



Current Issues and Trends in Home Care

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CHANGING DEMOGRAPHIC

Reaching 90 -
chances have doubled in
past 40 years

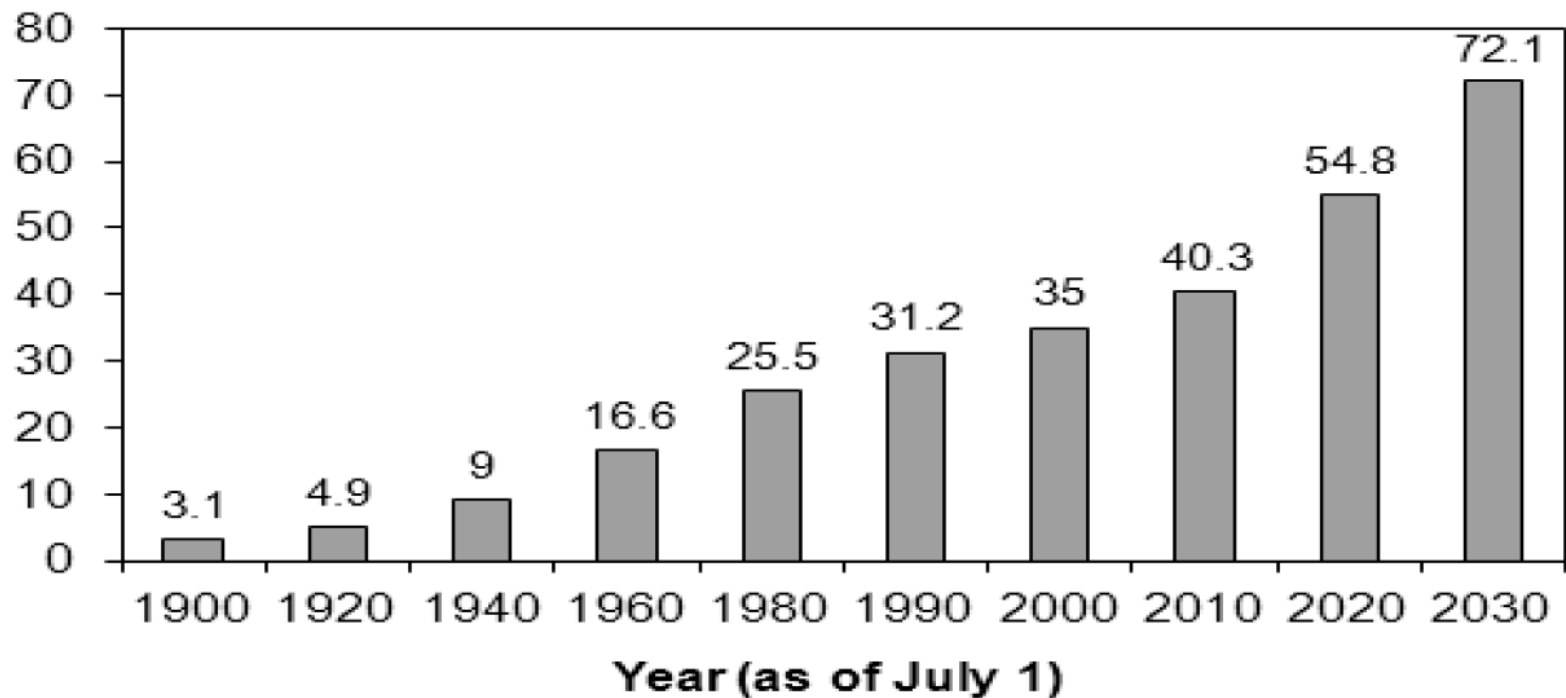


55 years and older -
volume will almost double
between now and 2030



Rising Illness Burden in an Aging Population

**Figure 1: Number of Persons 65+,
1900 - 2030** (numbers in millions)



US Admin on Aging, DHHS

Cost Concerns are Driving Huge Changes in Healthcare Delivery

- \$1 trillion annually and could reach \$6 trillion by 2050
- 95% of all health care spending is for the chronically ill
- Failure to contain the containable undermines
 - ❖ Potential of extending health care coverage (the ACA)
 - ❖ Ability to cope with medical costs of aging population
- The U.S. spends more for health care than any other developed country but does not have better outcomes

US Admin on Aging, DHHS

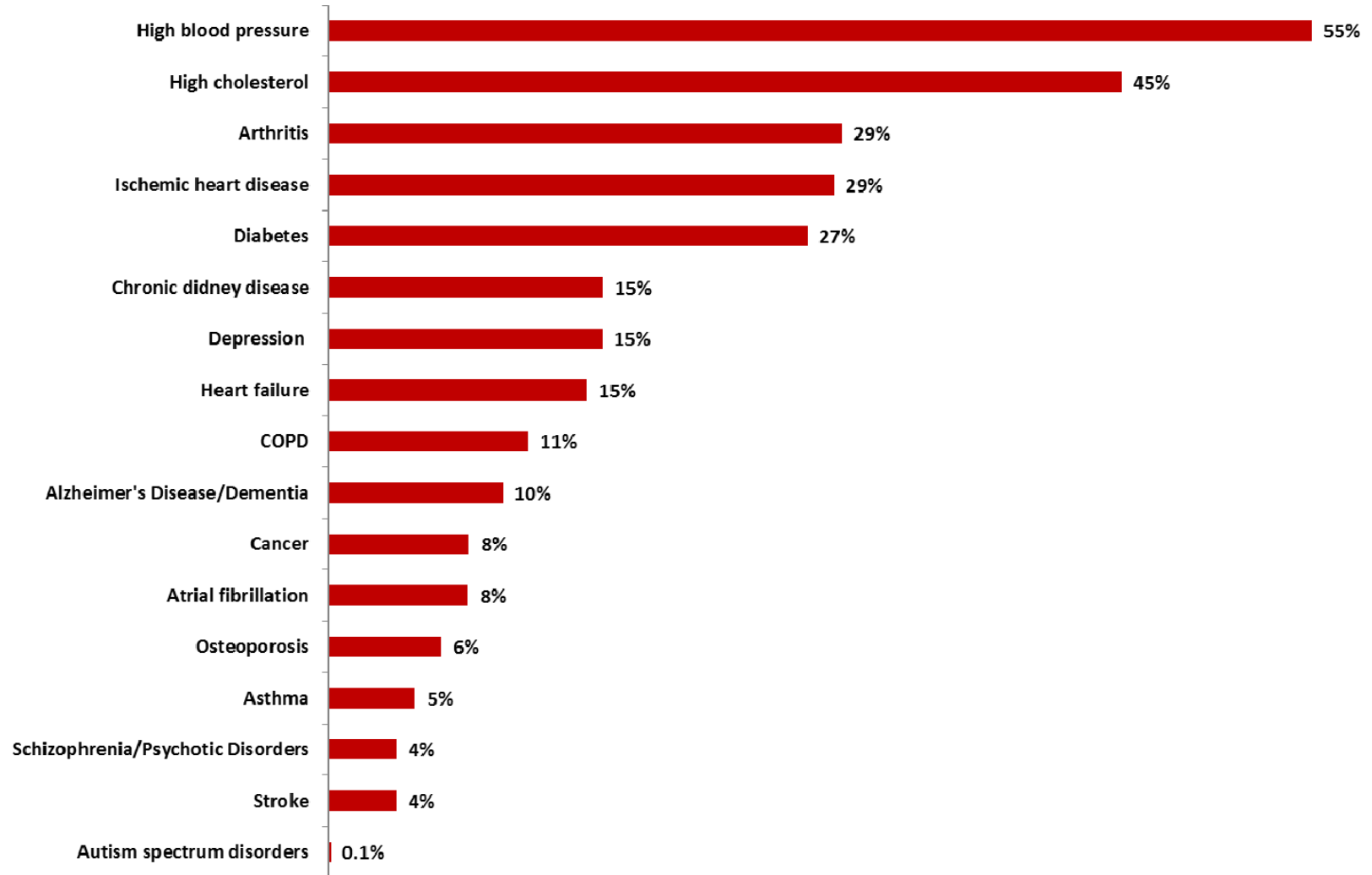


CHRONIC DISEASES: THE LEADING CAUSE OF DEATH AND DISABILITY IN THE UNITED STATES

- More common among older adults
- About 117 million Americans—nearly 1 in 2 adults—one or more
- Approximately one-fourth of persons living with a chronic illness experience significant limitations in daily activities

(Centers for Disease Control and Prevention [CDC], 2015)

Figure 1: Prevalence of Chronic Conditions Among Medicare Fee-For-Service Beneficiaries: 2012

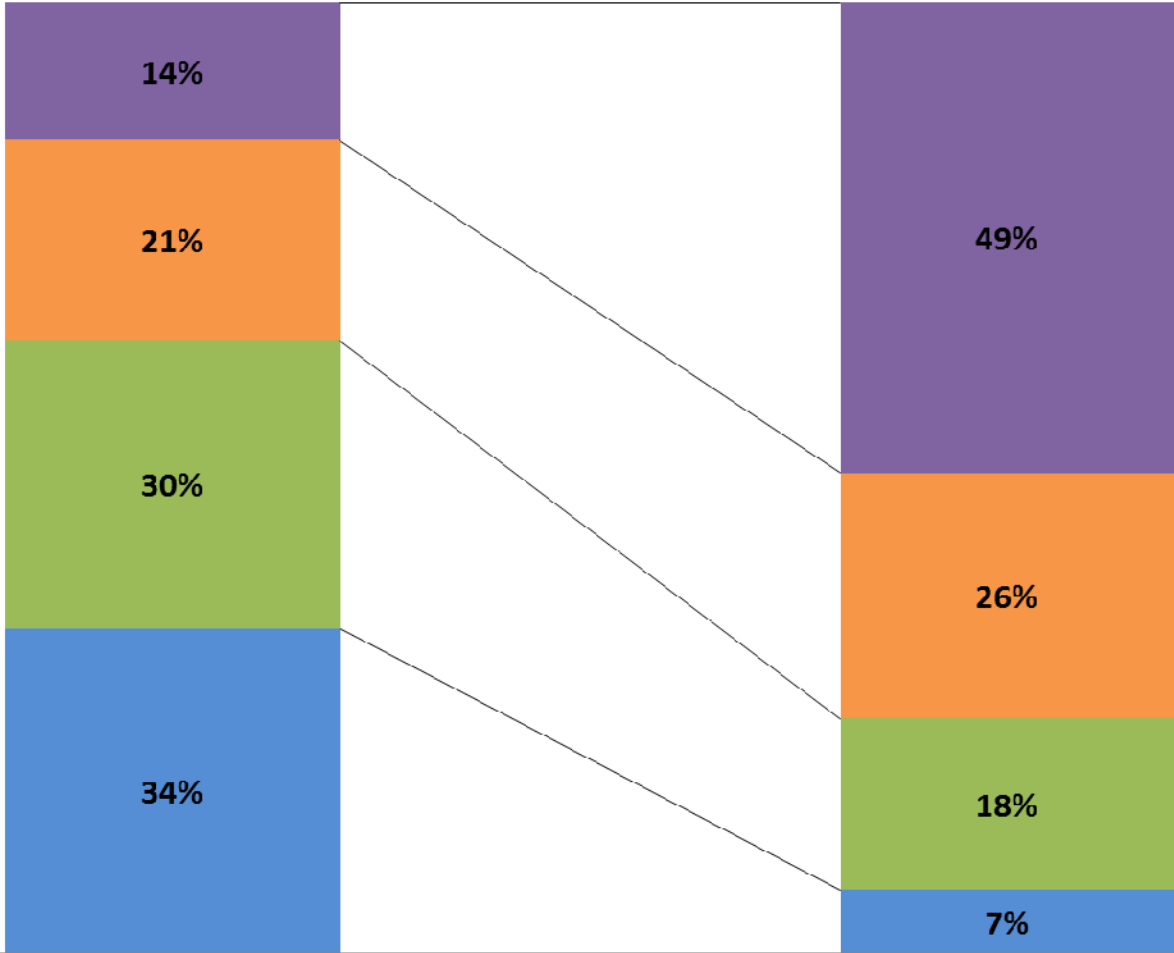


CMS.gov



Figure 13: Distribution of Medicare Fee-For-Service Beneficiaries and Medicare Spending by Number of Chronic Conditions: 2012

■ 0 to 1 condition ■ 2 to 3 conditions ■ 4 to 5 conditions ■ 6+ conditons



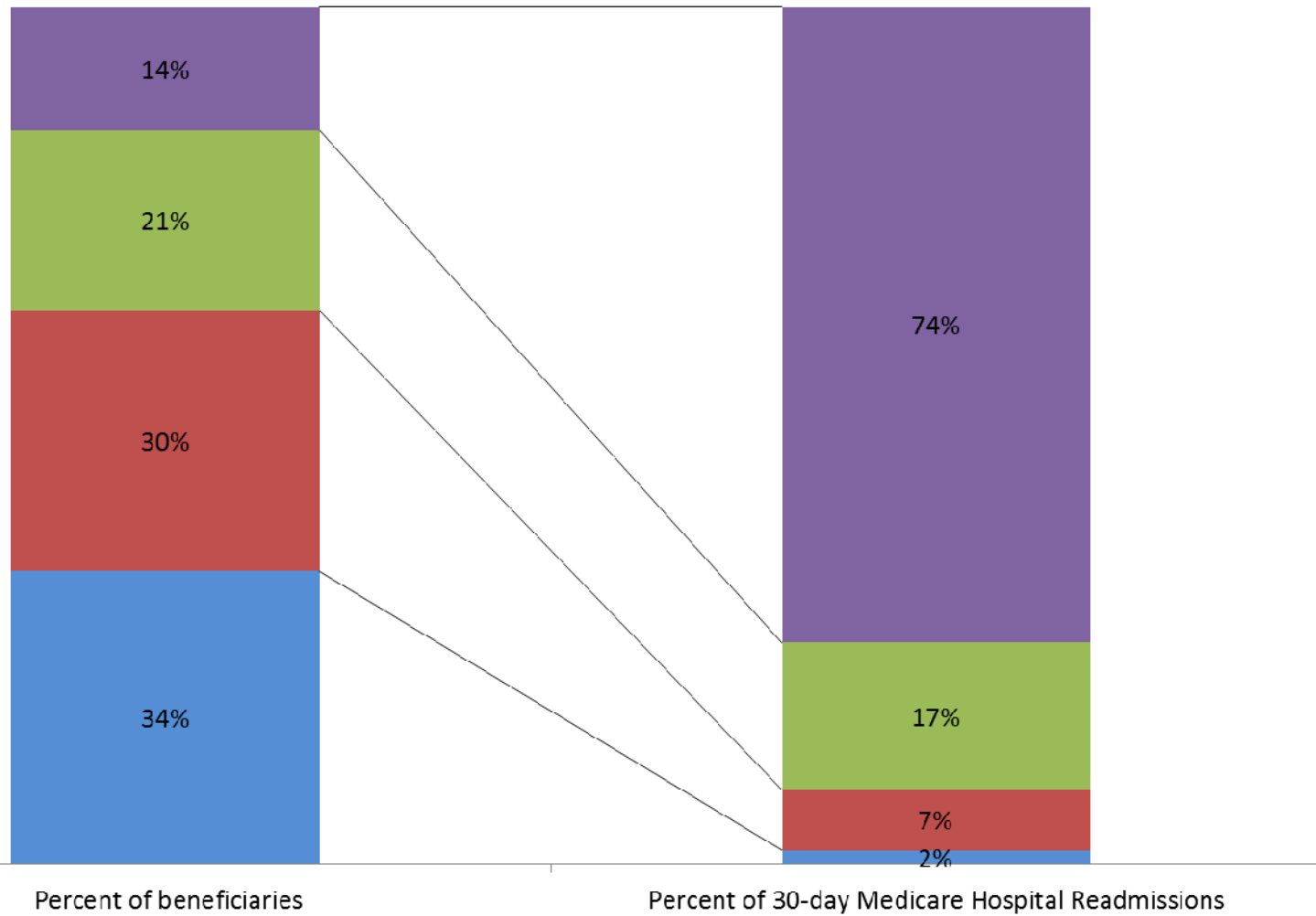
Percent of beneficiaries

Percent of Total Medicare Spending

CMS.gov

Figure 14: Distribution of Medicare Fee-For-Service Beneficiaries and 30-Day Medicare Hospital Readmissions by Number of Chronic Conditions: 2012

■ 0 to 1 condition ■ 2 to 3 conditions ■ 4 to 5 conditions ■ 6+ conditions



CMS.gov

Desired Destination - The Triple Aim

- **Improving the patient experience of care (including quality and satisfaction);**
- **Improving the health of populations;
and**
- **Reducing the per capita cost of health care.**

Institute for Healthcare Improvement

How Do We Achieve the Triple Aim?

Six Priorities

- Make care safer by reducing harm caused in the delivery of care
- Ensure that each person and family are engaged as partners in their care
- Promote effective communication and coordination of care
- Promote effective prevention and treatment practices for the leading causes of mortality, starting with cardiovascular disease
- Work with communities to promote wide use of best practices to enable healthy living
- Make quality care more affordable for individuals, families, employers, and governments by developing and spreading new healthcare delivery models.

Report to Congress

**National Strategy for Quality
Improvement in Health Care**

March 2011



The Foundation for the New US Healthcare System: Value Based Integrated Health Care



“We must shift the focus from the volume and profitability of services provided” – physician visits, hospitalizations, home care visits, procedures and tests structured around the silo approach – “to the patient outcomes achieved” through integration.

Dr. Michael Porter, Institute for Strategy and Competitiveness – Harvard Business School

Reform in the Healthcare Industry

➤ **Declines in margins and revenues due to payment reform**

- Risk sharing, bundled payments, ACOs, consolidation of health systems and providers

➤ **Integration of providers across the continuum – care model changes**

- Care coordination/communication/interoperability
- Specialized clinical programs that cross between multiple service lines and settings of care
- Chronic disease management (includes reducing avoidable hospitalizations)
- Focus on right care in the right setting at the right time

Reform in the Healthcare Industry

➤ **Value Based Purchasing**

- Shift from pay for service to pay for patient outcomes
- On January 26, 2015, Secretary Burwell announced HHS goal of having at least 50% of Medicare's payments be based on quality, not quantity, by 2018
- Quality measures across the continuum

➤ **Increased understanding of the value of PAC – cost effective, desirable for patients to age in place**

➤ **Wellness and prevention focus**

➤ **Accountability:**

- Quality and efficiency, risk sharing

➤ **Increasing dependence on technology**

Reform in the Healthcare Industry

➤ **Patients engaged and actively participate in care**

- Focus on solving the problems that the medical condition causes through good care, self-care information and behavior change support (in contrast to patient education)

➤ **Health Literacy** – The degree to which individuals have the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions

- Risk for Limited Health Literacy increases in individuals with:
 - ✓ Lower education or socioeconomic level
 - ✓ Older adults with vision, hearing or memory disorders
 - ✓ Limited English proficiency (when the providers speak only English)

CMS understands that if everyone works together, patient care improves and costs go down.

