



HCCI[™]
HOME CENTERED CARE
INSTITUTE

Creating a Business Plan & Budget Monitoring for a Home-Based Primary Care Practice

Loyola Medicine

10/31/2024

Agenda

Topic	Time (min)	Presenter
Welcome	1	Raabiah
Creating a Business Plan	35	Tammy & Paul
Elements & Executive Summary	~10	Paul
Market Analysis & Marketing Plan	~10	Tammy
Budget Considerations & Staffing Plan	~10	Paul
Sample HBPC Budgets	~5	Tammy
Discussion/Q&A	25	All
Safety Plan Development	~5	
Next Steps	1	Raabiah



Elements of a Business Plan

Elements of a Business Plan

- Executive Summary & Company Description
 - Mission Statement/Vision Statement
- Market Analysis & Marketing Plan
- Budget/Proforma
- Staffing Plan



Executive Summary

What is an Executive Summary?

- An Executive Summary is a short summary of the entire business plan that should capture the reader's attention
- Business Description should include:
 - Detailed Description of the Business
 - Mission Statement/Vision Statement
 - Description of Products and Services
 - Target Market

What is a Mission Statement?

- Why the organization exists
- Why the organization does the work it does
- Does not define how that work is to be done



What is a Vision Statement?

- A clear, specific and compelling picture of what the organization will look like in the future...including those few key, broad metrics that define success
- Aspirational...defines key results achieved and yet to be accomplished, and the expected impact to clients
- Describes the specific behaviors a successful organization displays

What are Value Statements?

- Boundaries within which the organization will operate in pursuit of its vision
- Distinguish between:
 - Core values – those on which the organization will never compromise and is willing to pay a price to uphold
 - Aspirational values – those that the organization espouses, but has yet to live up to in day-to-day operations
- Describe values in clear, behavioral terms

Crafting a Mission Statement – Tips

- **Culture:** No right way to develop a mission – participants can determine process to arrive at their organizational mission
- **Pragmatic & Understandable:** When wording the mission, consider the organization's products, services, markets, values, and concern for public image, as well as priorities of activities for success. Ensure wording of the mission allows management and employees to understand order of priorities in how products and services are delivered
- **Differentiate:** Include sufficient description that the statement clearly separates the mission of the organization from other organizations
- **Compelling:** Vivid description of the organization as it effectively carries out its operations
- **Focused:** Developing the vision can be the most enjoyable part of planning, but the part where time easily gets away from you

Mission and Vision Examples

Mission Statement

XYZ Health is a nonprofit organization dedicated to helping individuals and families achieve their highest level of well-being by providing compassionate, coordinated, innovative care in their homes and communities

Vision

ABC Health is the premier collaborative, comprehensive provider and benefactor of sustainable services to vulnerable seniors in our community

Examples of Values

- Integrity
- Quality
- Humor
- Collaboration
- Professionalism
- Growth

How Does Strategy Fit?

- Strategy is the clear plan, which is time- and market-based, that describes the path by which an organization intends to reach its vision
- Strategy is the causal link between mission and vision specifying practical steps the organization will take to achieve its vision
- Strategy determines such things as resource priorities, organization structure, and what issues get daily organizational attention
- Requires measurement to assess progress



Measuring Progress

- **Goals**

- Short-term
 - Target result achieved in support of a strategy and/or long-term goals
 - 1-2 year time frame
- Long-term
 - Target result in support of a strategy
 - 3+ year time frame

- **Objectives**

- Specific milestones with incremental time frames that allow measurement toward attaining goal



Market Analysis & Marketing Plan

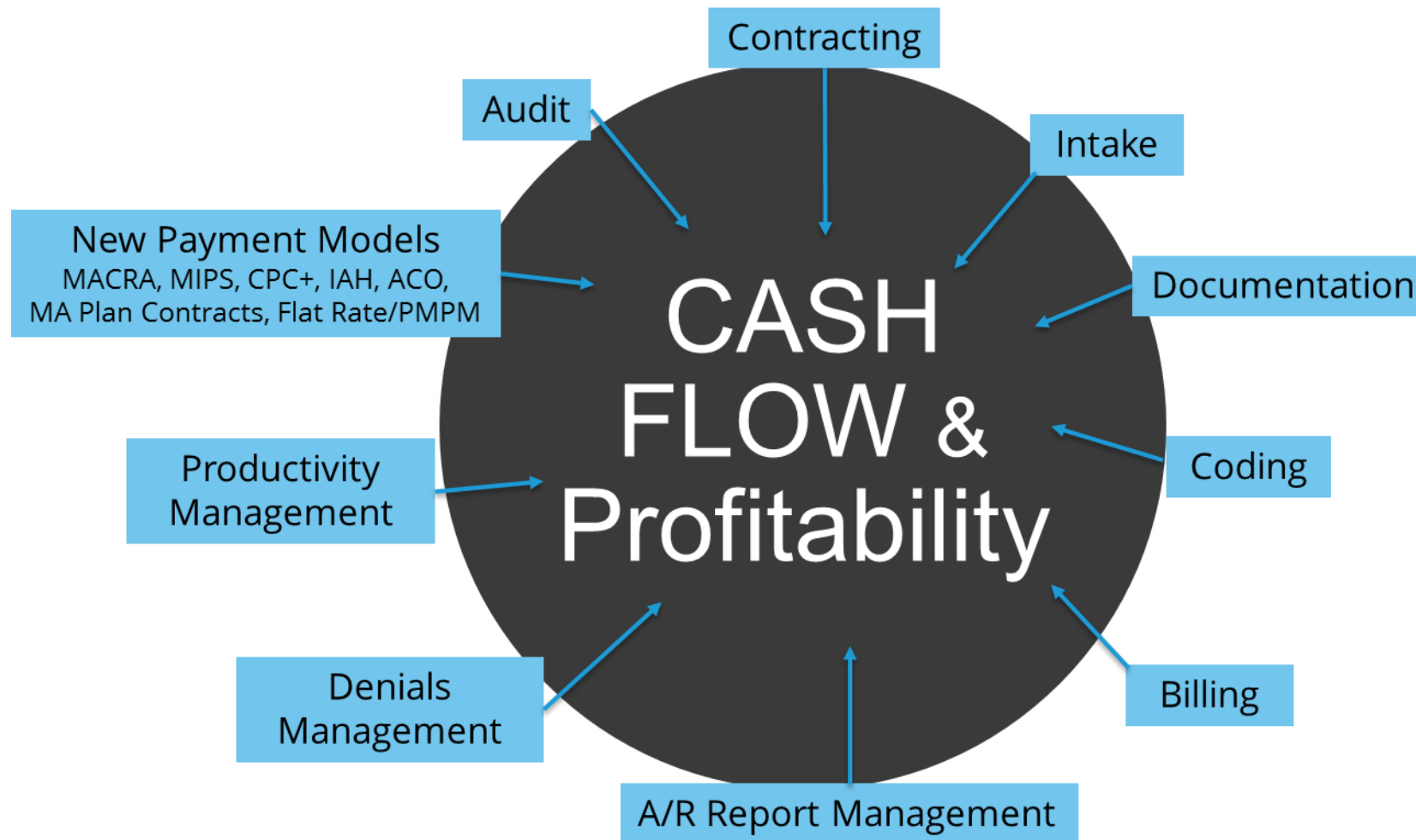
Developing a Market Analysis

- Patient population to be served
- Geography
- Payor analysis
- Competitive Analysis

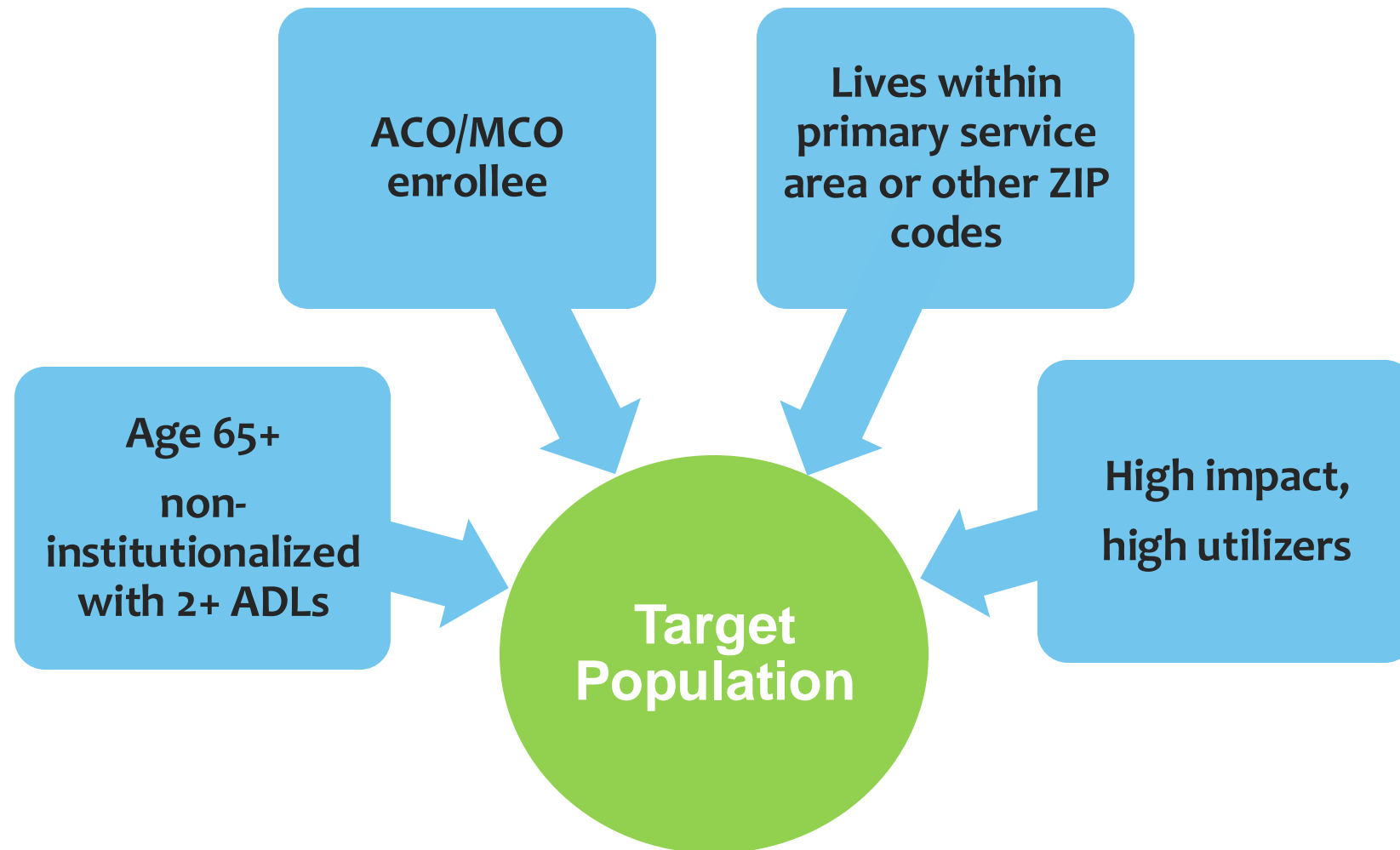
Developing a Market Analysis & Plan

- Unique Value Proposition
 - To the community
 - To the health system
- Product/Service Lines
 - Urgent care/transitional care/longitudinal care
 - Additional service lines
- Practice Status
 - Profit/nonprofit
 - Donors/grants

Core Components of HBPC Success



Target Population – Considerations



Definition of Initial Service Area

- Which location(s) make most sense for initial service area?
 - ZIP codes
 - Select facilities
- What are our selection criteria?
 - Density of eligible residents
 - Move market share
 - Impact utilization
 - Insufficient PCP availability
 - Affiliate relationship
 - Other



Growing the Right Way

- Know your target population
- Know your referral sources
 - Other physicians
 - Your hospital/health system
 - Community-based services
- Communication
 - How should you best communicate?
 - What's the best way to reach the right people with your message?

How do you locate patients?

- Networking / Marketing Activities:
 - Senior Living Communities/Facilities
 - Local Area on Aging and Senior Services
 - ER/Hospital Discharge Planners & Care Coordination Teams
 - Skilled Nursing Facilities
 - Community PCPs
 - Speaking Opportunities
 - Home Health & Hospice Agencies

Community Resources & Networking



In Home Support Services or Private Duty Caregiving Agencies



Adult Protective Services (APS)



Linkages Program



Meals on Wheels



Adult Day Care Services



Churches and Other Volunteer Programs

HBPC Website Example

- [Rush@Home](#)

Call (888) 352-RUSH (7874) | Schedule Appointment | MyChart | Pay Bill | Refer a Patient | Giving | Rush University | I AM A...

RUSH | Doctors | Services | Locations | Patients & Visitors | Get Care Today | Search | Menu

RUSH@Home

An HCCI Practice Excellence Partner

RUSH@Home is a house calls program that offers patients primary care in their own home.

[Click Here to Get Started](#)

[Click Here to Get Started](#)

[Donate to RUSH@Home](#)

Home — Patients & Visitors — RUSH@Home

[Call Today](#)

(312) 947-HOME

Mission & Vision

- [Rush@Home](#)

🏠 — Patients & Visitors — RUSH@Home

If you have trouble getting to the doctor's office, RUSH@Home care comes to you.

RUSH@Home is a primary care house calls program for people on Chicago's West Side and in the near western suburbs.

Our team of primary care providers, certified medical assistants, nurses and social workers provides care and support to keep you or your loved one healthy and comfortable at home.

We can help you manage health conditions such as heart failure or asthma and make sure you're on the right medications. Our social workers can help you and your family get other resources you might need, like house cleaning and food deliveries. And we care for caregivers, too: We'll connect you with the [RUSH Caregiver Initiative](#) for support and services.

Whether you or the person you care for needs a checkup, medication refills, X-rays, bloodwork or other medical services, our RUSH@Home team has you covered. We [accept all insurances](#) that are accepted by [RUSH primary care providers](#).

If you would like to support RUSH@Home, [philanthropic gifts](#) help ensure that this valuable program can continue to grow.

Explaining Your Services

- Rush@Home

House call services provided by RUSH@Home

RUSH@Home offers the following services:

- In-home primary care
- Coordinating care with home health agencies, social services and other care providers
- Bloodwork
- Immunizations
- In-home X-rays
- Ordering durable medical equipment
- Refilling medications
- Helping with advance care planning to make sure your health care wishes are honored

Eligibility Criteria

■ Rush@Home

Am I eligible for house calls?

You can use RUSH@Home services if the following apply to you.

- You have two or more chronic conditions, such as diabetes, high blood pressure or asthma.
- You have trouble with daily activities like cleaning, shopping and walking.
- You've gone to the emergency room or been hospitalized in the past.
- You live in one of the Chicago or suburban ZIP codes listed below.

What areas does RUSH@Home serve?

You may be eligible for RUSH@Home care if you live in one of the following ZIP codes:

- Austin: 60644, 60651
- Bridgeport: 60616
- Chinatown: 60616
- Douglas: 60616
- East Garfield Park: 60612, 60624
- Forest Park: 60130, 60682
- Humboldt Park: 60622, 60624, 60647, 60651
- Lower West Side: 60608, 60616
- Near West Side: 60606, 60607, 60608, 60612, 60661
- North Lawndale: 60608, 60623, 60624
- Oak Park: 60301, 60302, 60303, 60304
- River Forest: 60305
- South Lawndale: 60623
- West Garfield Park: 60624
- West Town: 60612, 60622, 60642

How can I get started with RUSH@Home?

To learn more about RUSH@Home or sign up for services, you can do any of the following:

- [Fill out our form](#) to start the referral process.
- Call us at [\(312\) 947-HOME \(4663\)](#).
- Talk to your primary care physician or have them call us for more information.

Approaching Partnership Conversations

- Be prepared to articulate and show documentation related to:
 - The mission, goals, and outcomes of your program
 - Your enrollment criteria and process
 - The benefits you will offer the partner (i.e. what burden can you relieve, or care gap do you fulfill)
 - What you need from the partner to be successful, and how you will share information

Approaching Partnership Conversations

- Stay connected with current and potential referral sources to build relationships
- Think about your website and other marketing tools
- Explore senior living and new facility partnerships in your area (Be aware of new facilities in your area)
- Consider meetings with discharge planners and/or care coordinators at local hospitals
- Do you have data to approach a payor conversation or pilot
- Predictive Analytics (Confer Analytics®)
- If you're part of a health system or large group practice consider proactive referral approach



Budget Considerations & Staffing Plan

Financial Assumptions

- Revenue
 - Payer mix
 - Fee schedule
 - Collection rate
 - Services beyond the E&M Code
- Medical providers
 - Visit per day
 - Scope of duties
 - Panel size
 - Provider compensation
- Growth
 - Rate new patients added
 - Rate patients departing
- Expenses
 - Operational including staff compensation
 - Marketing/outreach
 - Health system overhead/taxes
- Capital
 - Needs
 - Sources

Sizing the Impact

- Medicare Readmission penalty DRGs
 - CHF, COPD, Pneumonia, Myocardial Infarction, CABG
- Medicare bundles targets
- Medicare Spend Per Beneficiary
- ACO/MCO performance indicators
- DRG ALOS reduction
- ED utilizers

HBPC is Not One Size Fits All

... but there are common pitfalls impacting the bottom line

- Very thin or negative margins, due to:
 - Poor productivity
 - Misaligned staffing
 - Rising costs (legal, marketing, rent, etc.)
- Not staffing with the right mix of providers
 - Are your providers working at the top of their scope?
 - Have you considered using Advanced Practice Providers?
 - Have you considered utilizing your physicians in different ways?

Variables that Impact the Bottom Line

POSITIVE	NEGATIVE
↑ Volume: 8-10 visits per day	↓ Volume: 4-6 visits per day
Senior Communities / ALFs	Individual Homes / ↑ Driving
Lean staffing model, ↓ Costs	MD-Heavy staffing
Strong Documentation/Coding/ Billing Operation	Poor Coding/Billing
Value-Based Payments/Contracts: PMPM / Shared Savings	Reliance on FFS billing
Urgent Clinical Services to prevent ER/Hospital; 24/7 Access	Lack 24/7 Access / ↑ response time
Strong EMR documentation: HCC, Quality (HEDIS, MIPS), CPT	Poor documentation
Private Pay for Uncovered Services	Losses on Uncovered Services
Other revenue streams: Ancillaries, health system support, philanthropy	No other revenue streams

Revenue Matters

- Explore funding options other than fee-for-service
 - Are you part of a health system?
 - Is there grant funding available?
 - Does your city have a division of aging?
- Review payer contracts
 - Are you being paid appropriately?
 - Are prior authorization requirements too burdensome?

Maximize Reimbursement

- Are you billing all codes available for your services?
 - Non face-to-face services
 - Advance care planning
 - Chronic care management
 - Annual wellness visits
 - Transitional care management
- Have you implemented an alternative payment model?
 - MIPS
 - PMPM Contract

HBPC Medical Providers

- Home-based Primary Care can use different types of medical providers
 - Physicians
 - Nurse practitioners (NP)
 - Physician assistants (PA)
- Typically, one FTE can manage 150-250 patients
- Based on geography, patient acuity and residence type, each FTE should average six-to-eight home visits per day

Staffing Example

HBPC Full Patient Care Team Serving 450 – 600

One FTE physician

Some prefer to utilize two physicians

- Serve as Medical Director
- Perform in-home patient visits half time (initial intake and major follow-visits)
- Balance of work involves inpatient care, consults, NP advisory, medical directorships, teaching and research

Two FTE APPs

- Full time in-home patient visits
- Regular follow-up and urgent care visits

Three FTE APPs

Any combination of NPs and PAs

- Selection based on:
 - Community preferences
 - Organizational needs
 - State scope of practice
 - Availability
- NPs need a collaborating physician
- PAs need a supervising physician

Office Staffing & Productivity

- Provider types/team mix
 - Physician
 - NP
 - PA
- Scope of clinical practice
 - Home Based Primary Care
 - *Longitudinal*
 - *Transitional*
 - Office/clinic
 - Other
- Productivity
- Panel Size

Productivity Matters

- Regularly review budget and FTE ratios against productivity
- Cluster patient visits to the same facility or neighborhood whenever possible
- Use RN/LPN staff to relieve triage burden from providers
- Monitor RVUs and revenue for each provider and educate on the cause-and-effect relationship
- Reduce windshield time with geographic scheduling

National Visit Per Day Averages

- High-Performing Productivity Averages
 - 8-10 visit average per day (10-12 if all facility)
- Providers traveling alone or rural geography
 - 5-7 visits average per day
- Example target goal per week
 - 45 visits per week



Sample HBPC Budgets

Budget Example

- Does your program have reporting expectations from funders/executive leadership?

Financial Projection Template for House Call Medical Practice			
1. Revenue Projections			
Revenue Stream	Units	Rate per Unit	Total Revenue
Home Visits (200 patients)	___ Visits	\$___ per Visit	\$___
Insurance Reimbursements	___ Claims	\$___ per Claim	\$___
Chronic Care Management (CCM)	___ Patients	\$___ per Patient	\$___
Other Services (labs, etc.)	___ Services	\$___ per Service	\$___
Total Revenue			\$
2. Operating Expenses			
Expense Category	Monthly Cost	Annual Cost	
Salaries and Wages			
- Provider	\$___	\$___	
- Nurse	\$___	\$___	
- Medical Assistant	\$___	\$___	
- Front Office Staff	\$___	\$___	
Benefits (Insurance, etc.)			
- Health Insurance	\$___	\$___	
- Payroll Taxes	\$___	\$___	
Office/Clinic Expenses			
- Rent/Utilities (if applicable)	\$___	\$___	
- Medical Supplies	\$___	\$___	
- Office Supplies	\$___	\$___	
- EHR/Practice Management System	\$___	\$___	
- Billing and Coding Services	\$___	\$___	
- Marketing and Advertising	\$___	\$___	
Transportation			
- Vehicle Costs (gas, insurance)	\$___	\$___	
- Mileage Reimbursement	\$___	\$___	
Miscellaneous			
- Continuing Education	\$___	\$___	
- Legal and Accounting Fees	\$___	\$___	
Total Operating Expenses	\$___	\$___	
3. Profit & Loss Statement			
Category	Monthly	Annual	
Total Revenue	\$___	\$___	
Total Operating Expenses	\$___	\$___	
Net Income (Profit/Loss)	\$___	\$___	
4. Key Financial Ratios			
Ratio	Formula	Value	
Operating Margin	(Net Income / Total Revenue)	___%	
Salary to Revenue Ratio	(Total Salaries / Total Revenue)	___%	
Profit Margin	(Net Income / Revenue)	___%	

Forecasting Costs

	Start-up	Year 1	Year 2	Year 3	Year 4	Year 5
Patient Census - Year End						
Home	-	144	288	418	418	418
Total Patient Census - Year End	-	144	288	418	418	418
Total Patient Visits						
Home	-	1,241	2,990	4,911	5,313	5,313
Total Patient Visits	-	1,241	2,990	4,911	5,313	5,313
Revenues						
House Call Revenue	\$ -	\$ 195,129	\$ 463,421	\$ 739,411	\$ 798,920	\$ 814,899
Total Revenue	-	195,129	463,421	739,411	798,920	814,899
Direct Expenses						
Non-Provider						
Staff Salaries	6,800	40,000	41,200	42,436	43,709	45,020
Staff Benefits	2,584	15,200	15,656	16,126	16,609	17,108
Medical Drugs & Supplies	-	1,239	3,046	5,104	5,634	5,747
Billing and Collections	-	23,220	55,147	87,990	95,071	96,973
Administrative Supplies & Services	1,000	1,000	1,020	1,040	1,061	1,082
Equipment Expense	5,098	-	5,098	5,098	-	-
Travel	-	7,475	15,249	23,331	23,798	24,274
Total Non-Provider Expenses	15,482	88,135	136,416	181,125	185,883	190,204
Provider Expenses						
Physician Salaries	28,050	165,000	339,900	350,097	360,600	371,418
APP Salaries	-	-	-	100,786	103,809	106,923
Benefits	10,659	62,700	129,162	171,335	176,475	181,770
Malpractice Insurance	5,631	33,788	67,576	67,576	67,576	67,576
Total Provider Expenses	44,340	261,488	536,638	689,794	708,460	727,687
Total Direct Expenses	59,822	349,623	673,054	870,919	894,343	917,890
Contribution Margin	(59,822)	(154,494)	(209,633)	(131,508)	(95,423)	(102,992)
Indirect Expenses						
Dean Tax	-	21,464	50,976	81,335	87,881	89,639
Total Indirect Expenses	-	21,464	50,976	81,335	87,881	89,639
Net Income/(Loss)	\$ (59,822)	\$ (175,958)	\$ (260,609)	\$ (212,843)	\$ (183,304)	\$ (192,631)
Net (Loss) Per Visit		\$ (141.73)	\$ (87.16)	\$ (43.34)	\$ (34.50)	\$ (36.26)

Key Takeaways

- A number of factors have converged in healthcare, leading to the resurgence of home-based primary care.
- Several house call business models exist with market conditions determining the most appropriate model for a given environment.
- **Cash Flow** is vital to every HBPC practice, as is **Profitability** (even for a non-profit).
- In developing a business model, consider: Contracting, Intake, Documentation, Coding, Billing, A/R Report Management, Denials Management, Productivity Management, New Payment Models, and Audit/Compliance.



Q&A



Next Steps



you're invited

HAPPY HOUR *for the* HOUSE CALL PROJECT

*Join HCCI for an evening of drinks, bites,
and networking to celebrate Cohort 1 & 2
Champions of the ILHCP for advancing
home-based primary care.*

WEDNESDAY, NOVEMBER 6TH, 2024

5:30-7:30PM

HYATT REGENCY SCHAUMBURG
1800 E. GOLF ROAD
SCHAUMBURG, IL 60173
CYAN ROOM

RSVP HERE

BY TUESDAY, OCTOBER 30TH

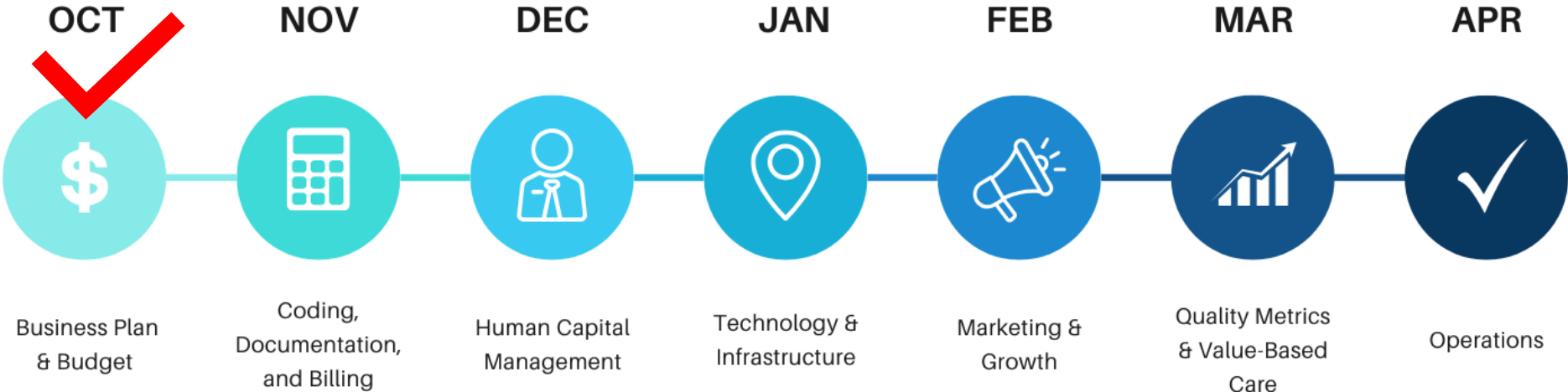
QUESTIONS?

CONTACT RAABIAH ALI @
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[RSVP LINKED HERE](#)

HCCI
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UPCOMING MONTHLY TOPICS



The Illinois House Call Project: Foundations of House Calls Coursework Series

Session 3

November 14th, 2024

9:30 am – 11:00 am CST

Courses:

- Advanced Coding and Billing: Beyond E/M for House Calls
- Optimizing Efficiency in House Call Operations
- Legal Compliance for Home-Based Primary Care
- Risk Adjustment and HCC Coding for House Calls

For any questions, please contact Raabiah Ali, Program Manager

RAli@hccinstitute.org



Enrolled

The Illinois House Call Project:
Foundations of House Calls Webinar
Series

After the completion of each module, please join HCCI subject matter experts for a 90-minute webinar to discuss any questions you may have regarding the course material. See below for a link to register for each webinar.

[**REGISTER HERE**](#)

HCCIntelligence™ Community Webinar Series

Expanding Home-Based Primary Care: Uncovering Referral Channels, Attracting New Patients, and Partnering with Providers

Objectives:

- Explain the process of identifying patient referral sources.
- Explore strategies for recruiting and communicating with potential new patients, including talking points and scripting examples.
- Outline key discussion topics for engaging with providers when reaching out to new referral sources.

November 20, 2024
3 pm - 4 pm CT

[REGISTER HERE](#)

Contact HCCI



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