

# Skilled Home Healthcare Integrity and Program Savings Act (SHHIPS)

The Partnership for Quality Home Healthcare has been working for more than a year to develop policy solutions that are designed to protect Medicare beneficiaries, cost-effective providers, and American taxpayers by preventing fraud and abuse before it occurs.

The SHHIPS proposal is largely based on a successful precedent to prevent aberrant outlier payments. In 2009, the home health community proposed that a 10 percent cap be placed on Medicare outlier claims to stem what

was considered an example of unchecked fraud and abuse. Adopted by the Centers for Medicare and Medicaid Services (CMS) and included in the Affordable Care Act (ACA), this single reform is on track to generate a total of 11 billion in taxpayer savings over the next decade.

Building on the positive outcomes of its outlier proposal, the home health community has developed a comprehensive set of additional program integrity reforms.

## Program Integrity Reforms to Protect Beneficiaries and Prevent Fraud and Abuse

- Prevent entry of individuals with criminal backgrounds: Require criminal background checks for all home health employees with direct patient contact or access to patient record
- Verify competency through improved standards: Require background screening of owners and managing employees
- Enforce provider integrity: Require providers to have a compliance and ethics program to prevent and detect criminal violations
- Ensure operational capacity to serve beneficiaries: Require all new providers to secure a 100,000 surety bond
- Temporary entry limitations to prevent excess growth: Suspend issuance of new provider numbers in over-saturated counties

## Payment Integrity Reforms to Ensure Accuracy, Efficiency and Value

- Prevent payment of aberrant claims: Limit reimbursement of episodes to an aggregate annual per-provider average based on beneficiary location and establish a minimum annual Low-Utilization Payment Adjustment (LUPA) claim rate of 5 percent
- Ensure accuracy of all claims: Establish a uniform process to ensure claims are valid prior to payment

## Quality Outcomes Improvement

- Improve care planning for Medicare skilled home healthcare services: Permit non-physician providers, operating under a physician's direct supervision, to complete initial patient assessments and coverage certifications to ensure beneficiary access to care