

CASE STUDY: Care Resources PACE

*Partnering with Unique Medicare
Risk Adjustment Expertise
Improves Revenue and Risk Score*

The Partner



In 2003, five non-profit organizations including Holland Home, Reliance Community Care Partners, Dominican Sisters of Grand Rapids, Metro Health/University of Michigan Health, and Pine Rest Christian Mental Health Services created a partnership to start Care Resources, a Program of All-Inclusive Care for the Elderly (PACE). The collaboration grew from a desire to improve aging service options and the belief that frail seniors deserved to live in their communities for as long as possible.

Care Resources opened in 2006 as the second PACE organization in Michigan with a mission "to offer long-term care choices that promote independence, dignity, and a high quality of life for the elderly members of our community." The organization currently serves over 250 participants in Kent County and portions of Ottawa County.

The Challenge

PACE is a value-based model of care which assumes that coordinated care produces better patient outcomes and reduces costs. Financing is integrated and capitated, meaning PACE organizations receive capitated Medicare and Medicaid payments per member per month (PMPM) based on participant eligibility. Medicare rates are adjusted for demographic and diagnostic characteristics plus a frailty factor; Medicaid rates vary by state.

Without proper clinical documentation in value-based care, organizations run the risk of incomplete and unspecified diagnoses, leading to lower risk scores, lost revenue, and inadvertent upcoding which is a violation of the False Claims Act. When joining PACE organizations, most providers have experience working with fee-for-service reimbursement models. However, because clinical documentation is not closely tied to fee-for-service, providers typically encounter a learning curve.

Care Resources realized there was an opportunity for its providers to improve documentation to support the acuteness of care the organization was



delivering. "Our reimbursement was being negatively impacted, and our documentation was not reflecting the level of care and service we were providing our participants," stated Tracey McKnight, Chief Executive Officer, Care Resources.

The Solution

Care Resources leadership was familiar with Capstone Risk Adjustment Services, a CareVention HealthCare solution, including its coding, auditing, and provider-to-provider education offerings.

However, partnering with a Medicare risk adjustment service provider was new to the organization.

"When we were just getting started, we had to ensure that we did a good job of presenting why we engaged with Capstone," recalled McKnight. "We developed an open and honest relationship and quickly identified the gaps to implement new services, which resulted in strong processes and relationships."



Tracey McKnight
Chief Executive Officer
Care Resources



"Capstone was great at helping and not creating a 'blame' environment," she continued. "We also instituted provider-to-provider education with our Primary Care Physician (PCP) Team and Dr. Wilner, who was very helpful with explaining the 'why' and identifying areas of opportunity."

The Results

Since the relationship between Care Resources and Capstone began in 2019, Care Resources' CMS-HCC risk score and revenue have increased. Additionally, leadership has peace of mind knowing improved documentation has helped ensure compliance.

Care Resources and Capstone navigated documentation challenges during the COVID-19 pandemic; McKnight credits Capstone's expertise for helping Care Resources maintain its risk score. "In the beginning of the pandemic, the only option for encounters was via phone, which was not approved by Centers for Medicare and Medicaid Services (CMS)," she recalled. "We worked with Capstone to identify telephone encounters that needed to be face-to-face to capture appropriate risk adjustment coding. Our team rallied, and we implemented telehealth. Thereafter, our PCP team was able to complete face-to-face encounters for those telephone encounters."

The Conclusion

McKnight believes it is essential for value-based care organizations to partner with Medicare risk adjustment experts. "Capstone is unique. This organization has a solid team of highly skilled professionals who truly know Medicare risk adjustment principles. Their staff teaches in a way that is supportive and focused on achieving results."

To learn more about the services Capstone provides, call 1-844-683-5302, visit www.cpstn.com, or email info@cpstn.com.

