

Value-Based Approach to Skilled Private Duty Nursing

Private Duty Nursing (PDN) allows medically fragile patients to receive quality, skilled nursing care in the comfort of their home: a setting preferred by most patients and their families. Studies show it is less expensive than a facility stay, costing up to half as much as a single hospital day.

THE PROBLEM

In existing Fee-For-Service (FFS) reimbursement models, wages are limited for in-home skilled nursing due to reimbursement. Additionally, there are very few initiatives to tie value-based reimbursement to the care that in-home nurses provide. These issues result in a shortage of qualified caregivers, which results in limited PDN care and extended facility-based stays for many patients.

Low Medicaid reimbursement rates also limit a home healthcare agency's ability to recruit qualified staff. As a result, the current system of care for the medically fragile population, especially children, presents a paradox. Without enticing pay, home healthcare is often an unattractive marketplace for caregivers and agencies. However, this is also the setting that involves one-on-one care, reduced infection risk and significantly higher quality of life.

THE SOLUTION

As healthcare shifts to a value-based system, a variety of payment models provide Maxim and our partners with new ways to help patients receive cost-effective care and return home sooner.

Maxim has established three tiers to designate reimbursement alignment with payers:

- **Tier 1: Traditional payment systems**
 - *Fee-For-Service: providers are paid for each service rendered*
- **Tier 2: Quality measurement and incentives**
 - *Quality measure reporting: providers collect and submit data to the payer on select clinical metrics*
 - *Performance benchmarking: provider performance is measured and compared against industry best practices*
 - *Incentive payments: providers receive additional compensation or bonuses for meeting set performance goals*
- **Tier 3: Risk-sharing payments**
 - *Bundled payments: a group of providers receive a single payment for a patient's care to ensure mutual accountability and control costs*
 - *Shared savings: payers and providers accept mutual responsibility for the total expense of a given patient population and share in any cost savings*
 - *Capitation: providers are paid a set amount for each patient rather than for the services provided*



About Us

As a national provider of a comprehensive suite of services, we have been making a difference in the lives of our employees, caregivers and patients for 30 years. We offer services including home healthcare, behavioral care, healthcare staffing, personal caregiving, and population health and wellness. Our commitment to customer service, compassionate patient care, and staffing experienced healthcare professionals has made us an established resource in the healthcare industry.

How we are Affecting Change

Maxim is guiding the shift to value-based payment models for PDN care by targeting performance metrics and aligning rate structures.



REPORTABLE PERFORMANCE METRICS

- Fill rate
- Referral acceptance
- Referral receipt to scheduled care timeframe
- HEDIS improvement
- Monthly/quarterly dashboards
- Unscheduled hospitalizations
- Infection rates
- Patient satisfaction



RATE STRUCTURE

- Base FFS rates
- Increase/decrease of base fees (based on metrics being met/not met)
- Bonus payments
- Shared savings