Eli's Rehab Report

Inpatient Insights: Tune In to Some Major Post-Acute Setting Changes on the Horizon

Find out what the CARE tool is and how CMS is using it

A CMS demonstration project is in the works that could change the way you assess patients if you work in a skilled nursing facility, home health agency, inpatient rehabilitation facility, or long-term care hospital.

Background: CMS is moving forward with a $6 million Post-Acute Care Payment Reform Demonstration (PAC-PRD), mandated by the Deficit Reduction Act of 2005. The project, scheduled to continue through 2009, will examine the costs and outcomes for similar diagnoses across different post-acute care settings.

The kicker: The PAC-PRD demonstration results "may influence how Medicare pays for care across PAC settings and how patient assessments occur at hospital discharge and through subsequent PAC settings," CMS confirmed in its invitation to the July 26 Special Open-Door Forum on the project.

In other words, in several years you may be waving goodbye to your familiar assessment instruments (the MDS if you're an SNF, the OASIS if you're an HHA, and the IRF-PAI if you're an IRF) and hello to a brand-new one that applies to all PAC settings. So knowing what's happening now is critical.

First Step Toward Uniform Assessment: The 'CARE Tool'

To launch the PAC-PRD, CMS realized it needed to create a standardized patient assessment tool for the acute hospital at discharge and for the PAC setting admission and discharge. After holding technical-expert panels with each setting represented, CMS developed and pilot-tested the Continuity Assessment Record and Evaluation (CARE) tool to measure patients' health and functional status in these settings, says **Barbara Gage, PhD**, principal investigator for PAC-PRD at RTI International, the contractor CMS is using for the project.

Next step: CMS wants to conduct a full-fledged demonstration starting in January, using the CARE tool to gather data. "According to its stated goals, CMS is basically trying to determine whether similar patients are being treated in these various settings, what their outcomes are, and the different resources that are being used," says **Sharmila Sandhu, Esq.,** regulatory counsel of reimbursement and regulatory policy for the American Occupational Therapy Association.

CMS needs volunteers and is looking for 150 providers in 10 different markets across the nation, Gage tells **Eli**, noting that organizations may sign up by e-mailing pat-comments@rti.org. You might also "be targeted for recruitment from analysis of Medicare administrative files and will be contacted," CMS said in a press release about the project.

Get Familiar With CARE Now

Even if you're not one of the volunteers involved in the demonstration project, you'll still want to have a say in the development of the CARE tool--mainly because CMS could decide to use it to replace the MDS, OASIS and IRF-PAI, and some providers already have concerns.

For instance: The draft tool is 26 pages long, says consultant **Judy Adams** with Charlotte, N.C.-based Larson-Allen. So completing the CARE tool on a non-electronic basis is almost impossible for providers without electronic access, especially those working in home-based settings.

But that's one reason why the tool is in a demonstration project, says **Laurel Cargill Radley, MS, ORT**, associate

director of professional affairs for AOTA.
"I would encourage providers to review the CARE tool in detail and offer comments to CMS on it," Sandhu says. Comments are applicable to the larger, Paperwork Reduction Act legislation and due by Sept. 25, she adds. See www.cms.hhs.gov/PaperworkReductionActof1995/PRAL/itemdetail.asp?filterType=none&filterByDID=0&sortOrder=descending&itemID=CMS1201543&intNum PerPage=10. Scroll to Downloads, and open the zip file. Open the last Word document titled "CMS-10243SupportingStatementPartB."

Patients Take Priority

Although the demo will be a paperwork burden for participants, CMS hopes to help patients in the long run. For example, "we might assume that a high-functioning CVA patient could go straight home and be OK, and a truly lower-functioning CVA patient might go, perhaps, to an SNF," Radley says. "But these assumptions about discharge planning may not be the best, and this reform will help us understand how to do better discharge planning--and get the patients to the outcomes they need."

Don't miss: Another "key goal of this project is to generate recommendations for improving CMS payment models," CMS said in the release. That includes "aligning incentives among the four PAC settings."

This could be either good or bad news for your respective setting. For example, if skilled nursing can provide the same patient outcomes for much less cost than the other inpatient post-acute providers, CMS may encourage more patients to use SNFs. But what would happen after CMS gathers its data from this project is still "the $30 million question," Sandhu says.

And you have some time. The demonstration project starting in January is slated to end in 2009, and CMS must report to Congress in 2011.