

Introduction to Health Care Agencies

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OBJECTIVES

- Define the key terms and key abbreviations listed in this chapter
- Describe the types, purposes, and organization of health care agencies
- Describe members of the health team and nursing team
- Describe the nursing service department
- Describe four nursing care patterns
- Describe the programs that pay for health care
- Explain why standards are met

KEY TERMS

acute illness A sudden illness from which a person is expected to recover

assisted living residence Provides housing, personal care, support services, health care, and social activities in a home-like setting

case management A nursing care pattern; a case manager (an RN) coordinates a person's care from admission through discharge and into the home setting

chronic illness An ongoing illness, slow or gradual in onset; it has no known cure; the illness can be controlled and complications prevented with proper treatment

functional nursing A nursing care pattern focusing on tasks and jobs; each nursing team member has certain tasks and jobs to do

health team The many health care workers whose skills and knowledge focus on the person's total care; interdisciplinary health care team

hospice A health care agency or program for persons who are dying

licensed practical nurse (LPN) A nurse who has completed a 1-year nursing program and has passed a licensing test; called *licensed vocational nurse (LVN)* in some states

licensed vocational nurse (LVN) Licensed practical nurse

nursing assistant A person who has passed a nursing assistant training and competency evaluation program; performs delegated nursing tasks under the supervision of a licensed nurse

nursing team Those who provide nursing care—RNs, LPNs/LVNs, and nursing assistants

patient-focused care A nursing care pattern; services are moved from departments to the bedside

Continued

KEY TERMS — cont'd

primary nursing A nursing care pattern; an RN is responsible for the person's total care

registered nurse (RN) A nurse who has completed a 2-, 3-, or 4-year nursing program and has passed a licensing test

team nursing A nursing care pattern; a team of nursing staff is led by an RN who decides the amount and kind of care each person needs

terminal illness An illness or injury for which there is no reasonable expectation of recovery

KEY ABBREVIATIONS

CMG Case mix group

DON Director of nursing

DRG Diagnosis-related group

HHRG Home health resource group

HMO Health maintenance organization

LPN Licensed practical nurse

LVN Licensed vocational nurse

NATCEP Nursing assistant training and competency evaluation program

PPO Preferred provider organization

RN Registered nurse

RUG Resource utilization group

SNF Skilled nursing facility

Health care agencies offer services to persons needing health care (Box 1-1). Agencies vary in size, services, hours open, and staff. The *person* is always the focus of care.

Staff members have special talents, knowledge, and skills. All work to meet the person's needs.

AGENCY PURPOSES

Services range from simple to complex. Some agencies have one purpose and offer one service. Others have many purposes. They offer many services.

The purposes of health care are:

- ▶ **Health promotion.** This includes physical and mental health. The goal is to reduce the risk of illnesses. People receive teaching and counseling about healthy living. Diet and exercise are examples. People learn the warning signs and symptoms of illness. They learn how to manage and cope with health problems as needed.
- ▶ **Disease prevention.** Risk factors and early warning signs of disease are identified. Measures are taken to reduce risk factors and prevent disease. Immunizations prevent some infectious diseases. Polio, measles, mumps, smallpox, and hepatitis B are examples. Simple life-style changes can prevent health problems. For example, high blood pressure can lead to heart attacks and strokes. Diet and exercise can help lower blood pressure.
- ▶ **Detection and treatment of disease.** This involves diagnostic tests, physical exams, surgery, emergency care, and drugs. Often respiratory, physical, and occupational therapies are needed. The nursing team observes signs and symptoms, gives care, and carries out the doctor's orders.
- ▶ **Rehabilitation and restorative care.** The goal is to return persons to their highest possible level of physical and

mental functioning and to independence. *Independence* means not relying on or requiring care from others. The process starts when the person first seeks health care. The person learns or relearns skills needed to live, work, and enjoy life. Maintaining function is important. Help is given with making needed changes at home.

These purposes are all related. For example, Mr. Parsons has severe chest pain and problems breathing. He goes to a hospital emergency department. After an exam and tests, the doctor diagnoses a heart attack. Mr. Parsons is admitted to the hospital for treatment. He also receives teaching and counseling about heart attack risk factors and healthy living. The goals are to promote health and

BOX 1-1 Types of Health Care Agencies

- Hospitals
- Long-term care centers (nursing homes, nursing facilities, nursing centers)
- Home care agencies
- Adult day-care centers
- Assisted living residences
- Board and care homes
- Rehabilitation and subacute care facilities
- Hospices
- Doctors' offices
- Clinics
- Centers for persons with mental illnesses
- Centers for persons with developmental disabilities
- Drug and alcohol treatment centers
- Crisis centers for rape, abuse, suicide, and other emergencies

prevent another heart attack. A rehabilitation program is planned. Activity starts slowly and may progress from walking to jogging and swimming. Teaching and counseling focus on diet, drugs, life-style, activity, and how to cope with fears and concerns. Successful rehabilitation promotes health and may prevent another heart attack.

Student Learning

Many agencies are learning sites for students. (See "The Health Team," p. 4.) The students assist in the purposes of health care. They are involved with and provide care.

TYPES OF AGENCIES

Nursing assistants work in many settings. Some work in doctors' offices and clinics. Most work in the following agencies.

Hospitals

Hospital services include emergency care, surgery, nursing care, x-ray procedures and treatments, and laboratory testing. Services also include respiratory, physical, occupational, and speech therapies.

People of all ages need hospital care. They go to have babies, for physical and mental health problems, for surgery, to heal broken bones, or to die. They have acute, chronic, or terminal illnesses:

- ▶ Acute illness is a sudden illness from which the person is expected to recover.
- ▶ Chronic illness is an ongoing illness that is slow or gradual in onset. There is no known cure. The illness can be controlled and complications prevented with proper treatment.
- ▶ Terminal illness is an illness or injury for which there is no reasonable expectation of recovery. The person will die (Chapter 50).

Rehabilitation and Subacute Care Agencies

Hospital stays are usually short. This is because of insurance coverage. Some people do not need hospital care but are too sick to go home. However, medical and nursing care and rehabilitation are needed. Care needs fall between hospital care and long-term care. Complex equipment and care measures are needed. Common programs include:

- ▶ *Cardiac rehabilitation*—for heart disorders (Chapter 40)
- ▶ *Brain injury rehabilitation*—for nervous system disorders including traumatic brain injury (Chapter 39)
- ▶ *Spinal cord rehabilitation*—for spinal cord injuries (Chapter 39)
- ▶ *Stroke rehabilitation*—after a stroke (Chapter 39)
- ▶ *Respiratory rehabilitation*—for respiratory system disorders such as chronic obstructive pulmonary disease, after lung surgery, for respiratory complications from other health problems (Chapter 40), and for mechanical ventilation (Chapter 35)
- ▶ *Musculoskeletal rehabilitation*—for fractures, joint replacement surgery, and so on (Chapter 39)

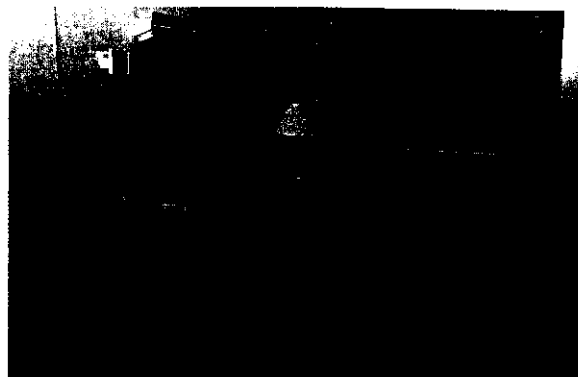


FIGURE 1-1 Room in a long-term care setting.

- ▶ *Rehabilitation for complex medical and surgical conditions*—for wound care (Chapter 32), diabetes (Chapter 41), burns (Chapter 49), and so on

Some hospitals and long-term care centers have rehabilitation and subacute care units. Some are separate agencies. Many persons fully recover. Others may need long-term care.

Long-Term Care Centers

Some persons cannot care for themselves at home. But they do not need hospital care. Long-term care centers (nursing homes, nursing facilities, nursing centers) can help them. Care needs range from simple to complex. Medical, nursing, dietary, recreational, rehabilitative, and social services are provided. So are housekeeping and laundry services.

Persons in long-term care centers are called *residents*. They are not *patients*. This is because the center is their temporary or permanent home.

Most residents are older. They have chronic diseases, poor nutrition, or poor health. Long-term care centers are designed to meet their needs (Fig. 1-1).

Not all residents are old. Some are disabled from birth defects, accidents, or diseases. People are often discharged from hospitals while still sick or still recovering from surgery. Home care is an option for some. Others need long-term care. Some recover and return home. Others need nursing care until death.

Skilled Nursing Facilities

Skilled nursing facilities (SNFs) provide more complex care than do nursing centers. They are part of hospitals or nursing centers. SNF residents need rehabilitation or time to recover from illness or surgery. Often they return home after a short stay. Others become permanent nursing center residents.

Assisted Living Residences

An assisted living residence provides housing, personal care, support services, health care, and social activities in a home-like setting (Chapter 48). Some are part of nursing centers or retirement communities (Chapter 10).

The person has a room or an apartment. Three meals a day are provided. So are housekeeping, laundry, and transportation services. Help is given with personal care and drugs. Social and recreational activities are provided. There is access to health and medical care.

Mental Health Centers

Mental health centers are for persons with mental illnesses. Some persons have problems dealing with life events. Others present dangers to themselves or others because of how they think and behave. Out-patient care is common. Some need short-term or life-long in-patient care.

Home Care Agencies

A wide range of services are provided to people where they live. Services are provided by nurses and nursing assistants and other health team members. Services range from health teaching and supervision to bedside nursing care. Physical therapy, rehabilitation, and food services are common. Hospitals, health care systems, public health departments, and private businesses offer home care services.

Some older persons need home health care. So do some persons who are dying.

Hospices

A hospice is a health care agency or program for persons who are dying. Such persons no longer respond to treatments aimed at cures. Usually they have less than 6 months to live.

The physical, emotional, social, and spiritual needs of the person and family are met. The focus is on comfort, not cure. Children and pets can visit. Family and friends can assist with care.

Hospice care is provided by hospitals, nursing centers, and home care agencies.

Health Care Systems

Agencies join together as one provider of care. A system usually has hospitals, nursing centers, home care agencies, hospice settings, and doctors' offices (Fig. 1-2). An

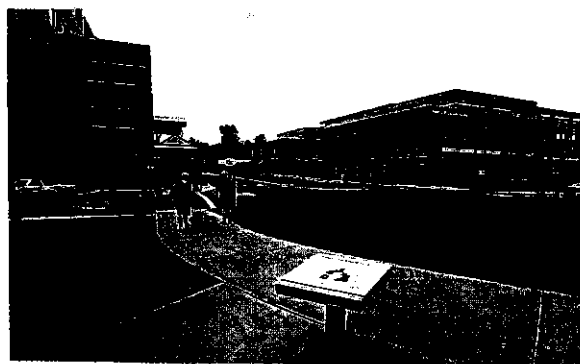


FIGURE 1-2 The hospital and doctors' offices are part of a health care system. (Courtesy Anne Arundel Health System, Inc., Annapolis, Md.)

BOX 1-2 Using a Health Care System

A health care system owns Mercy Hospital. Dr. Moore and Dr. Gills work there. The hospital has a rehabilitation unit and a home care service. LifeCare Ambulance Service and a medical supply store are part of the system. So is Lakeside Nursing Center.

June Adams is 78 years old. She sees Dr. Moore in his office. She complains of tightness in her chest, dizziness, and a "pounding heart." Dr. Moore admits her to the hospital. While in the hospital she has a heart attack. Dr. Gills, a heart specialist, takes over her care. A few days later she has a stroke. She cannot move her left side. She is given needed medical care. When stable, she is transferred to the rehabilitation unit.

Mrs. Adams spends 2 weeks on the rehabilitation unit. She needs home care if she returns home. Or she can go to a nursing center. She wants to go home. Her family wants to help care for her. They need a hospital bed, commode, bedpan, wheelchair, and other items. They rent some items and buy others at the medical supply store.

Mrs. Adams is transported home by LifeCare Ambulance Service. Mercy Hospital's home care agency provides home care services. A nursing assistant visits every day to help Mrs. Adams with hygiene and grooming needs. A nurse visits three times a week.

A month later Mrs. Adams has another stroke. She returns to Mercy Hospital by LifeCare Ambulance Service. After 8 days, she is transferred to the rehabilitation unit. The second stroke has caused more disabilities. Dr. Gills suggests nursing home care. Mrs. Adams and her family agree with him.

The nurse arranges for Mrs. Adams to be admitted to Lakeside Nursing Center. She is transferred there by LifeCare Ambulance Service.

ambulance service and medical supply store for home care are common. The system may serve a community or a large region.

The goal is to serve all health care needs. A person uses other system providers as needed (Box 1-2).

ORGANIZATION

An agency has a governing body called the *board of trustees* or *board of directors*. The board makes policies. It makes sure that safe care is given at the lowest possible cost. Local, state, and federal rules are followed.

An administrator manages the agency. He or she reports directly to the board. Directors or department heads manage certain areas (Fig. 1-3).

See *Focus on Long-Term Care and Home Care: Organization*.

The Health Team

The health team involves the many health care workers whose skills and knowledge focus on the person's total care (Table 1-1). (It is also called the *interdisciplinary health care team*.) The goal is to provide quality care. The person is the focus of their care (Fig. 1-4, p. 7).

Many health care workers are involved in the care of each person. Coordinated care is needed. An RN leads this team.

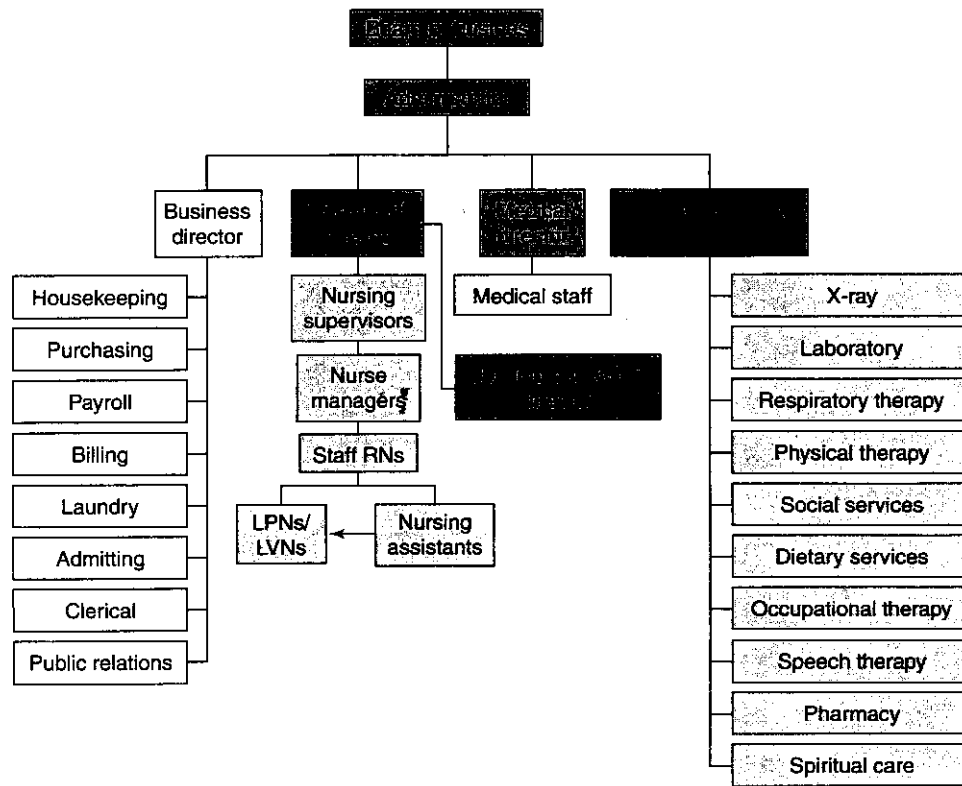


FIGURE 1-3 Organization of a health care agency.

FOCUS ON LONG-TERM CARE AND HOME CARE

Organization

LONG-TERM CARE

Nursing centers are usually owned by an individual or a corporation. Some are owned by county health departments.

Each center has an administrator. Department directors report to the administrator. Most nursing centers have nursing, therapy, and food service departments. They also have housekeeping, maintenance, and laundry departments. A human resources director handles personnel matters such as hiring staff. A finance

director handles resident billing. A social services director meets the social needs of residents and families. An activities director plans resident activities.

By law, nursing centers must have a medical director. This person is a doctor. This doctor consults with the staff about medical problems not handled by a resident's doctor. Guidance is given about resident care policies and programs.

TABLE 1-1 Health Team Members

TITLE	DESCRIPTION	CREDENTIALS
Activities director	Assesses, plans, and implements recreational needs	Varies with state and/or employer; ranges from no training to bachelor's degree
Audiologist	Tests hearing; prescribes hearing aids; works with persons who are hard of hearing	Master's degree; 1 year of supervised employment; national test; license in some states
Cleric (clergyman; clergywoman)	Assists with spiritual needs	Priest, minister, rabbi, sister (nun), deacon, or other pastoral training
Clinical nurse specialist	Provides nursing care and consultation in a nursing specialty—geriatrics, critical care, diabetes, rehabilitation, and wound care are examples	RN with master's degree or doctorate as a clinical nurse specialist
Dental hygienist	Focuses on preventing dental disorders; supervised by a licensed dentist	Completion of an accredited dental hygiene program; state license
Dentist	Prevents and treats disorders and diseases of the teeth, gums, and oral structures	Doctor of dental science (DDS); state license

Continued

TABLE 1-1 Health Team Members—cont'd

TITLE	DESCRIPTION	CREDENTIALS
Dietitian	Assesses and plans for nutritional needs; teaches good nutrition, food selection, and preparation	Bachelor's degree; registered dietitian (RD) must pass a national registration test; license or certification in some states
Licensed practical/vocational nurse (LPN/LVN)	Provides direct nursing care, including giving drugs, under the direction of an RN	Certificate or diploma (usually 1 year in length); state license
Medical laboratory technician (MLT)	Collects samples and performs laboratory tests on blood, urine, and other body fluids, secretions, and excretions	Associate's degree; national certifying test; license in some states
Medical records and health information technician	Maintains medical records; transcribes medical reports, files records, completes required reports	Associate's degree; national test
Medical technologist (MT)	Performs complicated laboratory tests on blood, urine, and other body fluids, secretions, and excretions; organizes, supervises, and performs diagnostic analyses; supervises MLTs	Bachelor's degree; national certification test; license in some states
Medication assistant-certified (MA-C)	Gives medications as allowed by state law under the supervision of a licensed nurse	Certified nursing assistant with additional education and training as required by state law; state certification
Nurse practitioner	Works with the health team to plan and provide care; does physical exams, health assessments, and health education	RN with master's degree and clinical experience in an area of nursing; certification test may be required
Nursing assistant	Assists nurses and gives nursing care; supervised by a licensed nurse	Completion of a state-approved training and competency evaluation program to work in long-term care or in home care agencies receiving Medicare funds; state registry; state certification or license
Occupational therapist (OT)	Assists persons to learn or retain skills needed to perform activities of daily living; designs adaptive equipment for activities of daily living	Bachelor's degree; national certification; state license
Occupational therapy assistant	Performs tasks and services supervised by an OT	Associate's degree; national certification; license in some states
Pharmacist	Fills drug orders written by doctors; monitors and evaluates drug interactions; consults with doctors and nurses about drug actions and interactions	Degree from a college of pharmacy; state license
Physical therapist (PT)	Assists persons with musculoskeletal problems; focuses on restoring function and preventing disability	Bachelor's degree; state license
Physical therapy assistant	Performs selected physical therapy tasks and functions; supervised by a PT	Associate's degree; national certification or license in some states
Physician (doctor)	Diagnoses and treats diseases and injuries	Medical school graduation (MD), residency, and national board certification; state license
Physician's assistant	Assists doctors in diagnosis and treatment; performs many medical tasks; supervised by a doctor	Associate's, bachelor's, or master's degree; national certification or state license
Podiatrist	Prevents, diagnoses, and treats foot disorders	Doctor of podiatric medicine (DPM); state license
Radiographer/radiologic technologist	Takes x-rays and processes film for viewing	Certificate, associate's, or bachelor's degree; national registry test; license in some states
Registered nurse (RN)	Assesses, makes nursing diagnoses, plans, implements, and evaluates nursing care; supervises LPNs/LVNs and nursing assistants	Associate's degree, diploma, or bachelor's degree; state license
Respiratory therapist (RT)	Assists in treatment of lung and heart disorders; gives respiratory treatments and therapies	Associate's or bachelor's degree; national certification test; license in some states
Social worker	Deals with social, emotional, and environmental issues affecting illness and recovery; coordinates community agencies to assist patients, residents, and families	Bachelor's or master's degree in social work; license, certification, or registration
Speech-language pathologist	Evaluates speech and language and treats persons with speech, voice, hearing, communication, and swallowing disorders	Master's degree; 1 year supervised work experience; national test; license in some states



FIGURE 1-4 Members of the health team. The person is the focus of care.

Nursing Service

Nursing service is a large department. The director of nursing (DON) is an RN. (*Director of nursing services, vice president of nursing, and vice president of patient services* are some other titles used.) Usually a bachelor's or master's degree is required. The DON is responsible for the entire nursing staff. This includes giving safe care.

Nurse managers (usually RNs) assist the DON. They manage and carry out nursing department functions. Shift managers coordinate patient or resident care for a certain shift. Hospital nursing areas include surgical, medical, intensive care, pediatric, and mental health units. They also include operating and recovery areas, an emergency department, and a maternity department.

Other nurse managers are responsible for a nursing area or a certain function. Staff development, restorative nursing, infection control, and continuous quality improvement are examples. Nurse managers are responsible for all nursing care and the actions of nursing staff in their areas.

Nursing areas usually have charge nurses for each shift. They are usually RNs. In some states, LPNs/LVNs are charge nurses. The charge nurse is responsible for all patient or resident care and for the actions of nursing staff during that shift. Staff RNs report to the charge nurse. LPNs/LVNs report to staff RNs or to the charge nurse. You report to the nurse supervising your work.

Nursing education (staff development) is part of nursing service. Nursing education staff:

- ▶ Plan and present educational programs (in-service programs)
- ▶ Provide the nursing team with new and changing information
- ▶ Teach the nursing team how to use new equipment and supplies

- ▶ Review key policies and procedures on a regular basis
- ▶ Educate and train nursing assistants
- ▶ Conduct new employee orientation programs
- ▶ Provide programs that meet federal and state educational requirements

THE NURSING TEAM

The nursing team involves those who provide nursing care—RNs, LPNs/LVNs, and nursing assistants. Their roles and responsibilities differ. All focus on the physical, social, emotional, and spiritual needs of the person and family.

Registered Nurses

A registered nurse (RN) has completed a 2-, 3-, or 4-year nursing program and has passed a licensing test:

- ▶ Community college programs—2 years
- ▶ Hospital-based diploma programs—2 or 3 years
- ▶ College or university programs—4 years

Nursing and the biological, social, and physical sciences are studied. The graduate nurse takes a licensing test offered by a state board of nursing. The nurse receives a license and becomes *registered* when the test is passed. RNs must have a license recognized by the state in which they work.

RNs assess, make nursing diagnoses, plan, implement, and evaluate nursing care (Chapter 6). They develop care plans for each person, provide care, and make sure care plans are followed. They also delegate nursing care and tasks to the nursing team. They evaluate how the care plans and nursing care affect each person. RNs teach persons how to improve health and independence. They also teach the family.

RNs carry out the doctor's orders. They may delegate them to LPNs/LVNs or nursing assistants. RNs do not prescribe treatments or drugs. However, RNs can study to become *clinical nurse specialists* or *nurse practitioners*. These RNs have limited diagnosing and prescribing functions.

RNs work as staff nurses, nurse managers, DONs, agency administrators, and instructors. They have many other job options. Career options depend on education, abilities, and experiences.

Licensed Practical Nurses and Licensed Vocational Nurses

A licensed practical nurse (LPN) has completed a 1-year nursing program and has passed a licensing test. Hospitals, community colleges, vocational schools, and technical schools offer programs. Some programs are 10 months long; others take 18 months. Some high schools offer 2-year programs.

Graduates take a licensing test for practical nursing. After passing the test, the person receives a license to practice and the title of *licensed practical nurse*. Licensed vocational nurse (LVN) is used in some states. LPNs/LVNs must have a license required by the state in which they work.

LPNs/LVNs are supervised by RNs, licensed doctors, and licensed dentists. They have fewer responsibilities and functions than RNs do. They need little supervision when the person's condition is stable and care is simple. They assist RNs in caring for acutely ill persons and with complex procedures.

Nursing Assistants

A nursing assistant has completed a nursing assistant training and competency evaluation program (NATCEP). Nursing assistants perform delegated nursing tasks under the supervision of a licensed nurse. There are many titles for nursing assistants (Box 1-3). The title depends on the setting, roles, functions, and state laws.

Community colleges, technical schools, and high schools offer nursing assistant courses. So do hospitals and nursing centers. Nursing assistants are discussed in Chapter 2.

BOX 1-3 Nursing Assistant Titles

- | | |
|-------------------------------------|----------------------------------|
| • Certified nursing assistant (CNA) | • Patient care assistant |
| • Clinical technician | • Patient care attendant |
| • Health care assistant | • Patient care monitor |
| • Health care technician | • Patient care technician |
| • Licensed nursing assistant (LNA) | • Patient care worker |
| • Nurse extender | • State tested nursing assistant |
| • Nurse's aide | • Support partner |
| • Nurse technician | • Registered nurse aide (RNA) |
| • Nursing support technician | |

NURSING CARE PATTERNS

Nursing care is given in many ways. The pattern used depends on how many persons need care, the staff, and the cost.

- ▶ Functional nursing focuses on tasks and jobs. Each nursing team member has certain tasks and jobs to do. For example, one nurse gives all drugs. Another gives all treatments. Nursing assistants give baths, make beds, and serve meals.
- ▶ Team nursing involves a team of nursing staff led by an RN. The RN decides the amount and kind of care each person needs. The team leader delegates the care of certain persons to other nurses. Nursing tasks and procedures are delegated to nursing assistants. Delegation is based on the person's needs and team member abilities. Team members report to the team leader about observations made and the care given.
- ▶ Primary nursing involves total care. The primary nurse (an RN) is responsible for the person's total care. The nursing team assists as needed. The RN gives nursing care and makes discharge plans. If needed, home care or long-term care is arranged. The RN teaches and counsels the person and family.
- ▶ Case management is like primary nursing. A case manager (an RN) coordinates a person's care from admission through discharge and into the home setting. He or she communicates with the person's doctor and the health team. There also is communication with the insurance company and community agencies as needed. The case manager also helps the health team work together. Some case managers work with certain doctors. Others deal with certain health problems. Heart diseases and cancer are examples.
- ▶ Patient-focused care is when services are moved from departments to the bedside. The nursing team performs basic skills usually done by other health team members. The number of people caring for each person is reduced. This reduces care costs.

PAYING FOR HEALTH CARE

Health care is a major focus in society. The goals are to provide health care to everyone and to reduce the high cost of care. Hospital and nursing center care is costly. So are doctor visits, drugs, medical supplies, and home care. Most people cannot afford these costs. Some avoid medical care because they cannot pay. Others pay doctor bills but go without food or drugs. Health care bills cause worry, fear, and emotional upset. If the person has insurance, some care costs are covered. Rarely is the total cost of long-term care covered.

These programs help pay for health care:

- ▶ *Private insurance* is bought by individuals and families. The insurance company pays for some or all health care costs.

- ▶ *Group insurance* is bought by groups or organizations for individuals. This is often an employee benefit.
- ▶ *Medicare* is a federal health insurance program for persons 65 years of age or older. Some younger people with certain disabilities are covered. Part A pays for some hospital, SNF, hospice, and home care costs. Part B helps pay for doctors' services, out-patient hospital care, physical and occupational therapists, some home care, and many other services. Part B is voluntary. The person pays a monthly premium.
- ▶ *Medicaid* is a health care payment program. Sponsored by the federal government, it is operated by the states. People with low incomes usually qualify. So do some older, blind, and disabled persons. There is no insurance premium. The amount paid for covered services is limited.

Prospective Payment Systems

Prospective payment systems limit the amount paid by insurers, Medicare, and Medicaid. Prospective means *before* care.

- ▶ *Diagnosis-related groups (DRGs)* are for hospital costs.
- ▶ *Resource utilization groups (RUGs)* are for SNF payments.
- ▶ *Case mix groups (CMGs)* are used for rehabilitation centers.
- ▶ *Home health resource groups (HHRGs)* are used for home health care.

Length of stay and treatment costs are determined for each group. If the treatment costs are less than the amount paid, the agency keeps the extra money. If costs are greater, the agency takes the loss.

Managed Care

Managed care deals with health care delivery and payment (Box 1-4). Insurers contract with doctors and hospitals for reduced rates or discounts. The insured person uses doctors and agencies providing the lower rates. If others are used, care is covered in part or not at all. The person pays for costs not covered by insurance.

Managed care limits the choice of where to go for health care. It also limits the care that doctors provide. Many states require managed care for Medicaid and Medicare coverage.

Managed Care as Pre-Approval for Services

Many insurers must approve the need for health care services. If the need is approved, the insurer pays for the services. If the need is not approved, the person pays for the costs. The pre-approval process depends on the insurer.

BOX 1-4 Types of Managed Care

Health Maintenance Organization (HMO)—provides health care services for a prepaid fee. For the fee, persons receive needed services offered by the HMO. Some have an annual physical exam. Others need hospital care. Whatever services are used, the cost is covered by the prepaid fee. HMOs focus on preventing disease and maintaining health. Keeping someone healthy costs far less than treating illness.

Preferred Provider Organization (PPO)—is a group of doctors and hospitals. They provide health care at reduced rates. Usually the agreement is between the PPO and an employer or an insurance company. Employees or those insured receive reduced rates for the services used. The person can choose any doctor or hospital in the PPO.

This pre-approval process is also called *managed care*. It includes monitoring care. The purpose is to reduce unneeded services and procedures. The insurer decides what to pay. With HMOs and PPOs, the insurer may decide where the person goes for services.

MEETING STANDARDS

Health care agencies must meet certain standards. Standards are set by the federal and state governments. They also are set by accrediting agencies. Standards relate to agency policies and procedures, budget and finances, and quality of care. An agency must meet standards for:

- ▶ *Licensure*. A license is issued by the state. An agency must have a license to operate and provide care.
- ▶ *Certification*. This is required to receive Medicare and Medicaid funds.
- ▶ *Accreditation*. This is voluntary. It signals quality and excellence.

The Survey Process

Surveys are done to see if the agency meets set standards. A survey team will:

- ▶ Review policies and procedures
- ▶ Review medical records
- ▶ Interview staff, patients and residents, and families
- ▶ Observe how care is given
- ▶ Observe if dignity and privacy are promoted
- ▶ Check for cleanliness and safety
- ▶ Review budgets and finances
- ▶ Make sure the staff meets state requirements (Are doctors and nurses licensed? Are nursing assistants on the state registry?)

The survey team decides if the agency meets the standards. If standards are met, the agency receives a license, certification, or accreditation.

Sometimes problems are found. A problem is called a *deficiency*. The agency is given time to correct it. Usually 60 days are given. Sometimes less time is given. The agency can be fined for uncorrected or serious deficiencies. Or it can lose its license, certification, or accreditation.

Your Role

You have an important role in meeting standards and in the survey process. You must:

- Provide quality care.
- Protect the person's rights.
- Provide for the person's and your own safety.

- ▶ Help keep the agency clean and safe.
- ▶ Conduct yourself in a professional manner.
- ▶ Have good work ethics.
- ▶ Follow agency policies and procedures.
- ▶ Answer questions honestly and completely.

REVIEW QUESTIONS

Circle the **BEST** answer.

- 1 Helping persons return to their highest physical and mental function is called
 - a Maintaining independence
 - b Promoting health
 - c Preventing disease
 - d Rehabilitation
- 2 Rehabilitation starts when the
 - a Person is ready to leave the agency
 - b Person first seeks health care
 - c Doctor writes the order
 - d Health team thinks the person is ready
- 3 A health care program for dying persons is a
 - a Hospice
 - b Board and care home
 - c Skilled nursing facility
 - d Home care agency
- 4 Who controls policy in a health care agency?
 - a The survey team
 - b The board of directors
 - c The health team
 - d Medicare and Medicaid
- 5 Who is responsible for the entire nursing staff and safe nursing care?
 - a The case manager
 - b The director of nursing
 - c The charge nurse
 - d The RN
- 6 You are member of
 - a The health team and the nursing team
 - b The health team and the medical team
 - c The nursing team and the medical team
 - d An HMO and a PPO
- 7 The nursing team does *not* include
 - a Doctors
 - b LPNs/LVNs
 - c Nursing assistants
 - d RNs
- 8 Nursing assistants are supervised by
 - a Licensed nurses
 - b Other nursing assistants
 - c The health team
 - d The medical director
- 9 The nursing assistant's role is to
 - a Meet Medicare and Medicaid standards
 - b Perform delegated nursing tasks
 - c Carry out the doctor's orders
 - d Manage care
- 10 Nursing tasks are delegated according to a person's needs and staff member abilities. This nursing care pattern is called
 - a Team nursing
 - b Functional nursing
 - c Case management
 - d Primary nursing
- 11 Medicare is for persons who
 - a Are 65 years of age and older
 - b Receive DRGs and RUGs
 - c Have group insurance
 - d Have low incomes
- 12 Which is required for an agency to operate and provide care?
 - a A license
 - b Certification
 - c Accreditation
 - d A survey
- 13 Which is voluntary for health care agencies?
 - a Licensure
 - b Certification
 - c Accreditation
 - d Surveys
- 14 A survey team is at your agency. A team member asks you some questions. You should
 - a Refer all questions to the nurse
 - b Answer as the DON tells you to
 - c Give as little information as possible
 - d Give honest and complete answers

Answers to these questions are on p. 779.