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REPORT ON THE NSW HEALTH REVIEW OF THE IMPACT OF THE LIFETIME CARE AND SUPPORT SCHEME

INTRODUCTION

In May 2009 the Hon Christina Robertson MLC, Chair of the Legislative Council's Steering Committee on Law and Justice wrote to the Minister for Health requesting clarification on a number of issues relating to interactions between NSW Health, Area Health Services and the Lifetime Care and Support Authority (LTCS).

In response, EnableNSW and the Department of Health prepared a response to the Standing Committee in which the Department of Health committed to undertake a review of the impact on health resources of the Lifetime Care and Support Scheme.

In testimony to the Standing Committee on 26 June 2009 representatives of GMCT (Dr Adeline Hodgkinson, Dr Joseph Gurka and Dr James Middleton) outlined their concerns about the lack of specific guidance from the Department of Health about the administration of revenue within AHS and the lack of transparency as to how funding is allocated to specialised services.

The Chair of the Legislative Council's Standing Committee on Law and Justice wrote again to the Minister for Health in August 2009 with additional information to be considered during the review. This information reflected testimony from GMCT, Children's Hospital at Westmead and supplied additional points of interest to LTCS for inclusion in the review.

In September 2009, the Department of Health forwarded a survey to Area Health Service Chief Executives requesting information on administrative processes for LTCS revenue and the impact of the scheme on administrative and clinical processes. The survey tool reflected issues raised during the second review of the LTCS Scheme.

In total, seven responses were included in the analysis below. Six completed surveys were returned by Area Chief Executives who endorsed the content. One further response (SESIAHS) was returned by the AHS Director, Clinical Operation.

PART 1: ADMINISTRATION OF REVENUE

a) Are procedures in place to ensure Lifetime Care and Support Scheme revenue is protected and directed to services for Scheme participants only?

Three responses report having no procedure in place. Two responses report having procedures in place.

Where there are no procedures in place, it is reported that revenue is "directed to a cost centre, but not protected": it is part of general revenue, incorporated with CTP and Workers Compensation revenue and not earmarked for LTCS participants.

Where procedures are not in place one response points to direct invoicing procedures for administrative and clinical services delivered for LTCS participants. The other response reports that revenue raised is allocated to the service's cost centre and this funding is directed to fund a LTCS Case Manager, purchase therapy services and additional staffing to meet demand.

One response which did not indicate whether there was a process in place, described how invoices are raised for approved interventions and allocated to the service's cost centre. However, it reports that revenue earned from LTCS is off-set by reduced funding from the AHS. It is also reported that outpatient services are not deriving revenue from services delivered to LTCS participants.

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The remaining response reports that plans are in place to improve reporting and allocation processes. At present the process is unclear and different units have different understandings of how to manage LTCS activity and revenue.

Department of Health comment:

In the establishment of the LTCS Authority there was no express intention (in legislation, explanatory memoranda or regulation) that revenue generated by NSW Health under the Scheme should be protected for services for Scheme participants only.

The *LTCS Scheme – Fees Policy* (PD2008_058), which was developed in consultation with representatives from the LTCS Authority, provides direction on which services are able to bill, when and for what they can bill. It does not require revenue to be directed to LTCS services (e.g. brain injury or spinal cord injury services).

GMCT BIRD is working with brain injury rehabilitation services across NSW to undertake local upgrades to the revenue system. These changes should enable each service to meet the invoicing requirements of LTCS. However due to the complexity associated with approval codes, invoice codes and the detailed rationale required by LTCS, clinicians will continue to be involved in providing information which needs to be inserted on invoices. The Department of Health recommends that the LTCS Authority provide a lump sum payment to enable specialised services to meet their particular requirements.

b) Does your Area Health Service have targets for revenue sources from the Lifetime Care and Support Scheme?

Three responses report having revenue targets, and each noted that these targets are not specific to LTCS revenue. Four responses report having no revenue targets in place.

Department of Health comment:

The Department of Health did not mandate specific LTCS revenue targets for health services.

c) Would there be any benefit in setting revenue targets?

Four responses identify benefits of setting revenue targets including:

- returning revenue to services to enhance staffing and infrastructure.
- ensuring additional work under the LTCS scheme is funded.
- ensuring accurate and full invoicing takes place.
- providing an impetus to focus on improved record keeping.

Two of the responses that reported there would be benefits to setting revenue targets also identified potential disadvantages. One noted that year to year the number of injuries vary (so there is limited control over achieving targets). Another response noted that targets are not relevant to the "large proportion" of clients who are not covered by an insurance scheme and it was important to remember that services are provided based on clinical need.

Three responses reported there would be no benefit in setting revenue targets because:

- LTCS is only part of the work of the service.
- the number of LTCS clients will vary making it difficult to predict revenue.

Department of Health comment:

The Department agrees that revenue targets are useful as an impetus for ensuring that invoices are raised and payment received in a timely manner.

d) What services are provided for the $900 a day rehabilitation bed fee under the Lifetime Care and Support Scheme?

Three respondents reported providing services that attract the daily rehabilitation bed fee. Those services that provide specialised in-patient rehabilitation services which are able to access the $900 day rate reported that this fee covers a range of services which are provided according to need. The services provided to LTCS participants are the same as those provided to non-LTCS participants. Services would include clinical time for medical, nursing, allied health professionals, hotel services, catering, associated administration, therapy services, case management, pharmaceuticals, investigations and consumables.

The daily bed fee does not include specialist medical consultations, pharmaceuticals not on the hospital formulary, hired equipment, supervision or care to participate in community access programs or personal patient expenses (e.g. travel, telephone).

Department of Health comment:

The *LTCS Scheme – Fees Policy* (PD2008_058) sets out that the $900 per day rate is for patients assessed as being in or requiring active rehabilitation.

e) How can rehabilitation units be resourced to meet the need for services required by LTCS patients?

All responses identified additional resources which would help meet the needs of LTCS participants. A common recommendation among all AHS was additional staff, clinical and administrative, to deal with the requirements of the LTCS Scheme. Other common themes were:

- additional dedicated case management positions in AHS
- improved information management systems (including time management tools) to assist invoicing which meets the needs of LTCS
- greater number of therapy staff to avoid having to engage private providers
- information/education for all staff on the LTCS Scheme, its processes and expectations

PART 2: IMPACT ON HEALTH SERVICES

a) Is your AHS able to submit claims for reimbursement within the timeframes set by LTCS?

Four responses report that they are able to submit claims within timeframes. However, one response notes that periodically timeframes are re-negotiated and if several referrals were received at once this would impact their capacity to manage the volume of work required.

Three responses noted difficulties meeting timeframes set by LTCS. Reasons given for backlogs in processing invoices include:

- the complexity of the new system.
- incompatibility with existing billing systems.
- inconsistent billing practices between clinicians.
- increased administrative requirements involved in processing LTCS clients.
- limited administrative resources and over load for clinical staff.

Department of Health comment:

GMCT BIRD is working with services to upgrade existing accounting systems (Hosbil) to make these compatible with LTCS requirements.

There will be a cost implication in upgrading systems to meet LTCS requirements. The Department of Health notes that when BIRP services were established the MAA provided a lump sum payment to cover the cost of infrastructure development. It is recommends that the LTCS Authority consider providing a lump sum payment to cover the cost of upgrades to meet their particular requirements.

b) What changes has the operation of the LTCS Scheme brought about for your service?

The changes identified in responses are listed below, followed by a figure indicating the number of responses which mentioned each issue:

- more time spent on administrative tasks. (6)
- increased demand on case managers. (4)
- more time spent coordinating services of other agencies. (3)
- waiting lists introduced. (3)
- more patients who are compensable and require formal written plans. (2)
- increased use of private therapists. (2)
- increase in the number of people with complex injuries. (1)
- ensuring eligible patients are directed into the scheme. (1)
- educating private providers about the LTCS. (1)
- new billing procedures have been introduced. (1)
- delays in equipment prescription. (1)

Department of Health comment:

The Department recommends that GMCT Brain Injury Rehabilitation Directorate and Spinal Cord Injury Services work with the LTCS Authority to establish whether the existing fee structure and fee levels reimburse the full cost to NSW Health of case management for LTCS participants.

c) Are LTCS expectations understood in relation to the nature and completeness of information required when filling in forms? Has your service ever experienced difficulty meeting these expectations?

All but one response reported that the expectations of LTCS were understood. Some of the difficulties identified in the responses are listed below, followed by a figure indicating the number of responses which mentioned each issue:

- differing expectations about the level of detail require by different LTCS Coordinators. (2)
- inconsistent information and advice from different LTCS Coordinators. (2)
- difficulty keeping up to date with changes. (1)
- confusion about which units are eligible to claim LTCS support. (1)
- rejection of claims for the time taken to complete reports. (1)
- frustration at the amount of clinical information required and LTCS questioning of decisions. (1)

d) Have changes associated with the LTCS Scheme affected your ability to provide services?

Six responses report that the LTCS Scheme has affected service provision. The affects reported include:

- administrative burden has reduced the time clinicians spend seeing patients. (4)
- private providers engaged to provide services not available within existing units. (2)
- Case Managers have a higher administrative workload. (1)
- difficulty balancing the needs of LTCS participants and non-participants. (1)
- less intensive rehabilitation programs – fewer rehabilitation goals set. (1)
- reduced Case Management services available. (1)

e) Have additional resources been provided to support requirements associated with LTCS?

Three responses identified additional resources allocated to deal with LTCS work. These responses identify a number of staff positions which have been created to deal with LTCS workload:

- 0.6 FTE position created to generate revenue from insurers (including LTCS)
- 0.6 FTE LTCS Case Manager
- 0.2 FTE Billing Clerk
- 0.6 FTE Discharge Nurse

f) Has the creation of the LTCS impacted on administrative workloads?

All responses report that the LTCS has increased the administrative workload of administrative and clinical staff. Two responses quantified the increase at 200 per cent. One response noted that an average of 8.7 hours is spent drafting reports for LTCS participants, compared with an average of 2-3 hours for CTP participants. According to another response the Program Manager now spends four hours a month checking and ensuring all accounts are correct and liaising with the AHS Revenue Unit

Some respondents have identified tasks that have contributed to the increased administrative workload, these include: coordinating private providers; additional information needed for billing and complicated processes; getting quotes from private providers for services; providing details to private providers so they can prepare bills; and LTCS reporting requirements.

Department of Health comment:

It is recommended that AHS consider options for providing enhanced administrative support to specialist rehabilitation services to reduce the administrative burden on clinicians.

g) Has the creation of the LTCS impacted on clinical workloads?

Six respondents identified that clinicians are spending more time completing administrative tasks which leads to reduced contact hours with patients. Four responses identified case management tasks as diverting clinicians from clinical work to administrative functions.

In trying to describe how the LTCS had impacted on clinical workloads one response noted: "the clinical response is typically not requiring additional time for LTCS clients... it is the additional associated administrative time which has the greatest impact."

Department of Health comment:

The Department notes that the greatest impacts are related to administration associated with the LTCS Scheme.

The Department recommends that GMCT Brain Injury Rehabilitation Directorate and Spinal Cord Injury Services work with LTCS to establish whether the existing fee structure and fee levels reimburse the full cost to NSW Health of case management for LTCS participants.

h) What processes exist for staff to provide feedback to LTCS on any aspect of the Scheme? How effective are these processes in addressing issues raised?

A range of mechanisms exist for staff to provide feedback to LTCS. Good working relationships with individual LTCS Coordinators who are reported to be approachable, flexible and helpful were identified as key to ensuring there was broad understanding of LTCS expectations and for managing day to day difficulties.

It was noted that LTCS has provided opportunities for feedback on specific issues – some AHS noted the review of LTCS forms as an example of this. Some AHS were also aware GMCT representatives were members of the LTCS Advisory Board.

The NSW Health Brain Injury Rehabilitation Program Forum was also identified as an avenue for providing feedback.

These mechanisms were reported to be slow to produce change and most AHS responses showed they were perceived to be ineffective in producing any results.

COMMENT

The responses to the survey provide a clearer understanding of issues related to the administration of revenue and the impact of the introduction of the Lifetime Care and Support Scheme on health resources.

Individual billing as required under the LTCS Scheme is consistent with existing practices in Brain Injury and Spinal Cord Injury rehabilitation services. However, it appears from the survey results that the requirements for the LTCS are higher.

The Department recommends that GMCT Brain Injury Rehabilitation Directorate and the Spinal Cord Injury Services review requirements for case management in conjunction with the LTCS Authority to ensure that these requirements are proportionate with the revenue provided.