

CLINICAL PROGRAM DESIGN
Medical Day Hospital™
Within A CORF Setting
Feasibility and Development Process

Presented by

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Murer Consultants, Inc. has long been recognized as an expert in the area of post acute care, working with hospitals and health systems, physicians and entrepreneurs throughout the United States.

Since 1985, Murer Consultants has been instrumental in the establishment of CORF facilities.



OVERVIEW OF A CORF

As healthcare continues to focus on outpatient settings as primary venues of care delivery, there is renewed interest in a long recognized Medicare entity. A CORF (Comprehensive Outpatient Rehabilitation Facility) is a recognized provider of services reimbursed by Medicare subject to Part B deductible and coinsurance provisions.

In enacting legislation in 1982, Congress indicated concern for the provision of services to a patient utilizing disjunctive multiple settings and thereby established Section 933 of PL 96-499, which provides coverage for a broad array of rehabilitation and medical services furnished on an outpatient basis in a coordinated fashion by a CORF.

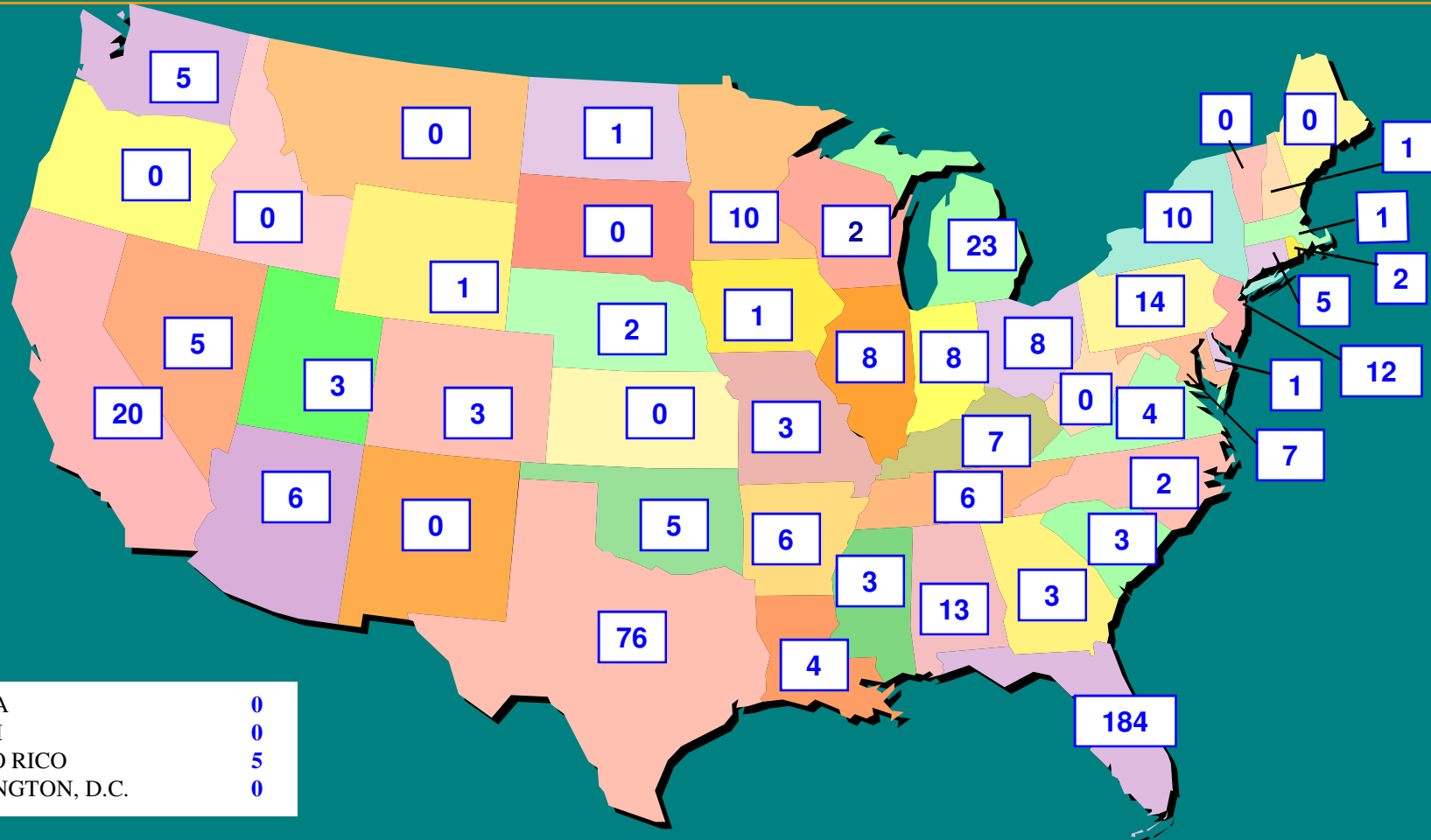
In June of 1998, MedPAC, the Medicare Payment Advisory Commission to Congress, reconfirmed the government's support of the CORF Model. ProPac defines CORF as *“an environment offering patients an intensive therapy program while allowing them to live at home. Medicare allows CORF's to provide a broader array of services and therapy.”*

Number of Comprehensive Outpatient Rehabilitation Facilities By State

Through December 10, 2008

Prepared By Murer Consultants Inc.

TOTAL COREs = 480



ALASKA	0
HAWAII	0
PUERTO RICO	5
WASHINGTON, D.C.	0

Source: Centers of Medicare and Medicaid (CMS)

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FACILITY STRUCTURE

LICENSURE / MEDICARE
DESIGNATION



Comprehensive Outpatient
Rehabilitation Facility
(CORF)

TYPE OF MEDICARE
REIMBURSEMENT



PART B

Billed through the Fiscal Intermediary. Reimbursement for CORF services are based upon a fee schedule with a 20% patient co-pay.

FACILITY STRUCTURE

The patient must require a skilled rehabilitation level of care and services delivered must be medically necessary.

All services are to be provided on the premises of the CORF. However, in 1987, a provision was enacted for offsite billing of physical therapy, occupational therapy, and speech therapy with no restrictions on where such services may be furnished. Delivery of such off-site services are covered if pursuant to the plan of treatment which must be reviewed by a physician every 60 days. Services cannot duplicate resources for which payment has otherwise been made by Medicare.

KEY VARIABLES – A MULTI-VENUE STRATEGY

Designed by Murer Consultants Inc.

ACUTE		POST ACUTE			
ICU	ACUTE	LONG TERM ACUTE CARE	REHAB UNIT	SUBACUTE	CENTER FOR AMBULATORY MEDICINE
Average 19 direct nursing hours per patient day	Average 7.25 direct nursing hours per patient / day	Average 8.5 direct nursing hours per patient / day	Average 5.5 direct nursing hours per patient / day	Average 4 direct nursing hours per patient / day	Average 1.5 Nursing Hours Per patient / day
Daily (or more as needed) physician and consult specialist contact	Daily Physician contact	Daily physician contact	Daily physician contact. Average 5 days per week	Intermittent physician contact. Average 3 days per week	Intermittent physician contact. Less than 1 day per week
Patient's condition may change by the minute	Patient's condition may change by the day	Patient's condition may change by the day or week	Patients condition may change by the week	Patients condition may change by the week	Patient medically stable
Patient in crisis	Possibility for crisis	Possibility for crisis	Condition Newly Stable	Condition newly stable	Medical Condition Stable
ALOS 1-30 days	ALOS 3-5 Days	ALOS 18-35 days	ALOS 10-22 Days	ALOS 7-20 Days	ALOS 2 - 10 Weeks
	Average per Diem \$1200	Average Per diem \$1300	Average per diem \$650	Average Per Diem \$300	Average per diem \$350

Murer Consultants Inc. 5/2003

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OUTPATIENT VENUE CROSSWALK

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	CORF	Rehabilitation Agency	Hospital Outpatient Department
Purpose	To provide diagnostic, therapeutic, and restorative services to outpatients for the rehabilitation of injured, disabled, or sick persons.	To provide an integrated multidisciplinary rehabilitation program to upgrade the physical functioning of disabled individuals.	To Provide hospital services and supplies to outpatients.
Medicare Reimbursement	Physician Fee Schedule (Non-Facility Rate)	Physician Fee Schedule (Non-Facility Rate)	<ul style="list-style-type: none"> ➤ Outpatient PPS ➤ OT, PT, ST on Physician Fee Schedule (Non-Facility Rate) ➤ Physician Services (Facility Rate)
Minimum Services Required	<ul style="list-style-type: none"> ➤ Physician Services ➤ Physical Therapy ➤ Social or Psychological Services 	<ul style="list-style-type: none"> ➤ PT or ST ➤ Social or vocational adjustment services 	Under supervision of a physician unless service is: <ul style="list-style-type: none"> ➤ PT ➤ OT ➤ ST (subject to state licensing requirements)
Other Covered Services	<ul style="list-style-type: none"> ➤ Respiratory therapy ➤ Occupational therapy ➤ Speech therapy ➤ Nursing care ➤ Prosthetic and orthotic devices ➤ Drugs and biologicals (non-self-administered) ➤ Supplies, appliances, and equipment ➤ Single home evaluation visit 	<ul style="list-style-type: none"> ➤ OT 	<ul style="list-style-type: none"> ➤ Respiratory therapy
Recertification of Plan of Care	Plan of Treatment must be reviewed by a facility physician at least every 60 days.	The Plan of Care must be reviewed as often as the patient's condition requires but at least every 30 days.	Plan of treatment must be recertified at least every 30 days for physical therapy and speech-language pathology services.
Cost Report	No	No	Yes
Provider-Based Requirements applicable	No	No	Yes, if any services beyond PT, OT and ST are provided.

SERVICES COVERED WITHIN A CORF INCLUDE:

- Nursing Care provided by or under supervision of a registered nurse and as identified in the patient's plan of treatment.
- Social and psychological services.
- Physical, Occupational, Speech and Respiratory Therapy.
- Drugs and Biologicals which are not self administered.
- Supplies, appliances and equipment including purchase or rental of DME.
- Prosthetic and orthotic devices including testing, fitting and training.

MEDICAL DAY ALTERNATIVE

A CORF is an environment which treats both Medicare and Non-Medicare patients in accordance with specific product lines responsive to community need and corporate or system strategy. Furthermore, CORF certification provides the vehicle for Medicare reimbursement of a Medical Day Hospital™ . A Medical Day Hospital™ can be organized to provide care to patients who require nursing, drugs, biologicals and therapies including respiratory therapy but are able to go home in the evening. A Medical Day Hospital™ provides an alternative to an extended inpatient stay if the patient is no longer in need of 24 hour nursing services or daily physician visits.

DESCRIPTION

MEDICAL DAY HOSPITAL™

A Medical Day Hospital™ provides a structured and specialized comprehensive restorative care program for individuals with acute and chronic disorders, including post-surgical, respiratory, neurological, pain and oncological conditions. Services provided, include: assessment, diagnostic evaluation, treatment, and management and monitoring of patients. This structured ambulatory program provides multi-disciplinary services serving as an alternative to a prolonged inpatient stay.

The Medical Day Hospital™ is a proactive option in addressing cost containment mandates by government and managed care. It is an essential component of a comprehensive continuum of care serving as a hybrid venue option which provides a high intensity of clinical services within an ambulatory setting.

MEDICAL DAY HOSPITAL™

CORE SERVICES PROVIDED WITHIN A MEDICAL DAY HOSPITAL

- **Nursing**
- **Drugs / Biologicals**
- **Respiratory Therapy**
- **Psychological Services**
- **Social Services**
- **Physical Therapy**
- **Occupational Therapy**
- **Speech Therapy**
- **DME**
- **Prosthetic Fittings & Devices**

MEDICAL DAY HOSPITAL™

TARGET PATIENT POPULATION

- **Pulmonary / Respiratory**
- **Oncology**
- **Post Surgical**
- **Neurological *without Significant Cognitive Deficit***

Sample
RESPIRATORY / PULMONARY

Sample PROFILED POPULATION *Respiratory / Pulmonary Patients*

KEY DIAGNOSES	CORE SERVICES - PULMONARY / RESPIRATORY	KEY THERAPEUTIC SERVICES
<ul style="list-style-type: none"> ● COPD ● Asthma ● Emphysema ● Congestive Heart Failure ● Chronic Bronchitis ● Systick Fibrosis ● Lung Reduction (Pre Post Op) ● Other respiratory disorders suitable for treatment within an ambulatory setting and resulting in residual functional deficits 	<ul style="list-style-type: none"> ● Assessment ● Diagnostic Evaluation ● Treatment ● Management ● Monitoring of patients with deficiencies and abnormalities of cardiopulmonary function 	<ul style="list-style-type: none"> ● Respiratory Therapy ● Physical Therapy ● Nursing ● Occupational Therapy ● Psychology Services ● Drugs and Biologicals ● DME

KEY REIMBURSEABLE THERAPEUTIC TREATMENTS

PULMONARY FUNCTION

- Blood Gas Analysis
- Spirometry (lung function)
- Oximetry
- Strength and Endurance Training
- Postural Drainage
- Nasotracheal Suctioning
- Chest Percussion
- Cardiovascular Exercise
- Breathing Re-training
- Psychological Counseling
- Periodic Assessment and Monitoring

Sample
PRODUCT LINE PROTOCOL

Specialty Program
Post Surgical Joint Replacement

STRUCTURE

Post Surgical Product Line Model Medical Day Hospital™



Upon referral from the physician, and with notice at least ten days before scheduled surgery, the patient shall be contacted by the Medical Day Hospital™ (MDH) to begin the process.

PROCESS:

1. Patient identified as suitable by orthopedist.
2. MDH contacts patient by phone and completes initial data collection and home environment questionnaire.
3. Patient is seen at the MDH no more than ten and no less than five days prior to surgery for pre-op teaching, orientation and adaptive equipment identification.

*CORF SERVICES
BY MURER CONSULTANTS*

Murer Consultants provides:

- Feasibility
- Development
- Management

of CORF Facilities as well as assistance with

- Acquisition
- Divestiture

FEASIBILITY ANALYSIS

Murer Consultants focuses its analysis of viability pursuant to five key areas:

- State and Federal Regulatory Compliance
- Organizational Structure
- Site Selection
- Need Analysis
- Financial Proforma

Key Elements of Development - CORF:

- Federal and State regulatory compliance;
- Organizational structure;
- Finance / reimbursement;
- Clinical Systems;
- Policies and Procedures;
- Product line structuring;
- Facility space utilization;
- Staffing Mix;
- Orientation and Education; and
- Case Management Integration.

MANAGEMENT

Once certified as a CORF, Murer Consultants Inc. can provide on-going day to day management with focus on:

- **REGULATORY COMPLIANCE**
- **FINANCIAL MANAGEMENT**
- **CLINICAL PROGRAM DEVELOPMENT**
- **CASE MANAGEMENT**

PURCHASE OR SALE

As a legal based consulting firm, Murer Consultants has experience and expertise to assist with acquisition or divestiture of CORF facilities including due diligence and negotiations.

FOR MORE INFORMATION:

For more information on how Murer Consultants Inc. can assist you in developing a CORF, please contact Murer Consultants at:

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