

FAQs: NEGOTIATING MEDICAL RESPITE CARE WITH HOSPITALS

FACT SHEET

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What is the benefit of having a written contract with a hospital?

Hospital collaboration is essential to the success of medical respite programs. Hospitals are a source of patient referrals, data collection, and income for medical respite programs. In return, hospitals receive significant cost savings by avoiding inpatient stays and reducing readmission rates. Contracts ensure that all parties agree to and understand formally negotiated arrangements. Contracts also serve as a point of reference to resolve contested issues or renegotiate future agreements.

What kinds of services and agreements are included in contracts with hospitals?

- **Medications.** Consider having the hospital supply the patient with medications or written prescriptions before referring to the program. Be specific; request a certain number of days' supply.
- **Supplies/equipment.** When patients need supplies and equipment unavailable at the medical respite facility, consider having the hospital provide these while the patient is in your care.
- **Access to labs and radiology.** When patients need follow-up lab or radiology work, consider an agreement with the hospital that includes providing this service at no cost.
- **Patient information.** Discharge planners should provide the medical respite program with appropriate medical information. Contracts should also establish a system for collecting cost-savings data from the hospital.
- **Ongoing physician or specialty care.** Patients may need ongoing physician and/or specialty care to manage acute conditions that led to the hospital referral as well as for chronic health conditions. Consider establishing a relationship with a primary care physician at the hospital if your neighborhood does not have a community health center.
- **Reimbursement or financial support.** The contract should clearly outline the financial arrangement negotiated with the hospital, whether an annual grant, an annual payment for one or more beds, or payment per referral (either per day or one total payment).
- **Tuberculosis clearance/methadone maintenance referrals.** Some medical respite programs require that the hospital check for TB and arrange for methadone maintenance before referring patients.
- **Doctor-to-doctor consultation.** Medical respite care is not a substitute for care provided in a hospital setting. Programs employing physicians to provide acute medical care in the respite facility should consider a contract provision ensuring that the hospital's physician is responsive to any consultative needs.
- **Program eligibility and ability to refer back to the hospital, if needed.** Hospitals may refer patients who continue to need hospital care. Contracts should be clear about program eligibility criteria and allow the program to refuse referrals or refer back to the hospital should the patient not meet eligibility criteria or if the patient unexpectedly experiences symptoms requiring hospitalization.



WHERE CAN I ACCESS A SAMPLE MOU OR HOSPITAL CONTRACT?

- Sample Memorandum of Understanding | www.nhchc.org/Respite/MOUSample.doc
- Sample contract | www.nhchc.org/Respite/SampleContract2.pdf

NATIONAL HEALTH CARE FOR THE HOMELESS COUNCIL
P. O. Box 60427 | Nashville, TN 37206 | www.nhchc.org | 615.226.2292
Health Care and Housing Are Human Rights

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How much should I ask the hospital to contribute towards the respite program?

The amount negotiated in a contract with a hospital varies from program to program and is based on a number of factors such as program expenses and the number of patients who are homeless and using the hospital system. Examples of financial arrangements from three communities:

- **Los Angeles** Each hospital pays \$175 per referral for each day that the person is in the respite facility
- **Portland** Each hospital pays a one time payment of about \$4,000 for each patient referred
- **San Jose** Each hospital invests \$25,000 annually in the form of a grant

Who do I approach at the hospital to discuss a contractual relationship?

Hospital administrators need to be involved in contract development. Programs have been successful in reaching administrators and getting support by first establishing relationships with case managers, discharge planners, and emergency department or attending physicians. Ongoing contact with people in these positions should stress the benefits of medical respite care and set the tone for future discussions. Setting up multidisciplinary stakeholder meetings to discuss difficult issues such as extended length of stay and frequent re-admissions can also build a foundation for a contractual relationship.

What information should I share with hospital administrators about medical respite care?

- The type of information you share with administrators depends on your program as well as the administrators' understanding of medical respite care. Administrators new to the concept will benefit from a general overview of why medical respite care is necessary. Effective resources for information packets and presentations might include:
 - **Medical Respite Care for People Experiencing Homelessness brochure** | www.nhchc.org/Respite/RespiteBrochureSept09.pdf
 - **Defining Characteristics of Medical Respite Care** | www.nhchc.org/Respite/RespiteDefiningFinal.pdf
 - **Medical Respite Care short video** (running time: 10:22 minutes) | www.nhchc.com/Respite
- Medical respite providers should understand the spectrum of issues that will interest hospital administrators such as the hospital's funding sources and current financial standing. Administrators will want to know that the hospital is not the medical respite program's sole funding source. Be prepared to discuss your funding strategy and overall business plan. Both established and developing programs should be able to articulate how their program dovetails with the hospital's mission and current needs. Information about the hospital's mission and priorities is generally included on its website.
- Be prepared to discuss local cost avoidance. Start your conversation by using a case example of a homeless patient known to be a frequent user and who would benefit from medical respite care. Think of the Million-Dollar Murray case. Using these resources, work with a discharge planner to develop a chart illustrating one patient's case:
 - **Million-Dollar Murray** | *The New Yorker* | 2006 | www.nhchc.org/Respite/MillionDollarMurray.pdf
 - **A graph illustrating one patient's hospital utilization in Cincinnati** | www.nhchc.org/Respite/FrequentFlierGraphCincinnati.pdf
- Become familiar with cost-savings data from academic studies and benchmark cities. The Respite Care Providers' Network has a factsheet that can be included in information packets:
 - **Medical Respite Care: Demonstrated Cost Savings** | www.nhchc.org/Respite/respitesavings.pdf

ACCESS MORE MEDICAL RESPITE RESOURCES ONLINE

- **Medical Respite Programs for Homeless Persons: Survey on Relationships with Hospitals.** This report includes practical advice from respite providers who have been successful in developing a relationship with a hospital | www.nhchc.org/Respite/HospitalSurveyfinalReport.doc
- **Health Care for the Homeless Respite Care Providers' Network** | www.nhchc.org/Respite