

## Benchmark of the Month: *Cost Per Visit*



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*HHFMA Young Professionals How To Series Episode One*

## Cost Per Visit Calculation

$$\begin{aligned} &\text{Total Direct and Indirect Costs} \div \text{Total Visits} \\ &= \\ &\text{Total Cost Per Visit} \end{aligned}$$

## Cost Per Visit Benchmarks

### 2019 National Benchmark Cost Per Visit by Disciplines

<u>Discipline</u>	<u>Lower Quartile</u>	<u>Median</u>	<u>Upper Quartile</u>
Skilled Nursing	\$111	\$143	\$186
Physical Therapy	\$132	\$162	\$206
Occupational Therapy	\$129	\$159	\$205
Speech Therapy	\$136	\$172	\$221
Medical Social Services	\$144	\$195	\$282
Home Health Aide	\$42	\$59	\$86
Total Direct Cost	\$58	\$75	\$95
Total Indirect Costs	\$42	\$63	\$95
Total Costs	\$119	\$147	\$183

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## CPV on Internal Financial Statements Example

### Example Home Health Company Statements of Income

	1 Month Ended June 30, 2020	Per Visit	12 Months Ended June 30, 2020	Per Visit
<b>PATIENT CARE SERVICE REVENUE</b>				
Skilled nursing	\$ 44,982	\$ 108.39	\$ 490,342	\$ 107.20
Physical therapy	2,138	125.76	34,264	135.97
Occupational therapy	987	123.38	24,895	124.48
Speech therapy	-	-	533	133.25
Home health aide	143,718	49.97	1,686,013	50.69
Personal care	12,293	54.15	163,457	62.46
CNA extended units	34,739	9.80	423,601	10.36
	238,857	67.42	2,823,105	69.01
Contractual adjustments	76,465	21.58	921,888	22.54
	315,323	89.00	3,744,993	91.55
<b>OPERATING EXPENSES</b>				
Home health program	172,741	\$ 48.76	2,132,424	\$ 52.13
Shared administration	77,926	21.99	956,338	23.38
Employee benefits	29,909	8.44	357,292	8.73
Capital and plant	10,082	2.85	120,992	2.96
Credit for uncollectible accounts	(3,000)	(0.85)	(9,000)	(0.22)
	287,658	81.19	3,558,046	86.98
<b>INCOME FROM OPERATIONS</b>	<b>27,665</b>	<b>7.81</b>	<b>186,947</b>	<b>4.57</b>
<b>OTHER INCOME</b>				
Interest income	2		46	
	2		46	
<b>NET INCOME</b>	<b>\$ 27,667</b>	<b>\$ 7.81</b>	<b>\$ 186,993</b>	<b>\$ 4.57</b>

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# CPV on Cost Report Example

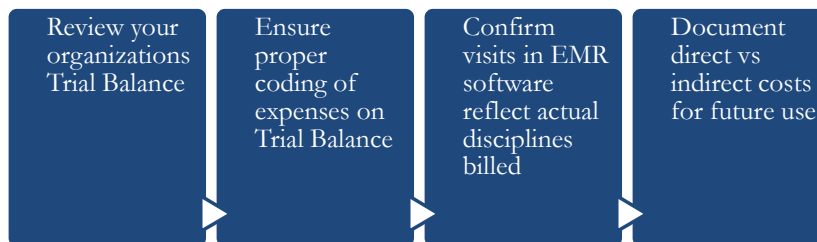
**PART I - AGGREGATE HHA COST PER VISIT AND AGGREGATE MEDICARE COST COMPUTATION**

	COST PER VISIT COMPUTATION - PATIENT SERVICES	FROM WKST. B, COL. 10, LINE:	TOTAL			HHA MEDICARE PROGRAM VISITS	HHA MEDICARE PROGRAM COSTS	
			COST	VISITS	AVERAGE COST PER VISIT			
		1.00	2.00	3.00	4.00	5.00	6.00	
1.00	Skilled Nursing Care - RN	16.00	1,035,043	8,878	116.59	7,614	887,716	1.00
2.00	Skilled Nursing Care - LPN	17.00	630,039	4,892	128.79	4,892	630,041	2.00
3.00	Physical Therapy	18.00	1,151,142	5,494	209.53	3,903	817,796	3.00
4.00	Physical Therapy Assistant	19.00	496,638	7,283	68.19	7,283	496,628	4.00
5.00	Occupational Therapy	20.00	429,506	2,317	185.37	1,978	366,662	5.00
6.00	Certified Occupational Therapy Assistant	21.00	73,802	1,184	62.33	1,184	73,799	6.00
7.00	Speech-Language Pathology	22.00	116,611	284	410.60	268	110,041	7.00
8.00	Medical Social Services	23.00	11,977	204	58.71	163	9,570	8.00
9.00	Home Health Aide Services	24.00	190,339	3,272	58.17	2,771	161,189	9.00
10.00	Total (sum of lines 1-9)		<b>4,135,097</b>	<b>33,808</b>		<b>30,056</b>	<b>3,553,442</b>	10.00

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## We Must File Accurate Data

### Tips for Developing Accurate Data:



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## Med Pac Recommendations

Med Pac consistently encourages Congress to

**DECREASE**

the Medicare base payment rate for HHAs