

Nursing Homes: Pursuing Consumer Choice and Quality


Bernie Dana




Introduction

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- ◆ Bernie Dana, Chair of AHCA Quality Improvement Subcommittee
 - ◆ American Health Care Association (AHCA)
 - 11,000 facilities
 - Both for-profit and non-profit
 - Variety of care settings

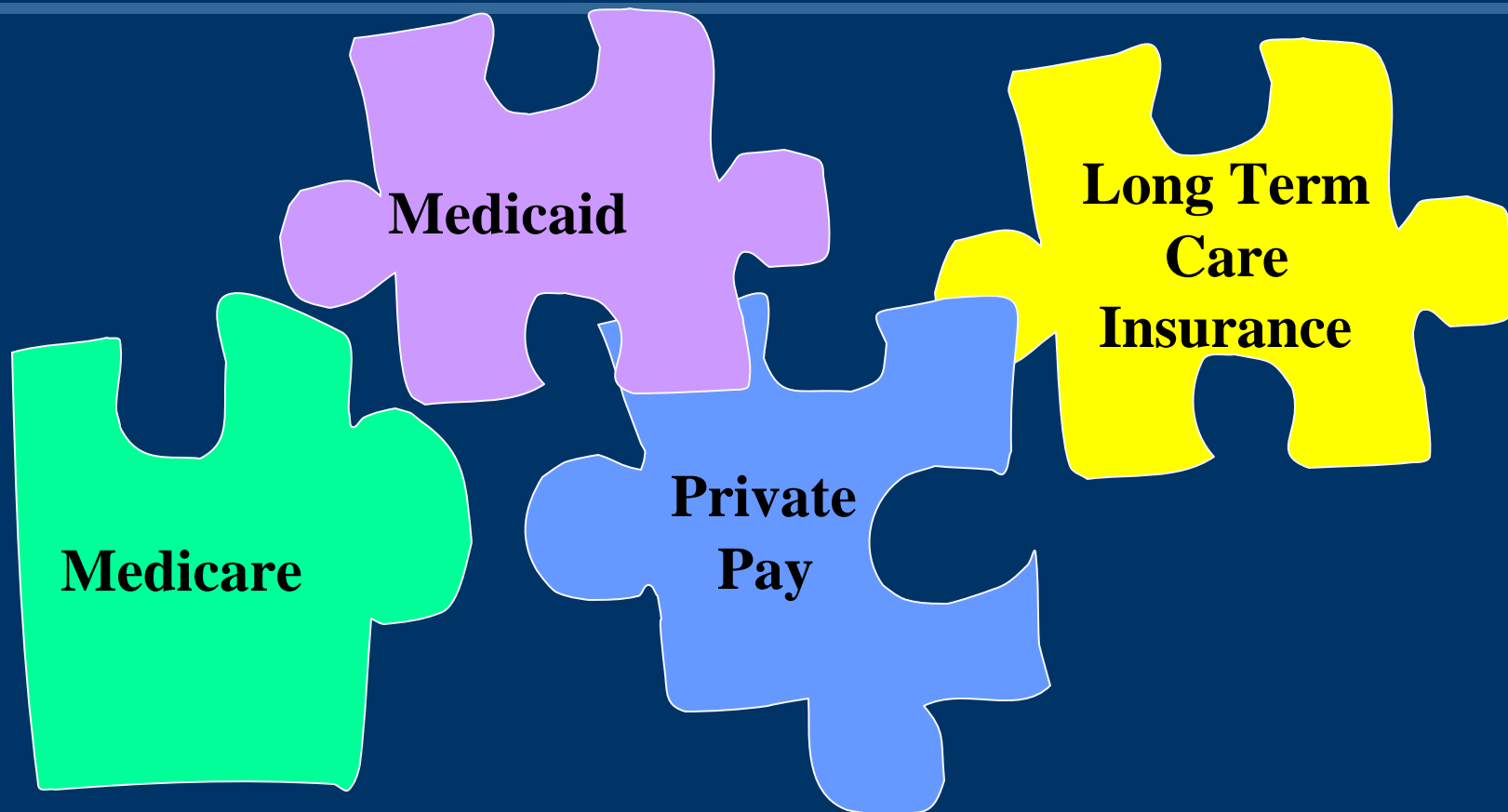
About Our Customers

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- ◆ Nursing home care – no one looks forward to it
 - ◆ Consumers not educated
 - ◆ Services continue to evolve and diversify
 - ◆ Primary customers – residents/families


Marketplace and Consumer Choice

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- ◆ Health planning: limit supply and usage
 - ◆ Certificate of Need laws
 - ◆ Consumer choices limited
 - ◆ Providers assured high occupancy rates
 - ◆ Little incentive to compete
 - ◆ Alternative services reduced demand
 - ◆ Consumer choice returns


Financing Patchwork



Consumer Choice - Ability to Pay

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- ◆ Medicaid and Medicare as payment source
 - ◆ Medicaid is for the poor
 - ◆ Medicare is federal health insurance
 - ◆ 65% of Nursing Home residents are Medicaid eligible
 - ◆ Less than 10% qualify for Medicare
 - ◆ Remainder pay from own resources

How Consumers Become Informed

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- ◆ Print, media and web supplement personal contact with referral agents
 - ◆ Positive relations with residents, families, and staff for word-of-mouth advertising
 - ◆ Visits by potential customers
 - ◆ Medicaid allowable advertising cost is limited

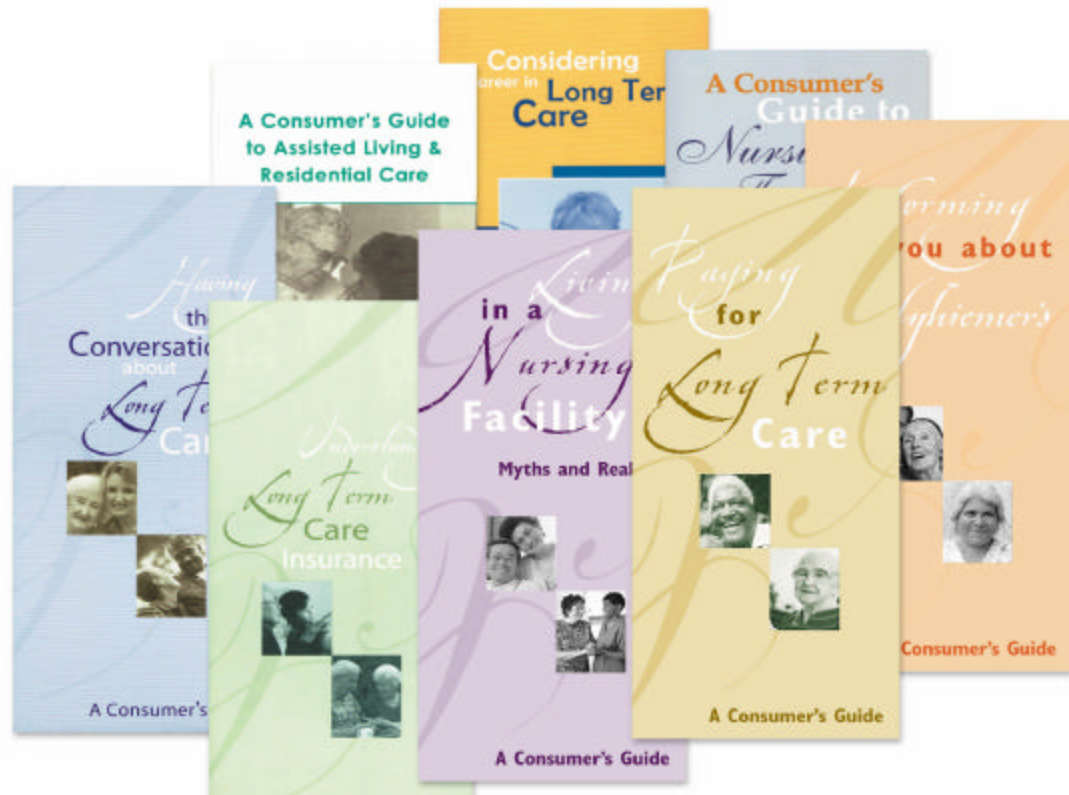
Print and Media Ads



- ◆ List services and facility features
- ◆ Quality claims usually limited
 - Quality award announcements
 - Resident/family testimonials
- ◆ Identify licensure level (Skilled Nursing Facility, Nursing Facility, Assisted Living)

Consumer Resources

AHCA produces free pamphlets for consumers – tools to educate and clear up common misconceptions



Available at www.longtermcareliving.com

Quality Information



- ◆ Results of federal inspections
 - Surveyor inconsistencies
 - Subjective process focused on paperwork
 - Consumers can access results
 - Confusing and misinterpreted

Nursing Home Compare Website


CONFUSING
FOR
CONSUMERS




The screenshot shows the Medicare website interface. At the top, there's a blue header with the Medicare logo and navigation links: Screen Reader Version, Español, 中文, Home, Glossary, Help, and Frequently Asked Questions. Below this is a yellow search bar with a 'Search' button and links for Search Help, Site Map, Index, and Site Tips. A 'Zip Code Locator' field and a 'Printable Version' link are also visible. The main content area is titled 'Nursing Home Compare' and includes an 'Overview' section. The overview text states: 'Welcome to Nursing Home Compare. The primary purpose of this tool is to provide detailed information about the past performance of every Medicare and Medicaid certified nursing home in the country. **Important Information on Nursing Home Compare** and other resources, including the **Guide to Choosing a Nursing Home**, and **Nursing Home Checklist** are also available to help you with your nursing home choice. Use these tools, along with the information you gather during your visits to the nursing homes you are interested in to make your best choice. **Begin Nursing Home Search** Nursing Home Compare contains the following sections of detailed information:

- About the Nursing Home: including the number of beds and type of ownership.

Nursing Home Compare Website

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- ◆ Federal inspection data - annual
 - ◆ Quality measures – quarterly
 - ◆ Quality measures are flawed
 - Don't reflect respect, responsiveness, living environment and quality of life
 - ◆ Dubious value for choosing nursing home
 - ◆ Must be supplemented with personal visits

Solutions

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- ◆ State-wide consumer guide examples
 - Michigan
 - West Virginia
 - Ohio
 - ◆ Consumers prefer satisfaction results

Tellis-Nayak Research



- ◆ 11,715 families in 504 nursing homes
- ◆ Family & staff satisfaction measure facility's quality and performance
- ◆ Family satisfaction links to:
 - Quality of care
 - Stability and devotion of staff
 - State survey results
 - Overall operation of facility

SAMPLE:

Model Consumer Guide

(1) Facility	(2) Type	(3) Services	(4) Payments Accepted
Lincoln Living Center 123 Lincoln Avenue Des Moines, IA 50319 Phone: 515-555-1234	130 SNF 15 ALF Private Own Multi-facility	Physical Therapy Occupational Therapy Speech Therapy IV Therapy Alzheimer's Unit Sub-acute	Private pay Medicaid Medicare


Report Period	(5) Family Satisfaction		(6) Employee Willingness to Recommend
	Overall Satisfaction	Willingness to Recommend	
This Facility:			
Current	94%	96%	89%
1 st Prior Year	92%	93%	88%
2 nd Prior Year	91%	93%	86%
Current State Average	86%	87%	84%

Report Period	(7) Average Length of Employee's Service in Yrs.	(8) Compliance with 311 Federal Requirements	
		Percentage Compliance	Number of Deficiencies
This Facility:			
Current	2.9	99%	4
1 st Prior Year	2.8	99%	3
2 nd Prior Year	2.9	97%	8
Current State Average	2.2	98%	

Was this facility cited, according to the Federal government's definition, with substandard care or immediate jeopardy two or more times within the past three years?	NO	www.medicare.gov/Nhcompare/home.asp
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(9) Facility Comments: Lincoln Living Center (LLC) renovated the resident dining and recreation areas in 1999 to include carpet and wall vinyl. Six (10%) of our employees have been with us for 15 or more years and 18 (30%) have worked at LLC for 5+ years. Our Administrator and Director of Nursing have both been at LLC for over 4 years. We are privately owned and operated by Birchwood Care Services. Birchwood operates 8 nursing facilities in Iowa.

AHCA Model Consumer Guide

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- ◆ Encourage state affiliates to develop Consumer Guide
 - ◆ Reports three year trend for:
 - Overall satisfaction of families
 - Families' willingness to recommend
 - Staff's willingness to recommend
 - Inspection data

A Covenant for Healthy, Affordable and Ethical Long Term Care

Quality First

Quality First

Quality First

Quality First

Quality First

Quality First

Quality First



AAHSA, AHCA & the Alliance sign covenant



A COVENANT FOR HEALTHY, AFFORDABLE AND ETHICAL LONG TERM CARE

The American Association of Homes and Services for the Aging (AAHSA), the American Health Care Association (AHCA), and the Alliance for Quality, Healthy, Affordable and Ethical Long Term Care (Alliance) are collectively committed to healthy, affordable, and ethical long term care. Through this Covenant, we commit to achieving excellence in the quality of care and services for older persons and strengthening public trust. We recognize that excellence is the path of continuous and positive change in building and being for success. We are committed to taking bold and deliberate action, grounded in the principles of this Covenant, to ensure quality. We believe that by doing so, we will be successful in improving the quality of care and services for older persons, and we will be successful in creating a culture of excellence in the long term care industry.

These mutual expectations have developed plans to achieve excellence. The plans are based on the understanding of the requirements of this covenant. The organizations are in agreement that the Covenant is a living document that will evolve and be updated as the needs of the long term care industry change. The vision and principles are:

1. Continuous Quality Assessment and Quality Improvement
2. Quality Measurement and Accountability
3. Personhood and Family Rights
4. Workforce Excellence
5. Public Input and Community Involvement
6. Ethical Principles and
7. Financial Sustainability

Each of these principles will be supported by specific and measurable steps that will be taken to achieve the covenant. In addition, the organizations will report progress towards achieving these measures. Progress will be reported annually to the Quality Improvement Council and the American Association of Homes and Services for the Aging (AAHSA) and the American Health Care Association (AHCA). The organizations are committed to the following measures:

EXPECTED OUTCOMES BY 2010:

1. There will be continued improvement in compliance with federal regulations.
2. There will be demonstrable progress in promoting financial integrity and governing institutions of trust.
3. There will be demonstrable progress in the quality of direct care services and governance of residential care facilities.
4. There will be measurable improvement in all Centers for Medicare and Medicaid Services (CMS) Quality Improvement measures.
5. High quality person-centered care services will be delivered to residents and patients.
6. There will be demonstrable improvement in employee retention and turnover rates.

By embracing these principles and the outcomes, these mutual expectations are creating the vision to create a culture of excellence and continuous improvement in the long term care industry. We will work to be part of this culture and we will work to ensure that we are successful in achieving these outcomes. Through this initiative, we will work in partnership with consumers and government to create an environment and a field of care and services in which excellence can be achieved and they are creating the high-quality care and services that they deserve.

William L. Minton, Jr., D.M.A.
President and CEO, American Association of Homes and Services for the Aging

Charles H. Rosenthal II, M.D.
President and CEO, American Health Care Association

Michael R. Wilson
President, Alliance for Quality, Healthy, Affordable and Ethical Long Term Care




American Association of Homes and Services for the Aging



American Health Care Association

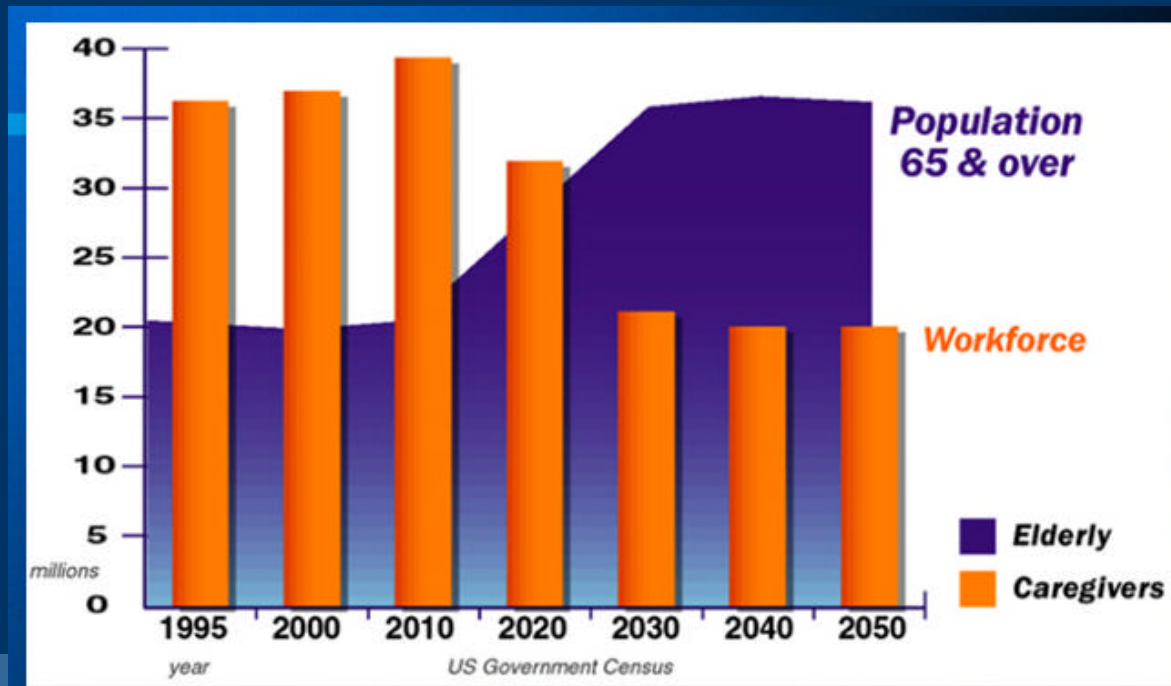


Quality First Initiative

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- ◆ Launched July 2002
 - ◆ Partnership between
 - American Health Care Association (AHCA)
 - American Association of Homes and Services for the Aging (AAHSA)
 - Alliance for Quality Nursing Home Care
 - ◆ Committed to healthy, affordable, and ethical long-term care
 - ◆ Rooted in seven principles and six outcomes
 - ◆ National Commission

Nursing Home Challenges

- ◆ Staff Shortage – immediate need for 52,000 nursing assistants
- ◆ Exponential growth in 85+ age group

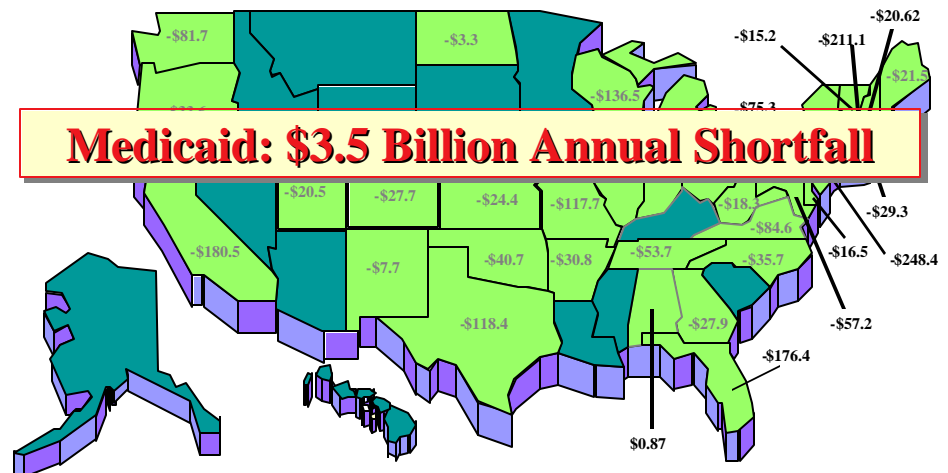


Nursing Home Challenges

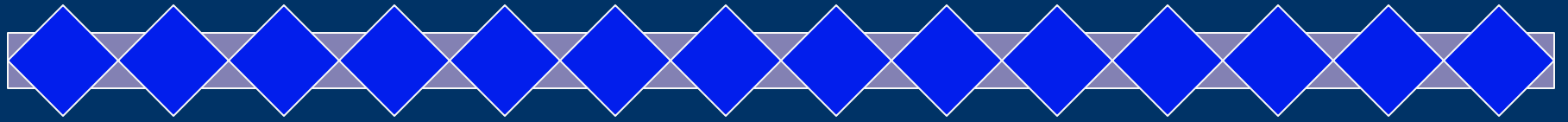
- ◆ Funding crisis for Medicare and Medicaid
 - \$3.5 billion annual Medicaid shortfall
 - Nursing homes in financial straits

Disparity By State Between Total Medicaid Revenue and Total Allowable Medicaid Costs (In Millions)

Unreimbursed Medicaid Allowable Costs \$3.5 Billion For All 50 States



Source: State-specific databases of nursing facility rates and costs compiled by BDO Seidman, LLP. The amounts represent the difference between Medicaid rates and allowable Medicaid costs for each facility weighted by the facility's annual Medicaid days. It is not the average disparity between Medicaid rates and costs for only those facilities experiencing shortfalls in Medicaid reimbursement. If this were the case, the shortfalls would be much higher.



Providers Are
Seeking Solutions

Informed Choices



- ◆ Committed to provide consumers:
 - Reliable, valid, and timely information
 - Ability to make informed choices
- ◆ Intent on hearing the voice of our customers

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