Medical Directorship of a Home Dialysis Unit

Thomas A. Golper, MD, FACP, FASN
Vanderbilt University Medical Center
Nashville, TN

thomas.golper@vanderbilt.edu

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Summary/Outline

- Overview
- Specific Medical Director Duties
- Compensation
- Performance

The intersection of money and quality of care is the responsibility of the medical director

Dialysis Facility Economics

Revenue – **Expenses** = **Net Income or margin**

Managing margins

1. Decrease operating costs
2. Increase service volumes (e.g. 4th shift)
3. New services
4. Re-value current services (convince payer to accept your price raise)
5. Share in generated savings (capitation)
6. Earn incentive payments

Dialysis Facility Economics

Revenue – **Expenses** = **Net Income or margin**

- Maximize Reimbursement
- Manage Modality Mix
- Improve Accounts Receivable
- Payer Mix
- Increase Patient/Referral Base
- Acute Contracts
- Non-Dialysis Services (lab, access,etc)

- Manage Labor Expense & Staff Retention
- Manage Inventory Manage Administrative costs & Overhead Effectively
- Limit Capital Outlay

In 2004 almost the entire operating margin came from injectable drugs, less so 2004 to 2010 and after 1/1/11, it changes as we go to "bundling" so see "Finances" module

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For more details see module on "Finances of Home Dialysis: Facility and Physician Payments"

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Medical Director's Duties

McMurray Neph News Issues July 2000, RPA 1996
Applicable in 2010

- Approve policies and procedures
- Make sure nurses are adequately trained
- Assure QI programs in place
- Assure that all physicians in the facility comply with all ESRD Network, state, and federal mandates applying to dialysis facilities

2008 Conditions of Coverage:
Obligations of Dialysis Facilities To Receive Medicare Payments

- Major change is a shift to be far more patient focused and far less process focused
- Many new duties assigned to medical director and the governing body
- Empowers medical director in his/her relationship to the governing body
- “to plan, organize, conduct, and direct the professional ESRD services of the facility”
- Lots of “ensures”

New C of C for Med Director Some “ensures”

- Ensures quality assessment and improvement program (QAPI) is effectively developed, implemented, maintained and periodically evaluated
- Ensures that all clinical staff (including physicians) actively participate in achieving performance goals
- Ensures that each pt treated at that facility achieves the best possible outcome
- Ensures that staff are adequately trained
- Ensure better outcomes
- Ensures that P & P are adhered to by staff

Medical Director Qualifications

- Licensed physician in the state where services are provided
- Meets criteria of an ESRD qualified physician director (at least Board eligible in IM or Peds and with > 12 months experience or training in care of pts at ESRD facilities
- Professional staff member (bylaws)

Duties & Responsibilities Outpatient General

- Title 42 of Code of Federal Regulations
- Responsibility for the quality of delivered professional care
  - Directing professional services
  - Creation of standards, policy, procedure
  - Conscientiously applying policies and procedures (enforcement)
- Member of governing body
- Official communicator between medical staff and executive board
- Separate and distinct from attending nephrologist

Administrative Duties 1

- Assures written policies and guidelines including:
  - Pt care delivery P & P manual
    - organizational delineation and function of each category of worker
  - Medical records maintenance
  - Professional staff bylaws
    - (+ credentialing)
  - Pt and staff education programs

Administrative Duties 2

- Communicable disease control
- Physical environment
  - Fire, safety, emergency preparedness
- Assures CQI programs
  - Initiates
  - Participates
  - Monitors

Make this empowering, inclusive, and fun

- Assures physician compliance with all network, state and federal mandates applicable to dialysis
- Establishes a practice goal within facility
  - Supercedes competition
- Active dialogue with MAB and attendings

Administrative Duties 3

- Oversee pt satisfaction affairs
  - Incident reports
  - Staff-patient relationships
  - Liaison to affiliated provider institutions
  - Nephrologist-patient relationships
  - Overlaps with many of the previous descriptions

Administrative Duties 4

- Examples of areas for unit-specific P & P
  - Dialyzer reuse/reprocessing
  - Anemia eval and mgt
  - Dialysis adequacy measures and achievements
  - Water standards
  - Immunization/surveillance (Hep B, pneumovax, Hep C)
  - Osteodystrophy mgt
  - Access surveillance/mgt
  - Pharmacologicals in facility
  - Many, many more

Technical Duties

- Participate in selection of cost-effective treatment modalities and supplies offered
  - Advise attendings in this regard
- Approves and oversees P & P, ensuring:
  - adequacy of training of nurses and techs in dialysis science/techniques
  - Water quality
  - Dialyzer reuse/reprocessing
  - Adequacy of dialysis
- Continuous coverage for medical/ technical questions to pt care staff and attendings

Medical Duties 1

- Assures P & P for:
  - Dialysis techniques, related medications
  - Pt suitability (e.g., admission criteria)
  - Other medical issues mentioned before
- Coordinates the comprehensive renal care team to ensure quality
  - Dialysis care
  - Nephrologic care
  - General medical care
- Short-term and long-term care plans
- Modality selection education
  - PD, HD, transplant, home dialysis

Medical Duties 2

- Assure availability and P & P for:
  - Dietary consultation
  - Social service
  - Financial counselor

} **Unit size does matter**

- Assure appropriate execution of dialysis orders/prescriptions and day-to-day patient care by nursing and technical staff
- Assure attending physician education of and compliance with unit P & P
  - CMS changes to visit frequency
  - Where practice goal becomes helpful

Compensation, CMS, Safe Harbors, Chains, ER Docs and CEOs

- Hourly rate will be a safe harbor
  - Only if fair market value and records kept
- Chains and CMS would like compensation to be hourly, like an ER doc (~$120)
- Makes it crystal clear (state of mind in fraud and abuse of self referral)
- RPA fought this, wanted the comparison to be that of a CEO
  - RPA filed suit on 2005
  - Ruling did not support RPA's position
  - CMS stopped pushing this
- Establish an hourly rate
  - Precedents: medical legal fees, surveys, interviews, consultations

Agreements 1

- Condition of participation in Medicare requires a medical director
  - New conditions propose increased and more intense workload for med director
- Duties and compensation linked
- Clarify In-patients (acutes) vs. Out-patients (chronics) because duties differ somewhat
  - For acute programs oversight is more short term and liaison is with hospitals
  - Poor guidelines on acute unit med director roles

Agreements 2

- Clarify language, especially “oversee, supervise, or facilitate” vs. “ensure”
- Obligations of owners/operators in assisting medical director
- Specifically identify the contracting parties (solo MD vs. practice)
- Length of agreement is not a trivial issue
  - Non-compete covenant
  - Comfort level

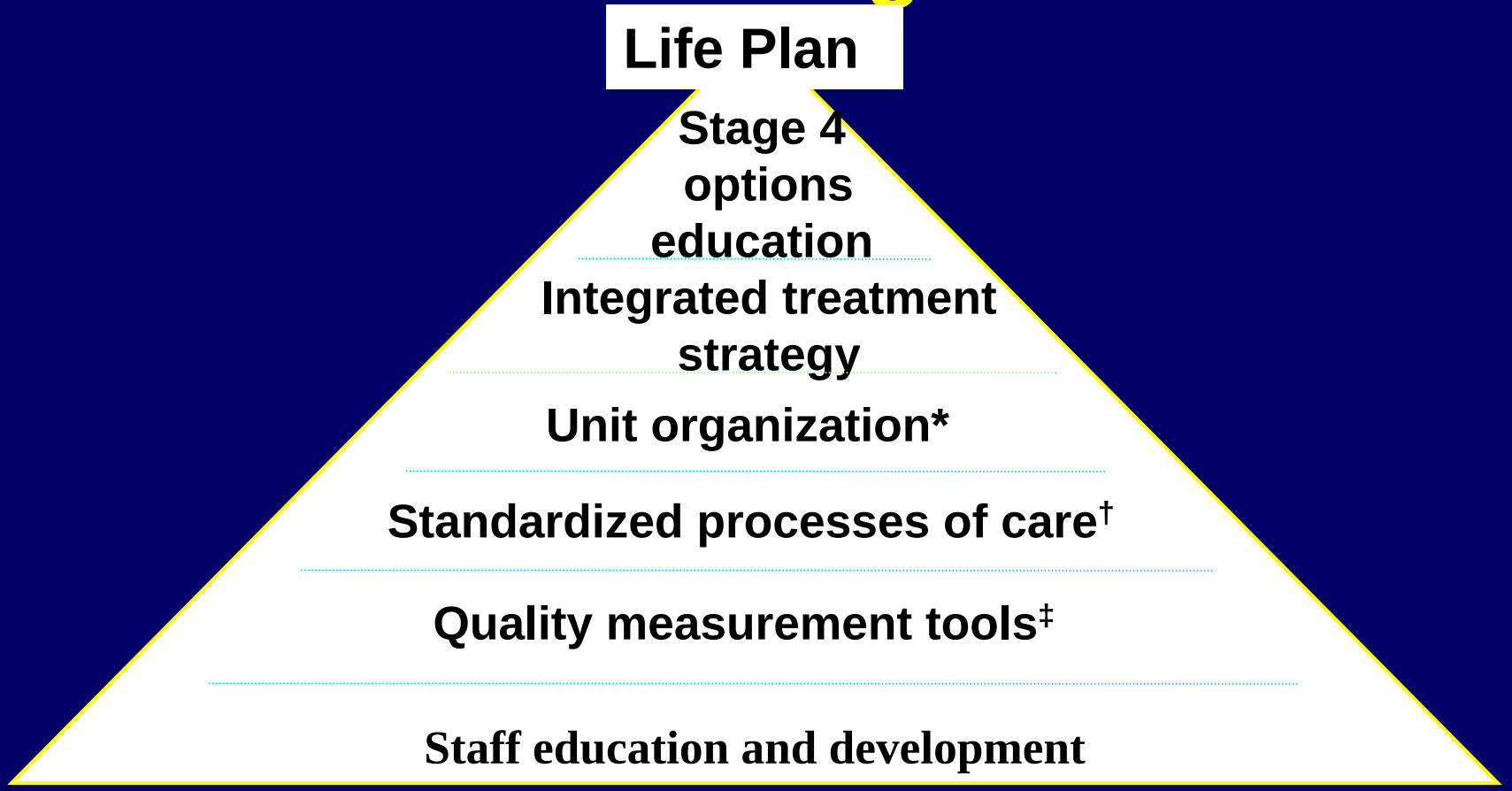
Agreements 3

- Non-compete covenant
  - Geography and length
- Benefits in lieu of cash compensation
  - Office space, car, phone, supplies
  - Fair market value for items not mandatory for doing medical director duties
- Compensation at fair market value

Regulatory Issues 1

- Antikickback Statue “Stark”
  - Prohibits the knowing and willful offer, solicitation, payment or receipt of any remuneration, directly or indirectly, overtly or covertly to induce or in exchange for the referral of any item or service for which payment is made under Medicare or Medicaid
  - Felony with $25K fine and/or jail
  - Safe harbor elements (personal services)

Key Components to a Successful Home Program



* Staffing types, patient:nurse ratios, services linked to patient numbers, medical certification, reimbursement

† Standardized protocols, flow charts

‡ Key quality characteristics for improvement, collect sufficient data points

(courtesy of Marty Schrieber)

Home Dialysis Infrastructure

Administrative

- Advantages/disadvantages of LDO affiliation
- Staffing
- Care delivery
- Secretarial support
- Space
- Supplies
- Pharmacy
- Billing

Care delivery

- Primary care nursing
- Physicians
- Back-up dialysis
- Surgical support
- Radiology
- Clinic structure
- Technicians
- Dietary
- Social service

Infrastructure Considerations

Barriers to overcome

Systematic Barriers

Governmental

- CMS requirements about visits and reimbursements
- Reimbursement strategies favoring graft placement instead of fistulae
- Home care partner support
- Delays of accreditation/certification of new units
- Elimination of facility home training fees

Systematic Barriers

Attitude/Philosophy of Large Dialysis Organizations (LDOs)

- Availability of “state of the art” equipment and solutions
- Delivery of products/supplies
- Pharmacy
- Business conflicts trump patient care
- LDO laboratory services do not accommodate home dialysis needs
- LDOs use data for commercial advantage rather than practical CQI
- Home Dialysis Clinic as an addendum to in-center hemodialysis
- Physical environment
- Staffing

Systematic Barriers

Educational Issues

- Patient education about home therapies
- Physician education/training/experience in home dialysis
- Dialysis staff education/training/experience in home dialysis

Profile of a Successful Home Dialysis Medical Director

- Strong believer in therapy
- Directs home facility separately from in-center
- Comfortable and willing to address clinic concerns with referring nephrologists and surgeons
- Confidently “markets” the services and strengths of the Home Dialysis program to partners and others
- Actively involved in clinic CQI process
- Stays current on science and Best Demonstrated Practice
- Participates in staff education

Team Building for Home Dialysis

- Educating the staff to stay up to date with home dialysis is important
- Opportunities for sharing knowledge
- Free exchange of ideas re pt care
- Continuous QI activities
  - infection rates and protocols
  - morbidity and mortality
  - core indicators (adequacy, anemia, albumin, Ca/P)

Medical Director Performance Review

- Pre-ESRD Candidates
- Census
- Training Issues
- Technical Issues
- Facility Report Card
- Trends in Hospitalization
- Mortality Statistics
- Complication Update (infection,catheters, nutrition,Adequacy, Bone Disease, Anemia, etc.)
- QA Quarterly Mtgs
- QA Project Report
- Quality Tracking Verification

Statistical Process Control (SPC) in Continuous Quality Improvement (CQI)

- Focus on key quality characteristics
- Collect sufficient, useful, and precise data
- Plot data to examine stability
- Determine special cause vs. common cause variation
- Focus on key variables for intervention

Medical Director Checklist Review Policies and Procedures for:

- Outcomes Review
  - -anemia
  - -nutritional status
  - -mineral and bone metabolism
  - -dose of dialysis
- Quality Assessment Improvement Program (QAPI)

Medical Director Checklist Review Policies and Procedures for:

- Consultation with Dietitian
- Consultation with Social Worker
- H & P and death summaries
- Policies for Preventive Care
- Meetings with Vendors
- Patient Satisfaction Surveys
- Adverse patient occurrences

Medical Director Checklist Review Policies and Procedures for:

- Personnel Issues (training, hiring, discipline)
  - Physician
  - Nurses
  - Technicians
  - Administration
- Physician Rounding & Documentation
- Medical Staff Bylaws
- Vascular Access

Medical Director Checklist Review Policies and Procedures for:

- Required Unit Paperwork (surveys etc.)
- Review Board of Health Surveys
- Selection of Appropriate Dialysis Modality
- Short & Long Term Care
- Suitability for Transplant Referral
- Unit Physical Environment

Medical Director Checklist Review Policies and Procedures for:

- Dialyzer Reuse (Reprocessing)
- Infection surveillance and control
- Disaster Preparedness
- Equipment Issues
- Water and Dialysate Quality
- Government agency interactions
- MCO's, hospital systems etc.
- Specific Unit Based Problems

Meetings Continuing Medical Education

- RPA
- ASN
- NKF
- ASPN (Peds)
- ASDIN (Interventional)
- Annual Dialysis Conference
- ASAIO
- American Society of Transplant Physicians
- Medical Director Meeting
- Network Meeting

Tools That Help Medical Directors

- Medical staff bylaws
- Credentialing of staff nephrologists
- Job description
- Performance-based compensation vs. hourly rate
- Staff meeting minutes
- Time documentation

This is the slide to remember

Question #1

- The Medical Director must review Policies and Procedures for which of the following?
  - A. Referral to cardiologists
  - B. Referral to vascular access surgeon
  - C. Referral to primary care internist
  - D. Referral to transplant program
  - E. All of the above

Question #1: Answer

- The correct answer is D. Referrals to transplant program

Question #2

- Medical Director compensation is based on all of the following except?
  - A. Time required to perform duties
  - B. Experience/leadership skills
  - C. Ability to bring in more patients
  - D. Length of the non-compete covenant
  - E. Geography limits of the non-compete covenant

Question #2: Answer

- The correct answer is C. Ability to bring in more patients

Question #3

- The 2008 Medicare Conditions for Coverage greatest impact is?
  - A. Process focusing
  - B. Demanding “ensures” of medical directors
  - C. Establishing credentialing of staff
  - E. More aggressive engagement of the governing body
  - F. Defining medical director’s compensation

Question #3: Answer

- The correct answer is D. More aggressive engagement of the governing body