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POLICY BRIEF

Reducing Unnecessary Institutionalization of Senior Citizens

ProVentive

Introduction

This proposal involves collecting and integrating existing data on the health of elderly patients. This information would be used to construct patient profiles to help predict and prevent unexpected incidents. A data-driven coordination of programs and services would aid in early interventions, and also help evaluate how different strategies, programs, and agencies could reduce unnecessary nursing home institutionalization.

The Problem

Massachusetts paid out more than $1.6 billion to nursing homes last year. In order to bring those costs down, the Commonwealth will spend more than $150 million next year on home care programs to reduce unnecessary institutionalization. While state agencies collect reams of data associated with admittance to nursing homes, most of that information is stranded inside those individual agencies. There is no coordinated effort to track and evaluate alternative care strategies.

Nursing home care is a significant and increasing portion of the Commonwealth's health care expenditures. Multiple funding sources pay for these services, including Medicaid, the state's Home Care Program through the Executive Office of Elder Affairs, and most recently, three new Senior Care Organizations (SCOs). These SCOs target eligible seniors who may be at risk for both hospitalization and nursing home placement.

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For years, Massachusetts has sought to lessen dependency on nursing home care by funding alternative programs. Many states attempt to contain Medicaid spending through lower payment rates to nursing homes or by limiting nursing home construction through the Determination of Need process. Even with these efforts, Massachusetts spends over $1.6 billion annually in payments to nursing homes, and this figure is expected to increase.

In 2007, the Massachusetts EOEA will spend approximately $150 million in home care programs to reduce unnecessary institutionalization of elder citizens. Additional funding through the state's Medicaid program for in-home health care, as well as other organizations such as VNA/Home Health Agencies, the aforementioned SCOs, and new Medicare/Medicaid waiver programs for Adult Foster Care will increase this amount significantly. Yet despite these efforts, expenses for nursing home care and related avoidable hospitalizations continue to grow.

Currently, there is little empirical evidence indicating which services are most effective in delaying or preventing nursing home care. While large quantities of data are collected by these agencies on admissions to nursing homes, there has been no comprehensive attempt to profile the patients by demographic, programmatic, or clinical criteria. As a result, there is no single source of information that profiles at-risk seniors, the services they are receiving, the services that are most successful in delaying or avoiding institutional care, and the characteristics associated with those most at risk. At a recent conference sponsored by the Massachusetts Medicaid Policy Institute (May 19th, 2006, Managed Care Models for Seniors and People with Disabilities), each of the SCOs expressed frustration at their inability to identify seniors most at risk. The current approach encourages fragmentation of services, diversion of administrative dollars from services, and duplication of resources. It also fails to evaluate services for efficiency, effectiveness, and quality of outcomes.

The Solution

The most effective health care includes proactive identification of avoidable events, coupled with active, measurable interventions. This "evidence-based" approach to managing risks is enabled by data integration, predictive modeling (based on pattern recognition), and evaluation of the impact of interventions, both at the organizational and individual levels.

The proposed ProVentive approach begins by capturing and analyzing any available structured client-specific data, typically from multiple sources. Integration of the data enables more comprehensive lifetime and episode treatment analysis and, where appropriate, prediction of avoidable events. This analysis identifies opportunities for care coordination, early intervention, and behavior management. Action steps can include organizational changes (policies, procedures, allocation of resources) as well as individual interventions (care coordination and behavior management).

A central data repository, using Medicaid data as well as information supplied to the EOEA by the Home Care Agencies, would facilitate the production of patient profiles. These profiles would prioritize seniors by level of risk for institutionalization, aid the development of evidence-based intervention strategies unique to each individual senior, and provide for evaluation of various care strategies.

This approach fosters the development of evidence-based best practices, resulting in better quality of life as well as considerable savings in service delivery and administrative overhead.

Under the direction of Elder Affairs, profiles of all individuals admitted to a Skilled Nursing Facility within the past five years would be developed. Much of the data required for this task is currently available, as screening prior to admission to nursing homes has been done by home care agencies since 1991. Additional information on all seniors receiving home health care funded by Medicaid in the last five years would also be collected.

Since Elder Affairs is in the midst of developing a new data system for seniors currently receiving home care/home health services, this is an ideal time to introduce new technology. Over time, a comprehensive profile would be developed for each senior, including which services have been provided. This would allow the state to identify which seniors remained in the community and which have been institutionalized. It would also permit the continued development of profiles to identify those seniors most at risk, and to guide the interventions that would be effective in keeping each senior independent and in the community.

Efforts of this type are currently being undertaken by the Massachusetts Department of Public Health (DPH) Bureau of Substance Abuse Services (BSAS), with assistance from ProVentive. Individual clients of BSAS who have received services over the past twelve years have already been profiled, identifying the most effective treatment strategies by drug type, age, gender, race, geographic location, etc. The next phase of this initiative will include providing contracted providers with clinically and evidence-based outcomes.

This will allow BSAS and its provider community to make better decisions about service delivery and client placement, as well as to facilitate the most effective use of resources. On an ongoing basis, decisions on treatment plans for clients will be entered into the database, thus continually evaluating the intervention and resource strategies in terms of the best outcomes for clients. The data collected will be summarized in a "data dashboard" for BSAS management, enabling it to manage resources more effectively and learn from those providers achieving the most cost effective treatments for clients.

The ProVentive approach for BSAS can be adapted to the senior population in Massachusetts. Prioritizing highest levels of care to those most at risk would save Medicaid dollars. More importantly, this approach would provide case managers with evidence-based guidance for achieving the most effective outcomes for Massachusetts seniors.

Conclusion

Reducing unnecessary nursing home institutionalizations is not just about saving the Commonwealth money. The ProVentive proposal would improve the quality of life of senior citizens. By making better use of existing information within a comprehensive framework that predicts incidents and evaluates treatment outcomes, the ProVentive plan can make applied information part of a successful effort to keep senior citizens active and independent members of their communities.

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