

Pitch Perfect: Selling Your Services to LTC Facilities

Lou Ann Brubaker, President
Brubaker Consulting
www.brubakerconsulting.com
301-535-5449
brubak97@aol.com
Linkedin



© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Disclosure

Lou Ann Brubaker is the President of Brubaker Seminars and is receiving an honorarium for this presentation. The conflict of interest was resolved by peer review of the slide content.

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Learning objectives

1. Describe why differentiating a pharmacy within its marketplace is both critical and difficult.
2. Define which nursing facilities are worth a priority effort in marketing outreach.
3. Describe what elements constitute a solid prospect profile.

What's changing?

- The challenges of post-acute care.
 - baseline expectations no longer provide you with a competitive advantage.
- CMS' rationale for the proposed Medicare Part A reimbursement model shift.
 - its potential impact on facilities' revenue and clinical offerings and what that could mean to you.

Pharmacies must evolve.



- If you want to
 - assist facilities in their future success
 - get new business
 - keep the business you have



© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Just meeting baseline expectations is not competitive in today's post-acute care.



- What's baseline?
 - 24/7 pharmacist availability
 - delivery schedules that accommodate census type
 - pharmacy F-tag compliance
 - inservices
 - DRRs
 - accurate and easy-to-understand billing

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

You have to support what's really keeping post-acute care providers up at night.

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Compliance

- SNF survey scrutiny has never been greater (or more creative)
 - Surveyors better armed with data and tools
 - automatic resident selections are
 - vulnerable residents (quadriplegia, ALZ)
 - high risk meds (insulin/anticoagulants/antipsychotic w/dementia)
- Critical Element Pathways provide guidance and direct additional areas of scrutiny/possible citation.
 - e.g., med storage CEP directs to F602 (Misappropriation of Resident Property/Exploitation Related to Drug Diversion)

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Census & Dollars



- Payer pressure continues on reducing lengths of stay
- Occupancy continues to be impacted by HCBS:
 - FFS continues to decline
 - 28 days
 - Medicare Advantage
 - 14 days
 - ACO
 - 10 days
 - BPCI
 - 4-6 days

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Census & Dollars



- Medicaid
- \$201
- Medicare
- \$512
- Managed Medicare
- \$437
- Private
- \$264

**\$20 less
than
costs!**

- Median days in A/R is increasing
- Median days cash on hand is decreasing

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

The next big thing to hit the fan— PDPM



© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Patient Driven Payment Model — October 1, 2019



Let's all hold our breath on what that's going to look like!

Rationale for why something has to change: 3 separate OIG reports

- detailing 'up-coding' of RUGs to Ultra-high:
- "Medicare payments for therapy greatly exceed SNFs' cost for therapy.
- "Over 90% of covered SNF PPS days are billed using one of the 23 Rehab RUGs, with 60% of covered SNF PPS days billed using one of the 3 Ultra-High Rehab RUGs. Implication of pattern is that more than half of the days billed under the SNF PPS effectively use only a resident's therapy minutes and ADL scores to determine appropriate payment."
- **MEDPAC 3/2017 Report:**
- "Revise current SNF PPS to base therapy payments on patient characteristics (not service provision), remove payments for NTA services from nursing component & establish separate component within the PPS that adjusts payments for NTA services."

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Proposed PDPM Clinical Categories



- Ten predictive inpatient clinical categories of resident types found in SNFs:

Major Joint Repl/Spinal Surg	Cancer
Non-Surg. Ortho/Musculoskeletal	Pulmonary
Ortho Surgery (except Major Joint)	Cardiovascular & Coagulations
Acute infections	Acute Neurologic
Medical management	Non-Orthopedic Surgery

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

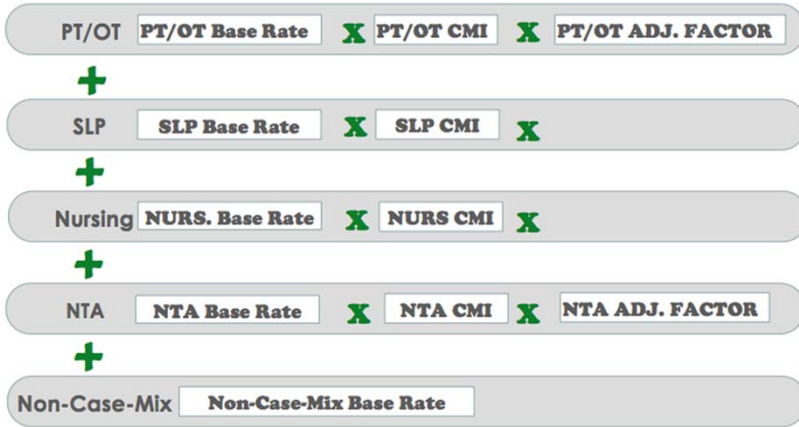
PDPM Money



- CMS 'front-loads' payments within a VARIABLE per diem schedule.
 - Pays higher rates at beginning of stay versus consistent rate for each day covered within a more frequent assessment process., i.e., 5, 14, 30, 60, etc.

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

PDPM Money



© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

PDPM Money



- Six case-mix groups

NTA Score Range	NTA Case-Mix Group	NTA Case-Mix Index
12+	NA	3.25
9-11	NB	2.53
6-8	NC	1.85
3-5	ND	1.34
1-2	NE	0.96
0	NF	0.72

Medicare Payment Days	Adjustment Factor
1-3	3.0
4-100	1.0

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Medications (NTA) separate category using point system



Condition/Extensive Service	Source	Points
HIV/AIDS	SNF Claim	8
Parenteral IV Feeding: Level High	MDS Item K0510A2, K0710A2	7
Special Treatments/Programs: Intravenous Medication Post-admit Code	MDS Item O0100H2	5
Special Treatments/Programs: Ventilator or Respirator Post-admit Code	MDS Item O0100F2	4
Parenteral IV feeding: Level Low	MDS Item K0510A2, K0710A2, K0710B2	3
Lung Transplant Status	MDS Item I8000	3
Special Treatments/Programs: Transfusion Post-admit Code	MDS Item O0100I2	2
Major Organ Transplant Status, Except Lung	MDS Item I8000	2
Active Diagnoses: Multiple Sclerosis Code	MDS Item I5200	2
Opportunistic Infections	MDS Item I8000	2
Active Diagnoses: Asthma COPD Chronic Lung Disease Code	MDS Item I6200	2
Bone/Joint/Muscle Infections/Necrosis - Except Aseptic Necrosis of Bone	MDS Item I8000	2
Chronic Myeloid Leukemia	MDS Item I8000	2
Wound Infection Code	MDS Item I2500	2
Active Diagnoses: Diabetes Mellitus (DM) Code	MDS Item I2900	2
Endocarditis	MDS Item I8000	1
Immune Disorders	MDS Item I8000	1
End-Stage Liver Disease	MDS Item I8000	1
Other Foot Skin Problems: Diabetic Foot Ulcer Code	MDS Item M1040B	1
Narcolepsy and Cataplexy	MDS Item I8000	1
Cystic Fibrosis	MDS Item I8000	1
Special Treatments/Programs: Tracheostomy Care Post-admit Code	MDS Item O0100E2	1
Active Diagnoses: Multi-Drug Resistant Organism (MDRO) Code	MDS Item I1700	1
Special Treatments/Programs: Isolation Post-admit Code	MDS Item O0100M2	1
Specified Hereditary Metabolic/Immune Disorders	MDS Item I8000	1
Morbid Obesity	MDS Item I8000	1
Special Treatments/Programs: Radiation Post-admit Code	MDS Item O0100B2	1

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Medications (NTA) separate category using point system



Condition/Extensive Service	Source	Points
Highest Stage of Unhealed Pressure Ulcer - Stage 4	MDS Item M0300X1	1
Psoriatic Arthropathy and Systemic Sclerosis	MDS Item I8000	1
Chronic Pancreatitis	MDS Item I8000	1
Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	MDS Item I8000	1
Other Foot Skin Problems: Foot Infection Code, Other Open Lesion on Foot Code, Except Diabetic Foot Ulcer Code	MDS Item M1040A, M1040B, M1040C	1
Complications of Specified Implanted Device or Graft	MDS Item I8000	1
Bladder and Bowel Appliances: Intermittent Catheterization	MDS Item H0100D	1
Inflammatory Bowel Disease	MDS Item I8000	1
Aseptic Necrosis of Bone	MDS Item I8000	1
Special Treatments/Programs: Suctioning Post-admit Code	MDS Item O0100D2	1
Cardio-Respiratory Failure and Shock	MDS Item I8000	1
Myelodysplastic Syndromes and Myelofibrosis	MDS Item I8000	1
Systemic Lupus Erythematosus, Other Connective Tissue Disorders, and Inflammatory Spondylopathies	MDS Item I8000	1
Diabetic Retinopathy - Except Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	MDS Item I8000	1
Nutritional Approaches While a Resident: Feeding Tube	MDS Item K0510B2	1
Severe Skin Burn or Condition	MDS Item I8000	1
Intractable Epilepsy	MDS Item I8000	1
Active Diagnoses: Malnutrition Code	MDS Item I5600	1
Disorders of Immunity - Except : RxCC97: Immune Disorders	MDS Item I8000	1
Cirrhosis of Liver	MDS Item I8000	1
Bladder and Bowel Appliances: Ostomy	MDS Item H0100C	1
Respiratory Arrest	MDS Item I8000	1
Pulmonary Fibrosis and Other Chronic Lung Disorders	MDS Item I8000	1

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Who to target in outreach

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.



Spend more time here.

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Facilities in regulatory pain



- Previous survey challenges – this impacts their
 - Five star rating
 - Upstream referrer relationships
 - Financial viability if CMPs were assigned
 - Prospective resident/responsible party decisions

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Facilities in quality performance pain



- Quality measures (short- and long-stay) data as compared to State and Federal averages
 - Pain
 - ED utilization
 - Re-hospitalizations
 - Discharges to home
 - Improved ADLs
 - UTIs
 - Antianxiety/antipsychotic medication utilization

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Facilities in capabilities pain



- Not competitive within new financial models
 - VPB
 - BPCI
 - ACO
 - Dual eligible

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Facilities in occupancy pain



- Too high Medicaid
- Too low Medicare A
- Poor managed care relationships
- Inability to quickly accept admissions

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Your compelling argument

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Financial/occupancy solutions

- 1st dose availability
 - controlled, easy to use for nurses
- Monitoring of high cost drugs
- Distribution systems that align with facility need
 - SNFs participating in alternative payment models may want short cycle fill, not 30 day

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Financial/occupancy solutions



- If you want to increase your value proposition target at higher percentages than competitors
 - Therapeutic interchanges
 - and give me the hammer by reporting unresponsive attending physicians to me
- Non-covered meds

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

The regulatory conversation to have with SNFS



- What you should be talking about with SNFs NOW:
 - When asked by surveyors we'll help you answer
 - "How do you.....
 - pass certain medications?"
 - receive, use, dispose and reconcile controlled meds?"
 - get a new drug in a timely manner?"
 - obtain advice on a potential ADE?"
- Our Consultant Pharmacists
 - will be drilling down harder on high risk medications because they're more highly scrutinized.
 - can help support your move to higher acuity care.

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

The financial/census conversation to have with SNFS



- What you should be talking about with SNFs NOW:
 - “What types of clinical capabilities are you considering
 - to reduce potential PDPM’s financial impact of less therapy-driven revenue?”
 - to position yourself better with acute care hospitals (difficult to place patients) to drive admissions to your facility?”
 - ex., trachs, IVs, dialysis, transfusions, respiratory, behavioral health
- “Let’s discuss how our pharmacy’s education and clinical acumen can help you succeed.”
 - identification of changes in condition
 - ADEs

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

The financial/census conversation to have with SNFS



- What outcomes are you targeting in your facility?
 - improved survey performance
 - Quality Measure performance (short- and long-stay)
 - QAPI project
 - Five-star ratings
 - fall prevention
 - depression and pain
 - low ER use/re-hospitalization prevention
 - while in the SNF and following discharge to community
 - how is current pharmacy supporting transition?

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Get engaged sooner.



- Consultant pharmacist support prior to admission
 - especially for SNFs with ultra-short stays (BPCI, ACO)
- Estimates on med costs by admitting diagnosis will be an imperative
 - vast majority of SNFs don't know costs of care

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Quality impact.



- Upstream referrers want to know about QMs
 - Short-stay
 - low re-hospitalizations
 - low ER visits
 - discharges to community
 - % reporting moderate-to-severe pain
 - low new or worsening pressure ulcers
 - low first time use of antipsychotic med

© Copyright 2018, Cardinal Health. All rights reserved. CARDINAL HEALTH, the Cardinal Health LOGO and ESSENTIAL TO CARE are trademarks or registered trademarks of Cardinal Health. All other marks are the property of their respective owners.

Quality impact.

- Positive outcomes drive referrals/admissions
- Upstream referrers want to know about QMs
 - Long-stay
 - low falls with major injury
 - low UTIs
 - % reporting moderate-to-severe pain
 - low B & B loss of control
 - low restraint use
 - low weight loss
 - low depression
 - low antianxiety/hypnotic med use

Assure your value proposition

- Every PAC facility is/will be more aggressively ‘re-vetting’ every single vendor relationship:
 - How are they supporting the SNF in its big target success areas?
- QBRs to highlight both achieved and ‘missed’ opportunities
 - individual facilities AND enterprise wide data

Anticipate continued churn

- Stand-alone/small chains may sell while per bed pricing remains fairly stable.
- This may be due to uncertainties in Med A reimbursement or just increasing regulatory and clinical pressures
 - REGARDLESS — this is the time to cement your value proposition in your markets.

Thanks for listening.