

Specialty Home Health Agencies: Suggested Changes for the HHA Chapter

For Discussion of Agenda Item #3 April 14, 2015 Meeting of the HHA Advisory Group

Background

Since 1992, the Maryland Certificate of Need (CON) program has recognized two types of home health agencies (HHAs) in the State Health Plan (SHP) and employed different policies in the regulation of the supply and distribution of such agencies.

The HHA Chapter of the SHP defines a general home health agency as “a home health agency that provides a full range of home health services that are not restricted as a specialty home health agency.”

The HHA Chapter defines a specialty HHA as an HHA that provides:

- (i) Services exclusively to a pediatric population;
- (ii) An array of services exclusively to a population group limited by the nature of its diagnosis or medical condition;
- (iii) To all population groups a highly limited set of services that can offer acceptable quality only through specialized training of staff and an adequate volume of experience to maintain specialized skills; or
- (iv) Services exclusively to the residents of a specific continuing care retirement community (CCRC).

Because the specialty HHA designation is only recognized by the Maryland Health Care Commission (MHCC) for purposes of CON regulation, any type of HHA authorized to operate in Maryland must meet the same licensure and certification requirements. This means it must directly, or through a contractual arrangement, provide skilled nursing and home health aide services, and at least one other home health care service that is centrally administered (as defined in statute) to a sick or disabled individual in the residence of that individual.

The key distinction made by the MHCC in CON regulation of general and specialty HHAs is that specialty HHAs have not been held to a uniform population or community need standard. The HHA Chapter has employed a need projection methodology designed to identify jurisdictions within the state that need additional HHA services. This identification must occur before MHCC creates an opportunity for review of applications to serve the identified jurisdiction by existing general HHAs proposing to expand service into the jurisdiction or by persons seeking to establish a new general HHA to serve the jurisdiction. However, this approach to regulation has

only been applied to establishment or expansion of general HHAs. Proposals to establish or expand specialty HHAs can be considered at any time and in any part of Maryland, without regard to whether MHCC has identified a need for additional HHA services in that geographic area. Someone seeking to establish a specialty HHAs is required to “demonstrate quantitatively that there exists an unmet need that it intends to address.” The demonstration of need for a specialty HHA must include, but is not limited to:

- (a) Identification of the characteristics and/or special needs of the client group to be served;
- (b) A detailed description of the types and quantities of specialty home health care services that the client group needs or is projected to need; and
- (c) An assessment of the extent to which the home health needs of the client group are or are not being met by existing home health service providers.¹

Maryland presently has six specialty HHAs -- four are CCRC-based and, consistent with the definition of specialty HHA, exclusively serve the resident population of their respective retirement communities. The other two specialty HHAs limit their service to pediatric clients, including medically fragile children and maternal/newborn dyads.

Neither OHCQ, which is responsible for licensing and certification of HHAs in Maryland, nor CMS recognize the specialty HHA designation. Both general and specialty Commission-designated entities are licensed and certified simply as home health agencies. A general HHA may serve populations defined under the specialty HHA designation and, in fact, the MHCC requires a CCRC-based HHA to provide residents with a full list of available HHAs in the jurisdiction.

Historically, only a few applicants have sought to establish a specialty agency to serve pediatric clients. Of these few applicants, one appears to have functioned successfully as projected. It has a limited volume of HHA clients but also operates a much higher volume RSA service. Maryland’s Medical Assistance (Medicaid) program requires that an HHA have Medicare certification as an HHA in order to receive Medicaid reimbursement as an HHA. This presents a challenge for a specialty agency serving a pediatric population.

¹ COMAR 10.24.08.10B(1).

Eliminate the Specialty HHA Designation

Staff believes that it is not necessary to continue the specialty designation. It is suggested that current specialty agencies would be grandfathered, with authorizations to serve as indicated on the agency's HHA license.

An analysis of utilization of HHAs by the pediatric age group (0 – 14 years), comparing specialty pediatric HHAs with general HHAs, showed that just under 60% of the pediatric patients were served by general HHAs.

CCRC residents are not precluded from obtaining services from any HHA authorized to serve the jurisdiction in which they live, even if their CCRC operates a specialty HHA. Staff believes that the choices available to CCRC residents are adequate and do not require the maintenance of a specialty designation in order for CCRC residents to have access to quality HHA services, especially if changes in CON regulation move in the direction of assuring expansion and new market entry opportunities are linked with measured performance on quality indicators.

A proposed new HHA or existing HHA seeking to expand can certainly seek to tailor its services to successfully serve a niche market demand. However, staff believes that the fairest approach is to require that persons seeking to serve a specified population (e.g., the pediatric population or a CCRC resident population) or provide a specialized set of services be required to meet the same qualifying factors as other HHA applicants.

Discussion Questions:

- Are there specific types of populations that require specialized training of HHA staff that a general HHA does not routinely provide? Are there specific types of medical conditions or services that your HHA is unable to address; if so, what is the frequency of denied admission?
- A CCRC-based HHA has authority to serve exclusively its own residents. However, CCRC residents still have the choice of selecting a freestanding HHA. What is the potential impact, if any, on access if MHCC eliminates the ability to apply for a specialty CCRC HHA designation?