

Fiscal Intermediary Standard System (FISS) and Palmetto and NGA call Direct Data Entry (DDE) – put the cursor on the revenue code line that has the HIPPS code, Little instructs. Hit the F2 button to show you what HIPPS code was billed and what HIPPS code was paid, he says.

Use any differences in the two HIPPS codes to determine how the payment changed. For example, the first position of the five-digit HIPPS code indicates the episode timing and therapy of the four-equation model. So if that number changes from a 3 (late episode, low therapy) to a 1 (early episode, low therapy), it could mean the claim was downcoded from a late episode to an early episode, Little explains. – *Karen Long* [klong@decisionhealth.com]

Editor’s Note: To view the complete transmittal, link to:
<http://www.cms.hhs.gov/Transmittals/downloads/R1505CP.pdf>.

Gas prices prompt agencies to re-evaluate car leases

Rising gas prices have driven some home health agencies that already lease or buy cars to tweak their programs.

And the record-high gas prices have even prompted some agencies to start leasing vehicles as a way to retain clinicians, some of whom can’t afford the high fuel costs. [See sidebar below.]

AT Home Care, which has leased cars for three years, will trade 35 of its Chevrolet HHRs for more fuel-efficient Chevrolet Aveos in light of the high gas prices, says Ed Kassab, CEO of the six-office agency headquartered in Richmond, Va. The Aveo’s five-door hatchback model for 2009 has a fuel-efficiency rating of 28 miles per gallon, which is better than the 2006 HHR that gets 23 miles per gallon, according to www.fueleconomy.gov.

“We want to make sure we have the best performing cars,” says Carrie Dorsey, AT Home Care

Quick reference tool to answer M0110 (episode timing)

OASIS question M0110 (episode timing) is one of the biggest financial drivers in the 2008 PPS. But clinicians need to consider the many nuances of the question when determining whether episodes are “adjacent” and count toward a “late” episode. This tool is based on CMS Q&As [<https://www.qtso.com/hhdownload.html>] and is designed to help clinicians answer this question correctly.

Situation	Action	Comment
Patient admitted for Medicare PPS episode, no other Medicare PPS episode within 60 days	1 st episode (early)	
Patient admitted for Medicare PPS episode, previously being seen under Medicare HMO	1 st episode (early)	
Patient admitted for Medicare PPS episode, previously being seen under private payor	1 st episode (early)	
Patient admitted/re-certified for second Medicare PPS episode, previous Medicare episode within last 60 days	2 nd episode (early)	Episodes are adjacent
Patient admitted/re-certified for third Medicare PPS episode, previous two Medicare episodes adjacent and third episode within 60 days	3 rd episode (late)	All adjacent episodes
Patient transfers from another agency in the middle of second Medicare PPS episode	3 rd episode (late)	All adjacent episodes Second episode is PEP
Patient discharged for goals met during second Medicare PPS episode with agency, readmitted two weeks later	3 rd episode (late)	All adjacent episodes. Second episode is a PEP

Source: Created by Ann Rambusch, manager of special educational projects for DecisionHealth and consultant with Rambusch3 Consulting.

director of public relations. The improved gas mileage and lower upfront costs make the Aveos a better choice for the agency now that the three-year lease on the HHRs is about up, Kassab adds.

The leasing costs are less than the 50-cent-per-mile reimbursement rate the agency would pay its clinicians if they drove their own cars, Kassab says. The agency calculates savings by totaling the costs for miles driven, a conservative fuel-economy estimate of 20 miles per gallon and car leasing costs, then comparing that with what the agency would reimburse for mileage, Kassab says. Based on those figures, the agency saved \$10,000 with the car leasing program last year, he adds. By increasing the fuel-economy estimate to 25 miles per gallon, the agency's savings rise to \$55,000, he notes.

Leasing cars also helps the agency improve its clinicians' retention rate and promotes the agency through the advertising on the car. "These are all soft-cost things I think people don't consider," Kassab adds.

Managers at Sharon's Home Health Care agree that its four company-owned cars are a less-expensive option than a 50.5-cent-per-mile reimbursement rate, says Sharon Kanode, owner of the agency serving northeast Wyoming. Agencies have to consider "what are you going to pay your employees to drive if you don't have the cars?"

The agency has bought the cars for its clinicians over several years, and just one Chevrolet Trailblazer has a \$300 per month payment left on it, Kanode says. The rural agency's clinicians travel 100 to 300 miles per day, including to one patient who is 70 miles away from the Moorcroft office.

New car leases help HHAs retain nurses

The high gas prices have fueled some agencies to turn for the first time to leasing cars as a retention tool, which translates into saving thousands of dollars on recruiting costs.

Bon Secours Home Care in Hampton Roads, Va., gave the keys to 15 Toyota Corollas to clinicians in March and has not lost an RN since, says administrator Barbara Ballard. The agency spends \$650 per month per car for the 48-month leases – a monthly cost of \$9,750. That amount is less than the \$41,000 the agency estimates it spends to recruit one nurse, Ballard says.

"When we did our cost comparison between what we're paying now at 50.5 cents per mile and what it costs to recruit one nurse, this was a no-brainer for us,"

explains Ballard, adding that the agency has a 92.5% retention rate.

Bon Secours nurses pay a monthly \$150 fee for use of the car, which includes gas, maintenance and everything except car washes, Ballard says. "Many of the 15 who took cars actually sold their [old] car because they don't need them anymore," she adds.

Interim HealthCare estimates similar per-car costs for the 50 new Nissan Altimas it leases, says Jason Bullard, CEO of Falcon Healthcare, which owns 25 Interim HealthCare franchises in Texas and New Mexico. The agency paid at least half of its employees more than \$700 a month in mileage expenses before leasing the cars this spring, Bullard says. Gas costs are now rolled into what the agency pays to lease the vehicles.

The agency expects the endeavor to be budget-neutral, but the excitement for the clinicians was priceless, Bullard says. "Their eyes lit up," he says. "It's Christmas in May. It's time to jump for joy."

Bullard anticipates that the agency will save time and money on recruitment and training new clinicians who might have a hard time dealing with rising fuel costs. In fact, 18% of 82 agency reps report losing clinicians who can't afford the high gas prices, according to *HHL's* gas prices survey [*HHL 5/12/08*].

Consider two strategies of car leasing

- ✓ **Don't assume all clinicians want cars.**

Almost all of the Interim HealthCare clinicians wanted

Training opportunities

- ✓ **Understanding the new hospice billing requirements** June 24 from 1 to 2 p.m. Eastern time. For more details, link to: www.homehealthinteractive.com/conferences/A1535.

On-site conferences

- ✓ **2008 Home Care Sales Professional** Sept. 17-19 in San Antonio. For more details, link to: www.homehealthinteractive.com/conferences/sales/.
- ✓ **The Ultimate Case Conference: Therapy at the Table** June 9-10 in Cincinnati. For more details, link to: www.homehealthinteractive.com/conferences/therapycase/.
- ✓ **4th annual National Quality Outcomes Conference** Nov. 10-12, at the Loews Vanderbilt in Nashville. Get more details at: www.homecareoutcomesconference.com.