



Shock and Awe at Homecare 100

by Tim Rowan, Editor

Home Care industry leaders are typically guarded with their opinions and careful with their words when speaking from a stage in front of 475 colleagues and a video camera. Whether out of an accumulation of frustration or simply having been away from live audiences for so long, this year's expert panelists at Home Care 100 were anything but typical. More than once, whispers were heard across the Scottsdale Phoenician ballroom, "Did he actually say that?"



Getting Tough with Medicare Advantage

It started with a discussion among executives from our industry's largest providers. Moderator Tim Craig, Home Care 100's Chief Content Director, shot pointed questions and received frank answers from LHC Group's Chief Strategy and Innovation Officer Bruce Greenstein, Bayada Home Health's CEO David Baiada, Amedisys Home Health's COO Chris Gerard, and Kindred's CEO David Causby.

Inevitably, the conversation under the title "The Future of Home Care Post-Covid" turned to the expansion of Medicare Advantage, currently up to 43 percent of Medicare beneficiaries and expected to reach 50 percent within two years. Panelists spoke their minds about the rise, calling it a crisis.

Mr. Greenstein opened the door:

"We are all complicit and we are losing. This is a serious moment in time, and we have been glossing over it for far too long. MA imposes reimbursement averaging two-thirds of Medicare rates. We are getting our clocks cleaned. We could not be more frustrated by what is happening.

"We have become commoditized 'price-takers,' essentially providing staffing for managed care companies. Here we are with our incredible skill set. We evaluate a patient, create a comprehensive plan of care, and we get asked to do three or four visits. Our data gets co-opted, and we get paid maybe two percent over our costs.

"Some plans are better than others, but there has been little or no recognition of the value of Home Health by Medicare Advantage plans, and there is little we can do about it.

"As MA grows, even if you put all of us at this table together, we don't have enough leverage to dictate terms of the relationships. They have been infected with the 'elixir of power,' and they cannot resist its allure. They will continue to dictate the terms unless we all work together – legally, of course, under the agreement at this gathering and not discussing rates – otherwise, we will not get anywhere.

"Every year, you negotiate MA contract rates, and give in to losing money on every MA patient just to please referrers so they will give you the patients on original Medicare who pay the bills. We have ignored this for far too long. It is a crisis.

"We here in this room are the Home Care 100, but there is a Home Care 1000 out there that will continue to give in to this abuse, and we can't stop them.

"Value-Based-Pay is nice, but Medicare Advantage insurance companies will still dictate our number of visits, our quality of care, and our price."

CEO Causby, himself from Humana subsidiary Kindred, concurred:

"We have fought price pressure from Medicare Advantage companies for years. If we say, 'no, we will not accept these sub-standard rates,' some other agency will.

"Until the *entire* industry comes together and refuses abusive MA prices, we are not going to get anywhere. We have been looking at getting to patients sooner, demonstrating our value. I hope that Humana's approach to stretching the cost curve will get more public notice. I have to believe that things will eventually get better, but only if *everyone* starts refusing to accept sub-standard rates."

Getting Tough with MedPAC

Once that door had been opened by representatives from the C–Suite, the next group of doctors and attorneys willingly marched through it. Session number two was titled, "Policy, Regulations, and Home Care: The 2022 Agenda." Moderator Joanne Cunningham, Executive Direct of the Partnership for Quality Home Healthcare, held the door open, starting with Dr. Steve Landers, MD, CEO of the VNA Health Group, declaring himself the founding member of the Bruce Greenstein fan club.

"It is just like a new housing development," Dr. Landers opined. "The name they choose describes what they are taking away: Rolling Glen, Forest Ridge, Medicare Advantage. When people do not get care, that is not a payment plan, that is a problem."

NAHC President Bill Dombi commented on Medicare Advantage before expanding the frank discussion to include his experience on a recent panel with members of the Medicare Payment Advisory Commission. "We have the data that shows what is happening to patients because of MA managing their care. Essentially, Medicare Advantage is privatizing the Medicare benefit." Then he told what happened when he tried to speak truth to MedPAC power:

"First, they each issued the disclaimer that they were speaking for themselves and not as representatives of MedPAC; then they proceeded to speak just like MedPAC representatives.

"At one point, the MedPAC chair -- 'speaking for himself' -- bemoaned, 'Why does Congress always ignore our recommendations?' to which I answered, 'Because your recommendations are terrible!'

"That dialog continued when another commissioner -- 'speaking for himself' -- declared, 'Home Health profit margins are obscene.' I explained to him that without the average 15 percent profit margin from original Medicare beneficiaries, Home Health cannot afford to care for Medicare Advantage, Managed Care Organization, and Medicaid beneficiaries at their two percent margins. He shook his head and firmly declared, 'We cannot support cross–payer subsidizing.' I replied just as firmly, 'You have no choice!'"

Dr. Landers followed with a question. "During the nine–state Value–Based–Purchasing demonstration, CMS said they saved \$600 million. When are we going to get some of that

savings? Will we see it when VBP goes nationwide and we save them billions?"

Getting Tough with OIG

Not to be outdone, Edo Banach, President & CEO of the National Hospice & Palliative Care Organization, weighed in on Medicare Advantage with a simple summary, "When they say 'innovation' they usually mean 'pay less.' Then he answered a question about enhanced scrutiny from auditors.

"What is said about MedPAC applies to OIG as well. They do not care if you made a clerical error or if you are intentionally fraudulent. We need to change the way we define the benefits. What OIG is doing is just a manifestation of the benefit. Is the patient homebound or not? Terminal or not? Why is this a long hospice length of stay? Why is this a hospice discharge? Why did the Alzheimer's patient live a long time, and is that a bad thing? They criticize us when a hospice admission is not preceded by a hospital discharge. Why? Are we not supposed to be reducing their costs by keeping people out of hospital?"

Banach ended with an appeal to the heart. "Never forget why we are here. In our nation today, there is a tsunami of addiction, depression, and people grieving from nearly a million COVID deaths. We need a national grief support strategy. Home health, home care, and hospice have to make sure we can provide for these needs."

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