

Home Health

BUSINESS REPORT

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A WEEKLY
REPORT ON
NEWS, TRENDS
& STRATEGIES
FOR THE HOME
HEALTHCARE
EXECUTIVE

HHAs can use OASIS blueprint to maximize compliance

By MATTHEW HAY

HHBR Washington Correspondent

Not long ago, home health agencies (HHA) faced grueling audits by state surveyors under the **Health Care Financing Administration's** (HCFA; Baltimore) Operation Restore Trust. According to veteran healthcare attorney Frank Case of **Schmeltzer, Aptaker & Shepherd** (Washington), these surveys often turned on highly technical interpretations of the home health conditions of participation (CoPs) and varied dramatically from state to state.

Today, that compliance landscape is being transformed by the new requirements surrounding HCFA's Outcome and Assessment Information Set (OASIS). Case's colleague, Denise Bond, warned that while HCFA has instructed state surveyors to take a graduated enforcement approach to OASIS compliance, nobody yet knows what that means.

"I think that means that they are not going to drop bricks on our head like they did in Operation Restore Trust surveys," she said. "But they have not really spelled that out." Bond said the good news is that unlike Operation Restore Trust, HHAs have a regulation that offers a blueprint surveyors will use to measure compliance.

Last November, HCFA published directions to state surveyors in the State Operations Manual explaining what to look for when surveying HHAs to make sure they are complying with the OASIS requirements that have been incorporated into home health CoPs. Bond said the main focus for OASIS centers around data collection and reporting requirements.

The following is a rundown of key areas to which Bond said HHAs should pay close attention:

For comprehensive assessments, HCFA instructed surveyors to take a sample of patients and determine who con-

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Thomas Connaughton named president and CEO of AAH

By MATTHEW HAY

HHBR Washington Correspondent

ALEXANDRIA – The recently established **American Association for Homecare** (AAH; Alexandria, VA) last week named Thomas Connaughton president and CEO. He replaces interim president Galen Powers, president of the law firm **Powers, Pyles, Sutter & Verville** (Washington), who assumed that role when the new group was established earlier this year.

Connaughton is a Washington lawyer and lobbyist with **Oppenheimer, Wolff Donnelly & Bayh**, a large national and international law firm that specializes in legislative and regulatory issues. While there, AAH said, Connaughton worked on medical device, biotech, and pharmaceutical issues. Prior to joining Oppenheimer, he was managing partner of **Bayh, Connaughton & Stewart**, which later

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Industry Internet use driven by technology, legislation, necessity

By MATTHEW HAY

HHBR Washington Correspondent

It is only a matter of time before the Internet becomes an integrated part of home care operations, according to Tom Williams, president of **Stony Hill Management** and executive director for the Home Care Information Technology Council. But he said home care providers will remain very much in control of that process for the next few years.

"What is going to happen is the momentum that you have in the marketplace and a number of other factors are going to push you to a position where it is probably not going to be an option," he said. "You are going to find many of your critical business functions and business processes supported using products that rely upon the Internet.

"I have been amazed at how rapidly some of the

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OASIS

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ducted the initial assessment that should have been completed on or after July 19, 1999. According to Bond, surveyors will want to make sure that the homebound status of the patient was confirmed along with the dates of the referral and initial assessment.

Bond said HCFA also wants surveyors to ensure the timely completion of comprehensive assessments. Before they even go on site, she said, surveyors will determine if assessments are being completed within five days of start of care. "Very often, what we see with this new type of survey is that they look for very simple things that have a time deadline or a documentation requirement," she said. "That is easy to look for and easy to document if it is missing."

In addition, Bond said, HHAs should pay close attention to the type of clinician that completes the start-of-care assessment. She added that surveyors will check on-site visit records to determine who signed the record. "You want to make sure that when that person signs the assessment, they include their title," she said. "The surveyor is not going to be able to tell that Jane Doe is an RN."

According to Bond, HHAs must also ensure that there is adequate data included in the comprehensive assessment. For example, she noted that surveyors have been instructed to assess the agency's policy on readmitting patients after transfer, such as whether they are put on hold or discharged and how the next assessment date is determined.

Bond also warned that agencies should review patient records to make sure they are collecting appropriate data every second calendar month, within 48 hours of return to service, and at discharge. She said this is another area of which it is easy for surveyors to gauge compliance because it has set time frames.

According to Bond, before surveyors visit an agency, HCFA wants them to review state data reports and make sure that the agency's encoding is completed

within seven days after completing the OASIS data set. Once they are on site, she said, surveyors will choose an assessment completed in the last seven days and perform a home visit to make sure the patient's overall condition matches the clinical information in the patient's records. "Here, they want to see if your OASIS data matches your clinical records and, if not, whether the patient's condition changed in the last seven days," she said.

"I am a little concerned about that because I don't know how many times they are going to decide that was because there was a change in the last seven days or just assume the assessment was done incorrectly," Bond added.

Bond said surveyors also will try to make sure the other clinical information on the patient's record does not contradict the OASIS data. "If you have an obvious contradiction, they will conclude your OASIS data is incorrect," she warned.

Surveyors also will be checking to make sure that agencies give existing patients privacy notification regarding OASIS data collection in addition to existing privacy notification requirements, as well as when that information was given to them. ■

CORPORATE LADDER

- **Mallinckrodt** (St. Louis) has named Forrest Whittaker president of its respiratory group. Whittaker is the former president and CEO of **Paidos Health Management** (Deerfield, IL).

- Magda Vasquez has been named the home health aide of the year by the **Visiting Health Services of Union County** (Newark, NJ). Vasquez has worked as an aide for the Visiting Nurse company for nine years. Each year, the award recognizes dedicated and committed nurses. ■

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COMPANIES IN THE NEWS

Coram agrees to sell prescription unit

Coram Healthcare (Denver) said it agreed to sell its **Coram Prescription Services** division to newly formed affiliates of **GTCR Golder Rauner** and **CPS Management** for \$41.3 million.

The company said the sale is expected to generate about \$37.3 million in cash after expenses, reported the *Wall Street Journal*. The proceeds will be used to reduce corporate debt, which was about \$296.6 million at April 30. The sale is expected to close this summer.

InterGis launches program for home care industry

InterGis (Torrington, CT) has launched its new Visual Control Room system for the home care industry. The company said Visual Control Room increases productivity, controls costs, and enhances customer service with scheduling, dispatching, and routing automation technology.

By consolidating operational tasks, Visual Control Room can reduce manual dispatch and scheduling time by 75% or more, InterGis said.

Invacare selects BroadVision for Web site

Invacare (Elyria, OH) has selected **BroadVision** and its One-to-One Enterprise 5.0 package for implementation on its Web site at www.invacare.com. The BroadVision program will allow Invacare to offer its visitors to the Web site a personalized, one-to-one experience through dynamic, customized Web pages. The package will support Invacare's on-line product catalog, in addition to other Web-based content. It will also provide a "shopping cart" function and platform for conducting business-to-business transactions with Invacare's HME provider-customers, the company said.

The BroadVision package is currently being installed at Invacare's distributed products group, **Suburban Ostomy** (Holliston, MA). Completed implementation, with the new site up and running, is scheduled for August. BroadVision next will be rolled out on the main Invacare Web site with an implementation date of December. All other divisions of Invacare will be completed by the end of 2000, Invacare said.

McKesson to provide consulting services

McKesson HBOC's (Atlanta) information technology business has signed a five-year agreement with **Price-waterhouseCoopers** to provide consulting services that will help healthcare organizations increase the benefit they get from information systems. The agreement includes the

areas of revenue cycle management and decision support, McKesson said.

NHHC sees increase in 3Q00 revenues

National Home Healthcare Corp. (Scarsdale, NY) reported 3Q00 ended April 30 revenues of \$15.2 million, an increase of 58% over 3Q99 revenues of \$9.6 million. The company posted a net income for the quarter of \$777,000, 15 cents per share, compared to a 3Q99 net income of \$420,000, 8 cents per share.

Simione moves to Nasdaq's SmallCap

Simione Central Holdings (Atlanta) has been transferred by Nasdaq, effective as of June 7, from the Nasdaq National Market to the Nasdaq SmallCap Market.

Simione also said that to address Nasdaq's concerns regarding the voting rights of Simione's series B preferred stock held by Mestek, it has amended the series B preferred stock to reduce Mestek's voting rights. In exchange for the reduction of Mestek's voting rights, Simione has issued a warrant to Mestek to purchase 490,396 Simione shares at an exercise price of \$3.21 per share.

Simione said that in IQ00, Nasdaq determined that Simione should be delisted from the National Market, due to the MCS merger and Simione's inability after the merger to satisfy the initial listing criteria. Simione appealed the decision, and Nasdaq held a hearing on the appeal March 3. Nasdaq then issued a written decision, on June 2, to remove Simione from the National Market. The continued listing on the SmallCap market was conditioned upon Simione's submission of a standard SmallCap listing application package and Nasdaq's receipt, on or before June 13, of documents related to the warrant issued to Mestek and the proposed investment by John Reed, a Simione executive, of up to \$7 million in the company, Simione said.

Span-America signs agreement with Beverly

Span-America Medical Systems (Greenville, SC) has been awarded a two-year, sole source, seating devices contract by **Beverly Enterprises**.

Under terms of the agreement, Span-America's line of seating products will become the products of choice at more than 600 Beverly-operated facilities around the nation, including nursing and rehabilitation centers, assisted living facilities, outpatient therapy clinics, and home care and hospice agencies.

"We're excited to be chosen by Beverly after a rigorous proposal process," said Clyde Shew, vice president of medical sales and marketing for Span-America. "We look forward to working together to help provide excellent patient care."

The agreement went into effect June 1, and will extend through May 31, 2002. ■

Internet

Continued from Page 1

changes have taken place in the marketplace," he added. But he said that since the electronic environment is changing very rapidly, it is difficult to predict.

"We are on the front end of the technology development," said Williams. He added that technologies that look impressive today are only crude technologies compared to what lies ahead.

Williams predicts that three factors will drive increased use of the Internet. "The first is going to be necessity," he said. In short, companies will want to use Internet-based products and Internet-based technologies to cut costs, such as long-distance communications, Williams predicts.

He said companies are increasingly looking at the need to reduce costs in a number of areas and that products and services now being offered in the marketplace are going to offer that opportunity. For example, he noted the importance of communications between caregivers and administrative staff, as well as keeping people in the field in touch with what is going on in the office and facilitating communication. "The Internet will be a vehicle for you to do that," he said.

Williams said the second factor that is going to drive increased Internet use is innovation. He said that includes technological changes that are taking place in use of the Internet. For example, he said, the "intelligent bandage," which has a microprocessor built in it, changes color to notify a patient when a wound is infected.

Another innovation, he predicts, is the "nano computer," which includes organically grown computing chips. Some companies announced breakthroughs in that particular technology about a year ago, he noted. "They were talking about an ingestible chip that is swallowed so we can see the circulatory system," he explained. "That chip will then transmit a signal and give diagnostic data as it moves through your system."

Williams said the third factor that is going to impact use of the Internet is legislation. There already is legislation, the Health Insurance Portability of Administrative Simplification Act (HIPPA), that is going to force agencies to begin using the Internet to a much greater extent, noted Williams. "The underlying premise is that you are going to need a set of 13 different electronic transactions electronically as you swap data between yourself and payers, case management companies, managed care companies, and employers.

"As they provide enrollment data, you are going to be expected to handle these transactions electronically, and the backbone you are going to use for that is going to be the Internet," he explained.

Williams added that home care providers cannot afford to lag years behind other industries or other segments of the healthcare industry. "You are going to be legislated into it, you are going to be regulated into it, and you are going to want to be there to streamline your operations to save yourselves some costs," he said. ■

CALENDAR

- The **Home Care Association of America** (Jacksonville, FL) will hold its *PPS, OASIS & Diversification Strategy Conference & Home Care Trade Show* July 30 – Aug. 1 in Biloxi, MS. To register, call (800) 386-4222.

- The **National Association for Home Care's** (NAHC; Washington) 19th annual meeting and HomecareExpo is Sept. 23-27 in New Orleans. For information, call (202) 547-7424.

- The Medtrade 2000 Exposition and Conference is Oct. 3-5 in Orlando, FL. The exposition hall is free for participants who register before Sept. 8. For more information on the conference, call (877) 835-7232.

- The ninth annual meeting for the **National Association of Pediatric Home and Community Care** is Oct. 5-6 in New Orleans. The conference is being co-sponsored by the University of Massachusetts Medical School. For more information on the conference, call (508) 856-6743. ■

MANAGED CARE REPORT

- **Mid Atlantic Medical Services** (MAMSI; Frederick, MD) has awarded the second annual Spirit of Service Award to Fred Smith, who was honored for his work at the **South Baltimore Homeless Shelter** for women and children. Each year, MAMSI's Spirit of Service Award honors a MAMSI employee who demonstrates outstanding service to the community or a charitable organization through ongoing humanitarian service or a single significant contribution. MAMSI donates \$1,000 to the organization where the award recipient has volunteered. ■

AAH

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merged with Oppenheimer.

AAH was formed from the merger of three associations—the **Health Industry Distributors Association's** Home Care Division (Washington), the **Home Health Services & Staffing Association** (Jacksonville, FL), and the **National Association for Medical Equipment Services** (Washington).

The group's membership currently exceeds 1,000 providers in more than 3,000 locations. Powers recently told *HHBR* that no further consolidation of national trade groups is anticipated in the short-term. ■