



National Hospice and Palliative Care Organization  
**Palliative Care Resource Series**

# **HOSPICE-HOSPITAL COLLABORATIONS: MAKING THE CASE TO HOSPITAL ADMINISTRATORS**

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## INTRODUCTION

As healthcare in our country continues to evolve, hospitals and hospital systems maintain their focus on quality improvement and accountability, now mandated through healthcare reform. Hospice and palliative care also continue on the quality improvement pathway. It is important for hospice and palliative care programs to align with the hospitals in providing the highest quality care to patient and families both within the hospital and once they have returned home. Strong sustainable collaborations will assure quality palliative and end-of-life care for both patients and families.

This paper will present ways in which a hospice organization can align with hospital and hospital system administrators to provide or assist them in assuring quality care for patients approaching the end of life.

## CURRENT HOSPITAL ENVIRONMENT

Hospitals and hospital administrators continue to focus on both internal (within hospital) and external (outside hospital) quality improvement (QI). This QI focus is an opportunity for hospice organizations to work directly with hospital administrators. Hospitals are keen to the value formula (Value= Quality/Cost) and thus are more interested in collaborating with outside organizations that can help both improve quality and decrease or contain cost.

Although the hospital may be very mission-oriented, more and more hospitals are becoming data-driven. Increased focus on government mandates from health care reform such as re-admission rates, mortality index (observed deaths/expected deaths), and patient satisfaction ratings, has created opportunities for hospice organizations to contribute their expertise in the direct care of hospitalized and post-hospitalized patients and families.

## TYPES OF COLLABORATION

Three types of hospice-hospital collaborations have proven successful over the years and offer multiple strategies for a hospice organization to collaborate with a hospital.

### **Independent Contracts with Hospitals**

The most common contract of this type is the traditional independent contract with the hospital to support General Inpatient Level Care (GIP) within the hospital. It is important to strictly follow the Conditions of Participation (COPs) mandated by CMS in the Medicare Hospice Benefit (MHB) and to educate and support these regulations with hospital administrators. Other kinds of independent contracts with hospitals may involve a hospital embedded hospice liaison to help with patients transitioning out of the hospital.

### **Extensive Contracts**

Extensive contracts for hospice and palliative care services within the hospital include inpatient hospice and/or palliative care units, small scale comfort suites, or palliative care consultation teams. A hospice may be a subsidiary company under the Hospital or Hospital system. Although there are advantages to being within a hospital organization, often the hospice organization still needs to develop a strategy to approach the hospital administrator.

### **Contracts or Agreements to Support the Development of End-of-Life Services**

This is often an important first step approach for a hospice organization wishing to collaborate with a local hospital. Traditionally, end-of-life (EOL) education programs have been an effective vehicle by which a hospice can contribute expertise. Other possibilities include membership on the hospital ethics committee and /or palliative care advisory committee, ongoing dialogue with hospital case management, or provision of assistance in the development of an Advance Directive program in the hospital.

## **BENEFITS OF COLLABORATION**

Successful collaborations between a hospice organization and a hospital can be a win-win situation for both organizations. Continuity of care between health care providers and right-time/right-place care are mandates for health care reform. Although the percentage of Americans dying in hospitals each year has decreased, a hospice can benefit from improved timely referrals and access to more patients in the hospital setting. Historically, hospice care and acute hospital care have been in siloes. Both the hospice and hospital can learn about the expert level care given to patients and families by each organization. The hospital can also benefit from the hospice by improving the quality of end-of-life care in the acute care setting, improving hospital branding and patient satisfaction, and improving transitions of care for patients.

## **BARRIERS AND CHALLENGES TO COLLABORATION**

There are three main areas that provide barriers and challenges to collaboration.

### **Legal, Regulatory and Financial Barriers**

- Conditions such as levels of care, benefit periods, eligibility and determining relatedness are often difficult for hospital administrators to grasp as their regulatory challenges are different and varied.
- Collaborations between two separate entities must be clearly and thoroughly defined with roles and duties of each clearly specified. Scrutiny by the Office of the Inspector General (OIG) and others points out the importance of clear legal guidance.
- In some states, the Certificate of Need (CON) for hospice services can challenge collaboration when a hospice is asked to respond to needs in a part of the hospital system that is not within the hospice's approved service area.
- Hospice competition within communities can also challenge hospital collaborations by confusing hospital administrators and creating unhealthy competition.

- Budgetary restraints, small business status, limited workforce, and lack of available capital make it difficult for a small hospice organization to invest financially with large, expensive hospital collaboration.
- Varying payment schemes (i.e. the MHB) may make it difficult to align with different schemes used within the hospital or hospital system.

### Systemic Process

Systemic process is the second barrier and challenge to collaboration.

- It is typical for the hospice and hospital to have difficult challenges with the electronic medical record especially if the electronic records are separate entities.
- Documentation requirements, workforce after hour call, and clinician credentialing for both organizations also contribute to challenges.
- Bed management logistics within hospitals has become complex and the addition of inpatient hospice logistics can be difficult.
- Transitioning patients out of the hospital, to a hospice service, requires challenging coordination with a hospital discharge plan process.

### Institutional Culture

The third barrier and challenge to collaboration is institutional culture.

- The quality of end-of-life care in hospitals is slow to improve. There are many reasons for this including denial of death within the hospital environment and lack of education in caring for patients dying within a hospital.
- Institutional culture within a hospice has an opportunity (and an obligation) to help both improve the care of dying patients within a hospital and to support the needs of the hospital's professional healthcare providers.

## STRATEGIES TO BUILD A CASE TO HOSPITAL ADMINISTRATORS

Successful collaborations require a true partnership involving respect and understanding from each organization and its leaders. Understanding and knowing hospice and hospital champions are vital for successful collaborations. Building a case for hospital administrators involves preparation, research, data gathering, and asking the right questions. A simple three step approach involves:

### 1. **Know the workings of the hospital and the background of hospital administrators:**

*"When you've seen one hospital..... you've seen one hospital."* This type of quote is similar to comments made about hospice organizations.

- It is important to understand the overall mission and values of a hospital. Whether it is faith-based, for-profit, or not-for-profit may not matter as much as if it is data-driven, mission-driven or vision driven.

- It is important to know as much as you can about the hospital administrator. Always try to meet with the highest governing administrators within a hospital. Researching their background may give insight into their knowledge of hospice or past experience with hospice. Focusing your discussion on hospice with an administrator may depend on his/her role within the hospital. As an example, a financial administrator may be more interested in “the financial bottom-line” while others including a CEO may be most interested in improving quality of care for patients or new ideas for quality improvement.
- Never assume hospital administrators completely understand what hospice is or the Medicare Hospice Benefit and conditions of participation. Communicating about definitions and disparity can help alleviate confusion in further discussions.

## **2. Know what the hospital needs:**

Asking administrators, what they need, is a simple approach but understanding what is affecting the hospital before you ask the question may put you at a better advantage. There are several important measures in hospitals, some of which affect their financial bottom-line.

- Government mandates such as hospital re-admissions, mortality index, and patient satisfaction scoring are starting to impact hospital reimbursement. Although limited research is available to show the impact of hospice care on these measures, there is some supportive evidence in the literature. Although a simple question to a hospital administrator may be “How many patients die in your hospital each year?” this may be an uncomfortable question for the administrator. Addressing the needs of end-of-life care within the hospital may be a better approach.
- National data are published to help hospices understand how hospices are servicing hospitals. This type of data can assist a hospice in understanding how hospices are performing nationally and any trending changes. Medicare data-mining has been used to provide data on care of cancer patients. Data can also be pursued through private research firms under contract. Using these types of data, a hospice can better understand mortality and post-discharge outcomes in a particular hospital, over the previous years.

## **3. Know what you can do as a hospice:**

When collaborating with a hospital, there is a disproportionate comparison in financial stature between the hospice organization and the hospital. This difference should not affect the partnership but should be an important factor in developing a fair and equitable collaboration, financially.

- Many hospices have limited budgets so it’s very important to do proper business planning when approaching hospitals and their administrators. Successful and enduring collaborations need to be a financial win-win for both the hospice and hospital whether involving a neutral budget goal or a profit margin.
- Finding expert level workforce to perform duties within the collaboration should be well examined by the hospice.
- Consideration for 24/7 services and on-call is often one of the greatest challenges to workforce needs for any collaborative effort.
- Addressing healthy versus unhealthy hospice competition can be difficult but has been overcome in many areas with different hospices in the same community, working together in shared collaborations.

## CONCLUSIONS

Collaborations between hospices and hospitals are important for the future of end-of-life care. Making a strong case for expert hospice care collaboration to hospital administrators can be a win-win situation for both organizations. Developing a case for collaboration involves proper planning, knowledge and leadership. Varying types of collaborations can be structured, based on what the hospital needs and what the hospice can carry out. Financial sustainability of any collaboration is feasible but requires a true partnership based on mutual respect and support.