



Dangers of Therapy Underutilization Part 1

The CMS Perspective

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In the past years, overutilization of therapy had been a concern for CMS as most agencies were using therapy as a driving force for reimbursement under the previous prospective payment system and had identified significant overutilization of therapy visits by as much as 30-40%. However, audits revealed that nursing visits were also over utilized along with therapy. One would assume that nursing should be equally held accountable under the PDGM for patient improvements as well and not assume that they get a free pass. However, there has been no reduction in the nursing salaries, workforce, or in their allowed patients visits thus far under PDGM by most agencies. Nursing visits were never a factor contributing to reimbursement, yet are still valued as an integral contribution to a home health episode. Therapy should not be different. PDGM does eliminate therapy-visit volumes as a determining factor in calculating reimbursements, but that does not mean that the need for therapy has changed. Therapists are strategically positioned to promote, enhance, and improve a patient's functional abilities in the realm of home health; however, there are barriers to their services because of some agency practices. This may include reduction in therapy visit utilization, frequency or restricting disciplines.

As the population of the world has continued to grow these past decades, one of the leading causes of death for human beings is chronic or lifestyle diseases. The good news is that through the advancement of modern medicine and practice, the impact on quality of life that these chronic diseases and illnesses have, is significantly improved by therapy intervention, treatments, and education. What a gift we have as clinicians to help modify another person's health and wellness by addressing deficits, behaviors, and poor mobility and practices. However, since the implementation of PDGM, the industry has seen drastic cuts in therapy staffing, patient treatments plans, and therapy frequencies and visits. The question we would like to pose is, "Do we clearly see the dangers of therapy underutilization and its possible long-lasting impact on not only on

the therapy profession as a whole, but also the negative effects this will have on patient outcomes and satisfaction in the future?”

As these chronic diseases along with other ailments, continue to negatively affect millions of individuals worldwide, and cost the insurance systems billions of dollars, CMS instituted the Patient Driven Grouping Model, better known as PDGM. The purpose was to put the patient at the center of the care plan and enable home care agencies, along with CMS, to manage patient’s health, disease process, and cost more efficiently. One of the main purposes of the PDGM was to promote valuable home health services that resulted in improved functional outcomes. What we are potentially seeing in 2020 is a trend in some agencies changing how they are providing care, not based on patient characteristics or need, but based on reimbursement. Therapy utilization and visits potentially appear to be financially driven and not patient driven in some cases.

CMS and the OIG has already issued alerts that will be a red flag and cause for a concern if home health agencies significantly decrease their therapy utilization going forward in PDGM. Agencies nationwide need to realize that CMS is watching. The home health conditions of participation require a care plan with the services necessary to meet patient needs. CMS has issued a statement that changes to therapy visit utilization must fall within this requirement. Agencies must understand that if they have a decrease in patient outcomes or a significant decrease in therapy utilization, agencies place themselves at a high risk of CMS scrutiny during survey. Additionally, a decrease in visit utilization could ultimately result in a potential adjustment of reimbursement by CMS to claims based on average utilization. Resource use drives the standard for rates of future payments. By lowering therapy visit utilization, some agencies may inadvertently be justifying reimbursement rate adjustments by CMS in the long term.

Agencies reducing therapy visits based on reimbursement metrics rather than clinical characteristics seem to be that therapy is extremely beneficial, and the life force of a home health agency. Having therapy in the home has shown to significantly decrease hospital readmission rates while saving CMS millions of dollars in doing so. Therapy has also been proven to improve overall patient function, confidence, and well-being. A major concern is that agencies may cut therapy to begin with to “save money” but eventually it will end up costing the agency more later on down the road with decreased patient outcomes, higher hospital readmissions, decreased STAR ratings, and decreased patient satisfaction. Agencies need to remember that PDGM is value based and everything just mentioned will matter as CMS could come possibly knocking on your agency’s door later this year if value and utilization decreases.