“Understanding Home Care”

by

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*All information in this document is the opinion of the presenter. Presenter is not an insurance or Medicare/Medicaid expert. Any use of this information should be verified for yourself.
Two Types of Home (Health) Care Companies

Skilled Service Provider

- Licensed by the State of KY as a Home Health Agency
- Nurses (LPN/RN), Physical, Speech, Occupational Therapy
- Each individual is licensed by the state
- Purpose is to return the patient to his/her prior physical condition as best as possible
- Reimbursed by the visit or task they are providing

Non-Medical Service Provider

- Licensed by the State of KY as Personal Service Agency
- Provide Certified Nursing Aides and Home Health Aides
- No individual licensing requirement but CNA’s are state registered after passing state exam
- Purpose is to enhance the their clients lives
- Reimbursed by the hour or day
Skilled Service Provider

- **Nursing care** - Provided to cover a wide variety of services. They include patient assessment, create a plan of treatment, wound care, medication infusion, cardiac/COPD management, diabetes care and so on.

- **Physical therapist** - Perform prevention, treatment and management of movement disorder. Usually associated with post orthopedic surgery but may include Cardiopulmonary (endurance), Geriatric (cancer, arthritis, osteoporosis) Neurological (MS, ALS, Parkinson’s) and Pediatric (cerebral palsy, spina bifida).

- **Speech Pathologist** - Assist persons with speech, language, voice and swallowing disorders.

- **Occupational therapist** - Work with a client to help them achieve a fulfilled and satisfied state in life through the use of "purposeful activity or interventions" designed to achieve functional outcomes which promote health, prevent injury or disability. They develop, improve, sustain or restore the highest possible level of independence. In short, they help make your home fit you as your physical abilities change.
Payor Sources for Skilled Services

These services are for the most part are covered by all insurance from major medical health insurance and workers compensation to Medicare and Medicaid. Different providers will accept different insurances. Some will accept all while other will only accept Medicare and Medicaid. This presentation will discuss Medicare and home care.

Skilled services are covered by insurance because they are medically necessary and have doctors orders.
What’s Covered by Medicare

Part A

- Hospitalization
- Skilled Nursing Home Care (SNF)
- Home Health Care (HHC)
- Hospice Care

Home Health Care under part A: May cover up to 100 visits of home health care if beneficiary also has part B and:
- Began to receive HHC after a minimum of three days in the hospital or SNF stay of any duration, within 14 days of discharge from the facility.
- Is confined to home under a plan of treatment by a doctor.
- Requires part-time or intermittent skilled nursing or skilled physical or speech therapy provided by a Medicare certified home health agency
- Has no deductible or coinsurance.
- Covered services include part-time or intermittent nursing services; physical, speech and occupational therapy; medical, social and home health aide services (bath visits).
Home health care is covered under Part B for an unlimited number of visits if the beneficiary meets the requirements discussed above under Part A, but does not have or is eligible to receive home health care under Part A, or has used up the 100 days under Part A. Part B has a $100 annual deductible.

As Part B relates to home health care, it covers:

- Physical, Occupational and Speech therapy
- Durable Medical Equipment – be sure to ask about not qualifying for more expensive equipment later if Medicare pays
Example

- After many months of suffering with hip pain your doctor says you need a hip replacement. The doctor schedules you to see an Orthopedic surgeon which in turn schedules surgery. You spend three days in the hospital, then move to a rehab unit (SNF) for up to 20 days then move home. You can be reassessed and stay longer.
- The discharge planner at the rehab unit will set up whatever durable medical equipment you need at home.
- The doctors office and/or rehab unit will set up the skilled service provider to administer the services you require whether it’s nursing, physical, speech or occupational therapy.
- They will come to your home on the providers schedule as allowed by your insurance.
- They even provide a home health aide to assist with bathing allowed by insurance.
- REMEMBER: These service provider will come into your home, perform the required service, then leave. They are reimbursed by the visit, not by the hour. The other 23 ½ hours of the day you are on your own.
Non-Medical Providers
“Personal Service Agencies”

These companies provide Home Health Aides and Certified Nurse Aides (CNA) to help you remain at home safely. They enhance a person’s independence due to age and/or physical limitations. They provide part time and full time care as needed. They provide companion care for Alzheimer’s/Dementia patients. They also provide temporary assistance during illness or post op recovery. The service is on a hourly basis covering a short time or around the clock care. Some of these service provider can arrange live-in caregivers. They assist with:

- Activities of Daily Living (ADL’s) such as bathing, dressing, transferring, toileting, eating
- Taking vital signs and monitoring intake/output
- Light house keeping/Laundry
- Medication reminders (facilitation of self administered medications)
- Transportation (for clients, not just taxi service)
- Shopping/Errands
- Homemaker/Companion
- Sitting service during hospital stays
Payor Sources for Personal Services Agencies

Personal Services Agencies are covered by private pay funds (cash) and Long Term Care (LTC) Insurance Policies mostly. These policies are sold by companies like Genworth, Metlife, John Hancock, etc. Some agencies may except workers compensation, Medicaid waivers, VA and major medical insurance. Bluegrass Area Agency on Aging also has limited funds available for qualifying candidates.

All Personal Service Agencies will accept private pay funds. If your LTC insurance policy will be paying for non-medical services, find a provider that will handle all your insurance claims for you free of charge. Some insurance companies and the claims process can be a nightmare. Reputable agencies will set up to handle all claims and accept an “assignment of benefits” where insurance company pays provider directly. This will save you hours of frustration and headache.
Example

You or a loved one may be unable to safely stay in your home. Daily chores are becoming more difficult. Medications are forgotten or duplicated. Driving to the doctor or grocery is unsafe. Bathing becomes dangerous due to fall risk. A spouse was diagnosed with Alzheimer’s and you can’t be “on” 24/7. Nursing homes are an important part of the health care system but are no longer retirement villages.

Personal Service Agencies can provide a home health aide on an part time, full time or around the clock basis depending on the need and the financial resources available. They can assist with bathing, meal preparations, light housekeeping, laundry, errands, grocery, doctors visits, companionship to name a few. They can be there to assist with end of life patients around the clock as a lot of people are choosing to stay home.

Personal Services Agencies are there to enhance your independence as your physical or cognitive abilities decline. It’s natural for us all to slow down, not be as stable on our feet as we used to be, and to forget things; dementia is not.
Long Term Care Insurance

Long Term Care (LTC) Insurance is something purchased privately in advance to reimburse you for nursing home (SNF) or in home care. For a monthly premium, the insurance company agrees to pay a daily benefit to you for a certain period of time should you become unable to perform 2 or more activities of daily living (ADL’s) or become cognitively impaired. LTC insurance has various components which affect the cost. You custom build a policy that meets your needs and budget.

The main components of a LTC policy are:

- **Daily benefits amount and length of benefit**: EX: $100/day for 1000 days or $100,000 total. Beware some older policies will deduct the full daily benefit amount for even 1 hour of service. Understand your policies.
- **Maximum Lifetime Benefit**: The maximum the policy will pay out. This example is $100,000.
- **Elimination Period**: This is the number of days eliminated from the start of your claim. It’s like a deductible. 30 day elimination period means you pay for the first 30 day of service out of pocket and the insurance company starts paying on day 31.
- **Disability Requirement**: Also known as “policy trigger”. This is the number of ADL’s that you are unable to perform safely and need assistance with on a daily basis. Alzheimer or any “cognitive impairment” is usually an automatic trigger.
- **Covered Services**: These are the services which they will pay for. Some pay only for ADL’s while other also pay for homemaking services. Older policies may not; understand your policy.
Questions To Ask

• Are you a state certified or licensed agency?
• Do you have professional liability insurance?
• Are your employees drug tested, crime bonded, background checked, CPR certified, experienced, have regular in-service training?
• Is there an after hours and weekend phone number?
• For non-medical agencies, do you accept, bill and collect long term care insurance? (called assignment of benefits)
• For non-medical agencies, can I request another aide? Can I stop service at anytime? Can I take a break from service and restart?
• Are you hours of service flexible, especially for non-medicals?