Day	6.88	6.88	6.88
Supplies Cost Per Day	2.99	2.99	2.99
TOTAL Cost Per Day	180.69	203.20	52.05
Reimbursement	165.16	123.87	165.16
Gain (Loss) Per Day	(15.53)	(79.33)	113.11
TOTAL GAIN (LOSS) PER PERIOD	(108.72)	(238.00)	791.80
TOTAL		\$ 445.08	

TOTAL GAIN (LOSS) ON THIS CASE \$ 445.08

Case 6: Cost of Service

Skill	Fully Loaded	First Week		Middle		Last Week	
		7		3		7	
Days	Cost Per Visit	Visits	Cost	Visits	Cost	Visits	Cost
RN	\$ 240.49	3	\$ 721	2	\$ 481	1	\$ 240
HHA	75.56	0	-	1	76	0	-
MSW	157.35	2	315	0	-	0	-
Music Therapy	190.27	0	-	0	-	0	-
Chaplain	104.84	1	105	0	-	0	-
Volunteer	72.64	0	-	0	-	0	-
TOTAL		6	\$ 1,141	3	\$ 557	1	\$ 240
Cost Per Day		\$ 163.00		\$ 185.51		\$ 34.36	
Drug Cost Per Day		7.82		7.82		7.82	
DME Cost Per Day		6.88		6.88		6.88	
Supplies Cost Per Day		2.99		2.99		2.99	
TOTAL Cost Per Day		180.69		203.20		52.05	
Reimbursement		165.16		123.87		165.16	
Gain (Loss) Per Day		(15.53)		(79.33)		113.11	
TOTAL GAIN (LOSS) PER PERIOD		(108.72)		(238.00)		791.80	
TOTAL				\$ 445.08		16.58%	

Summary of Hypothetical Cases

Over 60 Day Length of Stay: Non Cancer	Gain (Loss) on Case	Margins
Home	\$ (411.48)	-2.19%
Nursing Home	\$ 3,452.32	9.21%
Over 60 Day Length of Stay: Cancer	Gain (Loss) on Case	Margins
Home	\$ (1,534.38)	-11.95%
Nursing Home	\$ 495.82	4.18%
Under 30 Day Length of Stay: Non Cancer	Gain (Loss) on Case	Margins
Home	\$ (404.94)	-10.01%
Nursing Home	\$ 445.08	16.58%

Reimbursement Comparison

Routine Home Care Base Rate: \$137.63

Case	Days	Current	Hypothetical	Variance
Case 1	147	\$ 20,231.61	\$ 18,786.50	\$ (1,445.11)
Case 2	298	41,013.74	37,490.41	(3,523.33)
Case 3	99	13,625.37	12,840.88	(784.49)
Case 4	91	12,524.33	11,849.94	(674.39)
Case 5	28	3,853.64	4,046.32	192.68
Case 6	17	2,339.71	2,683.79	344.08

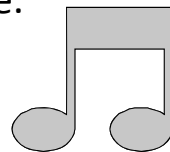
Questions that need to be addressed

1. Why am I losing money on all my patients that are at Home?
 - Cost per visit High
 - Caseload per discipline of service
 - Productivity
 - Transportation Costs
 - Indirect Costs
2. Need to compare analysis by diagnosis.



Questions that need to be addressed

3. Need to look at mix of services over the length of stay
4. Need to look at frequency of visits.
5. Need to look at additional funding for support services, i.e.
 - Music Therapy
 - Art Therapy
 - Chaplains services



Questions that need to be addressed

- Length of visits vs. frequency of visits
- Total cost for services
- Quality outcomes based on site of care, level of care, diagnosis
- Compare and contract services in facilities vs. at home
- Compare by diagnosis and by site
- Margin from operations, total margin

QUESTIONS?