

VNS Health Meeting with White House Office of Management and Budget

October 6, 2022



Agenda



- 1 VNS Health Overview
- 2 Current Home Health Situation
- 3 CY2023 Home Health PPS Proposed Rule

Our Programs and Services

Helping people to live, age and heal where they feel most comfortable – in their home, connected to their family and community

Provider Services



Home Care

Largest Home Health Agency in NYS



Hospice Care

Largest Hospice in NYS



Personal Care

2nd largest 1199SEIU (~6,000 aides)



Behavioral Health

Community-based services



Professional Solutions

Home-Based Care Management

Health Plans

Medicaid

Managed Long-Term Care (MLTSS)

Largest nonprofit MLTC

Medicare Advantage

MA-PD, D-SNP, FIDE SNP

Medicaid

HIV Special Needs Plan

Highest viral load suppression

Innovation & Industry Leadership

MLTC, FIDA, integrated care **early adopter**

Risk-based **VBP** contracts

Independent **Home Care Research** & Analysis

CMMI demonstrations

MA Carve-in of hospice benefit (VBID Hospice)

Bundled Payments for Care Improvement

Note: CHOICE branding will be retired in October, at which time these services will become Health Plans by VNS Health.

Current Home Health Situation

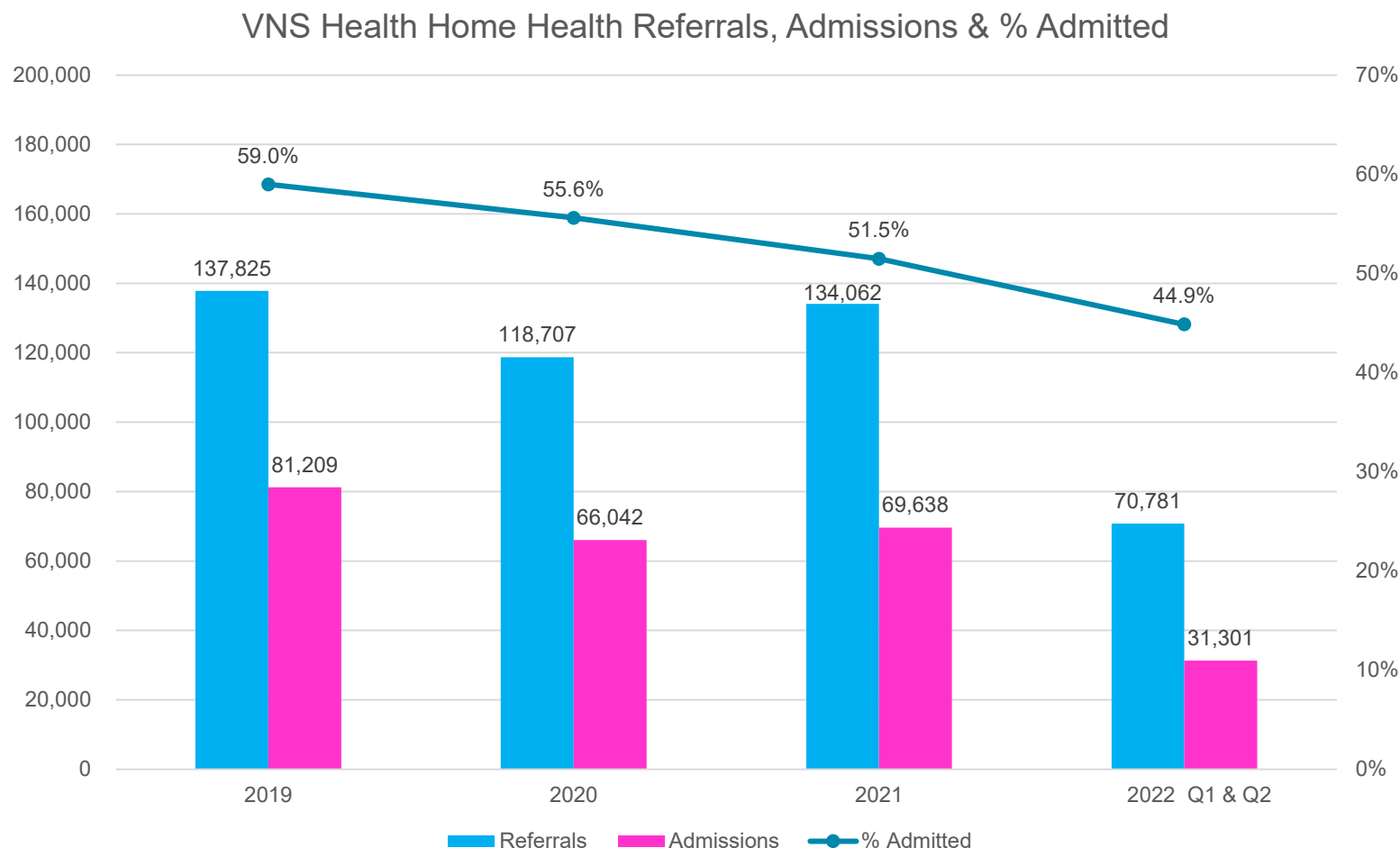
Overview

- **Older and frailer patients**
 - Multiple comorbidities; require more complex care in the home
- **Increasing demand for home health services**
 - Increased hospital discharges to preserve bed capacity
 - Patients prefer recovery in the home vs. skilled nursing facilities (SNFs)
- **Major workforce challenges**
 - 4% nursing labor cost increases/year
 - Competition (hospitals, traveling nurses, health plans)
 - Public safety concerns
- **“Home health deserts”**
 - Growing number of communities with little or no home health access
 - Greatest impact on communities of color

Current Home Health Situation

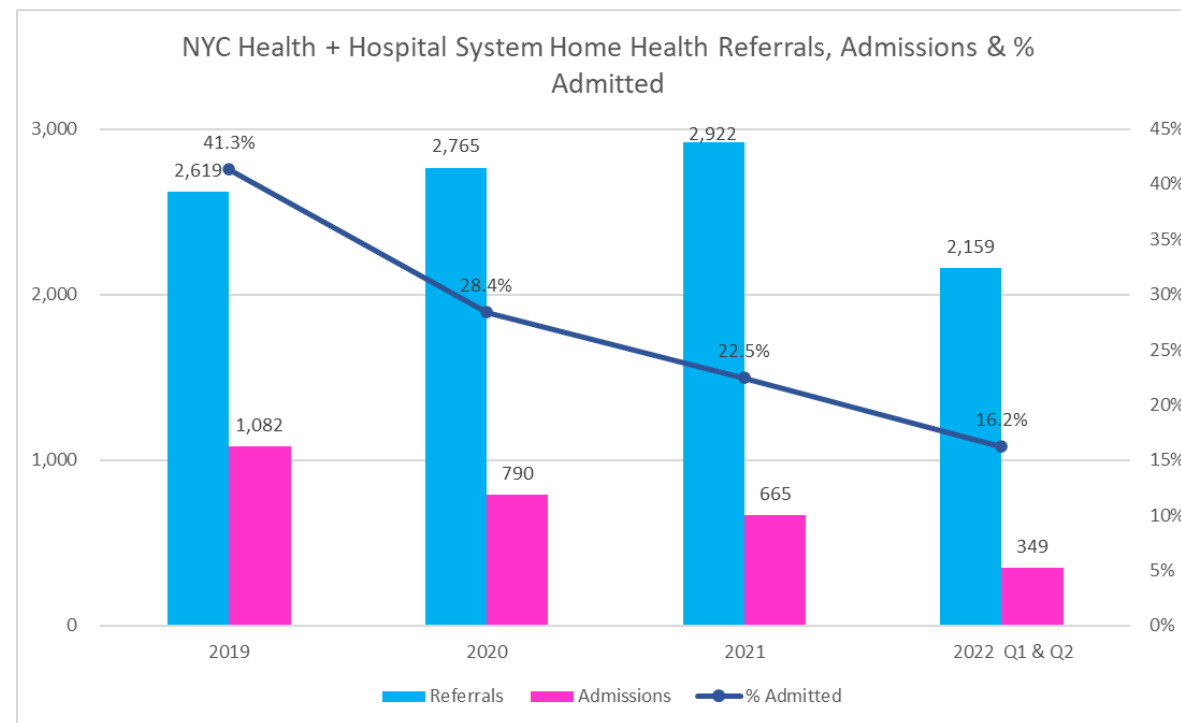
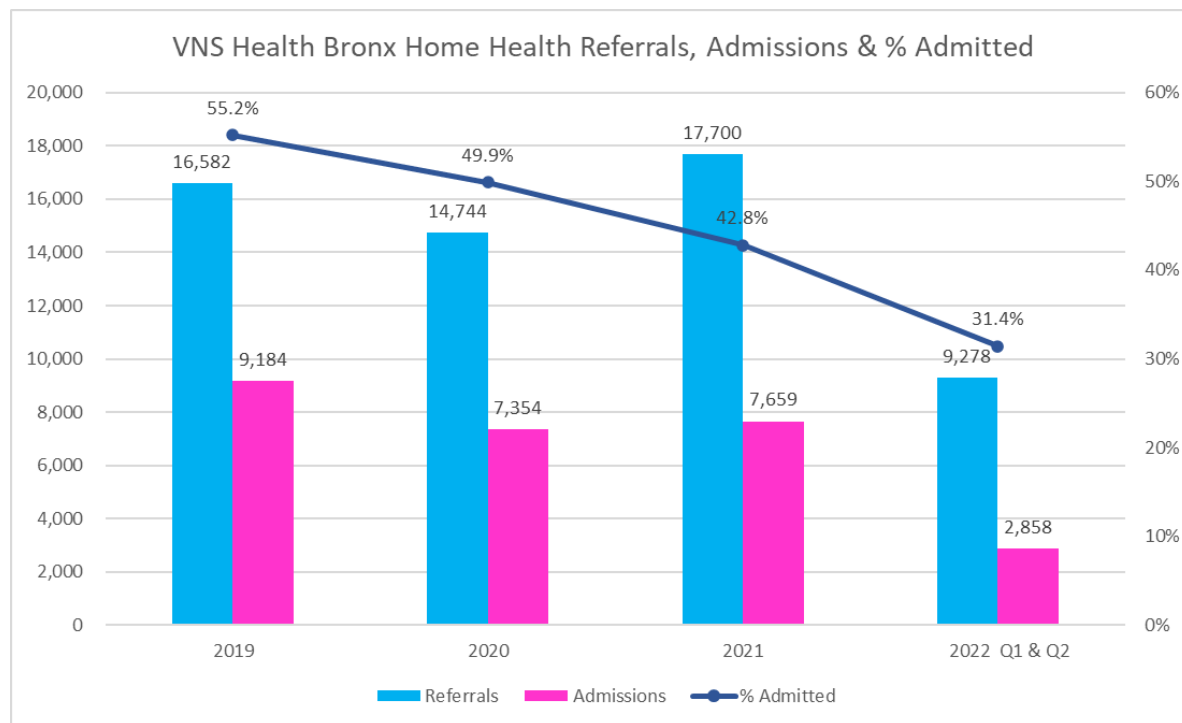
Referral/Admission Gap

- Growing gap between home health *referrals* and *admission*
- 2022 referrals on track to surpass 2019
- Admissions *declining* since 2019



Current Home Health Situation

Disproportionate Impact



Home Health Deserts

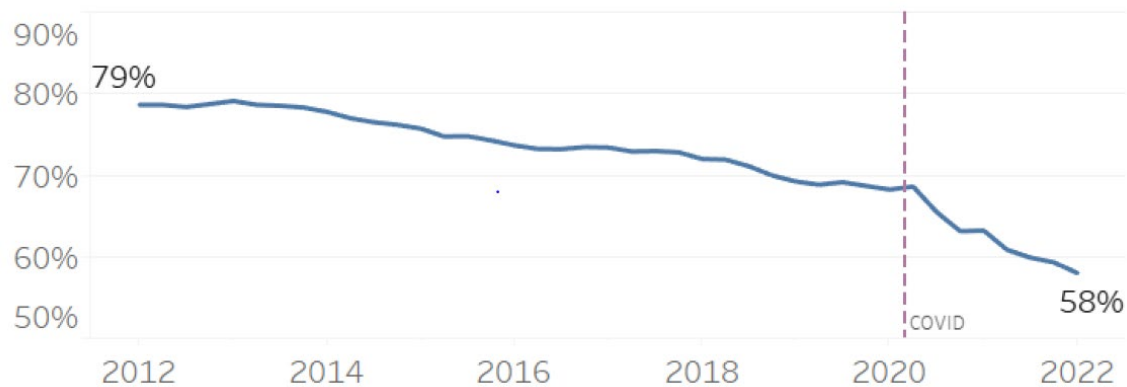
Largest gap in areas/systems with greatest disparities

- Bronx: Worst health outcomes in NYS
- Health & Hospitals: NYC's public/safety net health system

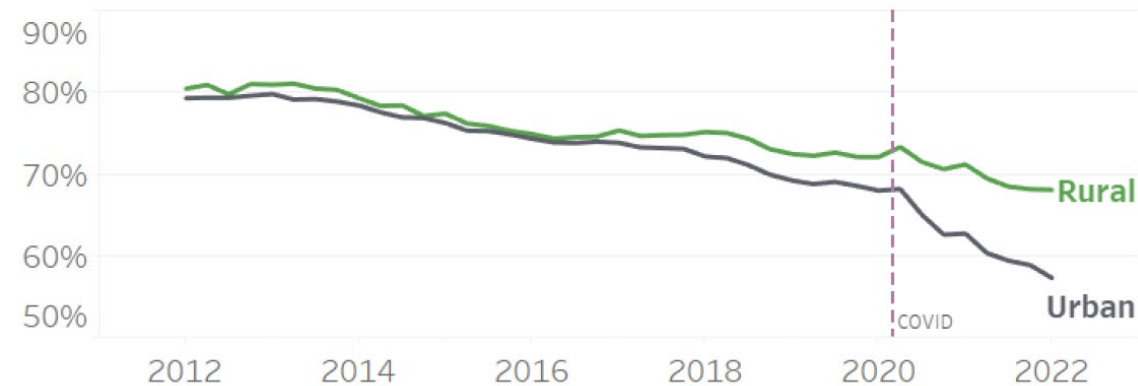
Current Home Health Situation

National data

Referral Conversion



Referral Conversion by CBSA Type



% of Non-Admits Due to Staffing Shortage



Source: Home Care Homebase (HCHB) public comment on CY2023 Home Health Payment Rule

HCHB provides EMR for agencies with 36% of Medicare home health volume

CY2023 Home Health PPS Proposed Rule

Impact

Increased
workforce
shortages

Worse health
disparities/
home health
deserts

More
avoidable
hospital &
SNF use

Lower
HHVBP
savings

No \$ for
innovation

CY2023 Home Health PPS Proposed Rule

Recommendations

PDGM is a positive payment change that better aligns payment with acuity to address health disparities. The CY2023 payment rule budget neutrality interpretation undermines PDGM objectives.

- **Control for the PDGM Impact on Therapy Utilization**
 - › Calculate provider behavior vs. PPS payment policy (pre-PDGM)
 - › Use approach similar to Dobson DaVanzo (6/10/2022)
- **Use a Payment per Beneficiary Metric to Estimate Savings to CMS**
 - › Per-beneficiary cost in PDGM vs. PPS 4EQ to determine budget neutrality
- **Account for the Negative Impact CMI recalibration on high acuity HHAs**
 - › Recalibration of CMI impacts HHAs with more complex/costly patients
 - › Undermines PDGM objectives
- **Exclude 2020 data from calculations due to PHE (not only COVID-19-related diagnoses)**
 - › Distortions and disruption by COVID geographic impact (e.g. surges)
 - › 1st year of PDGM + PHE
- **Increase Market Basket/Inflation Factor**
 - › 4% net annual minimum increase (aligns with hospice final rule)

CY2023 Home Health PPS Proposed Rule

Stakeholder and Congressional Response

- **Broad stakeholder opposition**

- › Nearly 900 public comments, including multiple hospital associations & health systems
- › Major concern about home health workforce & inpatient care capacity
- › Contrast Medicaid HCBS investment vs. Medicare home health cuts
- › *Request cuts be removed from final rule*

- **Preserving Access to Home Health Act of 2022**

- › Stabenow/Collins (S.4605) / Sewell/Buchanan (H.R. 8581)
- › Pauses CMS cuts until 2026, providing time for assessment of budget neutrality & home health workforce needs
- › Seeking inclusion in Omnibus (final rule expected mid-late October)



Thank You / Questions and Discussion