

CAN THIS AGENCY SURVIVE?

**NAHC ANNUAL MEETING
SESSION #103
OCTOBER 3, 2010 – 11:30 AM –
1:00 PM**

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THE IMPACT OF LABOR COSTS

- Staffing models
- Productivity
- Clinical delivery – utilization

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STAFFING MODELS

- Salaried
- Hourly
- Per visit
- Use of contract staff
- PRN

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PRODUCTIVITY

Studied:

- Productivity
- Administrative staffing
- Visit staff
- Clerical

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STAFFING LEVELS

Reduction in hours:

- Direct care staff
- Administrative staff
- Clerical staff

Lay-offs:

- Direct care staff
- Administrative staff
- Clerical staff

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MANAGEMENT

- How many hats can they wear?
- Balance between office/field staff
- Who does what

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CLINICAL DELIVERY - UTILIZATION

- Utilization standards
- How they changed
- How to enforce the standards

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EPISODE MANAGEMENT

- Fewer
- Recertifications
- Discipline mix
- Case mix
- Administrative review
- Visit planning
- Best level of care

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STAFF EDUCATION

- OASIS-C
- Assessments
- Case mix
- The health of the agency

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ISSUES INVOLVED IN DOWNSIZING

- Financial analysis
- Regulatory analysis

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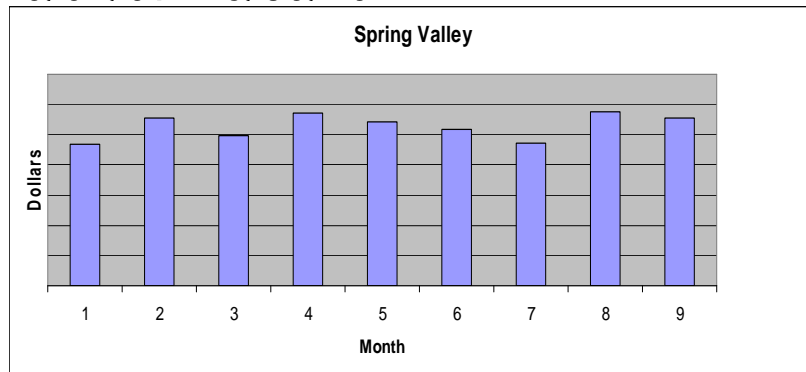
FINANCIAL ANALYSIS - REVENUE

- Payer mix
 - 10/1/08 – 9/30/09
 - Spring Valley Medicare = 66.2% patients & 78.4% visits
 - Fargo Medicare = 67% patients & 73.6% visits
 - 10/1/09 – 5/31/10
 - Spring Valley Medicare = 83.91% patients & 85.9% visits
 - Fargo Medicare = 75% patients & 80.5% visits

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FINANCIAL ANALYSIS - REVENUE

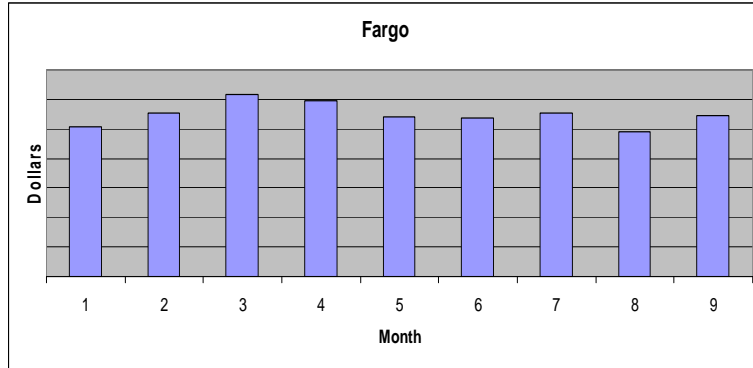
- Revenue per episode – Spring Valley – 10/01/09 – 6/30/10



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FINANCIAL ANALYSIS - REVENUE

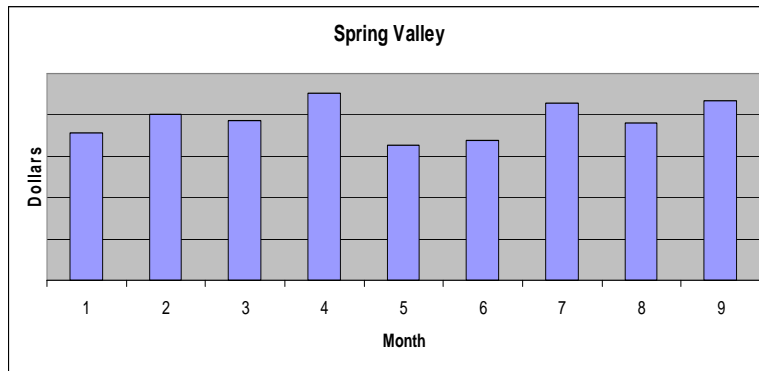
- Revenue per episode – Fargo – 10/01/09-6/30/09



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FINANCIAL ANALYSIS - REVENUE

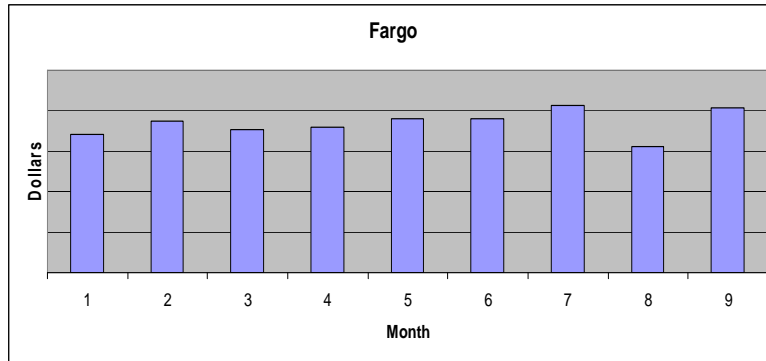
- Revenue per visit – Spring Valley – 10/01/09 – 6/30/10



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FINANCIAL ANALYSIS - REVENUE

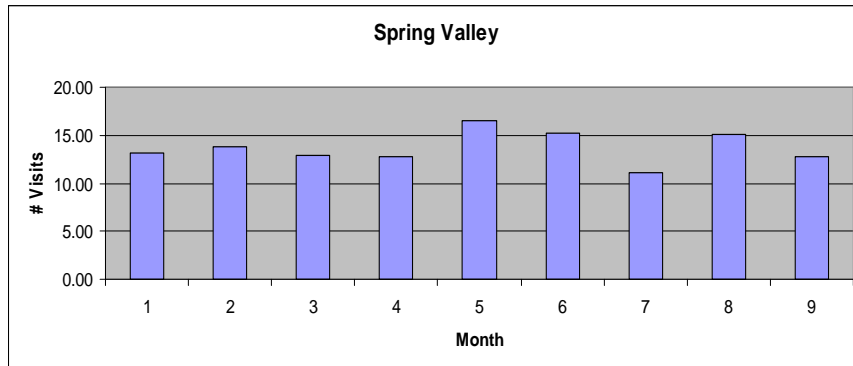
- Revenue per visit – Fargo – 10/01/09 – 6/30/10



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FINANCIAL ANALYSIS

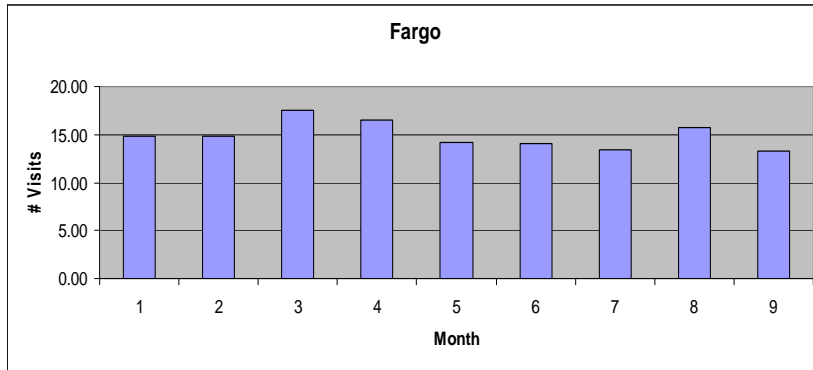
- Visits per episode – Spring Valley – 10/01/09 – 6/30/10



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FINANCIAL ANALYSIS

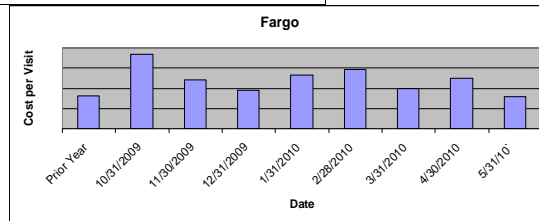
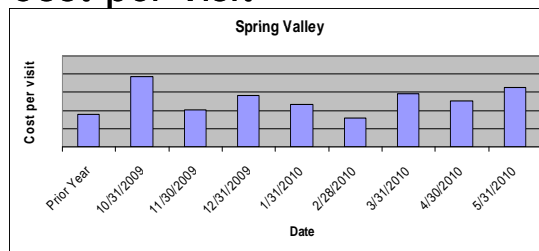
- Visits per episode – Fargo – 10/01/09 – 6/30/10



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FINANCIAL ANALYSIS

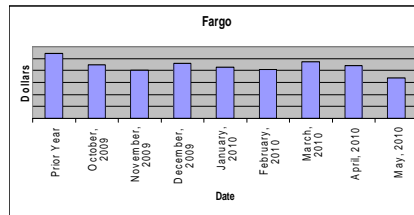
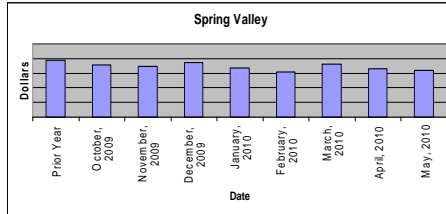
- Cost per visit



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FINANCIAL ANALYSIS

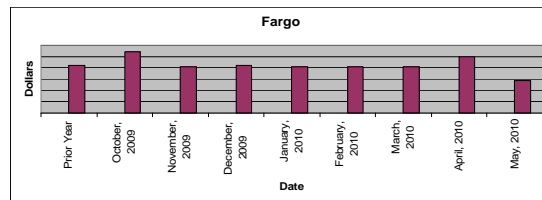
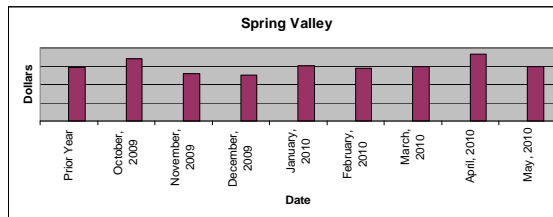
- Salaries



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FINANCIAL ANALYSIS

- Benefit costs



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REGULATORY ISSUES

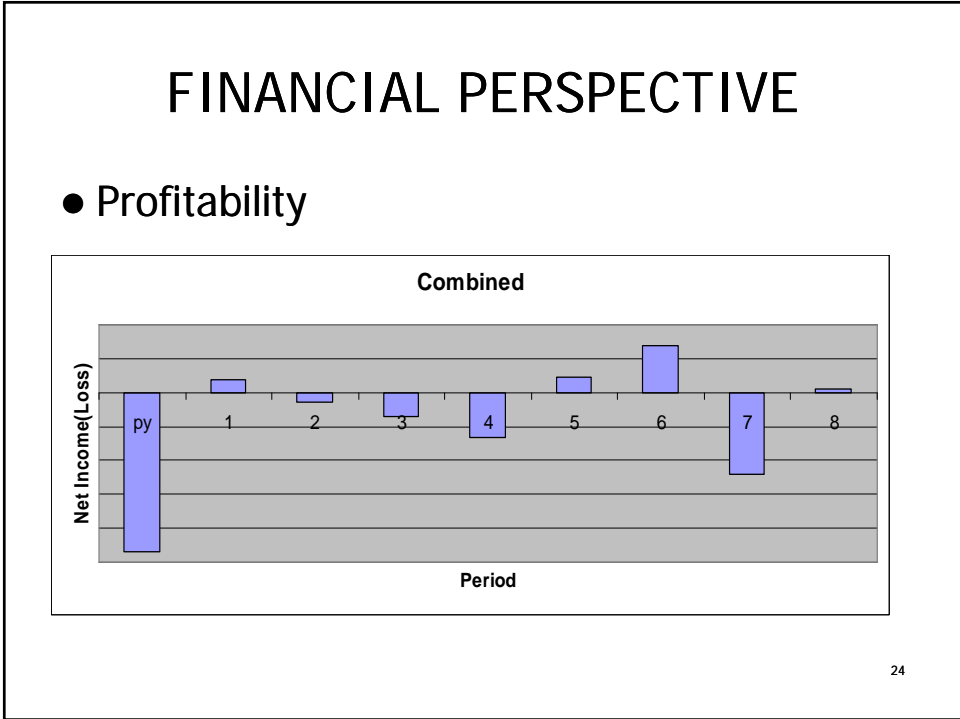
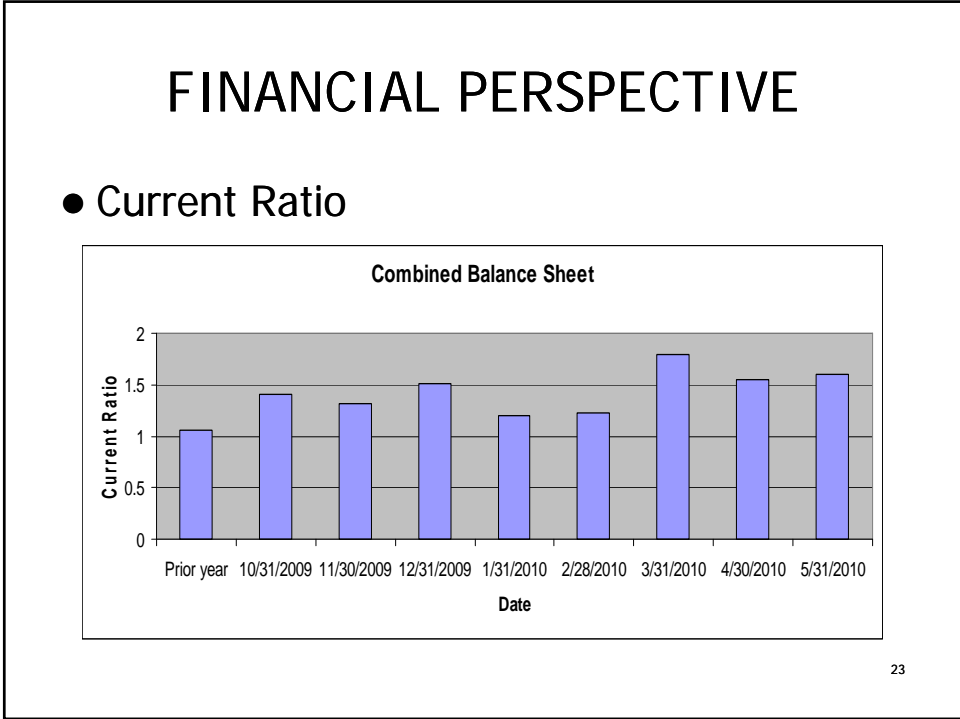
- Maintaining regulatory compliance while downsizing
 - Medicare Conditions of Participation
 - State licensure regulations

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DETERMINE VIABILITY

- Financial perspective
- Marketing
- Organizationally
 - Mission and Values

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MARKETING

- Who is assigned to marketing
- What is goal of marketing
- Where do you market
- When is it done

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MARKETING

- All staff
- Use Outcomes
- Frequency of visits to referral sources
- Diversified who was visited
- Provide education

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COMPETITION

- Offensive
- Defensive

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COMMUNITY RELATIONSHIPS

- Health fairs
- Public education
- Web site
- Other provider types

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STAFF COMMUNICATION

- Staff Morale
- Staff educated about the problems being experienced
- Staff informed of every aspect of health of agency

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STAFF PART OF PROCESS

- Supported each other
- Brainstormed
- Increased awareness of costs
- Increased awareness of effect of their assessments, case mix and discipline mix
- Became part of solution
- Volunteers for reductions

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CONCLUSION

- Agency is still open with branches in Fargo, ND and Spring Valley, IL
- Current ratio has improved
- Profitability has increased

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QUESTIONS



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FACULTY

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