

OASIS Alert

Outcomes: Pay For Performance Is Here

One missed referral can cost you \$1,000.

If you think the most important aspect of pay for performance is the extra money Medicare will pay you, think again.

You already are gaining or losing money based on your performance on OASIS outcomes, said **Jeff Lewis**, CEO of Baton Rouge, LA-based **Lewis Inc.**, speaking at October's annual conference of the **National Association for Home Care & Hospice** in Baltimore. You're also gaining or losing market share. When a referral source decides to send you a patient -- or to send the patient to someone else -- your Home Health Compare outcomes may be the reason.

It's been nearly four years since the **Centers for Medicare & Medicaid Services** began publicly reporting patient outcomes for home health agencies nationwide. Anyone who connects to the Internet and Googles "home health outcomes" will be linked to dozens of pages addressing Home Health Compare, quality improvement, OASIS outcome measures and other outcomes information.

Losing Referrals Costs More Than You Think

Count your costs: When you look at the profit you make on an average episode, you may think that gaining or losing one patient won't make a big difference for your bottom line, Lewis said.

Suppose the cost of providing the care for this episode is 50 percent of the reimbursement and the overhead costs are 40 percent, leaving a 10 percent profit. Missing a single patient referral can mean you lose 50 percent of an episode payment: the profit margin and the contribution to overhead, he explained.

That's because your overhead costs don't increase or decrease in synch with the number of patients. These costs are spread over your total patient population. So you already are getting paid -- or losing money -- based on your performance, he said.

Become Fluent in Discussing Outcomes

Use these four expert tips to start increasing the referrals and payment you get for your good performance:

1. Educate yourself and your staff. OASIS accuracy is the first place to focus, but not the only place, experts say. You need to understand the intricacies of the OASIS assessments and educate all clinical staff about these, said **Imelda Agnat**, director of patient services at **ComfortCare Home Health & Hospice** in Chesapeake, VA, also speaking at the NAHC conference.

You also want your staff to be able to identify opportunities for improvement when you share information about your outcomes, she added.

Tip: Give staff information about financial performance as well as clinical performance. And determine how to best manage the chronic diseases you see most often in your agency, Agnat advised.

2. Aim for outcome fluency. Learn all 10 outcomes in Home Health Compare and be able to discuss where you are in each one of them, Lewis emphasized. If you are having a problem with one or more outcomes, know what is causing the problem and how you are addressing that, he said. This helps patients and referral sources understand what each outcome really means and reassures them that you know what you're doing.

3. Understand what your referral sources need. When there's a choice of agencies, if a source knowingly refers the patient to an agency with bad outcomes, the source potentially is liable, he said. Make it safe for your source to choose you in comparison to your competitor.

4. Embrace your Quality Improvement Organization. Don't reinvent the forms, care paths and approaches you need to use to improve your outcomes. Your QIOs are ready, willing and able to jump in and help you, Agnat said.