Brian’s House Talking Points for Leadership

About the change:
• Brian’s House Residential Hospice facilities in Bay City and Davison will no longer accept new patients as of August 20, 2012, due primarily to changes mandated by the Centers for Medicare & Medicaid Services (CMS) and to low physician and community demand.

• In the simplest terms, the cost of operating a high-quality inpatient program exceeds the reimbursements within the new CMS regulations and requirements.

• Only 2 percent of McLaren Hospice care was administered to residents at Brian’s House while 98 percent of hospice care was delivered within patients’ homes, in hospitals and in long-term care facilities.

• McLaren remains committed to evolving within the ever-changing health care landscape. Today, this means offering a hospice care delivery system that allows patients to receive care in their own homes, in the hospital or at other long-term care facilities.

• A communications hotline has been established to answer further questions about Brian’s House. Please call toll-free (855) 746 4615.

About the patients:
• McLaren will continue to provide patients with end-of-life care through McLaren Hospice within patients’ residences, long-term care facilities and McLaren hospitals.

• We expect this change to influence only a small number of residents (daily census is only one to three patients).

• We are working to ensure a smooth transition for any existing residents. In consultation with patients, their families and their medical team, we will determine the best alternative facility based on personal preference and the level of care they need.

About the employees:
• The change may affect as many as 50 employees; however, as one of the largest employers in the state, McLaren will identify other career opportunities within the company.

• We are committed to placing as many employees as possible within the McLaren family.

About the facility:
• McLaren will retain the facilities and maintain the memorial gardens, inscribed bricks and installations that honor the former patients and their loved ones.

• At this time, no decisions have been made regarding future plans for the space. Once plans have been developed, staff and the community will be informed.

About the name:
• Brian’s House was founded in 1996 in memory of Bay City resident, Brian Straub. The
Brian’s House memorials will remain intact. McLaren will continue to maintain the memorial gardens, bricks and installations so lovingly placed by our families. We appreciate the patients, families, volunteers, donors, community members and organizations that have contributed to create these memorials.

About the industry:

- The hospice model began in earnest in the United States during the 1970s. This model of quality, compassionate care is given to people facing an end-of-life illness. Hospice provides medical care, pain management, and emotional and spiritual support designed specifically to the patient. Family and loved ones are also provided support through the hospice model.

- The Medicare hospice benefit, enacted by Congress in 1982, is the predominate source of payment for hospice care. The amount of hospice patients who were covered by Medicare hospice benefits versus other payment sources was 83.8 percent in 2010. (National Hospice and Palliative Care Organization, Facts and Figures on Hospice Care, 2012).

- There are four levels of care in hospice reimbursement that affect the payment rate. The fourth level of care, the general inpatient (GIP), pays the highest reimbursement rate per day. It is intended to cover the costs of moving the patient from their residence to a facility. This level of care is also used to get the patient’s symptoms under control or to manage a “crisis” within the family or caregiving unit. It was only meant for a short period of time until the patient was moved back to his/her original setting.

For many years, the industry norm and CMS billing reimbursement allowed for four areas of GIP care:

1. Patient in crisis due to symptoms related to their illness.
2. Patient lived alone and this arrangement was no longer tenable.
3. Patient’s primary caregiver collapses due to stress or illness in caring for the patient.
4. Patient is newly admitted to hospice after discharge from an acute care facility.

In 2009 and 2010, the Centers for Medicare & Medicaid Services published new hospice regulations for participation stating the only reason a patient can qualify for GIP level of care is if he or she “is experiencing symptoms that cannot be controlled in another setting.”

This change in participation conditions moved reimbursement rates to respite care levels, which are paid at $550-$600 less per day. Additionally, this was a burden to our hospice families since, under CMS laws, patients and families qualify for no more than five consecutive days of respite care at a given time.

With ambulance transportation to other facilities and respite care reimbursement rates, Brian’s House would sustain a loss of nearly $3,000 per patient in five days of care.

- To all those who have been instrumental in the philosophy and commitment of the inpatient hospice model, thank you. You have made a tremendous impact on the final days of so many in our community and their loved ones.