

# No Place Like Home

JANUARY 2011



An Information  
Guide To Home  
Healthcare In  
New Hampshire

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*The Home Care Association of New Hampshire (HCANH) was formed in 1974 to support the delivery of quality home healthcare services in New Hampshire and to promote public awareness of this essential component of our healthcare system. Members of HCANH include the state’s VNAs (visiting nurse associations) and hospital-affiliated home care agencies, as well as other not-for-profit and proprietary agencies licensed to provide home health services in New Hampshire.*

*Granite State Home Health Association (GSHHA), the government relations affiliate of HCANH, was formed in 1997 to conduct legislative and regulatory advocacy activities on behalf of providers, caregivers and consumers of home health services.*

## Message From The Director

### The goal of all home health services

is to support the health and independence of individuals and to complement the work of family caregivers. The ability of home health agencies to deliver on this promise is directly related to the work of our elected officials. It is you who create the business environment for healthcare providers, as you grapple with issues ranging from the state budget to labor laws to the regulation of healthcare facilities.

This Guide is intended to introduce policymakers to home health care in New Hampshire—how it’s delivered, who relies on home care, and how home care is funded. In addition to these basics, we’ll outline some of the current challenges facing licensed home health organizations, including reimbursement, maintaining a quality workforce, and employing new technologies to help reduce costs and improve healthcare outcomes.

For further information about home care in New Hampshire, please feel free to call me or any of our members (see the contact list on the back page of the Guide). We look forward to working with you in the months and years to come.

Susan Young  
 Executive Director  
 Home Care Association of New Hampshire




# What Is Home Care?

There's no place like home! That's why most people want to stay at home as they age or when they are recovering from illness or injury. Often, however, people need help to remain at home, particularly when they need more care than can be provided solely by family and friends or when obtaining services outside of the home is difficult due to physical limitations, transportation challenges, or other barriers to care.

“Home care” is a generic term that has come to encompass a wide range of health and social supports. Home health care services are provided by healthcare professionals or paraprofessionals in a person’s own home, whether the home is an independent residence or an assisted living facility or other type of residence that serves as the person’s home. Home health providers assist individuals of all ages with acute care needs, such as those recovering from a hospital stay, newly diagnosed with a chronic care condition, or dealing with exacerbation of an existing condition. Home care agencies also assist individuals with long term care needs, such as those leaving a nursing home or those who choose to live independently in their communities, but need support from visiting nurses, home health aides, and other direct care workers in order to do so safely.

As part of the healthcare and long-term care continuum, home care agencies work closely with other providers to obtain and coordinate needed services, including transportation, home-delivered meals, and adult day services.

In accordance with RSA 151, the state’s Department of Health and Human Services licenses organizations to provide three types or levels of in-home care. Some agencies offer all levels, while others specialize in just one type of care.

 **Skilled Care/Health and Medical Care** is delivered by licensed Home Health Care Providers, and includes skilled nursing care, therapies (physical, occupational and speech), medical social work, and home health aides. Agencies providing skilled care are often Medicare-certified and can receive payment from Medicare, Medicaid, and private insurers for care ordered by a physician. Skilled services are typically short-term in nature; however, long-term private duty nursing



services for seriously impaired individuals also fall into this category. There are currently 37 agencies in New Hampshire certified to deliver skilled care under the Medicare home health benefit, and a number of additional licensed home health care providers deliver private duty care.

**Personal Care and Homemaker Services**

include non-medical support services such as preparing meals, bathing, dressing, assistance with ambulation, supervision and companionship and routine household chores, such as cleaning, laundry, grocery shopping and errands. Personal care and homemaker services are typically long-term in nature. Hands-on care in this category may only be provided by personal care attendants or personal care service providers; homemakers may not provide any hands-on care. There are currently about 40 agencies licensed as Home Care Service Providers in New Hampshire. Individuals who provide over 10 hours per week of personal care as independent contractors must

also be licensed by the NH Department of Health & Human Services.

**Hospice Care** includes services designed to keep patients as comfortable as possible at the end of life, and is provided in private homes and in nursing homes, assisted living facilities, and licensed hospice houses. Hospice care provides emotional, medical, and spiritual support to terminally ill individuals and their families, including bereavement support following the death of the hospice patient.

Hospice allows individuals to spend their remaining time in their home or a home-like environment surrounded by loved ones. There are 28 organizations licensed as hospice providers in New Hampshire, 20 of which are programs of home health agencies.

*For a comprehensive list of home care services, visit [www.homecarenh.org](http://www.homecarenh.org).*

**CLIENT PROFILE:**

**Y**ou would never know Marilyn is 83 by the sound of her voice, her get up and go spirit, or her hair, with not a strand of gray in it. At a visit with her osteopath for a broken shoulder, her doctor noticed she looked white as a ghost and suggested they go across the street to the hospital. Marilyn declined and went home, only to find herself eight

hours later having heart surgery at Dartmouth Hitchcock.

The hospital discharged her to a nursing home, where she stayed for three weeks. Then, she was sent home with care from CT Valley Home Care. “A nurse showed up, and then a physical therapist, and then someone to help me take a bath,” states Marilyn. “But I drew

the line there, I can take my own bath,” she says with a smile. Another knock brought someone to help with chores around the home.

Since the surgery, Marilyn’s blood pressure continues to be high and of concern to her doctors. Her nurse, Penny, whose

**MARILYN FULLERTON, 83  
CT. VALLEY HOME CARE & HOSPICE  
CLAREMONT, NH**

twice weekly visits are covered by Medicare, suggested that they bring in a telehealth unit to monitor her blood pressure and weight. “The telehealth unit is wonderful. I now only have Penny come for a visit once a week,” adds Marilyn.

Her doctors are still trying to regulate her high blood pressure, trying different medications, but are able to monitor and respond to Marilyn’s blood pressure daily due to the telehealth monitor.

“I don’t worry about any of this,” states Marilyn. “Penny and my doctors take great care of me. I do what the doctors tell me to do and I make the most of each day, which is all anyone can do.”



# The Benefits Of Home Healthcare

The goal of all home care services is twofold: 1) to help people live at home for as long as it is safe and practical for them to do so; and 2) to allow people to recuperate from an illness or injury in the comfort of home. The benefits of home care far exceed these two main objectives, however.

■ **Cost-Effectiveness** — Home health care services offer significant savings over inpatient care at hospitals and nursing homes for many people who need care.

■ **Chronic Care Management** — Seventy-five percent of the nation's health care dollars are devoted to management of chronic care illnesses. People with chronic conditions requiring skilled intervention can often be maintained in the community, thereby preventing the need for hospital, nursing home, or other institutional care. Home care is particularly well-suited to management of

chronic conditions because it includes provision of interdisciplinary services and focuses on coaching the individual on how to manage their condition.

■ **Supporting Family Caregivers** — Family and friends provide the lion's share of long-term care for those needing support at home. Home care's flexible scheduling and the range of in-home services make it possible to design a plan that best meets the needs of the individual and complements the efforts of family members and friends.

■ **Choice and Self-Determination** — Perhaps most important, home care is preferred over other alternatives by most people who need health care services. It is clear that people want choice and control over their everyday decisions, and home care offers more autonomy than any other sector of healthcare.

## Paying For Home Care

Medicare is the single largest payer for home healthcare, followed by Medicaid, private insurance, and private payments by individuals.

### Medicare

Medicare is a federal health insurance program for people of any income who are age 65 or older and for disabled individuals of any age who meet certain clinical criteria. In New Hampshire, Medicare pays for about 65 percent of the home healthcare services delivered.

The Medicare benefit covers short-term, intermittent skilled nursing care, as well as other skilled care services like physical and occupational therapy, and speech-language pathology services. Medicare funded services may also include medical social services and assistance from a home health aide when needed in conjunction with skilled care.

There are four criteria to qualify for the Medicare home health benefit and **all four** criteria must be met in order for Medicare to cover the cost of home healthcare:

1. The individual needs skilled nursing care, physical therapy, or speech therapy on an intermittent basis;
2. The individual is homebound (cannot leave home without assistance or serious and taxing effort);
3. The individual is under the care of a physician who determines home healthcare is needed (medical necessity); and
4. The home healthcare agency providing services is Medicare-certified.

Medicare home health services are only covered on a part-time or intermittent basis. This means there are limits on the number of hours per day or days per week that services can be delivered.

Medicare does NOT cover long-term care for the elderly, chronically ill or disabled; personal care services when there is not also a need for skilled care; or 24-hour care or supervision.

## Medicaid

Medicaid is a joint federal-state program to provide assistance, including home healthcare services, to low-income individuals of all ages when financial and clinical eligibility requirements are met.

Home health care is a required service in the New Hampshire Medicaid State Plan. This means the state is required to pay for home nursing and home health aide services under the Medicaid program. Patients do not need to be homebound to receive Medicaid home health services as they do to receive coverage for services under Medicare.

Home health is also available through the private duty nursing program for severely chronically ill children, called "Home Care for Children with Severe Disabilities" (formerly known as the "Katie Beckett" program). Under this program, care is available for up to 16 hours per day. While such care is not inexpensive, the savings compared to care in a hospital or specialized institution are significant.

In addition to skilled care, some elderly and disabled adults qualify for long-term community-based care, including home health services, under a Medicaid waiver program called "Choices for Independence" (formerly known as "Home and Community-Based Care for the Elderly and Chronically Ill" or "HCBC-ECI"). During the last decade, the state has implemented policies to encourage community-based care as opposed to nursing home placement for long-term care.

The counties currently pay the entire state share of the cost of services delivered through the Choices for Independence program up to a cap established during the state budget process. The federal government pays the remainder of the cost. None of the funding for this program consists of state general fund dollars, unless the county cap is exceeded.

## Private Insurance and Managed Care

While home health care is not a mandated health insurance benefit in New Hampshire, most insurers want to reduce inpatient hospital stays whenever possible and appropriate, and understand that home health services are critical to achieving that goal. As a result, home healthcare is nearly universal in employer-sponsored health insurance plans. Specific benefit levels for home healthcare under private insurance and managed care plans, including self-insured plans, differ from plan to plan.

While still a very small part of the insurance market, long-term care insurance policies are growing in popularity, and almost all include some home health as well as nursing home coverage. If not incorporated in the basic coverage, home health is generally available as an optional rider on a policy.

## "Free Care" and Community Funding

Many not-for-profit home health agencies receive grants or community funds through donations, town and county appropriations, the United Way, or other arrangements to provide care to local residents free of charge or on a sliding fee scale basis. Home health agencies receiving funds from local towns and cities provide specific services for residents of those communities.

In the current economic environment, donations and public support for charitable organizations have been declining, making it difficult to underwrite care when the demand for such support is increasing.

• **Home healthcare is the best strategy**  
 • to support New Hampshire citizens after an illness, injury or  
 • surgery, and the best way to maximize the independence of  
 • older residents and disabled residents of any age.

# Current Challenges and Opportunities

As with many healthcare organizations, the major challenges for home health providers are maintaining financial viability and a qualified workforce. Opportunities are seen in the further development and deployment of new technologies and skills to improve efficiency and healthcare outcomes, in the management of chronic diseases, and in positioning home care to assume an appropriate and effective role in a “reformed” healthcare delivery system.

## 1. Reimbursement for Care

Home health agencies are feeling the pinch as they struggle to maintain the level of services needed in their communities given the current and anticipated Medicare and Medicaid reimbursement policies, as well as the uncertainties associated with healthcare reform under the Patient Protection and Affordable Care Act, the federal health reform legislation passed in March 2010.

■ **Medicare:** Medicare home health reimbursement rates have been declining in New Hampshire for some years now. Between January 2007 and January 2011, Medicare rates have declined by 9.5% in Hillsborough County, 8.4% in Rockingham and Strafford Counties, and by 9.2% in the remaining counties of the state. These dramatic reductions in payments present the most serious fiscal challenge to Medicare-certified home health agencies.

■ **Medicaid:** Inadequate Medicaid reimbursement rates (in other words, rates that do not fully cover actual, reasonable costs) for home care services have been a chronic problem since the early 1990s. In 1997, a state law was passed requiring that the state Department of Health and Human Services develop a methodology to calculate home health rates that “better reflect the average cost to deliver care.” The statute also requires annual review and revision of the home health rates as needed to maintain compliance with the law. Although a corresponding administrative rule has been suspended until at least state Fiscal Year 2012, the statute remains on the books and the state remains out of compliance with it.

From time to time since 2006, there have been modest Medicaid rate increases for Medicaid providers including home care providers. Nonetheless, Medicaid rates for skilled nursing and home health aide visits are currently 40-60 percent below cost. Until there is significant change in these rates, home care agencies will continue to struggle to fill the gap between the cost of services and Medicaid reimbursement.

Home care agencies throughout the state are unable to accept unlimited referrals of Medicaid clients as a result of the inadequate reimbursement rates, and some people eligible for services under this program will consequently experience delays in receiving the care they need.

■ **Other State-Funded Programs:** Several smaller state and federally funded programs managed through the Department of Health and Human Services Bureau of Elderly & Adult Services are under just

## Assuring the Quality of Care

Home health agencies are subject to federal oversight by the Centers for Medicare and Medicaid Services (CMS) and state licensure by the Department of Health and Human Services Office of Program Support, Health Facilities Administration.

Medicare-certified home health agencies participate in extensive Quality Improvement (QI) initiatives required by CMS. Each provider reports its QI results to the state and to CMS, with results available to the public on Medicare’s Home Health Compare website. State-licensed home care agencies that are not Medicare-certified also engage in quality improvement activities.

In addition, all licensed home health agencies comply with extensive regulatory requirements covering the qualifications and training of personnel (including criminal background checks on direct care personnel and volunteers), management of client care, record keeping, medication management, and emergency preparedness. This level of oversight and quality improvement is not required of individuals hired privately to provide in-home care.

as much stress as Medicaid. Some of these programs, such as homemaker services and adult in-home care, are paid at very low rates, requiring providers to underwrite the programs with other funds. When those other sources shrink, as they have in recent years, providers must evaluate whether they can continue to offer the services.

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## 2. *Workforce*

Since workers are the backbone of home care, it makes sense that staffing costs are the largest expense for home health agencies. Travel-related expenses have also become a significant issue for home care agencies in New Hampshire with the constant fluctuation in gas prices and absence of corresponding adjustments in reimbursement rates.

With respect to development and retention of a qualified workforce, the sluggish economy has brought some relief to providers as their workers choose to hold onto their jobs or even request more hours of work. But, the tide will ultimately turn again, and the growing senior population will continue to translate into higher demand for in-home supportive care. To avoid staffing shortages in the future, adequate reimbursement rates will be necessary to fund wages sufficient to attract and retain qualified staff to deliver quality care.

Labor laws and regulations can also increase the cost of care, and many of these requirements are not designed for a workforce that operates 24 hours a day, 7 days a week in clients' homes. The nature of home care means that most staff work with a high degree of independence, must be paid for time traveling between clients (even though Medicaid reimburses providers only for time spent in the client's home), and must adjust their schedules from time to time to accommodate patient needs. Laws and regulations need to recognize and accommodate the special nature of home care work.

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## 3. *Technology*

Home care providers have been among the early-adopters of telehealth applications, both for administrative functions and patient care.

Electronic medical records are commonplace in home health agencies, and many have also invested in telemonitoring devices. Telemonitoring refers to the installation of equipment in a patient's home that collects various clinical measurements such as weight, blood pressure, pulse rate, and glucose level. This information is electronically transmitted to a home care office, where it is monitored by health professionals.

A single nurse can monitor 50-60 patients on telemonitors, dispatching clinical staff to make home visits only when there is an aberration in the patient's vital signs indicating a visit is needed to resolve an emerging problem. The result can be improved efficiency, better use of scarce nursing personnel, improved outcomes, reduced costs through avoided hospitalizations, and improved patient satisfaction.

Going forward, policymakers must support efforts to take advantage of telehealth advancements. Currently, very few payers reimburse for telehealth costs. We believe that Medicaid, Medicare and private insurers should partner with providers to capitalize on this promising technology.

## *In Conclusion*

**T**he home care industry in New Hampshire has been providing high quality care for over a century and continues to develop the skills, technology and capacity to deliver high quality, cost-effective home care services. Home healthcare is the best strategy to support New Hampshire citizens after an illness, injury or surgery, and the best way to maximize the independence of older residents and disabled residents of any age.

As a state, we face many challenges on the healthcare front: declining Medicare reimbursement, low Medicaid rates, rising costs, nursing shortages, and above all a growing demand for care. We must continue to advocate for patient choice and adopt policies that mitigate challenges and leverage opportunities so that excellent home care will remain an option for every New Hampshire resident.

## HOME CARE ASSOCIATION OF NEW HAMPSHIRE MEMBERS, JANUARY 2011

Contact an agency that serves your community for more information about home care in your area. Agencies are listed by the town where their home office is located, but remember that all agencies serve many communities and some have branch offices and span multiple counties. For a list of the agencies that serve a particular town or city, go to [www.homecarenh.org](http://www.homecarenh.org) and use the "find a provider" search option.

LOCATION	AGENCY NAME	CONTACT	PHONE
Berlin	Androscoggin Valley Home Care Services	Margo Sullivan	603-752-7505
Berlin	Androscoggin Valley Hospital Home Health	Debra Berntsen	603-326-5869
Berlin	Berlin Health Dept.- Home Health	Laura Viger	603-752-1272
Bristol	Live Free Home Health Care	Jason Harvey	603-217-0149
Bristol	Newfound Area Nursing Association / NANA	Patricia Wentworth	603-744-2733
Chocorua	Carroll County Health & Home Care Services	Sandy Ruka	603-356-7006
Concord	Concord Regional VNA	Mary DeVeau	603-224-4093
Exeter	Rockingham VNA & Hospice	Karen Michel	603-772-2981
Franklin	VNA of Franklin	Carol Plumb	603-934-3454
Keene	Home Healthcare, Hospice & Community Services	Barbara Duckett	603-352-2253
Laconia/Wolfeboro	Central New Hampshire VNA & Hospice	Margaret Franckhauser	603-524-8444
Laconia	Lakes Region Nursing Care & Comfort	Carol Brody	603-528-5020
Lancaster	Northwoods Home Health & Hospice	Gail Tattan-Giampaolo	603-788-5020
Littleton	North Country Home Health & Hospice	Gail Tomlinson	603-444-5317
Manchester (Statewide)	Interim Healthcare	Rick Petersen	603-668-6956
Manchester	Quality Care Partners / NH Catholic Charities	Trish Chandler	603-627-2100
Manchester	Regency Nursing Care	Paula Gagne	603-665-9800
Manchester	VNA of Manchester & Southern NH	Carla Braveman	603-663-4000
Meredith	Meredith Public Health Nursing Association	Pamela Fortin	603-279-6611
Merrimack	Home Health & Hospice Care	Karen Baranowski	603-882-2941
Merrimack	Nurses PRN	Diana Dedousis	603-424-9479
Milford	St. Joseph Home & Hospice Care	Lisa Boucher	603-673-3460
Moultonborough	Moultonborough Visiting Nurse Service	Debra Peaslee	603-476-2350
Nashua	Healthy At Home	Linda Carter	603-595-4243
Nashua	Home Care Assistance	Lauren Robison	603-821-1820
New London	Lake Sunapee Region VNA & Hospice	Scott Fabry	603-526-4077
Newport	Connecticut Valley Home Care and Hospice	Elaine Bussey	603-543-6800
Newport	Trusting Hands	Barbara Brill	603-863-1875
North Conway	VN & Hospice Care Services of No. Carroll County	Sandra Ruka	603-356-7006
North Hampton/Lawrence, MA	Home Health VNA	John Albert	800-933-5593
Plymouth	Pemi-Baker Home Health & Hospice	Chandra Engelbert	603-536-2232
Portsmouth	Benda HomeCare Solutions	Ivan Benda	603-431-0505
Rochester	Rochester District VNA	Linda Hotchkiss	603-332-1133
Rochester	The Homemakers Health Services	Linda Howard	603-335-1770
Salem	Northeast Rehab Home Care Services	Marie Sullivan	603-681-3500
West Lebanon	VNA and Hospice of VT and NH	Jeanne McLaughlin	603-298-8399
Windham	J&K Home Care	Mary Ann Ida	603-893-9214



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