

Thriving in an Alternate Payment Environment

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PARAGON
REHABILITATION

Objectives

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Participants will:

- Develop an understanding about alternative payment relationships.
- Better understand the benefit of clinical niches.
- Develop ideas and resources for specialties.
- Learn ways to create community groups.
- Identify and utilize data and outcomes.
- Determine the role of the SLP within alternative payment models.

Traditional Payment Systems

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- Four main types (in SNF)
 1. Private Pay
 Third Party Payers:
 2. Medicare
 3. Medicaid
 4. Private Insurance

Medicare A

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- Has four parts: A, B, C, D
- U.S. government sponsored healthcare program
- Overseen by Centers for Medicaid and Medicare Services (CMS)
- Covers seniors age 65+ who have paid taxes to Medicare (and some younger due to disabilities)

Medicare A

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- Prospective payment system based on predetermined, fixed amount.
- RUGs continue to rule in SNF.
Payment reconciliation later. May impact hospital reimbursement.

Medicare

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- Specific Requirements:
 - Patient is under the care of a physician and requires skilled nursing and/or therapy services as demonstrated by a physician-signed order for service and physician signature on the therapy plan of care (POC).

Medicare



- Specific Requirements:
 - Services provided must be reasonable and necessary and be provided at a level of complexity that requires a qualified professional to carry out safe and effective care.

Medicare A



- Special Requirements:
 - Qualifying diagnosis
 - Receives an official order of the need for two or more midnights of inpatient hospital admission.

Medicare B



- U.S. government sponsored healthcare program
- Overseen by Centers for Medicaid and Medicare Services (CMS)
- Voluntary program
- Covers ambulance services, durable medical equipment, mental health services, and out-patient therapy services.

Medicare B



- Retrospective payment system
- Based on a fee schedule
- Includes a cap and exceptions process to control costs
- Similar requirements for skilled care
- The most strict requirements for documentation (and often the standard for most companies)

Medicaid



- Provides free or low cost care for those who qualify.
- Retrospective payment system
- May require pre-authorization
- May limit treatment visits

Private Insurance



- Most are managed care plans
- Typically follow CMS guidelines, may have more of their own
- May require pre-authorization
- May limit services

Winds of Change PARAGON REHABILITATION

- In the recent past there was a mix of with a patients with various pay types.



Winds of Change PARAGON REHABILITATION

- We are experiencing a transition to alternative payment models.
- Also known as
 - Value Based Payment
 - Quality Payment Programs

When the winds of change blow, some people build walls and others build windmills.
-Chinese proverb

Alternative Payment Systems PARAGON REHABILITATION

Why?

- CMS is trying to reduce costs by tying reimbursement to value over volume.
- Moving toward rewarding quality services rather than quantity.

Alternative Payment Systems PARAGON REHABILITATION

Why?

- In 2013 \$90 billion paid to 950,000 providers
- In 2010 \$48 billion spent on improper payments attributable to Medicare fee-for-service programs.

Alternative Payment Systems PARAGON REHABILITATION

Better Care

+

Smarter Spending

=

Successful Healthcare

Alternative Payment Systems PARAGON REHABILITATION

<u>Old</u>	<u>New</u>
➤ Separate payments	➤ Bundled payments
➤ Minimal coordination	➤ Increased Coordination
➤ Wasteful Spending	➤ Smarter Spending
➤ Fragmented care	➤ Improved care

Alternative Payment Systems




Alternative Payment Systems



- There are several different types
- For our purposes:
 - Bundled Payment Care Initiative (BPCI)
 - Comprehensive Care for Joint Replacement (CJR)

BPCI



- Voluntary
- Closed to additional participants
- Can cover many diagnosis and episode lengths
- Providers often utilize conveners to manage
- Target Price/Retrospective Payment/Shared Savings

CJR



- Began April 1, 2016
- Mandatory for hospitals in 67 Metropolitan areas
- Target Price/Hospitals may gain share or be penalized for variance to cost objective
- Episode includes all services during surgery, hospitalization and 90 days after hospital discharge

Alternative Payment Systems



- So far so good:
 - Reports indicate that BPCI has saved more than \$120 million
- New additions with orthopedic care and updates to CJR are coming along with Cardiac Rehabilitation Incentive model (October 2017)

Basic Hierarchy



- \$\$\$\$ Hospital
- \$\$\$ SNF
- \$\$ Home Health
- \$ Out-patient

Opportunity PARAGON
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Role of the SLP PARAGON
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- Gaining opportunities to promote and demonstrate the value of speech, language, cognition, hearing, and swallowing services.
- Slight shift in our thinking and need for creative collaboration.

Types of Patients PARAGON
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- On one side:
 - Shorter LOS
 - Higher acuity
 - Wellness focus (even “Pre-hab for PT)
 - Increase in short-term/rehab to home

Types of patients PARAGON
REHABILITATION

- On the other side:
 - More complexity
 - Medical fragility
 - Possible long-term or alternate placement
 - Decrease in short-term, rehab to home
 - Rehabilitative versus Maintenance

Opportunity PARAGON
REHABILITATION

- The Big Picture
 - Campus-wide Specialties
 - Community Resources
 - Support Groups
 - Clinical Pathways

Opportunity PARAGON
REHABILITATION

Community Outreach:

- Resource classes
- Exercise classes
- Support Groups

Opportunity PARAGON
REHABILITATION

- Clinical Niches or Specialties:
 - Fill a need in a market or area
 - Separation from competitors
 - Expert/Public Resource
 - Build referral base (census stability)
 - Patient and Employee Satisfaction

Opportunity PARAGON
REHABILITATION

- Ideas for Niches
 - Parkinson's Disease
 - Stoke
 - Dementia
 - TBI
 - Outpatient
 - (Women's Health, Ortho)

Opportunity PARAGON
REHABILITATION

- Putting it all together
 - Parkinson's Example:
 - BIG & LOUD Therapy
 - Exercise Groups
 - Support Group for Care Partners
 - Education Series (meds, AAC, home safety)

Data and Outcomes PARAGON
REHABILITATION

Key Metrics to promote outcomes:

- LOS
- Recidivism
- 5-Start Rating Score
- Average SNF Episode Cost
- Clinical Certifications and Pathways

Role of the SLP PARAGON
REHABILITATION





Role of the SLP PARAGON
REHABILITATION

- More specifically:
 - Cognition
 - Voice
 - Swallowing
 - GERD

Role of the SLP PARAGON
REHABILITATION

- Post-operative Cognitive Disorder (POCD)
 - Has been reported for over a century
 - Potential neurotoxicity due to
 - Losses in cerebral reserve
 - Permeability of blood-brain barrier
 - Slower drug elimination rates

Role of the SLP PARAGON
REHABILITATION

- POCD
 - Establish a baseline
 - Educate care partners
 - Functional strategies
 - Focus on safety

Role of the SLP PARAGON
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- SNF Cardiac Care Model
 - Two million Americans are affected very year with cardiac events: MI, heart failure, intracoronary artery procedures
 - Over half are age 65+
 - Advances in treatment result in survival of older and sicker patients

Role of the SLP PARAGON
REHABILITATION

- SNF Cardiac Care Model
 - Success depends on:
 - Illness Severity
 - Cognitive Status
 - Physical Function
 - Depression
 - Pain
 - Complications
 - Comorbidity
 - Social Support

Role of the SLP PARAGON
REHABILITATION

- SNF Cardiac Care Model
 - Basics of Care:
 - Exercise
 - Education
 - Other Considerations:
 - Voice
 - Swallowing

Role of the SLP PARAGON
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- Swallowing: Doing what we know.
- Reflux: Education and advocating.

Role of SLP



• Conclusion

- Alternative Payment Systems are here to stay
- Opportunities to navigate the changes
- Grow, lean, utilize our skills
- Positive Communication Partner and Promoter

Thank you for all you do!

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