

OASIS Alert

Reimbursement: SCRUTINIZE CAUSES TO STEM YOUR LUPA LOSSES

Many LUPAs are avoidable.

The higher your percentage of low utilization payment adjustment episodes, the more money you are losing.

A number of experts place the industry average percentage of LUPAs in the teens. The rate varies from state to state, with **BKD** finding a range of 7 percent to 13 percent says **M. Aaron Little**, managing consultant in Springfield, MO.

Under the prospective payment system, episodes with four or fewer visits (LUPAs) don't qualify for the full episode payment. Instead, the visits are paid at a per visit rate that has the agency losing money with each visit, experts say.

The administrative expenses that agencies incur for each episode include OASIS assessments, care planning and admission and discharge responsibilities, the **National Association for Home Care & Hospice** points out. But the LUPA payments do not cover these costs, NAHC insists.

Look For a LUPA Pattern

Taking a good look at the causes for your agency's LUPAs is well worth the effort, says consultant **Lynn Yetman** with St. Petersburg, FL-based **Reingruber & Company**. One way is to have clinical supervisors keep a record of each LUPA and its cause, she suggests.

Reviewing LUPAs from a recent quarter is another approach. Also, looking at LUPAs in connection with the primary clinician could help you target your investigation, suggests **Karen Vance**, senior consultant with **BKD**.

Experts suggest these possible reasons for higher LUPA rates:

- Inappropriately admitting patients who are not homebound or who lack medical necessity and then discharging them after a few visits.
- Admitting a high percentage of managed care patients, whose visit numbers are often restricted.
- High rate of referrals from outpatient surgery centers that typically order a few visits.
- "Difficult" patients who are quickly discharged.
- Clinicians who do poor care planning and provide only the minimum care.
- Missed visits that were not made up.
- Inadequate "on call" procedures that encourage patients to go to the emergency room, where they are then admitted.

Take Action To Decrease LUPAs

Once you have identified causes for LUPAs, determine which ones were avoidable, Yetman recommends. Educate referral sources about both the prospective payment system and the outcomes you are achieving. Not every patient will need a full episode, but many will have superior outcomes with additional visits, Yetman says.

Good strategy: Improving your emergency care procedures, making up missed visits within 24 hours and educating

clinicians on care planning also can keep LUPAs to a reasonable level, experts suggest.

Provide ongoing education and supervision to clinicians who discharge patients before the completion of the plan of care or before goals are met, Yetman advises. A higher percentage of LUPAs may correlate with lower Home Health Compare scores or with higher partial episode payments (PEPs) as well, Vance speculates.

Note: For information on Eli's 2006 Home Health Operations Dashboard, which includes the agency, local, regional and national benchmarks discussed in this article, call 1-888-779-3718 x326 or email dashboard@eliresearch.com.