

## FAQs: Negotiating Medical Respite/Recuperative Care with Hospitals

2021

### What is the benefit of having a written contract with a hospital?

Hospital collaboration is essential to the success of medical respite programs. Hospitals are a source of patient referrals, data collection, and income for medical respite programs. In return, hospitals receive significant cost savings by avoiding inpatient stays and reducing readmission rates. Contracts ensure that all parties agree to and understand formally negotiated agreements. Contracts also serve as a point of reference to resolve contested issues or renegotiate future agreements.

### What kinds of services and agreements can be included in contracts with hospitals?

Reimbursement or Financial Support	The contract should clearly outline the financial arrangement negotiated with the hospital.
Records & Data	Discharge planners should provide the medical respite program with appropriate medical information. Contracts should also establish a system for collecting cost-savings data from the hospital.
Program Eligibility & Referral Back to the Hospital	Contracts should be clear about program eligibility criteria and allow the program to refuse referrals or refer back to the hospital should the client not meet eligibility criteria or if the patient unexpectedly experiences symptoms requiring hospitalization.
Medications	Consider having the hospital supply the client with medications or written prescriptions before referring to the program. Be specific; request a certain number of days' supply.
Supplies/Equipment	When patients need supplies and equipment unavailable at the medical respite facility, the hospital may provide these while the client is in your care.
Access to Labs & Radiology	When clients need follow-up lab or radiology work, consider an agreement with the hospital that includes providing this service at no cost.
Ongoing Physician or Specialty Care	Clients may need ongoing physician and/or specialty care to manage acute conditions that led to the hospital referral as well as for chronic health conditions. Consider establishing a relationship with a primary care physician at the hospital if your neighborhood does not have a community health center.
Doctor to Doctor Consultation	Programs employing physicians to provide acute medical care in the respite facility should consider a contract provision ensuring that the hospital's physician is responsive to any consultative needs.
Clearance of Infectious Disease	Medical respite programs may require that the hospital check/test for active infectious diseases, such as tuberculosis or Covid-19.

### How much should I ask the hospital to contribute towards the respite program?

The amount negotiated in a contract with a hospital varies from program to program and is based on a number of factors such as: program expenses, average cost of a hospital stay in that community, and the number of patients who are homeless and using the hospital system.

<p><b>Payment per Referral Daily Rate</b></p> <p><i>Each hospital pays a daily rate for each person referred while they are in the respite facility.</i></p>	<p>Ensures financial coverage for each person receiving care at the respite facility that is referred by the hospital.</p> <p>Allows the respite facility to have beds open to multiple facilities and community agencies.</p> <p>Con: Does not guarantee a funding amount to the respite facility.</p>
<p><b>Payment per Referral Flat Rate</b></p> <p><i>Each hospital pays a one-time payment for each person referred.</i></p>	<p>Ensures financial coverage for each person receiving care at the respite facility that is referred by the hospital.</p> <p>Minimizes need for respite program to provide documentation on length stay to hospital to ensure funding.</p> <p>Con: The person may stay longer than the on-time payment covers, although may be offset by those with shorter stays.</p>
<p><b>Annual Grant or Payment</b></p> <p><i>One time payment to the respite facility each year.</i></p>	<p>Guarantees a predictable amount of funding to the respite program each year.</p> <p>Ensures that the hospital will have access to a certain number of beds as specified by the agreement.</p> <p>Con: Payment may be less than the amount of patients cared for by the respite facility referred from the hospital.</p>

### Who do I approach at the hospital to discuss a contractual relationship?

Hospital administrators need to be involved in contract development. Programs have been successful in reaching administrators and getting support by first establishing relationships with case managers, discharge planners, and emergency department or attending physicians. Ongoing contact with people in these positions should stress the benefits of medical respite care and set the tone for future discussions. Setting up multidisciplinary stakeholder meetings to discuss difficult issues such as extended length of stay and frequent re-admissions can also build a foundation for a contractual relationship.

### What information should I share with hospital administrators about medical respite care?

- A general overview of medical respite, and why medical respite care is necessary.
- Be prepared to discuss your funding strategy and overall business plan. Administrators will want to know that the hospital is not the medical respite program's sole funding source.
- Both established and developing programs should be able to articulate how their program dovetails with the hospital's mission and current needs. Information about the hospital's mission and priorities is generally included on its website.
- Be prepared to discuss local cost avoidance. Start your conversation by using a case example of a person experiencing homelessness known to frequently need hospital and emergency care and who would benefit from medical respite care. Work with a discharge planner to develop a chart illustrating one person's case.
- Become familiar with cost-savings data from academic studies and benchmark cities.

#### Additional resources for developing a contract with hospitals:

The National Institute for Medical Respite Care Toolkit offers multiple resources and documents to define medical respite/ recuperative care, existing evidence and outcomes on existing programs, and sample tools and documents for developing and existing programs.

The NIMRC Toolkit can be found at: <https://nimrc.org/medical-respite-recuperative-care-tool-kit/>

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