

Getting Ready for 2010

By Stephen Tweed, CSP

Just after Labor Day, I was working in New Jersey, and had the opportunity to go up to New York City to see a Broadway show, and to attend the U. S. Open Tennis tournament. Elizabeth and I took the subway out to Flushing Meadows to the Billie Jean King Tennis Center and Arthur Ashe Stadium. We had the opportunity to see Serena Williams play Flavia Pennetta of Italy, and we saw Rafael Nadal of Spain play Gael Monfils from France. I was in awe as I watched Nadal stretch up and hit a 150 mile per hour serve to Monfils. I was even more amazed when he returned the serve.

Sometimes as a home health care, hospice, or private duty home care executive, you feel like a novice tennis player standing out on base line with a ping pong paddle trying to return 150 mph serves from the world's leading tennis stars. It can be overwhelming.

There's just so much change coming at you so fast that you wonder if you can make any difference at all. I'm writing to you today to encourage you to step up to the line, keep your eye on the ball, and follow through.

Let's take a look at some of the things that are coming your way in 2010 and what you, as a leader, can do to grow your business and get ready for the future.

Healthcare Reform

By the time you read this, we still won't know exactly what the healthcare reform legislation will look like. Here are a couple of things you can count on:

1. There will be some kind of healthcare reform legislation.

Given all of the pressure by the President and Congress to reform healthcare, there **WILL** be some type of legislation. Exactly what remains of the Bill that is currently being discussed is unclear, but there are lots of hidden details that we need to uncover and try to understand.

2. The focus will be on providing coverage for the uninsured.

While it is being called "healthcare reform," it is really "health insurance reform." The focus is on providing coverage for the uninsured and under insured. Most people that I talk with agree that this is a good thing. The questions are, "how to do it?" And "how to pay for it?"

3. Money will come out of your pocket to pay for reform

As an executive of a home health agency, you can be sure that you will help pay for this reform in some way. First, you'll pay through your personal taxes or through increased cost of goods and services produced by those who will pay more taxes. Second, you'll pay through changes in reimbursement from Medicare and Medicaid that will be diverted from providing home health and hospice to other purposes. The government is already talking about the big savings they plan to wring out of Medicare.

4. Government regulation on home health care will increase as a result of reform

In home health care, we already spend a great deal of time, talent, and treasure dealing with government regulation in order to participate in the Medicare and Medicaid programs. Based on the provisions of the current bill that I have read and heard discussed, we can expect more regulation of home health services and other healthcare.

5. You can and will survive these changes if you get ready now

Over the past 27 years of working in home health care, I've observed that we are a very resilient industry. We've survived many ups and downs and cross ways crises. We'll survive this one too. That doesn't mean it will be easy, and some individual agencies will go out of business as a result of the changes.

The agencies that survive and prosper as a result of this reform process will be those that are getting ready now. As you go through your process of being accredited and renewing your accreditation, pay particular attention to those areas that will help your agency learn, grow, and adapt to change. You have a great resource at **ACHC** that can help you adapt to the changes brought about by healthcare reform. Your accrediting commission will be very helpful in preparing your agency for whatever will come. Let's look at some other changes coming your way.

OASIS-C

The Centers for Medicare and Medicaid Services (CMS) received OMB approval of the OASIS-C data set on 7/27/2009. OASIS-C is a modification to the Outcome and Assessment Information Set (OASIS) that Home Health Agencies (HHAs) must collect in order to participate in the Medicare program. Implementation of OASIS-C, OMB #0938-0760, is required effective January 1, 2010.

final details of the implementation and training are still being finalized at CMS and should be coming out about the time you read this article.

CAHPS

The Consumer Assessment of Healthcare Providers and Systems (CAHPS) program develops and supports the use of a comprehensive and evolving family of standardized surveys that ask consumers and patients to report on and evaluate their experiences with health care. These surveys cover topics that are important to consumers, such as the communication skills of providers and the accessibility of services. CAHPS originally stood for the Consumer Assessment of Health Plans Study, but as the products have evolved beyond health plans, the name has evolved as well to capture the full range of survey products and tools.

The Centers for Medicare & Medicaid Services (CMS) posted the “Home Health Prospective Payment System Rate Update for Calendar Year” in the Aug. 6 *Federal Register* . One significant new requirement proposed in this notice is the Home Health Consumer Assessment of Healthcare Providers and Systems (HHCAHPS) patient perception of care survey.

To collect and submit HHCAHPS data to CMS, Medicare-certified agencies will need to contract with an approved HHCAHPS survey vendor. CMS invited interested vendors to apply to become approved HHCAHPS vendors. CMS proposed that beginning in the first quarter of 2010, all Medicare-certified HHAs shall begin to collect the CAHPS in accordance with the Protocols and Guidelines Manual located on the HHCAHPS website.

HIPAA 5010 and ICD - 10

On January 16, 2009, HHS published two final rules to adopt updated HIPAA standards. In one rule, HHS is adopting X12 Version 5010 and NCPDP Version D.0 standards for HIPAA electronic transactions. In a separate final rule, HHS modifies the standard medical data code sets for coding diagnoses and inpatient hospital procedures by concurrently adopting the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) for diagnosis coding.

The implementation date for HIPAA 5010 is January 1, 2013, and the implementation for ICD-10 is October 1, 2013. Although we have some time before these changes take effect, the time will go by very quickly.

HIPAA Breach Notification

New regulations requiring health care providers, health plans, and other entities covered by the Health Insurance Portability and Accountability Act (HIPAA) to notify individuals when their health information is breached were issued by the U.S. Department of Health and Human Services (HHS). These “breach notification” regulations implement provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act, passed as part of

American Recovery and Reinvestment Act of 2009 (ARRA). Home health agencies and hospices that store private health information of their patients will need to have in place a policy and procedure to notify the individuals and HHS if this private information is lost or stolen.

Increasing Competition

Along with all of the changes coming your way as a result of government regulation, you are also facing more competition in the marketplace. The number of Medicare Certified Home Health Agencies continues to increase. As of January 30, 2009, there were 9,824 certified home health agencies. Between 2000 and 2007, the number of hospices has increased from 2300 to 3200, and we believe there are 15,000 private duty home care companies in America. That's a lot of competition.

We've also seen an increase in Medicare fraud, and unethical sales and marketing practices as home health agencies, hospices, and private duty home care companies compete. It's becoming more and more difficult to differentiate your agency from all of the others, and to create competitive advantage in your marketplace.

Fraud and Abuse

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 released in March of 2009 says.

Last year, Medicare spent about \$16.5 billion on home care for the services reviewed by the GAO out of a total budget of \$455 billion.

The study recommends that the Centers for Medicare & Medicaid Services (CMS) consider criminal background checks on home health operators and draft new rules to remove problem providers more easily.

Get Your Agency Ready for 2010

As executives of highly effective home care companies, all of these changes may seem overwhelming and feel like 150 mph tennis serves. There are several things you can do right now to address these changes and get your organizations ready for the future:

1. **Continue to study** the information coming out of Washington and Austin.
2. **Stay involved** - or get involved - in your state and national home care associations.
3. **Keep your executive team involved** in discussing the issues

4. **Develop a clear vision** for your agency - a clear mental picture of your desired future.
5. **Focus on growth** - now is the time to gain market share so you're positioned for the fallout that may come.
6. **Train your sales and marketing team** to bring in more referrals that turn into admissions.
7. **Develop your middle managers** so they have the knowledge and skills to adapt to change and so they see the bigger picture of what's going on in home care and hospice.
8. **Communicate with all of your employees** about how changes will affect them personally.
9. **Be an encourager** - your people need you to lead them from a position of strength.
10. **Continue to measure results** and give feedback to your management team.

If you consider these five elements of healthcare reform that are certain, if you explore the details of the other changes coming your way, and if you pay attention to the ten tips listed above, I predict that you will be well prepared to adapt to whatever happens in the coming year. Best wishes, and enjoy the journey!

About the Author. Stephen Tweed, CSP, is chairman and CEO of **Leading Home Care ... a Tweed Jeffries company** based in Louisville, Kentucky. For the past 27 years, he has worked with home health agencies, hospices, and private duty home care companies that want to grow their businesses, and with home health and hospice leaders who want to get ready for the future. He can be reached at www.leadinghomecare.com or www.privatedutytoday.com

© 2009 Stephen C. Tweed. Printed by ACHC with Permission