

Homefront

THE NEWSLETTER OF THE HOME CARE ASSOCIATION OF NEW HAMPSHIRE

Spring 2008



Adapting to the Changing Environment

A LOOK AT WHAT HOME HEALTH AGENCIES ACROSS THE STATE ARE DOING TO ADDRESS THE NEW CHALLENGES IN HEALTH CARE

MARY SCHISSEL, RN, AT ONE OF CONNECTICUT VALLEY HOME CARE'S POPULAR WEEKLY FOOT CLINICS.

As the rising costs of gasoline, wages, and insurance continue to challenge home care providers, at the same time Medicare and Medicaid reimbursements are static or facing cut-backs, agencies have been finding new ways to continue fulfilling their community missions.

Below is a look at what some agencies are doing across the state to adapt to funding limitations, address new community needs and an aging population, and create innovations in home health services.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES

Strong Funding Opportunities

Home Healthcare, Hospice & Community Services has had tremendous success the past few years securing grant money for

projects, such as converting to electronic medical records and telemonitoring and disease management. "Grants are generally awarded to fund special projects or innovations as opposed to general operational funds," states Steve Curtin, director of development for the Keene-based agency. "So, we have targeted initiatives that do two things. First, the initiative fills an ongoing objective to provide comfort, care, and support to people at home, and secondly, it looks at doing so in a new and better way."

Bigger projects that create efficiencies for home health agencies and ultimately help deliver better care to patients appeal to federal as well as private foundations. "Grants allow us to execute new initiatives without using reserve funds, and as a result we're able to implement them more robustly."

• SEE THE BOX ON PG 3 FOR STEVE'S SUGGESTIONS ON GRANT SOURCES

CONNECTICUT VALLEY HOME CARE & HOSPICE

Being Part of a Continuum of Care

The Connecticut Valley community is small, with access to care sometimes difficult due to geography and demographics. The community philosophy is to develop a continuum of care. By working as a department of Valley Regional Hospital, Connecticut Valley Home Care & Hospice has been able to expand its role in the community.

Elaine Bussey, director of Connecticut Valley Home Care & Hospice, explains, "Our working relationship with the hospital strengthens our

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Wage Index Reform

“Recruitment and retention of skilled clinicians may be the single most important challenge in home care today. Home care’s ability to compete in the healthcare labor market is critical.” *Linda Hotchkiss, Rochester District VNA*

Salaries and benefits make up more than 75 percent of a home health agency's cost, so fair consideration of those costs in rate-setting is essential. Payments to Medicare providers, including hospitals and home health agencies, are adjusted to reflect wage differences in different localities, using a factor known as the “wage index.” However, the wage index can be quite volatile from year to year, making fiscal planning difficult. Furthermore, the wage index applied to a hospital is generally significantly higher than

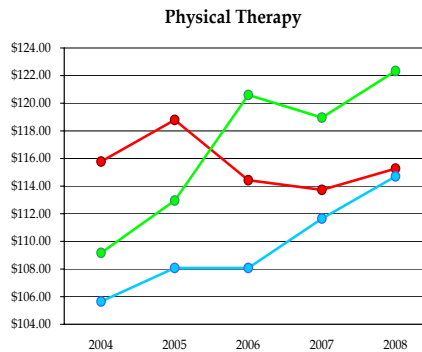
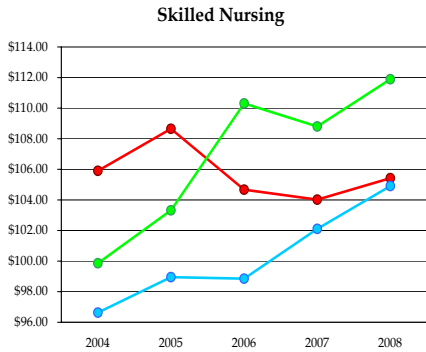
that applied to home health in the same community, hampering the home health agency's competitive position in the labor market [\(see chart.\)](#)

A change in Medicare wage index calculations in 2004 has resulted in a precipitous decline in the wage index applied to Medicare home health payment rates in New Hampshire's four southernmost counties: Rockingham, Strafford, Hillsborough and Merrimack. (The rest of the state is considered rural, and is actually

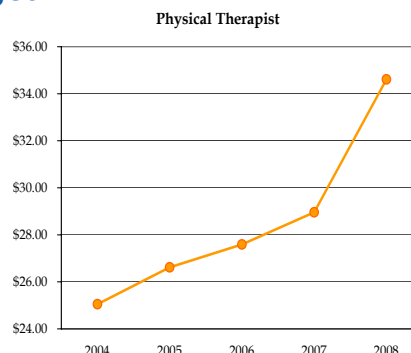
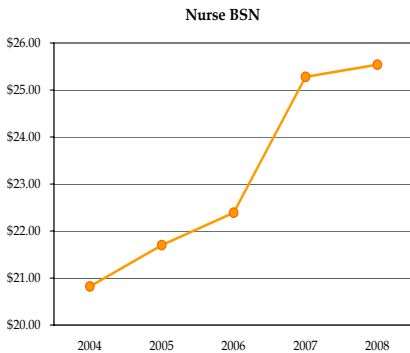
subject to a higher wage index, even though wages are generally lower in those counties.) Granite State Home Health Association (GSHHA) has been advocating for a change in the policy for several years, and is promoting a “reassignment” of the non-rural New Hampshire counties to the rural NH wage index.

GSHHA is seeking the support of the New Hampshire Delegation to include the correction in pending Medicare legislation, so that the inequity of the present system will be reversed in 2009. The proposal also will affect areas in Massachusetts, Connecticut and Vermont. 🌐

Medicare Visit Rates



NH Hourly Wages



The growing importance of the healthcare sector

of the economy and the growing demands of an aging population are undisputed. Yet many home health care providers here and around the country continue to struggle to meet the rising costs of gasoline, wages and insurance, at the same time Medicare and Medicaid reimbursements rates are stagnant or at risk of reduction.

In 2008, home care providers will continue to face challenges in their efforts to provide care to New Hampshire's citizens where they want to receive it—in their homes. The challenges are not new and relief does not appear to be around the corner. So in this issue of Homefront, we are going to look at

Executive Director's Note

ways some home health agencies across the state are adapting to funding limitations, addressing new community needs and an aging population, and creating innovations in home health services.

Also, in this issue we will report on Medicare home health reimbursement, and take a close look at the positive impact our member agencies have on the state of New Hampshire. 🌐

Susan Young, Executive Director
Home Care Association of New Hampshire

Adapting to a Changing Environment

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position in the community by allowing us to implement a variety of clinical and educational initiatives involving geriatric and rehabilitative care, as well as an Adult Day Care Center, community clinics on health issues, and we have been able to meet the challenges of our medically underserved population through telehealth and disease management services." The hospital-based agency benefits from shared expenses and overhead, resulting in efficiencies that are important given rising costs and federal cut-backs. They also enjoy access to capital for investments like telehealth.

"Once a patient is discharged from the hospital," adds Bussey, "home care steps in to help the patient manage at home and involve them in their care through telehealth and disease management services, which in turn helps keep patients from returning to the emergency room."

THE HOMEMAKERS HEALTH SERVICES

Working Caregiver Solutions

The Homemakers Health Services started a program called Working Caregiver Solutions. Recognizing that working caregivers take off a lot of time from work to care for an elderly parent or a disabled child, Working Caregiver Solutions provides valuable information to both employers and employees on how to manage career and family obligations.

"Often, employers don't realize what an employee does everyday, putting in eight hours at work and then going home to care for a family member," states René Philpott, community relations manager for the Rochester agency.

Working Caregiver Solutions provides employers with information on an array of medical and supportive services that assist the employed caregiver with the daily tasks of caring for a family member. The goal of the program is to assist employees in navigating a very complex healthcare system and to make it easier for them to access the information that they need to reclaim part of their lives. Free packets of information are distributed to employers throughout Strafford County so that they can integrate Working Caregiver Solutions into their Employee Assistance programs.

"We have received some referrals through the program, but more importantly we have become a valued community resource for area employers and family

caregivers that are trying to manage it all," adds Philpott. "For some, it's just knowing where to go and Working Caregiver Solutions is a start."

LIVING AT HOME SENIORCARE

Personal Medication System

When Living at Home SeniorCare owner, Frank Belfsky, received a call from a home health aide that her client was listless due to an overdose of a prescription drug, it became clear that current tools for medication management were not working. While traditional pill boxes help organize medications, they don't remind people to take their medications, nor do most provide any level of security to prevent under- and over-dosing.

"Many of our clients and their caregivers are grappling with having to dispense and remember to take a complex regime of medications, both prescription and non-prescription," said Belfsky. "Even for folks completely competent, managing medications can be challenging; add to the mix memory issues or dementia and you have a prescription for disaster. When I heard about a medication management system called the Personal Medication System (MD.2), I was intrigued."

As it turned out, the MD.2 is manufactured, warehoused, and supported here in New Hampshire. "One of the features we like about the MD.2 is it makes it easy for seniors to dispense and remember to take their medications."

Living at Home SeniorCare distributes the MD.2 to its home care patients and to the general public. The MD.2 has also been recently approved for Medicaid HCBC clients and is now providing medication reminders to more than a dozen homebound patients in New Hampshire. "It has proven to be a wonderful tool in promoting medication compliance and peace-of-mind to family caregivers," adds Belfsky.



HOME CARE CLIENT TAMMY JORDAN
ALSO ATTENDS CT. VALLEY'S ADULT
DAY CARE PROGRAM.

GRANT FUNDING OPPORTUNITIES

Steve Curtin from Home Healthcare, Hospice & Community Services in Keene has these suggestions for researching health care grant opportunities:

New Hampshire Charitable Foundation: www.nhcf.org

U.S. Department of Health & Human Services:
www.hrsa.gov/grants/default.htm

Jane's Trust (Boston): www.hembar.com/selectsrv/janes/

Jesse B. Cox Charitable Trust (Boston):
www.hembar.com/selectsrv/jbcox/cox.html

Cogswell Benevolent Trust (Manchester):
www.tgci.com/funding/fanresultnew.asp?thisID=4282

2009 Budget Resolutions Exclude President's Proposed Medicare and Medicaid Funding Reductions

The U.S. House and the Senate voted in mid-March to approve fiscal year 2009 budget resolutions that exclude the Medicare and Medicaid funding reductions proposed by the Bush Administration. Bush's proposal would have cut Medicare home health payments by \$11.03 billion over five years by freezing Medicare payment rates for home health at current levels through 2013.

While the President can't veto whatever budget plan Congress eventually approves, he may reject the subsequent tax and appropriations bills needed to implement it. Bush has threatened to reject any bills that raise taxes or increase spending by more than he proposed in his February budget request.

Home health has already sustained major cuts through regulatory action. Home health payments were reduced by 2.75 percent in 2008, and are scheduled for a 2.75 percent cut in 2009 and 2010, and a 2.71 percent cut in 2011 — a reduction of \$7.59 billion in home health payments over the next five years.

A Senate letter, signed by Sen. Susan Collins (R-ME) and others, urges support for a full market basket inflation update for home health and hospice payments and opposes any cuts in payment rates through administrative actions. The letter states, given rising transportation costs, the use of new and more costly technology and telehealth, and ever-increasing costs for skilled nurses and therapists, these

cuts would place the quality and availability of home health and hospice services at risk. Senator Sununu added his support to this message during the budget negotiations late last year.

"The Medicare home health benefit has already taken a larger hit in spending cuts over the past 10 years than any other Medicare benefit," Collins said. "In fact, home care, as a share of Medicare spending, has dropped from 8.7 percent in 1997 to only 3.2 percent today. And it's projected to decline to just 2.6 percent of Medicare spending in 2015," she said.

Lawmakers probably won't take up a compromise plan, which would set the rules of this year's fiscal policy debate on Capitol Hill, until April.

Did you know...?

In 2007, Home Care Association of New Hampshire members:



- Traveled more than **9 million miles** to service New Hampshire residents in their homes
- Performed **1.275 million home visits**
- Cared for **36,000 New Hampshire residents**
- Engaged **2,700 volunteers**, including Board members of non-profit agencies
- Employed more than **5,000 workers**
- Showed combined New Hampshire net patient service revenue for home health services of more than **\$130 million**

Medicare represents about half of the annual revenue, with Medicaid, private insurance, managed care and private pay making up the remainder. HCANH members are truly important contributors to the state's workforce and economy, as well as our healthcare system.



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