August 22, 2014
The webinar will begin promptly at 1pm eastern

MEDICAL RESPITE START UPS
Lessons Learned and Recommendations

This webinar is supported by Grant/Cooperative Agreement Number U30CS09746 from the Health Resources and Services Administration, Bureau of Primary Health Care (HRSA/BPHC). Its contents are solely the responsibility of the presenters and do not necessarily represent the official views of HRSA/BPHC.
PRESENTERS

Brandon Clark
CEO, Circle the City, Phoenix, AZ

Melissa Fox
HCH Coordinator, Public Health Management Corporation, Philadelphia, PA

Sabrina Edgington
Director of Special Projects, National Health Care for the Homeless Council
OVERVIEW

• Introduction
• Lessons learned and recommendations from Phoenix
• Lessons learned and recommendations from Philadelphia
• Resources & upcoming webinar
• Q & A
MEDICAL RESPITE CARE IN THE UNITED STATES
PARTICIPANT SURVEY
START UP CHALLENGES

• New concept for many communities
• No targeted funding stream
• Information for proper needs assessment not easily attainable
• Bridging of systems
• Sicker people on the streets
• No rubber stamp model
PROGRAM COMPARISON

**PHMC & DePaul Medical Respite Program**

- **Annual Budget**: $338,000
- **Staffing Profile**:
  - 1.5 FTE RN: 9 a.m.-5 p.m., 4 p.m.-11 p.m.
  - 1 FTE RN: 11 p.m.-7 a.m.
  - 0.5 FTE LPN: 1 a.m.-7 a.m.
  - 0.5 FTE Case Mgr: 1 a.m.-7 a.m.

- **Referral Sources**:
  - 60% Mercy Health Systems
  - 40% Pennsylvania Hospital

- **Avg. Occupancy**: 6 of 8 beds

**Circle the City**

- **Annual Budget**: $3.6 million
- **Staffing Profile**:
  - 1.0 FTE RN: Reg. Business
  - 0.5 FTE RN: Reg. Business
  - 0.5 FTE RN: Reg. Business 1 p.m.-11 p.m.
  - 0.25 FTE RN: 7 days/week, 6 a.m.-6 p.m.

- **Referral Sources**:
  - 27% Community-Based/Nursing
  - 9% Other Hospital Systems
  - 8% Mental Health
  - 55% Substance Health Care
  - 9% Other Health Providers

**Program Snapshot July 2014**

- **The Public Health Management Corporation (PHMC)** serves nearly 8,000 people annually through their RCH program. They partnered with DePaul House, a local transitional housing program, to provide medical respite care to people experiencing homelessness in Philadelphia and Delaware County, Pennsylvania. The PHMC & DePaul Medical Respite Program opened in March 2014.

- **Circle the City (CTC)** is a 56-bed resource and referral center serving the greater Phoenix area. This year, CTC will provide more than 300 unique individuals with comprehensive care including primary medical services, behavioral health and substance abuse, therapy, psychiatric assessment and stabilization, and case management services. CTC opened in October 2012.

Since opening, CTC has discharged more than 86% of all patients somewhere other than the streets or emergency shelter system.
PARTICIPANT SURVEY
Circle the City:

Lessons Learned in the Early Years

Brandon Clark
CEO, Circle the City
About Circle the City

• 501c3 incorporated in 2008, launched AZ’s first medical respite center in October 2012
• Freestanding, 50-bed medical respite center
• 24/7 nursing presence and medical coverage
• Opened with $2.4M operating budget, increased to $3.6 in first 2 years
• Admitted 325 individuals in first 22 months of operation
Lesson Learned #1

Hospital relations is a full-time job.
Hospitals

• For many respite programs, hospitals are our primary source of income.

• Before and after launch, you must continuously gather data about...
  – Local discharge practices and standards (varies widely by state, county and city!)
  – Community accountability for poor discharges
  – Solicit hospital buy-in AND actionable steps (everyone likes the “idea” of medical respite)
For respite programs that contract with hospitals as a primary revenue source, your greatest market competition is substandard (free) discharges to the street and shelter.
Lesson Learned #2

Patient acuity drives programming.
Circle the City
2013 Acuity Mapping by Referring Hospital

Bed Rest
Medication Management
Chronic Disease Management, Minor Wound Care

Post Operative Monitoring & Care
Trauma, Ortho, PT, OT, ST
IV Infusion
Complex Wound

Acuity of Homeless Patients Ready for Discharge From Local Hospitals

Dignity Health
Scottsdale Healthcare
Banner Health
Abrazo Health Care

Circle the City
a time and place to heal
Who is Being Referred?

- Hospitals want the highest ROI – will often refer only the sickest patients. CTC initially had extremely high incidence of:
  - IV therapy for homeless substance abusers
  - Complex wound care – especially for needle-related abscesses

- This impacts staffing, security and other budgetary constraints
Circle the City  
*Care Team Evolution 2012-2014*

<table>
<thead>
<tr>
<th></th>
<th>Respite Center Launch</th>
<th>Year One</th>
<th>Year Two</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clinic Hours</strong></td>
<td>10 hours x 5 days</td>
<td>12 hours x 7 days</td>
<td>12 hours x 7 days</td>
</tr>
<tr>
<td><strong>RN Manager</strong></td>
<td>1.0 FTE</td>
<td>1.0 FTE</td>
<td>1.0 FTE</td>
</tr>
<tr>
<td><strong>Staff RN</strong></td>
<td>-</td>
<td>12 hours / day</td>
<td>12 hours / day</td>
</tr>
<tr>
<td><strong>Daytime LPN</strong></td>
<td>10 hours / day</td>
<td>12 hours / day</td>
<td>12 hours / day</td>
</tr>
<tr>
<td><strong>Nighttime LPN</strong></td>
<td>-</td>
<td>-</td>
<td>10 hours / night</td>
</tr>
<tr>
<td><strong>Total Operating Budget</strong></td>
<td>$2.4M</td>
<td>$2.8M</td>
<td>$3.6M</td>
</tr>
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Lesson Learned #3

Licensure can be tricky.
Should I Pursue a License?

• Circle the City is licensed as an “Unclassified Healthcare Facility” by the State of Arizona

• Has also held an Outpatient Treatment Center license, but recently allowed that to lapse.

• A license – even an unclassified one – breeds credibility in the local healthcare community

• Does your business plan include Medicaid funding?
  – Third-party payers usually require some sort of licensure
  – Facility vs. Professional Reimbursement

• Frequent, ongoing dialogue with your state licensing department
Lesson Learned #4

You must be willing to adapt your business plan to the ever-changing healthcare environment.
Healthcare Changes Rapidly

• From the launch of CTC in Oct’12 through Dec’13, the respite center served a predominantly uninsured population

• In Jan’14, Arizona expanded Medicaid to cover childless adults <133% FPL

• This change turned CTC’s previously successful business model on its head:
  – Hospitals no longer interested in paying for medical respite for now “insured” homeless population
  – Patients with skilled medical needs at discharge are referred to Medicaid funded skilled nursing facilities (no homeless services)
  – Lower acuity patients who don’t qualify for SNF placement are sent to street and emergency shelter
### Changes in CTC’s Operating Environment

<table>
<thead>
<tr>
<th></th>
<th>Calendar Year 2013</th>
<th>Calendar Year 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medicaid Case Mix</strong></td>
<td>&lt;15%</td>
<td>&gt;75%</td>
</tr>
<tr>
<td><strong>Avg. Monthly Hospital Revenue</strong></td>
<td>$140,000 (Q4)</td>
<td>$55,000 (Q1-Q2)</td>
</tr>
</tbody>
</table>
Circle the City
Post-Medicaid Expansion Hospital Discharges

- Undocumented
- No Benefits
- Benefits Used Up

Bed Rest
Medication Management
Chronic Disease Management
Post-Op Monitoring & Care
Trauma, Ortho, PT, OT, ST
IV Infusion
Complex Wound

Acuity of Homeless Patients Ready for Discharge From Local Hospitals

How can we sustainably serve this population?
Our Response

• A purposed shift toward a Medicaid-driven business model
• Renewed conversations about hospital accountability
• A strategic plan that includes FQHC alignment with the Respite Center
Projected 3-year shift from hospital to Medicaid driven business model:

- **Temporary Funding Gap**

![Graph showing projected revenue shift from hospital to Medicaid over 3 years.]
HOMELESS MEDICAL RESPITE IN PHILADELPHIA--LESSONS LEARNED

Melissa Fox,
Managing Director of Health Services
Public Health Management Corporation, Philadelphia
About Public Health Management Corporation

- Regional non-profit public health institute based in Philadelphia
- Over 350 programs serving over 300,000 people annually
- Health Care for the Homeless
- Federally-Qualified Health Centers
Our Homeless Medical Respite Program

- Opened in March 2014
- Partnered with DePaul House to launch the pilot within their existing facility
- 8 beds
- Clinical Staff and Case Manager support
- Patients linked to FQHC as needed
Start-up Financial Support

- City of Philadelphia’s Office of Supportive Housing provided funding to renovate the existing facility

- Received funding from the State’s Department of Health Community Based Health Care Program to support staffing and expansion

- Contractual relationships with local hospitals for referrals to the program
What have we learned thus far?
Engagement with Community Partners is of the utmost importance for a start-up.
Lesson #1

- Helps ensure buy-in and support
- Builds momentum for the program.
- It’s truly a team effort.
Lesson #2

Education of referral sources should start early and be an ongoing and sustained process.
Lesson #2

- Referral partners had to get used to the idea of having an additional option for patients.

- We started strong, but weren’t consistent. Now we have to catch up.
Lesson #3

Some flexibility at the beginning is a good thing.
Lesson #3

- Even the best laid plans go astray...
- Clients were more ill than expected.
- Needed to be open to staffing adjustments during the day.
- The needs of our clients varied.
Lesson #4

CONTINUE TO ASSESS FUNDING SOURCES.
Lesson #4

- Great relationship with existing partners.

- Need to ensure ongoing financial stability of the program so diversity of support is key.

- Considering inclusion in FQHC scope
THANK YOU FOR YOUR TIME!

Melissa Fox, Managing Director of Health Services
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RESOURCES

Medical Respite Tool Kit
www.nhchc.org/resources/clinical/medical-respite/tool-kit/

2014 Directory of Medical Respite Programs
www.nhchc.org/resources/clinical/medical-respite/tool-kit/medical-respite-programs-united-states/

Join the Respite Care Providers’ Network
www.nhchc.org/resources/clinical/medical-respite/respite-care-providers-network/
UPCOMING WEBINAR

Proposed Minimum Standards for Medical Respite Programs
September 12, 2014, 1pm Eastern

• **September 1**: Proposed Standards & electronic public comment form will be made available online at: http://www.nhchc.org/resources/clinical/medical-respite/

• **September 30 (end of the day)**: Deadline to submit comments
Questions and Answers
THANK YOU

Upon exiting you will be prompted to complete a short online survey. Please take a minute to evaluate this webinar.