

1

Home Care and the Healthcare System

1. Describe the structure of the healthcare system and describe ways it is changing

Health care is a growing field. The healthcare system refers to the different kinds of providers, facilities, and payers involved in delivering medical care. **Providers** are people or organizations that provide health care, including doctors, nurses, clinics, and agencies. **Facilities** are places where care is delivered or administered, including hospitals, long-term care facilities (nursing homes), and treatment centers (such as for cancer). **Payers** are people or organizations paying for healthcare services. These include insurance companies, government programs like Medicare and Medicaid, and the individual patients or clients. Together, these people, places, and organizations make up the healthcare system.

When a person needs health care, he probably goes to a doctor's office, a clinic, or an emergency room. Most of the time, he will be seen and treated by a physician (medical doctor, or MD), a physician's assistant (PA), an advanced practice nurse (APRN) or nurse practitioner (NP), or a registered nurse (RN). If the person needs further care or treatment, it may be provided by a specialist (MD), a physical therapist (PT or DPT), a speech-language pathologist (SLP), or another healthcare worker. People who need continuing care may spend time in a hospital, rehabilitation center, or a long-term care facility. Some people who need continuing

care will be cared for in their homes by a home health aide (HHA) or other home care professional (Fig. 1-1). This type of care is called *home health care*.

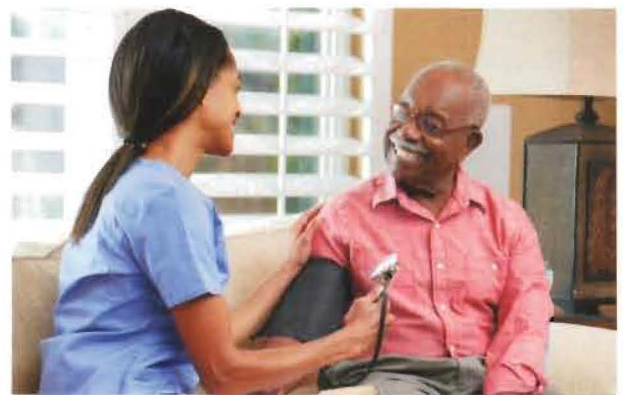


Fig. 1-1. Home health care takes place in a person's home.

Healthcare Settings

In addition to the home, health care is performed in many different settings, such as the following:

- **Long-term care** is given in long-term care facilities, also called *nursing homes*, *skilled nursing facilities*, *rehabilitation centers*, and *extended care facilities*, for people who need 24-hour skilled care. **Skilled care** is medically necessary care given by a skilled nurse or therapist. Long-term care is given to those who need a high level of care for ongoing conditions.
- **Assisted living** facilities are residences for people who need some help with daily tasks, such as showering, eating, and dressing. Help with medications may also be given. People who live in these facilities do not need 24-hour skilled care.

- **Adult day services** are for people who need some help and supervision during certain hours, but who do not live in the facility where care is provided.
- **Acute care** is 24-hour skilled care given in hospitals and ambulatory surgical centers for people who require short-term, immediate care for illnesses or injuries. People are also admitted for short stays for surgery.
- **Subacute care** is care given in hospitals or long-term care facilities. It is used for people who need less care than for an acute (sudden onset, short-term) illness, but more care than for a chronic (long-term) illness.
- **Rehabilitation** is care given by specialists and professionals. Physical, occupational, and speech therapists help restore or improve function after an illness or injury. Chapter 16 has more information.
- **Hospice care** is given in homes or facilities for people who have approximately six months or less to live. Hospice workers give physical and emotional care and comfort, while also supporting families. Chapter 20 has more information.

Often payers control the amount and types of healthcare services people receive. The kind of care a person receives and where he receives it may depend, in part, on who is paying for it.

In 2010, the Patient Protection and Affordable Care Act (PPACA) was signed into law by President Barack Obama. This law is commonly referred to as the Affordable Care Act. Its goals include increasing the quality of health insurance, expanding insurance coverage (both public and private), and reducing healthcare costs. The Affordable Care Act has been controversial and, like any law, it may be changed by elected officials.

Public health insurance programs include Medicare and Medicaid, the Children's Health Insurance Program (CHIP), military health benefits from TRICARE and the Veterans Health Administration, and the Indian Health Service.

Private health insurance plans may be purchased by a person's employer, and costs are

paid for by the employer, the employee, or shared by both. An individual may also purchase private health insurance directly. Coverage of medical services varies from plan to plan.

The healthcare system is constantly changing and with these changes come new costs. New technologies and medications are being created, and better ways of caring for people in a wide variety of healthcare settings are being developed. Better health care helps people live longer, which leads to a larger elderly population that may need additional health care. New discoveries and expensive equipment have also increased healthcare costs (Fig. 1-2).



Fig. 1-2. Technology makes it possible to offer better health care, but equipment can be expensive.

Many health insurance plans employ cost-control strategies called **managed care**. **Health maintenance organizations (HMOs)** and **preferred provider organizations (PPOs)** are examples of managed care. Managed care seeks to control costs by limiting plan members' choice of healthcare providers and facilities. There is an increasing emphasis within managed care on promoting wellness as a means of reducing the need for healthcare services (and, as a result, reducing costs). Some managed care plans may encourage use of home care, as it can be both less expensive and more effective than care in a healthcare facility.

In the past, the goal of health care was simply to make sick people well. Today things are more complicated. Cost control is a consideration, as is the coordination of the many types of care a

person might receive. While in many cases a person who is seriously ill will still be admitted to a hospital, hospital stays are often shorter now due to cost-control measures. After release from the hospital, many people need continuing care. This care may be provided in a skilled nursing facility, a rehabilitation hospital, or by a home health agency, depending on the needs of the patient or client. Home care plays an important role in this evolving healthcare system. More information about the role of home care may be found in Learning Objective 3 of this chapter.

2. Explain Medicare and Medicaid, and list when Medicare recipients may receive home care

The Centers for Medicare & Medicaid Services (CMS, cms.gov) is a federal agency within the US Department of Health and Human Services. CMS runs two national healthcare programs—Medicare and Medicaid. They both help pay for health care and health insurance for millions of Americans. CMS has many other responsibilities as well.

Medicare (medicare.gov) is a federal health insurance program that was established in 1965 for people aged 65 or older. It also covers people of any age with permanent kidney failure or certain disabilities. The Kaiser Family Foundation (kff.org) estimates that Medicare currently covers more than 60 million people. The National Association for Home Care & Hospice (nahc.org) estimates that Medicare pays for approximately 41% of all home care.

Medicare has four parts. Part A helps pay for care in a hospital or skilled nursing facility or for care from a home health agency or hospice. Part B helps pay for doctor services and other medical services and equipment. Part C allows private health insurance companies to provide Medicare benefits. Part D helps pay for medications prescribed for treatment. Medicare will only pay for services it determines to be medically necessary.

Medicaid (medicaid.gov), which pays for 24% of all home care, is a medical assistance program for people who have a low income, as well as for people with disabilities. It is funded by both the federal government and each state. Eligibility is determined by income and special circumstances. People must qualify for this program.

Medicare pays for intermittent, not continuous, services provided by a certified home health agency. The agency must meet specific guidelines established by Medicare. To qualify for home health care, Medicare recipients usually must be homebound, and their doctors must determine that they need home health care. Medicare will pay the full cost of most covered home healthcare services. However, Medicare will not pay for 24-hour-a-day home health care. Home health care plays an important role when skilled care is needed on a part-time basis.

Medicare Application

Applying for Medicare coverage can be a complicated process. If a client wants to sign up for Medicare coverage and asks for help in completing his application or has general questions about Medicare, the home health aide should inform her supervisor.

3. Explain the purpose of and need for home health care

As mentioned earlier, health care delivered in hospitals and care facilities is expensive. To reduce costs, hospitals discharge patients earlier. Many people who are discharged have not fully recovered their strength and stamina. Many require skilled assistance or monitoring. Others need only short-term assistance at home. Most insurance companies are willing to pay for a part of this care because it is less expensive than a long stay at a hospital or extended care facility.

The growing numbers of older people and chronically ill people are also creating a demand for home care services. Family members who

in the past would care for aging or ill relatives frequently live in distant areas. In addition, they often have other responsibilities or problems that interfere with their ability to provide care. For example, family members who work or who care for young children may be unable to look after aging relatives as they become frail and less functional.

Most people who need some medical care prefer the familiar surroundings of home to an institution (Fig. 1-3). They choose to live alone or receive care from a relative or friend. Home health aides can provide assistance to the chronically ill, the elderly, and family caregivers who need relief from the physical and emotional stress of caregiving. Many home health aides also work in assisted living facilities. Assisted living facilities allow independent living in a home-like environment, with professional care available as needed. Home health aides may be former nursing assistants who decided to make a change (and were qualified to do so) from working in facilities or hospitals to working in the home.



Fig. 1-3. People who are ill or disabled often feel more comfortable being cared for in their homes, where everything is familiar.

As advances in medicine and technology extend the lives of people with chronic illnesses, the number of people needing health care will increase. Home services will be needed to provide continued care and assistance as chronic illnesses progress.

Healthcare professionals are focused on providing **person-centered care**. This type of care emphasizes the individuality of the person who needs care, and recognizes and develops the person's capabilities. Person-centered care revolves around the person and promotes his or her individual preferences, choices, dignity, and interests. Each person's background, culture, language, beliefs, and traditions are respected.

Home health care lends itself very well to person-centered care. One of the most important reasons for health care in the home is that most people who are ill or disabled feel more comfortable at home. Health care in familiar surroundings improves mental and physical well-being. It has proven to be a major factor in the healing process. Giving person-centered care will be an ongoing focus throughout this textbook.

4. List key events in the history of home care services

The first home health aides were women hired to care for the homes and children of mothers who were sick or hospitalized in the early 1900s. During the Great Depression in the 1930s, women were hired as "housekeeping aides." They were paid by the government. When this government program was discontinued, some aides continued to work for local family and children's services agencies, which provided aid to families in need.

In 1959, a national conference on homemaker services was held. It was clear that there was a great need not only for homemaker or housekeeping services, but for personal, in-home care for sick people. Thus, the aide's role expanded to include personal care of the sick as well as care of the home and family.

In 1965, the Medicare program was created. Because many Medicare recipients need home care, home health services have been growing ever since. Medicare first began referring to homemakers as "home health aides."

Growth of Certified Home Health Agencies

Medicare-Certified Home Health Agencies

Mid-1980s	5,900
2016	12,200

Medicare-Certified Hospices

Mid-1980s	31
2016	4,300

Source: CDC.gov

Interest in home health care has increased for several reasons. Increased healthcare costs, along with advances in capabilities, have created a need for the affordable, continuing care that home care provides. The growing population of the elderly and people with chronic diseases, such as heart disease and Alzheimer's disease, has also created greater demand for home care.

Another reason home health care has grown is the use of **diagnosis-related groups (DRGs)** by Medicare and Medicaid. A DRG specifies the treatment price Medicare or Medicaid will pay for various **diagnoses** (*dye-ag-NOH-seez*), or physicians' determinations of an illness. Because a flat fee is assigned for each diagnosis, hospitals lose money if a person's stay is longer than what is allotted in the DRG. Hospitals generally make money if a person's treatment is completed more quickly than specified in the DRG. Home health care has grown to address the needs of people who are discharged from the hospital earlier than they would have been in the past.

In addition, the Affordable Care Act encourages home care as an effective and cost-efficient way to promote the health of people with high levels of healthcare needs. Under the ACA, home care is promoted as one way to prevent a costly and dangerous cycle of frequent hospital admissions for these very vulnerable members of society.

As the home health industry has grown, the process of training and monitoring home health aides has evolved. Many states have certification standards for programs that train aides. The Centers for Medicare & Medicaid Services (CMS) requires that home health aides working in a

Medicare-certified home health agency complete at least 75 hours of training, as well as a competency evaluation program (test) before being able to work. Home health aides must also receive at least 12 hours of in-service training annually. Rules also state that certified nursing assistants can work as home health aides after receiving training and taking a competency evaluation.

5. Identify the basic methods of payment for home health services

Any of the following may pay for home health services (Fig. 1-4):

- Medicare
- Medicaid
- State and local governments
- Private insurance
- Individual client or family

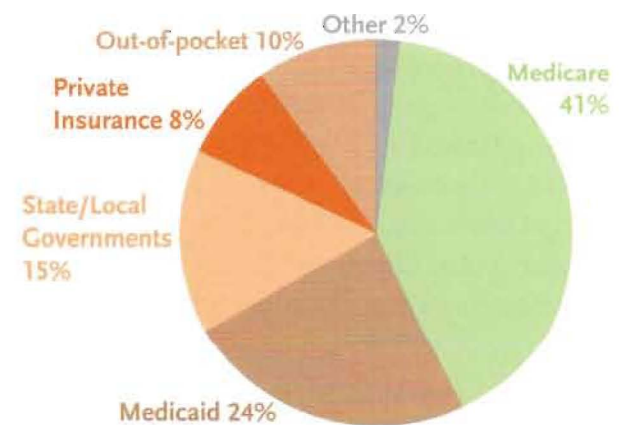


Fig. 1-4. Sources of payment for home health care.
(SOURCE: CENTERS FOR MEDICARE & MEDICAID SERVICES, OFFICE OF THE ACTUARY, NATIONAL HEALTH CARE EXPENDITURES, WWW.CMS.GOV, [MARCH 2010] VIA THE NATIONAL ASSOCIATION FOR HOME CARE & HOSPICE BASIC STATISTICS ABOUT HOME CARE, NAHC.ORG)

Medicare pays agencies a fixed fee for a 60-day period of care based on a client's condition. If the cost of providing care exceeds the payment, the agency loses money. If the care provided costs less than the payment, the agency makes money. For these reasons, home health agencies must pay close attention to costs. Because all payers monitor the quality of care provided, how work is documented or recorded is very important.

CMS's payment system for home care is called the *home health prospective payment system* or *HH PPS*. It works very much like the DRG system described earlier for hospitals.

When clients want regular (rather than intermittent) care, both the clients themselves and/or their insurance companies may pay for this cost.

6. Describe a typical home health agency

Many home health aides are employed by home health agencies. **Home health agencies** are businesses that provide health care and personal services in the home. Healthcare services provided by home health agencies may include nursing care, specialized therapy, specific medical equipment, pharmacy and intravenous (IV) products, and personal care. Personal care services may include helping with activities of daily living (ADLs), housekeeping, shopping, and cooking.

Clients who need home care are referred to a home health agency by their doctors. They can also be referred by a hospital discharge planner, a social services agency, the state or local department of public health, a local agency on aging, or a senior center. Clients and family members may also choose an agency that meets their needs.

Once a doctor has made a referral and an agency is chosen, a registered nurse performs an initial assessment of the client. This assessment is normally done within 48 hours of referral or the person's return home, or on the date the doctor ordered care to start. This assessment determines how the care needs can best be met. The home environment will also be evaluated to determine whether it is safe for the client. A comprehensive assessment is usually completed later, within five days of the first visit where care is provided. The comprehensive assessment is updated and revised as the client's condition changes.

The services that home health agencies provide depend on the size of the agency. Small agencies

may provide basic nursing care, personal care, and housekeeping services. Larger agencies may provide speech, physical, and occupational therapies, and medical social work. Some common services include the following:

- Physical, occupational, and speech therapy
- Medical-surgical nursing care, including medication management; wound care; care of different types of tubes; catheterization (*kath-eh-ter-eye-ZAY-shun*); and management of clients with HIV, diabetes (*dye-ah-BEE-teez*), chronic obstructive pulmonary disease (COPD), and congestive heart failure (CHF)
- Intravenous (*in-trah-VEE-nus*) infusion therapy
- Maternal, pediatric (*pee-dee-A-trik*), and newborn nursing care
- Nutrition therapy/dietary counseling
- Medical social work
- Personal care, including bathing; measuring vital signs; skin, nail, and hair care; meal preparation; light housekeeping; ambulation; and range of motion exercises
- Homemaker/companion services
- Medical equipment rental and service
- Pharmacy (*FAHR-mah-see*) services
- Hospice services

All home health agencies have professional staff who make decisions about what services are needed. These professionals, who may be doctors, nurses, or other licensed professionals, also reassess clients' needs for service, create care plans, and schedule services.

Once the amount and types of care needed are determined, assignments are given. A home health aide may be assigned to spend a certain number of hours each day or week with a client providing care and services. While the care plan and the assignments are developed by the supervisor or case manager, input from all members

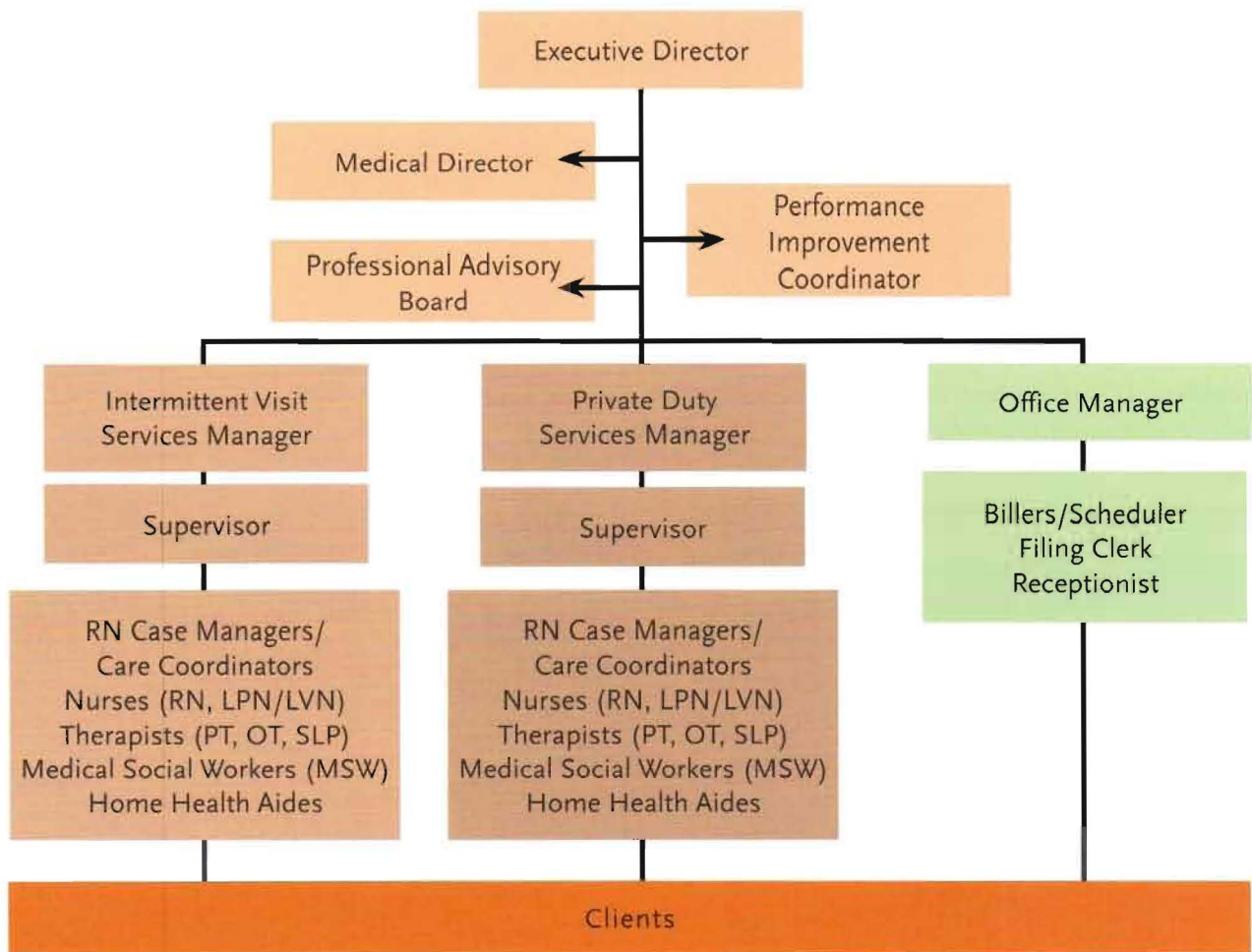


Fig. 1-5. A typical home health agency organization chart.

of the care team is needed. All home health aides are under the supervision of a skilled professional. It may be a nurse, a physical therapist, a speech-language pathologist, or an occupational therapist. Figure 1-5 shows a typical home health agency organization chart. More information about the care team and how the members work together is located in Chapter 2.

7. Explain how working for a home health agency is different from working in other types of facilities

In some ways, working as a home health aide is similar to working as a nursing assistant. Most of the basic medical procedures and many of the personal care procedures will be the same. However, some aspects of working in the home are very different from working in care facilities.

Housekeeping: An HHA may have light house-keeping responsibilities, including cooking, cleaning, laundry, and grocery shopping.

Family contact: An HHA may have a lot more contact with clients' families in the home than in a facility.

Independence: An HHA will work independently. A supervisor will monitor her work, but most hours working with clients will be spent without direct supervision. Thus, the HHA must be a responsible and independent worker.

Communication: Careful written and verbal communication skills are important. An HHA must stay informed of changes in the client care plan. She must keep others informed of changes observed in the client and the client's environment.

Transportation: Traveling from one client's home to another is a necessity. An HHA needs to have a dependable car or be able to use public or other transportation. An HHA may face bad weather conditions, but clients need care, regardless of rain, sleet, or snow.

Safety: An HHA needs to be aware of personal safety when traveling alone to visit clients. She may be visiting clients in areas where crime is a problem. It is important that she remain aware of her surroundings, walk confidently, and avoid dangerous situations. She should make sure others know her travel plans/schedule for the day.

Flexibility: Each client's home will be different. An HHA will need to adapt to the changes in environment. In a care facility, certain supplies will be available, and working conditions will be clean and organized. In home care, an HHA may not know what is available at a client's home until she gets there.

Working environment: Long-term care facilities are built to make caregiving easier and safer. They have wide doors, large bathing facilities, and special equipment for transferring clients. If needed, other caregivers are close by and can help move a resident or answer questions. In home care, lack of equipment, stairs, cramped bathrooms, rugs, clutter, the layout of rooms, and even pets can complicate caregiving.

Client's home: In a client's home, the HHA is a guest (Fig. 1-6). She needs to be respectful of the client's property and customs. If there are any customs that seem unsafe, the HHA should talk to her supervisor.

Client's comfort: One of the best things about home care is that it allows clients to stay in the familiar and comfortable surroundings of their own homes. This can help most clients recover or adapt to their condition more quickly.



Fig. 1-6. In a client's home, the HHA is a guest and must respect the client's personal items and customs.

Chapter Review

1. What type of care is performed in a person's home?
2. What type of care is given to a person who has approximately six months or less to live?
3. How do Medicare recipients qualify for home health care?
4. What is one of the most important reasons for providing health care in the home?
5. Why are the following years significant in the rise of home health care: 1959 and 1965?
6. What is the most common source of payment for home health services?
7. Once a person is referred to home health care and a home health agency is chosen, what happens next?
8. How may the working environment differ in a home as opposed to a long-term care facility?