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10 Steps to Reduce Expenses and Increase Funding with Allied Health

2015

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Quality
ISO 9001
SAI GLOBAL

ROYAL COLLEGE of NURSING Australia

ACSA
NATIONAL PARTNER

LEADING AGE SERVICES

Foreword

Many aged care facilities have difficulty accessing allied health professionals who are aged care specific or understand that their clients include not just the residents of the aged care facilities and the ageing at home, but also the organisation itself and every staff member that's interacted with. This leads to situations where facilities:

- Are not receiving all of the ACFI funding they're eligible for based on the care they're already providing
- Spending unnecessary amounts on service provision, or
- Non-evidence based practice is leading to unnecessary expenses associated with excessive supplements, special diets, thickeners, and texture modified diets/fluids.

The underpinning philosophy of this publication is embracing the challenge of taking the time to first understand and then meet the needs of all clients. The goal is to be consistent and deliver the highest quality in everything that's done.

Results for clients can only be achieved by being aged care focused. W&L are dedicated to every team member being positioned as an expert in aged care with a progressive service. This allows an innovative approach where more can be done with less, and fresh ways for clients to receive the services that they otherwise couldn't access are found.

To improve quality of life of residents the aim must be to have a positive impact at every interaction that is more than just health outcomes. By bringing both a warm and energetic approach, the overall wellness of clients and their overall lifestyle can be improved.

What is W&L's point of view?

At W&L we believe that by partnering with our clients to structure our services correctly, all residents can then receive the interventions they need in a way that supports accreditation, meets all funding requirements, and is cost-effective for both the resident and the facility.

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1. Match Complex Health Care Claims with Treatment Lists

If your site provides pain management interventions to residents, then clarifying the current situation ***is the first step*** a facility should take to reduce validation risk and increase funding based on care that's already being provided (and paid for).

Otherwise, it's highly likely* that:

1) There is a cost associated with residents who are currently receiving treatments that haven't been claimed through the ACFI (causing lost funding for care already being provided)

2) ACFI claims have been made where the residents aren't receiving the treatment

3) There is a cost associated with residents receiving treatments that are not contributing to the ACFI claim

$163K p.a.

The increase in funding available for a 60 bed facility where interventions were already in place

$267K p.a.

The validation risk that was mitigated for a 4 site not-for-profit organisation where consistent ongoing treatment wasn't being provided as required by the residents

To achieve this goal, a review should be undertaken to:

1) Identify the claims made in Question 12 of the ACFI for every resident
2) Determine, for each resident, the impact of the pain management intervention on the ACFI CHC rating
3) Reconcile treatment records, from before date of submission to today, to confirm that the resident is receiving treatment in accordance with the directive

* W&L are yet to complete a Complex Health Care Audit where this hasn't been the case

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2. Implement a Transparent Reporting Process

If you have financial responsibilities for an aged care facility, then there's one piece of paper you should be receiving from your allied health provider each month.

If you're not getting a transparent resident-by-resident complex pain management report each month, how do you know:

1) Are you getting **the eligible ACFI funding** for ALL of the resident's getting treated (i.e. **that you're paying for**)?
2) Are there residents that have 'slipped through the cracks' and **there's a validation risk**?
3) Are there residents being unnecessarily treated multiple days per week?

You should receive a transparent report regarding physiotherapy and/or occupational therapy complex pain management **with the data that confirms**:

1) That every resident that's getting treated has in fact **had their claim made** through the ACFI
2) For every resident that's had an ACFI Complex Health Care claim made, that consistent ongoing treatment is being provided
3) That the treatments are **both clinically indicated and are financially responsible** (i.e. do they contribute)?

Resident	CHC Claim with Complex Pain Management					Effect of Complex Pain Management on Current CHC Claim						Administration	
	Q11 (Medication) Rating	Non Complex Pain Management Directives	Q12 Points	Q12 Rate	CHC Domain Rating	Complex Pain Management Directives	Q12 Total	Q12 Overall Rating	CHC Domain Rating	Increase Due to Complex Pain Management	Increase Due to Complex Pain Management	Receiving Ongoing Treatment	Submission Date
BLOGGS, Joe	B	3,5,12	7	C	M	4a	10	D	H	M→H	$ 20.28	√	01-Jan-15
DOE, Jane	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	26-Jan-15
HORVAT, Ivan	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	Not Yet Claimed
LUL, Jan	C	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	X	01-Apr-15
PETROV, Peter	D	2,5,12	9	C	H	4b	15	D	H	Nil	$ -	√	14-Feb-15
NOVAK, Karel	B	3,5,12	7	C	M	4b	13	D	H	M→H	$ 20.28	√	25-May-15

- Ivan – Missing out on $18,220 p.a. in funding for care that's being provided
- Jan – At risk of losing $18,220 p.a. at validation
- Peter – Intervention is not making a difference to overall claim

This simple transparent reporting process can both improve and save your facility's funding (**every missed 4b-claim is $18,220 p.a. in lost funding** for care that's already being provided... and paid for)

Click here for more information on ensuring transparency in your physiotherapy and/or occupational therapy service.

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A one-page extract from a W&L Allied Health Input (Directives) Record, which is provided to facility managers each month:

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Allied Health Input (60 beds) 15/01/2014

Resident	CHC Claim with Complex Pain Management					Effect of Complex Pain Management on Current CHC Claim						Administration			
	Q11 (Medication) Rating	Non Complex Pain Management Directives	Q12 Points	Q12 Rate	CHC Domain Rating	Complex Pain Management Directives	Q12 Total	Q12 Overall Rating	CHC Domain Rating	Increase Due to Complex Pain Management	Increase Due to Complex Pain Management	Documentation Completed	Treatment Mins. / Week	Confirmed With Site Staff	Submission Date
MING, Chan Siu	B	10,12	9	C	M	4a	12	D	H	M→H	$ 20.28	√	20	√	20-Feb-14
NOVAK, Jan	B	3,5,12	7	C	M	4a	10	D	H	M→H	$ 20.28	√	20	√	26-Mar-14
NOVAK, Karel	B	3,5,12	7	C	M	4a	10	D	H	M→H	$ 20.28	√	20	√	16-Apr-14
PETROV, Peter	B	2,3	4	B	L	4a	7	C	M	L→M	$ 29.64	√	20	√	30-Apr-14
VAN DER MERWE, Koos	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	20	√	07-May-14
BLOGGS, Fred	B	3,5,12	7	C	M	4a	10	D	H	M→H	$ 20.28	√	20	√	14-May-14
SMITH, John	B	3,5,12	7	C	M	4a	10	D	H	M→H	$ 20.28	√	20	√	22-May-14
ROE, Jane	B	12	3	B	L	4a	6	C	M	L→M	$ 29.64	√	20	√	10-Jun-14
ATKINS, Tommy	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	23-Jul-14
ODDIE, Bill	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	06-Aug-14
BLISSETT, Luther	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	06-Aug-14
GILDONG, Hong	B	3,5	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	30-Sep-14
LINGENS, Rudolf	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	14-Oct-14
SMITHEE, Alan	D	3,12	4	B	M	4b	10	D	H	M→H	$ 20.28	√	60	√	13-Nov-14
SCHMOE, John	B	3,12	4	B	L	4a	7	C	M	L→M	$ 29.64	√	20	√	20-Nov-14
ROE, Richard	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	03-Dec-04
TROTTER, Mel	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	12-Jan-15
KUMAR, Ashkok	B	3,12	4	B	L	4b	10	D	H	L→H	$ 49.92	√	60	√	12-Jan-15

Treatment Hrs	22.00
Base Hours	8.00
Total Hours	30.00
Annual Increase	$ 445,592.00
Annual Cost	$ 119,402.40

Click here for more information on ensuring transparency in your physiotherapy and/or occupational therapy service.

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3. Ensure All Eligible Residents' Allied Health is Bulk-Billed

Can podiatry be bulk billed so there's no cost?

Yes.

A podiatry provider should be working to ensure that all eligible residents are being bulk billed so there's no cost to them (or the facility).

To achieve this in a way that ensures legislative compliance, an in-depth knowledge of DVA and Medicare CDM requirements is a must.

↓76.9%

The reduction in costs for eligible residents having their consults bulk-billed

How many residents per hour should a podiatrist see?

The answer to this question stems from two things - ensuring residents receive an appropriate level of care and there is compliance with funding legislation. The podiatry service may occur due to the Commonwealth funding all residential aged care facilities receive, DVA, or the CDM program... and Medicare's requirement for podiatry is that the service is of at least 20 minutes duration.

If there are more than 3 residents per hour being seen (or more than 20 in a day) then there may be an issue with compliance and risk to resident care.

>3/hr

Medicare's requirement is that the service is of at least 20 minutes duration

When it comes to podiatry, just treating residents isn't enough - click here for more information about how your provider could be assisting the **bulk-billing process for all eligible residents.**

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An example organisation where all eligible residents are being bulk-billed for their allied health services (i.e. there is no gap fee charged for consultations):

SITE	Residents	Number of Residents Being Bulk Billed	Percentage of Residents Being Bulk Billed	Podiatry Saving Due to W&L Bulk Billing	Effective Price Per Consult
Site Name Removed	37	27	73%	$ 4,886.80	$ 17.35
Site Name Removed	47	29	62%	$ 5,248.82	$ 19.28
Site Name Removed	101	76	75%	$ 13,756.45	$ 5.25
Site Name Removed	53	22	42%	$ 3,982.05	$ 2.65
Site Name Removed	20	15	75%	$ 2,715.00	$ 19.02
Site Name Removed	81	71	88%	$ 12,850.37	$ 7.14
Site Name Removed	107	63	59%	$ 11,403.29	$ 18.19
Site Name Removed	83	71	86%	$ 12,850.67	$ 7.26
Site Name Removed	66	45	68%	$ 8,144.78	$ 18.34
Site Name Removed	51	38	75%	$ 6,878.02	$ 10.09
Site Name Removed	81	71	88%	$ 12,850.37	$ 6.10
Total	727	528	73%	$ 95,566.62	$ 10.93

Click here for more information about assisting the bulk-billing process for all eligible residents.

4. Ensure Services are provided at Clinically Indicated Intervals

How often should a podiatrist see a resident of an aged care facility?

The industry standard for podiatry is 8-weekly consults. This means that each resident would typically receive 6.5 visits per annum.

Some organisations may have a policy that all high-risk diabetics are seen 6-weekly, but what happens if other residents end up being seen this often? These residents are now receiving 8.7 visits per annum.

Unless it's clinically indicated, that's an additional expense of 33% per annum

What happens when you combine the effects of bulk-billing all eligible residents with ensuring that there's a system in place so residents are only seen as often as clinically indicated?

The total cost reduction per resident that's available while still meeting all clinical care requirements is 83%

Podiatry should be a **regular and consistent** service to **meet facilities' needs** (while assisting the **bulk-billing process for all eligible residents).** Click here for more information about implementing a transparent review process to ensure residents are only seen at clinically indicated intervals.

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Podiatry Supplier Checklist: Meeting residents' clinical needs while also being cost-effective

The service provider is:

- ☐ Leaving all clinical documentation on-site to meet privacy requirements
- ☐ Printing off all clinical documentation at the site (rather than emailing it)
- ☐ Bulk-billing all eligible residents so there's no cost to the resident (or the facility)
- ☐ Completing the administration associated with Medicare CDM/EPC forms
- ☐ Meeting Medicare's requirement that the service is of at least 20 minutes duration
- ☐ Treating every resident 8-weekly (unless there's a specific reason to see them more frequently)
- ☐ Maintaining a transparent review schedule of both the date last seen and when next due
- ☐ Visiting weekly if more than 120 beds (seeing 1/8 of residents and acute referrals)
- ☐ Visiting fortnightly if 50 to 120 beds (seeing 1/4 of residents and acute referrals)
- ☐ Visiting monthly only if less than 50 beds (seeing 1/2 of residents and acute referrals)

Podiatry should be a **regular and consistent** service to **meet facilities' needs** (while assisting the **bulk-billing process for all eligible residents).** Click here for more information about implementing a transparent review process to ensure residents are only seen at clinically indicated intervals.

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5. Reduce the Number of Residents Placed on Modified Fluids

Residents in aged care facilities are often placed on thickened fluids as part of their management plan for swallowing difficulties

Try this simple exercise: Poke your chin forward and try to swallow

Do you think you need thickened fluids now?

Both research and practice show that there is an opportunity to reduce unnecessary costs and improve resident quality of life exists as the number of residents on thickened fluids is over prescribed by around 30%

Some simple ways you can reduce the costs associated with this intervention:

1) **Only provide thickened fluids to those who actually need it**. Before a resident is placed on thickened fluids, ensure they're assessed by someone who has had formal training in the management of dysphagia

2) **Provide normal fluids between meals.** Some residents may be suitable to receive normal (thin) water between meals. The "Free Water Protocol" is an approach that not only reduces thickener costs, but can also be prescribed by a speech pathologist to maximise hydration and quality of life

3) **Train staff to provide the right amount of thickening agent… at the right time**. Over 50% of thickeners are wasted due to incomplete intake. One reason for this is that thickening agents will thicken for a few minutes and then stabilise (some continue to get thicker with time). This can create both overuse and also fluids that aren't consumed due to being too thick.

$640 per resident

The average cost saving per annum for each resident on mildly thick fluids

For every resident unnecessarily receiving thickened fluids, this creates a significant opportunity to reduce unnecessary costs.

Before a resident is placed on thickened fluids, ensure they're assessed and changes are only made by someone who has had **formal training** in the management of dysphagia... Click here for more information about **specialists in dysphagia risk-management** will reduce **unnecessary modified diet** & **thickener use** (but more importantly improve residents' **quality of life**).

6. Review the Need for Ongoing Modified Diets & Fluids

Residents in aged care facilities are often placed on texture modified diets. An opportunity to reduce unnecessary costs, staff time, and improve resident quality of life exists as:

- ☐ Swallowing difficulties often improve so the type of texture modified diet may no longer be appropriate
- ☐ Swallowing difficulties often worsen so the type of texture modified diet may no longer be appropriate
- ☐ All of the above

In a recent survey of residents who were identified as having “stable” swallowing issues, statistics showed around close to 3/4 of residents needed their diet and/or fluids modified when reviewed by a speech pathologist.

1/3

The number of 'stable' residents' who had their diets upgraded (which means the removal of need to modify, also a staff time-saving measure) when reviewed by a speech pathologist

If you have residents in your facility that are on texture modified diet or fluids, this may be costing more than the price of speech pathology review... Click here for more information about **specialists in dysphagia risk-management** who will reduce **unnecessary modified diet** & **thickener use** (but more importantly improve residents' **quality of life**).

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7. Review the Need for Oral Nutritional Supplements

If a resident experiences unintentional weight loss, nutritional intake generally needs to increase. It is advisable for facility staff to provide supplements to the resident to manage this. Select all that apply.

- ☐ True - if a resident starts having issues, the best option is to provide high calorie supplements to increase their weight
- ☐ False - depending on the resident's specific needs, a supplement may not actually be indicated to improve their nutrition
- ☐ False - depending on the resident's specific needs, a particular type of supplement may be indicated as some may provide increased calories but not address their malnutrition

The Nutrition Standards: "nutrition should be provided by food and **supplements are to be avoided** where possible"

A nutrition and hydration management plan may include any combination, but not necessarily all, of prescribing supplements, special diets, specific types of food, high-energy/high-protein fortified diets, and making recommendations regarding monitoring healthy weight ranges. In *some* cases, however, the prescription of supplements is required.

Once a resident reaches their healthy weight range an opportunity to reduce unnecessary costs, staff time, and improve resident quality of life may exist as the supplement may no longer be required. True or false?

- ☐ False - if the supplement is removed the resident's weight will decrease again
- ☐ True - a resident's weight may be maintained even with the removal of the supplement

$1,000 per resident

The average cost saving per annum from a dietitian removing unnecessary supplement prescription

Click here for more information about dietitians who are specialists in nutritional **management of the elderly** who will work to **reduce unnecessary supplement use** (and more importantly maintain residents' **quality of life)**

8. Stop Providing Non-Evidence Based Special Diets

When it comes to the management of nutrition and hydration, there are a number of differences between the needs of the residents of aged care facilities and the approach needed for individuals living in the community.

Residents in aged care facilities are often on diabetic diets. An opportunity to reduce unnecessary costs, staff time, and improve resident quality of life exists. True or false?

- ☐ True - diabetic diets are not recommended for older adults (management of unintentional weight loss is the priority)
- ☐ False - diabetic diets are recommended for all age groups (management of blood sugar levels is the priority)

Continuing to place elderly residents on **diabetic diets** (that haven't been recommended for several years) is something that increases costs, staff time, and impacts residents.

1/4

Recently a facility identified that their approach to nutrition was based on guidelines that weren't related to the older adult. As a result, there was:

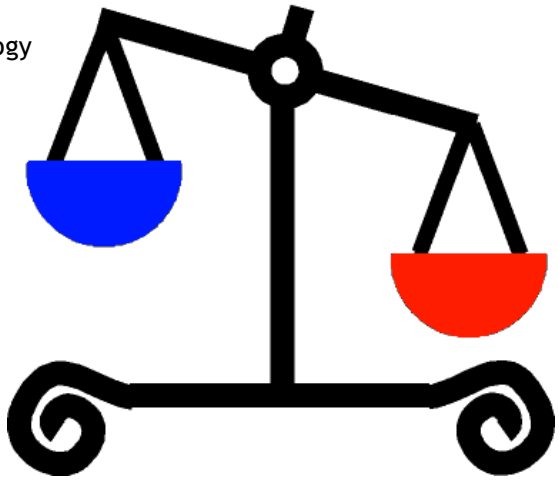
- Over a quarter of residents who were actually considered underweight (BMI between 20–22kgm2) who then had new strategies put in place
- A significant reduction in supplement use (which reduced costs and actually increased resident satisfaction)
- A removal of a number of unnecessary 'special diets', saving staff time and increasing resident enjoyment

Click here for more information about dietitians who are specialists in nutritional **management of the elderly** who will work to **reduce unnecessary special diets and supplement use** (and more importantly maintain residents' **quality of life)**

9. Review the Use of PRN vs. Contracted Services

"I see that for the past 6-months you've been spending on average $35 per month on your prepaid telephone service. If you convert to a $30 per month contract, you'll save money and get more calls."

The cost-per-hour of a contracted speech pathology and dietetics service



The average monthly amount that your facility has spent on PRN services in the past 6-months

+

(call out fees... if you are unfortunate enough to be charged these)

When this analysis is completed, many facilities find that a regular contracted service (e.g. 3-hours per fortnight or month) is actually more cost-effective than using ad-hoc services (especially if you're paying anything near $200 per consult)

Click here for more information about finding out if your facility would be better off by adopting a regular service.

10. Consolidate Your Contracts

The industry is currently undergoing a consolidation phase. Why? It's more efficient.

By consolidating, you:

- Reduce the time and costs associated with managing multiple contracts
- Increase efficiency in administration, human resources, invoicing and scheduling processes
- Reduce costs through achieving better bargaining power
- Improve service delivery with 52-week service guarantees
- Improve overall service levels by having a client relationship manager who is more interested in your overall satisfaction

Single facility? Access all allied health services through one service provider

Multi-facility organisation? Consolidate multiple contracts into one group contract

For example, W&L Aged Care Services (Wellness & Lifestyles) provides a one-stop shop for aged and community care. Most importantly, all of W&L's services are structured in a way that either increases ACFI funding more than the cost of our service, reduces your costs, or are bulk-billed so there's no cost to the resident (or your facility). Services include:

- Physiotherapy
- Podiatry
- Occupational Therapy
- Speech Pathology, and
- Dietetics.

W&L's Aged Care Funding Instrument (ACFI) consultants assist aged care facilities to receive all of the funding they're eligible for in a way that's both risk free and sustainable. Our services include:

- ACFI Funding Gap Analysis
- ACFI Appraisal Pack Submission Projects
- ACFI Complex Health Care Audits
- ACFI Appraisal Pack Risk Audits
- ACFI Education

W&L Aged Care Services (Wellness & Lifestyles) **delivers specialist aged care services** to improve the **quality of life** of older Australians.

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Conclusion

At W&L we believe that by partnering with our clients to structure our services correctly, all residents can then receive the interventions they need in a way that supports accreditation, meets all funding requirements, and is cost-effective for both the resident and the facility.

"To deliver"

We embrace the challenge of taking the time to first understand and then meet the needs of all of our clients. This includes the residents in aged care facilities, the ageing at home, the organisations we work for, and every staff member we interact with. Our goal is to be **consistent** and deliver the highest quality in everything we do. The only way we can do this is by being **timely** in our delivery, but **deliberate** in our approach.

"Specialist aged care services"

We achieve results for our clients by being aged care focused. We're dedicated to every one of our team members being positioned as an **expert** in aged care, and our service **progressive**. This allows an **innovative** approach where we can do more with less, and are continually looking for **fresh** ways for our clients to receive the services that they otherwise couldn't access.

"Improve the quality of life"

We are **serious** about the outcomes we achieve for our clients, but believe in having **fun** in the way we do it. We believe that to improve quality of life we must aim to have a positive impact at every interaction that is more than just health outcomes. By bringing a **warm** and **energetic** approach to our work we can help improve the overall wellness of our clients and their overall lifestyle.

Michael Peachey
W&L Director of National Operations