



Life Care Plan vs. Medical Cost Projection: Claims Management Tools

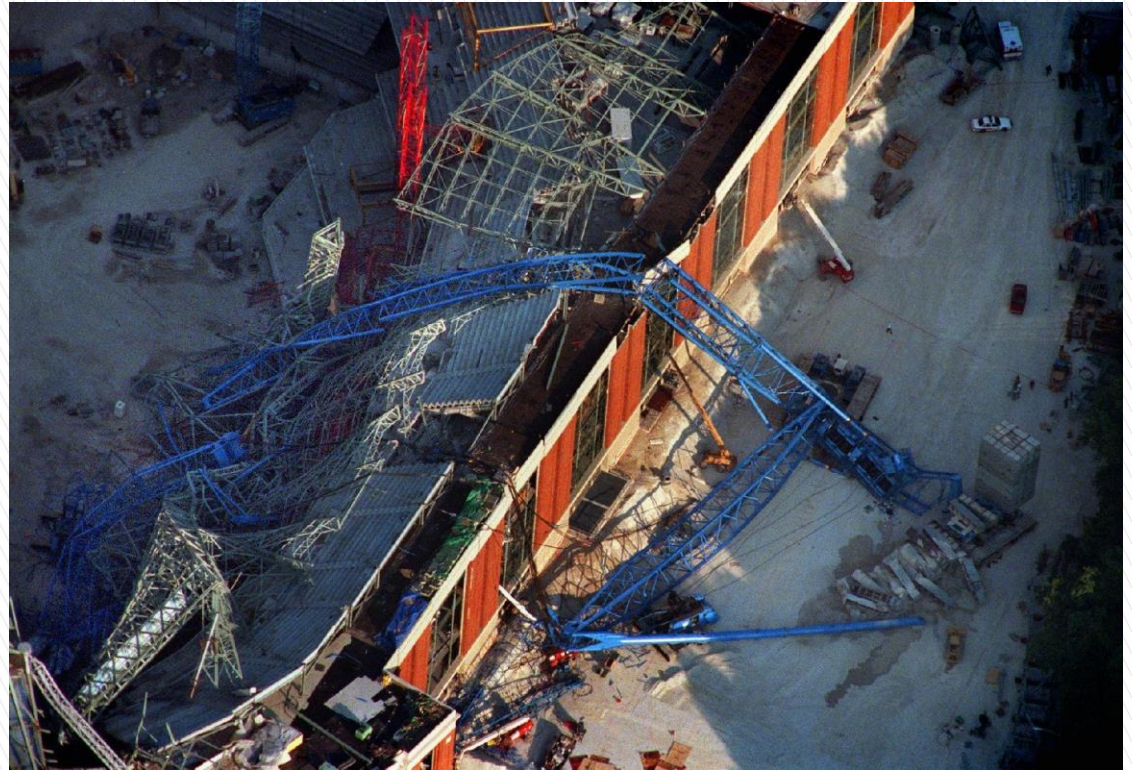
Presenter:
Lynn Lepak, RN, BS, CDMS, CNLCP



- ▶ Nurse Case Manager
 - ▶ Life Care Planner

Lynn works for:
Stubbe & Associates

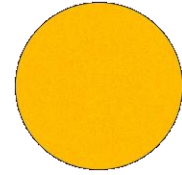
Catastrophic Injuries and more



Miller Park Crain Accident



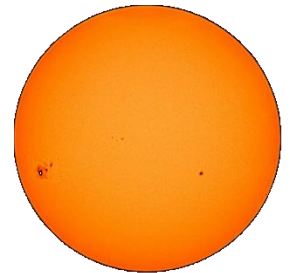
▶ Life Care Plans...



- What is a life care plan and Medical Cost Projection?



- Who is qualified to complete?
- What is the industry standard?



- How to use a life care plan or Medical Cost Projection?



Life Care Plans vs Medical Cost Projections:

- ▶ Similar but different....



Life Care Plan or Medical Cost Projection?

Need	LCP	MCP
Litigation	X	
Financial Planning	X	X
Vocational Planning	X	X
Medical Guidelines for future care		X
Reserve Setting		X
Case Management		X



Differences

LIFE CARE:

- ▶ Legal document – active litigation and reactive
- ▶ Occurs toward the end of active treatment
- ▶ Assessment based on in-person interview, review of medical records and provider communication
- ▶ Extensive legal document with medical research

MEDICAL COST :

- ▶ Reserve planning – proactive
- ▶ Can occur at any point in treatment
- ▶ Assessment based on medical records review and provider communication
- ▶ In-person meeting is optional
- ▶ Medical research covering a portion of care

Similarities of LCP/ MCP

- ▶ Written plan for future care to avoid duplication of services
- ▶ Provides guide for cost effective management of medical care
- ▶ Provides communication among providers
 - ▶ Keeps lines of communication open
- ▶ Medical needs and costs are forecasted annually and for lifetime
 - ▶ Provides a pricing guideline
- ▶ Research based– nationally accepted standards of care

Defined by AANLCP



- ▶ The Life Care Planner utilizes the nursing process, collects and analyzes client specific data to prepare the dynamic document.
- ▶ The plan is an organized estimate of what is reasonable and necessary for current and future healthcare needs for a particular individual over an estimated life span.

Common Diagnoses Requiring a Life Care Plan

Spinal Cord injuries

Burns

Traumatic Brain Injury

Amputations

Crush Injuries

Multiple Trauma

Blindness

AIDS

Spinal Cord Injuries

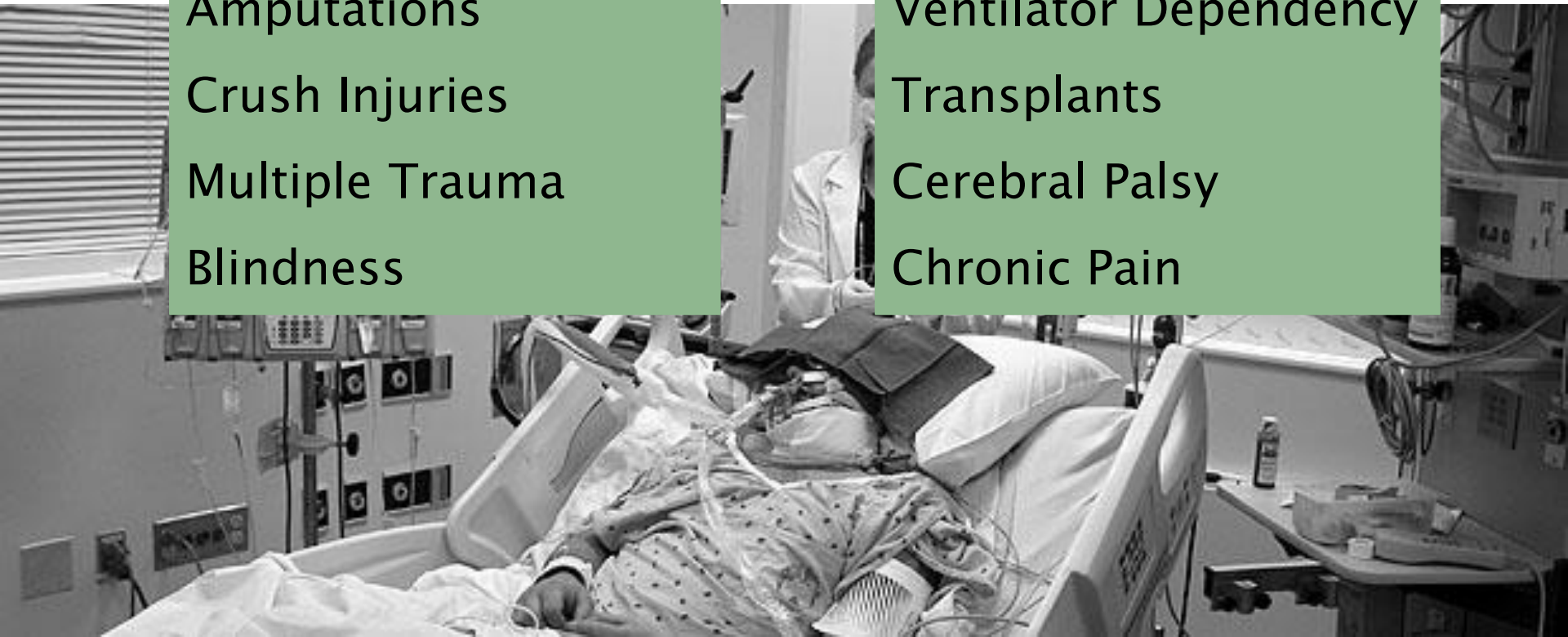
Toxic Exposure

Ventilator Dependency

Transplants

Cerebral Palsy

Chronic Pain



The LCP Process

The Nursing Process

- ▶ Assessment
- ▶ Diagnosis (Issue Identification)
 - ▶ Outcome Identification
 - ▶ Planning
- ▶ Implementation
- ▶ Evaluation



The LCP Process

- ▶ Interview
- ▶ Medical Record Review
- ▶ LCP Assessment
- ▶ Written Communication with Providers
- ▶ Outcome Identification / Medical Research
- ▶ Recommendations / Cost Research
- ▶ Written Plan



The LCP Document

- ▶ Introduction, Case Summary
 - ▶ Life Expectancy / Rated Age
- ▶ Chronology of the Medical Record Review
 - ▶ Past Medical History
 - ▶ Summary of Care
- ▶ Functional Status, Limitations
 - ▶ Anticipated Treatment
 - ▶ Potential Complications
 - ▶ LCP Recommendations

The LCP Document

- ▶ Medical Care, Physician Appointments
 - ▶ Procedures, Hospitalizations, Surgeries
 - ▶ Education, Evaluations, Therapy
- ▶ Laboratory and Diagnostic Testing
 - ▶ Medications
 - ▶ Supplies, Equipment
 - ▶ Orthotics, Prosthetics
- ▶ Aides for Independent Living
 - ▶ Home Furnishings
 - ▶ Home Care



The LCP Document

- ▶ Facility Care
- ▶ Case Management
- ▶ Transportation
- ▶ Vocational Needs
- ▶ Health and Strength Maintenance
- ▶ Architectural Renovations
- ▶ Summary of Costs



Medical Cost Projection – MCP

- ▶ MCP may be limited or task specific
- ▶ Often used in less serious types of injuries or for a specific period of time
- ▶ May be requested for one procedure only such as a surgery or spinal cord stimulator
- ▶ Not a legal document
- ▶ Requires less time to complete



Who, What, When?

- ▶ Certified Nurse Life Care Planner
- ▶ Certified Life Care Planner
- ▶ Legal Document vs Plan in Progress
- ▶ Home Visit
- ▶ Begin early in injury vs when claimant is stabilized



Life Care Plan

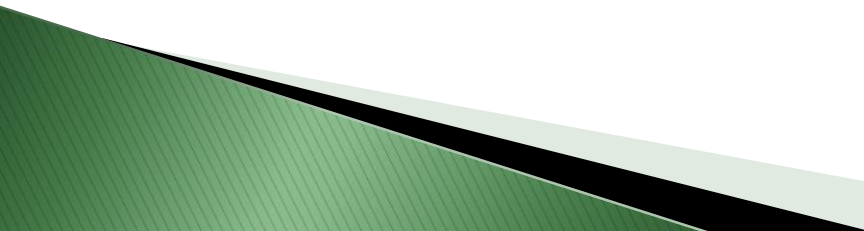


CASE DISCUSSION



Medical Cost Projection:

Example #1

- ▶ DOI 6/3/13 – MVA (Roll-Over motor vehicle accident)
 - ▶ 65 year old worker
 - ▶ Occupation – Dump Truck Driver
 - ▶ Taken by Flight for Life to UW Madison Hospital and admitted to ICU
 - ▶ Initial diagnosis – cervical spine fracture
 - ▶ Multiple surgeries
 - C3 Laminoplasty
 - C5 Laminectomy
 - C5–6 reconstruction and fusion
- 

Medical Cost Projections

Example #1

- ▶ Permanent Cervical Paralysis
- ▶ Complicated by
 - Decreased oxygen saturation
 - Angina
 - Pleural effusion
 - Congestive heart failure
 - Confusion
 - Pneumonia
 - Insomnia
- ▶ Transferred to Craig Hospital for rehabilitation

Asked for Medical Cost Projections: Hospital and Rehabilitation (inpatient) Costs

Treatment/ Item	Purpose	Timeframe	Frequency	Unit Cost	Lifetime Cost	Resource
UW Madison	To treat acute injury	June 3, 2013 through July 9, 2013	One time	\$377,467.27 facility charges \$156,002.59 physician fees	\$533,469.86	UW Hospital
Craig Hospital	To provide in-patient rehab post acute injury	July 9, 2013 admission	One time	\$6,208.03 per day cost	\$478,018.31	Craig Hospital

Additional Information:

Craig Hospital costs averaged \$6,208.03 per day. Average length of stay for quadriplegic was 10–12 weeks.

Medical Cost Projections

Example #2

- ▶ Similar claim example as Example #1
 - DOI 6/3/14
 - 65 year old dump truck driver involved in roll-over MVA resulting in cervical injury and paralysis
- ▶ Request is to capture first year of medical cost projections

Medical Cost Projection – Example #2

Hospitalization Costs

Treatment/Item	Purpose	Timeframe	Frequency	Unit Cost	Lifetime Cost	Resource
UW Madison	To treat acute injury	June 3, 2013 through July 9, 2013	One time	\$377,467.27 facility charges \$156,002.59 physician fees	\$533,469.86	UW Hospital
Craig Hospital	To provide in-patient rehab post acute injury	July 9, 2013 admission	One time	\$6,208.03 per day cost	474,562.10	Craig Hospital

Additional Information:

Craig Hospital costs averaged \$6,208.03 per day. Average length of stay for quadriplegic was 10–12 weeks. Client stayed for 20 weeks.

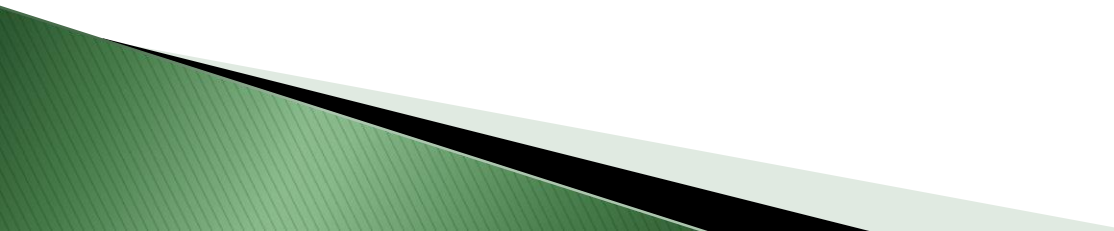
Medical Cost Projection: **Example #2**

Out-patient Care for 1 year

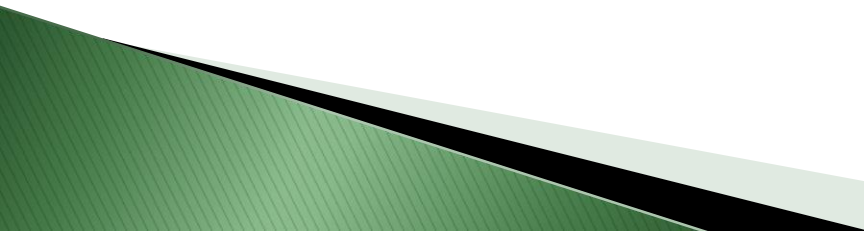
TABLE

Evaluations	\$221.25
Out-Patient Medical Care	\$995.99
Hospitalizations/Procedures	1,008,031.90
Laboratory and Diagnostic Testing	\$5,072.06
Medications	\$4,310.63
Therapy	\$745.01
Durable Medical Equipment	\$7,821.66
Medical Supplies	\$4,713.03
Wheelchairs, Accessories, Maintenance	\$12,351.17
Orthotics, Prosthetics	\$125.00
Facility Care	\$33,962.45
Home Care	\$239,197.77
Education	0
Assistive technology / Independent Living Support	\$1,010.00
Home Modifications, Furnishings	\$8,474.57
Case Management	\$4,800.00
Transportation	\$5,562.21
Health Maintenance	0
TOTAL	\$1,337,394.70

Sample of Life Care situation

- ▶ Same accident as **Example #1** Medical Cost Projection
 - ▶ 65 year old dump truck driver involved in roll-over accident resulting in cervical paralysis
 - ▶ Following rehabilitation at Craig Hospital; transferred back to skilled nursing facility
 - ▶ Discharged: Home with 24/7 care as of 3/13/14
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Life Care Example

- ▶ Continued struggle with respiratory insufficiency, DVTs, skin breakdown, sleep apnea, arrhythmias, bundle branch block and depression
 - ▶ Sensitive to medications
 - ▶ Rated age done and median age determined to be 74 with 11.8 year life expectancy
 - ▶ Life care plan is an expansive document – will show following charts to illustrate the cost/reserve information that can be obtained
- 

Life Care Plans Information

Treatment/Item	Purpose	Timeframe	Frequency	Unit Cost	Annual Cost	Lifetime Cost	Resource
PM&R office visits 99213	To manage medical and functional issues	August 2013 throughout lifetime	3 times a year	\$139.78	\$419.34	\$4,948.21	WI fee schedule
Neurosurgery office visits 99214	To assess and treat post spine injury	August 2013 throughout lifetime	2 post discharge	\$210.15	\$35.61	\$420.30	WI fee schedule
Urology office visits 99213	To manage issues relating to neurogenic bladder	August 2013 throughout lifetime	2x/year and 5 additional	\$139.78	\$338.78	\$3,997.70	WI fee schedule
Psychology visits 90804	To assess/treat psychological issues	August 2013 throughout lifetime	15 visits	\$131.10	\$166.65	\$1,966.50	WI fee schedule
Cardiologist 99214	To assess/treat cardiac complications	August 2013 throughout lifetime	2 visits	\$210.15	\$35.61	\$420.30	WI fee schedule

Additional Information:

Craig Hospital recommends an annual visit to Craig Hospital. Client will need a local PM&R also. Neurosurgery will expect a couple visits post discharge and then again if needed. Urology visits may be more frequent if urinary tract infections become frequent. Psychiatry/Psychology visits may be needed initially and as client ages. Sometimes referrals are needed to pulmonology, podiatry and general surgery for respiratory and skin breakdown issues.

Visit frequencies are based on the recommendations made by Life Care Planning Case Management Handbook.

Life Care Plan Information

Treatment/Item	Purpose	Timeframe	Frequency	Unit Cost	Annual Cost	Lifetime Cost	Resource
Craig Hospital	To provide in-patient rehab post acute injury	August 2013 through October 9, 2013	One time	See below	\$33,188.40	\$391,623.21	Craig Hospital CorVel Corporation
Craig Hospital	To provide ongoing evaluation, address issues	August 2013 throughout lifetime	Annually	\$5,000 to \$7,000 plus radiology costs	\$6,000.00	\$70,800.00	Craig Hospital CorVel Corporation
Emergency room Usage	To address urgent medical needs	August 2013 throughout lifetime	1 x/year	\$1,500 to \$3,500 per visit	\$2,000.00	\$23,600.00	

Additional Information:

Craig Hospital costs are \$142,784.68 from 7/9/13 through 7/31/13, which is an average of \$6,208.03 per day. According to CorVel, the agreed upon reimbursement is 75% of billed charges.

Thank you!

Lynn Lepak, RN, BS, CDMS, CNLCP

