Facility-based Physicians in LTC: A Win-Win Model

Marcia Naveh, MD, FACP

Long-term care (LTC) facilities face the task of providing superior quality of care to an increasingly medically complex group of residents in the most efficient, cost-effective manner available. Simultaneously, physicians in private practice deal with rising overhead, increased compliance and regulatory issues, and mounting paperwork. Both groups struggle with declining reimbursement as managed care enrollment continues to penetrate healthcare markets across the country. Fortunately, these emerging trends have converged, offering nursing homes and primary care physicians the opportunity to experience some needed relief. The opportunity involves the advancement of an innovative model of care—facility-based physicians—which is now being rolled out in nursing homes throughout the country.

Challenges Facing Nursing Homes

Hospitals today strive to reduce a patient's length of stay to achieve profitability under Medicare's Prospective Payment System (PPS), which was introduced by the federal government in 1983 as a mechanism to modify hospital behavior and encourage more cost-efficient management of medical services. Under PPS, every patient is classified into a diagnosis-related group (DRG), and the hospital is paid a predetermined fixed rate per admission.

Hospitals are rewarded for providing care efficiently, which ultimately motivates them to discharge patients as soon as medically appropriate. Consequently, nursing homes receive more clinically complex cases and are under pressure to reduce inappropriate "bounce backs," since hospitals receive no additional reimbursement for the same episode of care. Given such circumstances, it is critical for nursing homes to maximize access to physician–patient interaction to provide the level of services and quality of care required for their residents, especially those with acute illness. This is where the emerging needs of nursing home facilities for more physician time and the availability of traditional primary care physicians diverge.

Challenges Facing Physicians

Generally speaking, traditional primary care physicians have 3 main priorities: office visits, hospital rounds, and nursing home visitation. Nursing homes have historically been the lowest priority. A 2001 American Medical Association (AMA) study showed that 77% of all physicians never visit a nursing home, and that a majority of physicians who care for nursing home residents spend fewer than 2 hours per week at the facility.

With physician practice overhead (wages, rent, and malpractice) spiraling upward and reimbursement spiraling downward, physicians cannot afford to be away from their office practices to essentially perform house calls in the nursing homes. Not only is travel time not reimbursed, but only a few patients per nursing home may require visits. The reimbursement simply doesn't justify time away from the office in today's challenging environment.

Consequences of Disparity

Ultimately, those who are a part of the nursing facility (primarily residents, family members, and nursing staff) suffer the consequences of the emergent disparity between the *need for* and *access to* physician time. The ramifications of this disparity range from irritation to life-threatening situations. Frustrated nurses spend unproductive time attempting to reach physicians to obtain vital phone orders, and family members are dissatisfied with the quality of care they perceive is being provided to their loved ones. Most regrettably, resi-

dents are sent unnecessarily to local hospital emergency rooms for evaluation and treatment that could be administered at the nursing home if a physician were present to facilitate the care.

In fact, a significant percentage of nursing home residents are hospitalized every year, and these hospitalizations are traumatic incidents for elderly nursing home residents. Inappropriate hospitalization disrupts residents' overall care routines; exposes them to hospital-acquired infections, skin breakdown, and disorientation; and often causes an overall decline in their well-being.

Advantages of the Facility-based Physician Model

Facility-based physicians offer nursing homes a tremendous advantage for providing improved quality of care for residents, better staff relations, and enhanced profitability. Most important, residents benefit because they receive the right care, at the right time, at the place where they are most comfortable. "It is too difficult to provide good quality medical care when you are relying on many different doctors to be in your facility on an irregular basis," says Fred Stock, administrator of the Miami Jewish Home and Hospital for the Aged. "I contract with a local practice whose sole business is providing quality medical services to my residents."

Advantages of the facility-based physician model include:

- *Improved quality of care.* When the same physician is present at the nursing home on a daily basis, the physician–patient relationship develops. The resident's overall condition is better understood and preventative care, often an afterthought in the nursing home population, can be provided to avoid acute illnesses. Ailing residents are evaluated daily, if necessary, allowing the facility to avert late-night crises and potential hospitalizations. Moreover, facility-based physicians promptly coordinate essential ancillary care since only doctors (and in some cases, physician extenders) are able to write orders for therapy, lab, radiology, and pharmacy services. The highest quality of care is administered in an environment that fosters collaboration between physicians, residents, nursing staff, and family members.

Nursing homes receive more clinically complex cases and are under pressure to reduce inappropriate "bounce backs" to hospitals.

- *Improved staff relations.* Staff relations also improve with the regular presence of physicians. The nursing staff is further empowered to better meet the needs of medically complex patients. Nurses are more willing to acquire new competencies, such as IV therapy, knowing that a physician is available. "The nursing staff is able to provide best overall patient care when they have access to the doctor, and this is critical given the medical complexity of those individuals living in our nursing homes today," explains Fred Stock.
- *Improved financial performance.* The Resource Utilization Group System 53 (RUGs 53), in effect since January 1, 2006, created 9 new RUGs categories for residents who require extensive services. Under the new system, the majority of the existing 44 RUG categories will have reduced payment rates, whereas the 9 new categories will have higher payment rates. Nursing homes recognized as competent in managing medically complex residents now have the ability to attract this higher-paying resident population. However, only with reliable access to physician time can nursing facilities take on these medically complex cases and experience positive outcomes.

Other significant benefits experienced by facilities currently using this model of care include improved management of pharmacy costs, improved documentation, and standardization of clinical protocols. "Our physicians have a vested interest in the success of our facility," comments Fred Stock. "Facility-based physicians make an investment not only in the residents, but also in the success of the facility."

Morris View Nursing Home Experience

Morris View Nursing Home transitioned to facility-based doctors 1 year ago. "I was flabbergasted to learn that I could have 2 full-time

Provider Action

Impact to You

An opportunity is available for physicians who are interested in escaping the increasing overhead and decreasing margins of office-based practices to establish a LTC practice. Nursing home medical directors and administrators can increase the physician-resident relationship through an innovative model of care—that is, facility-based physicians.

What You Need to Know

The opportunity for physicians in LTC has been created by the increasing disparity between resident need for and access to physician time. Facility-based physicians offer nursing homes an opportunity to improve quality of care for residents, improve staff relations, and enhance outcomes.

What You Need to Do

Investigate the opportunities in your area for developing facility-based physician practices. A starting point can be through an examination of the programs established by the Matrix Medical Network.

doctors with no cost to the nursing home," declares Edith C. Cuippa, Morris View Nursing Home administrator. "The biggest advantage we've experienced has been the physician-to-resident time and physician-to-family member time. The amount of time physicians spend with our residents has increased tremendously. We have physicians asking nurses to set up family conferences. This was a foreign concept to our nurses that physicians would initiate and actually attend family conferences." Morris View contracts for physicians with an organization from Brooklyn, New York, the Matrix Medical Network.

Matrix Medical Network is a physician practice, which has evolved to connect the nursing home's need for physician time with the emerging desire of physicians to work as facility-based rather than office-based staff. Physicians are attracted to this arrangement for many reasons: improved quality of life, regular working hours, a good salary with benefits, and the opportunity to spend more time practicing medicine and less time dealing with bureaucracy. Most important, physicians who choose to work as facility-based staff avoid the need to establish a costly office practice.

Win-Win Scenario

Quite simply, there is absolutely no substitute for the presence of a physician when a nursing home resident requires medical attention, a family member has a care-related concern, or a nurse needs a vital question answered. Facility-based physicians deliver a tremendous advantage to any nursing home or skilled nursing facility in terms of quality of care, improved staff relations, improved financial performance, and increased satisfaction among residents and family members. It's a win-win model of care that can be accomplished, remarkably, with no additional cost to the LTC facility. *MPM*

Marcia Naveh, MD, FACP, is the medical director of Matrix Medical Network, a physician group focused on the LTC setting. Matrix was started in 2001 and currently operates in New York, New Jersey, Florida, Mississippi, and Tennessee. For further information, visit www.matrix-health.net.