**Pioneer**

**Home Health Care, Inc.**

363 Academy Avenue Bishop, CA 93514 760/872-4663 Fax 760/872-4664



F1:

Pioneer Home Health Care, Inc. (PHHC) started in 1990 and, within a few years, became a non-profit, stand-alone healthcare provider for both Inyo and Mono Counties and has been in business for over 30 years. It is the sole provider of licensed home health and hospice care in the Eastern Sierra, providing essential health care services to the people of both Inyo and Mono counties. These licensed programs depend on third-party payers, primarily Medicare, for reimbursement. Over time, Medicare incrementally cut back on its reimbursement to the entire home health care industry while increasing costly new regulations. Medicares' cutback in payments greatly affected the agency, which is set in a vast, rural area.

In addition to the Medicare cutbacks, in 2013, PHHC responded to the Northern Inyo Health Care District (NIHD) call for a Medicare-certified hospice. The original volunteer hospice, which ran through the district, was not licensed, nor was it sufficient to address the hospice needs of the area. This well-meaning project added another costly layer, eventually burdening the agency financially.

It is here where the partnership between NIHD and PHHC began in 2018 to preserve an essential pillar of our healthcare community. Because Northern Inyo Hospital must provide safe discharge options to in-patients, the home health and hospice programs are a safe, middle option for home-bound patients, with the local skilled nursing facility Bishop Care Center providing a higher level of care when needed, as well as the hospitals' outpatient clinics when a lower level of care is needed. It was determined that if the district started their own home health and hospice programs, the cost would be greater than $1,000,000.

F2:

Because PHHC was a stand-alone private 501 ©3 corporation, it was not subject to the Brown Act. As such, it operated independently per its corporation rules/regulations, and when it entered into the NIHD agreement, it continued to operate as such. The only difference was that a member on the PHHC board immediately represented the new sole member. All board members, including the sole members' representative, were given annual budget reports, quarterly financials, and year-end financial information. In addition, written quarterly reports were presented to the Northern Inyo Hospital Board meetings, much like any other hospital department. So it should be noted that NIHD has continually been appraised of all PHHC financials, as stated above, since 2018.

What was not understood initially was PHHC's potential responsibility to the Brown Act once PHHC had established the relationship with NIHD. PHHC still viewed itself as a stand-alone agency, which led to many misunderstandings about NIHD audits, sharing of PHHC financial information, Grand Jury requests, etc. Because PHHC viewed itself as a stand-alone, the information from PHHC was subpoenaed. It was

never related to a spirit of non-compliance or a lack of willingness to work with the Grand Jury. Since then, both parties have been learning more about the NIHD/PHHC agreement.

Regarding the Grand Jury questioning the current business model of PHHC, it should be known that health care as a whole is struggling to be fully reimbursed for the services provided. In an ever-changing health care environment of reimbursement and staffing challenges, the pandemic created other challenges due to supply chain issues and an influx of referrals with insufficient staff levels to meet the needs. Scary but true.

If we continue to get referrals and continue to have staff in place to meet the need, we will remain viable with the current reimbursement system (for today). If this continues to be the case, PHHC will have more referrals than it can accept. This means that with the current staffing numbers we have retained over the past two years, we will continue to be in the black.

Of note is that PHHC has had three fairly recent retirements of the 1) agency's founder, 2) long-time administrative assistant, and 3) commercial biller. Having survived these monumental changes, the agency has replaced these critical positions at a lesser rate and with a more experienced billing staff. With this new team, PHHC is rethinking how to conduct business, focusing more on customer expectations, with new ideas on delivering value and added service utilizing innovation and creativity. This included, employee involvement, teamwork, and volunteerism, with employee empowerment to initiate change and improvements, all working toward common patient goals.

PHHC is utilizing a Total Quality Management (TQM) health care management system, where the current administration and healthcare team are striving toward customer satisfaction, quality-based, and person-centered care. We are reviewing all of our processes. Starting with our referral and admission process through to final billing, developing individual care plans, and specific discipline care plans, researching cost savings, changing vendors if needed, updating resources, and building mutual benefits within our local community relationships. We regularly participate in Quality Assurance Performance Improvement (QAPI) projects, again with the eye toward improving the delivery of our unique value in the health care continuum.

The specific business model PHHC uses is simple.....and is based on procuring referrals and supplying the staff to meet individualized patient needs in the unique home health care business. There is no guarantee of viability for any business, and PHHC intends to continue doing what it has done for over 30 years, providing quality care for our surrounding community. PHHC can now do this without the continued partnership with NIHD, but we are not opposed to the continued partnership.