Positive Outcomes of Culture Change — The Case for Adoption

Pioneer Network is committed to studying how adopter outcomes translate into more quantifiable metrics and to benchmark those metrics with national data. The goal of this work is to accelerate adoption and support implementation and sustainability by articulating the operational linkages between person-centered care, quality of care, and financing — *The Case for Adoption*.

Recent evidence demonstrates the positive outcomes of culture change. In general, this evidence can be categorized into four broad impact areas: organizational, quality of care, staffing and life engagement.

Examples of Organizational Impact: Increased levels of occupancy; Increased percentage of private pay census; Reduction in the use of agency staff; Increases to operating margins; Improved market position; Waitlists for residents; Strengthening of outside community support (donations) and volunteers.

Examples Quality of Care Impact: Improvements in quality indicators most correlated with person-centered principles including use of restraints, weight loss, falls, agitation, pressure ulcers, medication use, time in a bed or chair and re-hospitalizations.

Examples of Staffing Impact: Reductions in turnover (leadership team, clinical, front-line staff); Low or no use of agency staff; Fewer "call-offs" or sick days; Increased levels of staff satisfaction formally (surveys) and informally (verbally to peers and leadership); Active understanding of culture change and person-centered principles by the majority of staff; Formal recognition of employees for excellence in person-centered care; Self-motivation, critical analysis, and problem-solving by front-line staff to incorporate person-centered principles.

Life Engagement: Increased levels of resident satisfaction formally (surveys) and informally (verbally to peers and staff); Resident choice in daily activities and routines (measured by care plans); Increased levels of engagement especially in residents with chronic health conditions or dementia (measured by MDS 3.0); Emphasis by residents and staff on relationships and community; descriptions of the organization as "home" or "family."

Examples of Pioneer Network's findings to demonstrate these outcomes are highlighted below.

OCCUPANCY

Mean Occupancy Rate by Implementation Years

Legend:
- Early Adopters
- <5 Years Implementation
- National Average
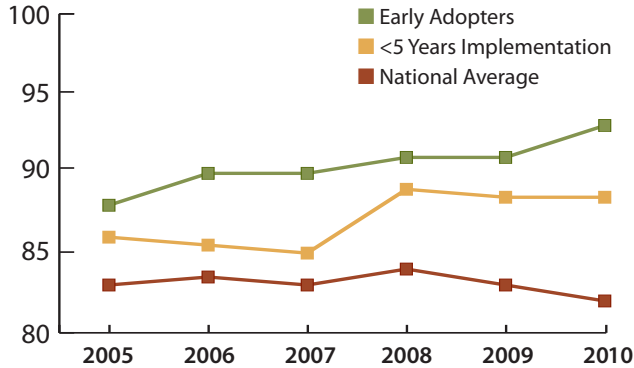
Adopter homes have a statistically significant higher occupancy rate (longitudinally — suggesting consistency) than the national average.

- The green line represents that early adopters (sustained for nine years or more) maintain, on average, occupancy rates 9 points higher than the national average. With a 100 bed assumption and private pay rates, 9 occupancy points equates to $719,415 in potential additional revenue (based on the 2009 MetLife Nursing Home Survey equating private pay rates to $79,935 a year).

- The yellow line represents mid stage adopters implementing for 5 years or less. Occupancy has consistently been rising for this group post-implementation. An increase of occupancy by 3 points (with the 100 bed private pay assumption) equates to an additional $239,805 in potential yearly revenue for this group of homes.

Case studies confirm these findings:

Occupancy Rate

Case Study Adopters | National
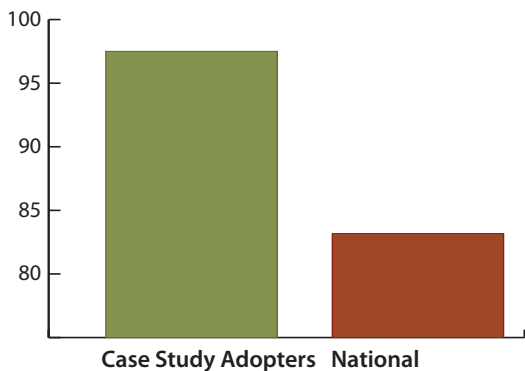
Teresian House Occupancy Versus NY and U.S. Average

Legend:
- USA
- NY State
- Teresian House
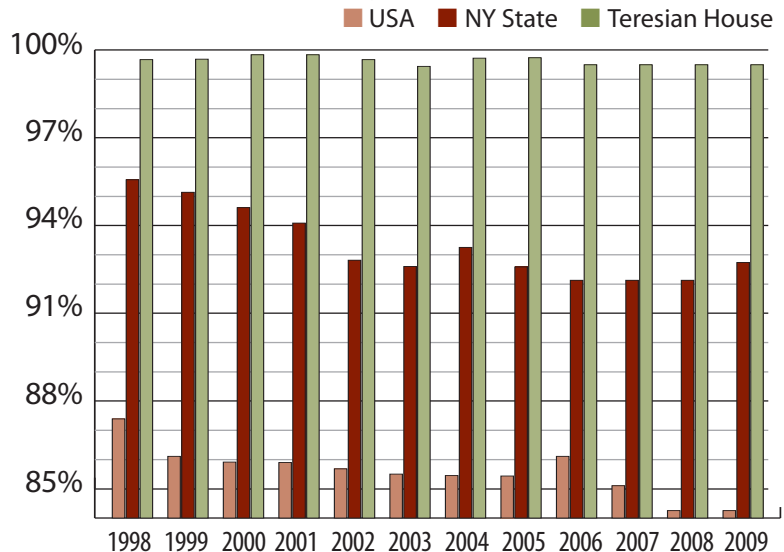
REVENUE

A recent study entitled "Occupancy and Revenue Gains from Culture Change in Nursing Homes: A Win-Win Innovation for a New Age of Long-Term Care," found positive outcomes and revenue gains from culture change adoption[1]. Experts in culture change were asked to identify facilities that "best exemplified homes engaged in sustained culture change innovation." This was defined as homes engaged in change for two years or more in key areas of care practice, environment, and workplace. Adopters were compared with a control group of similar homes on two variables: percentage of beds occupied, and revenue per bed per day. Data are from 2004, pre-culture change, and 2008, after adopters had been engaged in culture change for at least two years.

1 A. E. Elliot, "Occupancy and Revenue Gains from Culture Change in Nursing Homes: A Win-Win Innovation for a New Age of Long-Term Care," *Seniors Housing & Care Journal*, 2010 18(1):61–76 : http://www.nic.org/NicStore/p-352-2010-seniors-housing-care-journal.aspx
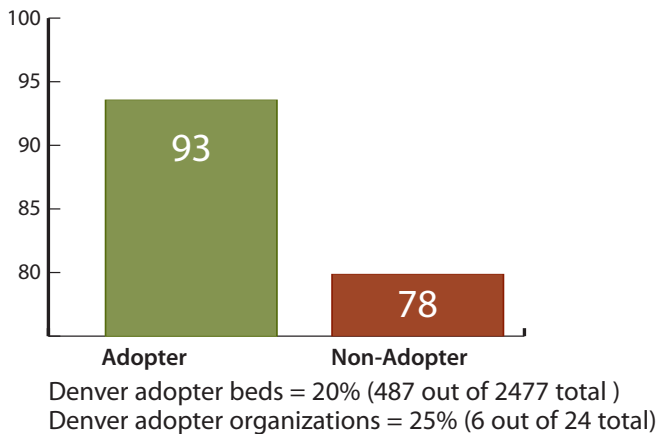
Key Findings

- From 2004 to 2008, nursing homes in the adopting group experienced a modest but significant improvement in occupancy compared with the control group. Both groups had occupancy rates of 86 percent before culture change was implemented in 2004, but by 2008, the occupancy rates of adopter homes increased to 89 percent, while those in the control group remained at 86 percent.

- Revenue increased significantly for adopter homes when compared with control-group homes. Implementing culture change resulted in an additional $11.43 per bed per day for a 140-bed nursing home. This translates to an additional $584,073 in revenue per year for the adopter home.
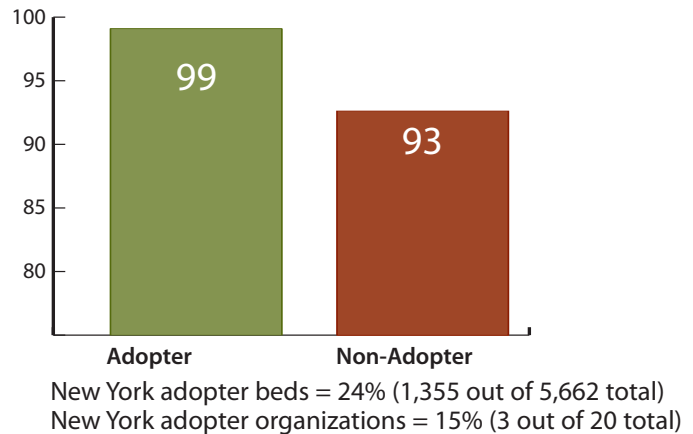
MARKET POSITION

Below are examples of statistically significant competitive advantage (as measured by occupancy) for adopter homes in four major cities. Data are from Nursing Home Compare 2010 and represent Medicare certified SNF's and CCRC's located within the city limits. Cities chosen are those markets where adopter homes represent 15% or more of beds in the Nursing Home Compare database (to establish a relevant comparison).
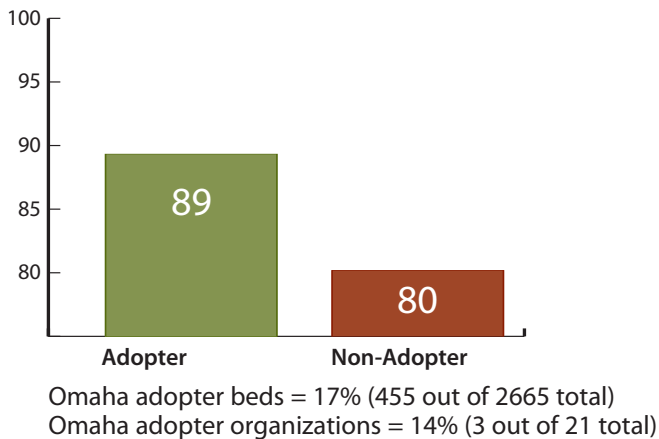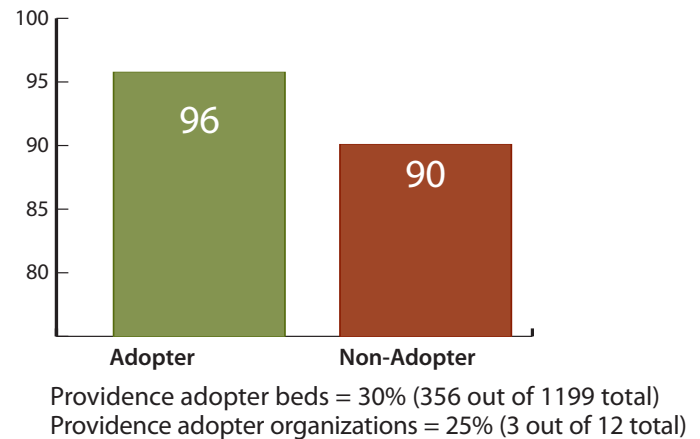
Denver Occupancy Percentage

Denver adopter beds = 20% (487 out of 2477 total)
Denver adopter organizations = 25% (6 out of 24 total)

New York Occupancy Percentage

New York adopter beds = 24% (1,355 out of 5,662 total)
New York adopter organizations = 15% (3 out of 20 total)

Omaha Occupancy Percentage

Omaha adopter beds = 17% (455 out of 2665 total)
Omaha adopter organizations = 14% (3 out of 21 total)

Providence Occupancy Percentage

Providence adopter beds = 30% (356 out of 1199 total)
Providence adopter organizations = 25% (3 out of 12 total)
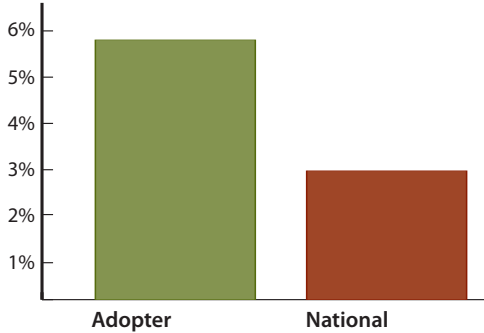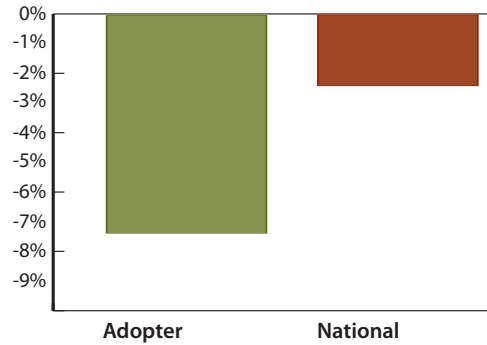
PRIVATE PAY CENSUS

Data supports that adopters experience an almost 1-to1 correlation between increases in private pay and decreases in Medicaid occupancy.

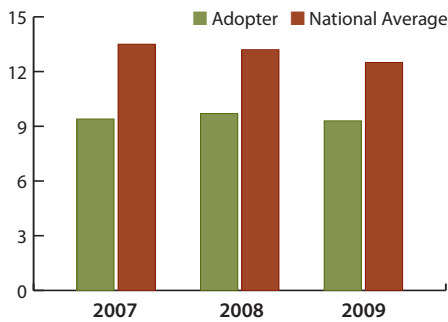**% Change Private Pay Occupancy from 2004 to 2008**

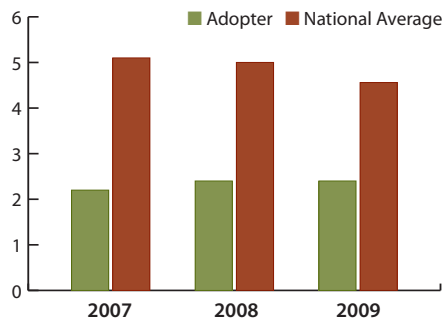**% Change Medicaid Occupancy from 2004 to 2008**

CLINICAL OUTCOMES

Pioneer Network continually tracks clinical outcomes of adopters and finds consistent, positive results. Below are longitudinal examples.
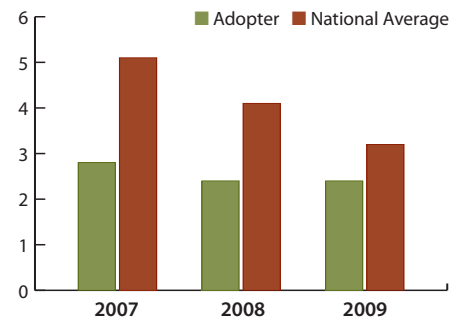
Percent of High-Risk Residents with Pressure Sores

Percent Who Spent Most of Time in Bed or Chair

Percent of Residents Physically Restrained

Aside from the substantial benefits to residents from these reductions, there are obvious cost implications as well. AHRQ estimates that the average pressure ulcer-related hospital stay extends to between 13 and 14 days and costs between $16,755 and $20,430, depending on medical circumstances.

Culture change is a process not a program. Quality of life, a decreased % of time spent in a bed or chair and fewer restraints are inherent in this person-centered process. Although quality programs such as Advancing Excellence are making great strides in reducing these outcomes nationally, adopter homes have achieved these outcomes for over 10 years.
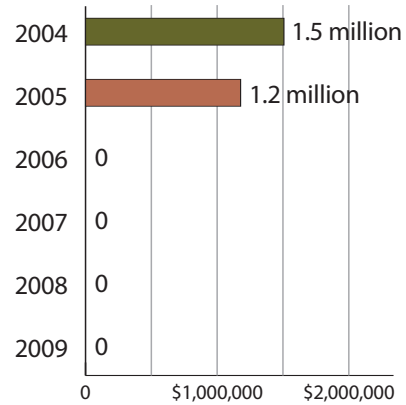
STAFFING

Examples of staffing impact from case studies are below (view full case studies at www.pioneernetwork.net/Providers/CaseStudies/).

Teresian House

Teresian House Staff Longevity

■ < 1 year	26%
■ 1–5 years	34%
■ 5–10 years	16%
■ 10–15 years	8%
■ 15+ years	16%
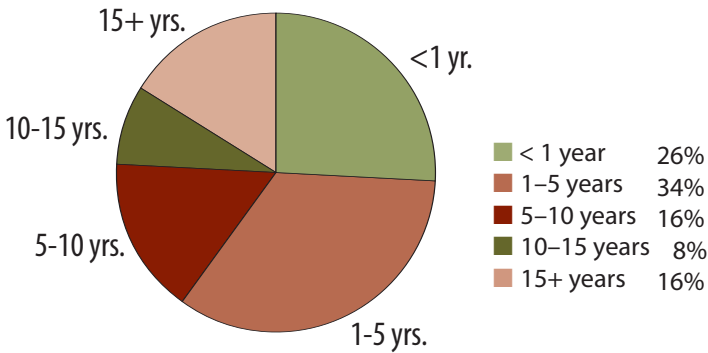
Dollars Spent on Agency Staff

- 2004: 1.5 million
- 2005: 1.2 million
- 2006: 0
- 2007: 0
- 2008: 0
- 2009: 0

Providence Mount St. Vincent

Percentage of Staff Turnover Before Culture Change

1989: 47% 1990: 55% 1991: 56%
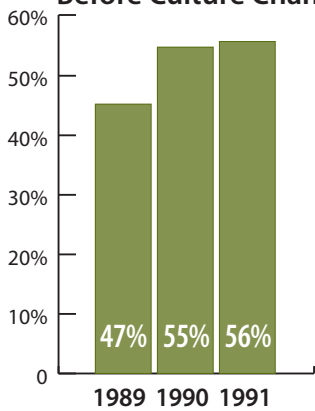
Percentage of Staff Turnover After Culture Change

1998: 36% 1999: 36% 2000: 43% 2001: 35% 2002: 11% 2003: 12% 2004: 20% 2005: 14% 2006: 16%

Position   Average Years of Service

- Administration
- Nursing
- Nursing Administration
- Nursing-CNA
- Rehab Services
- Housekeeping
- Laundry
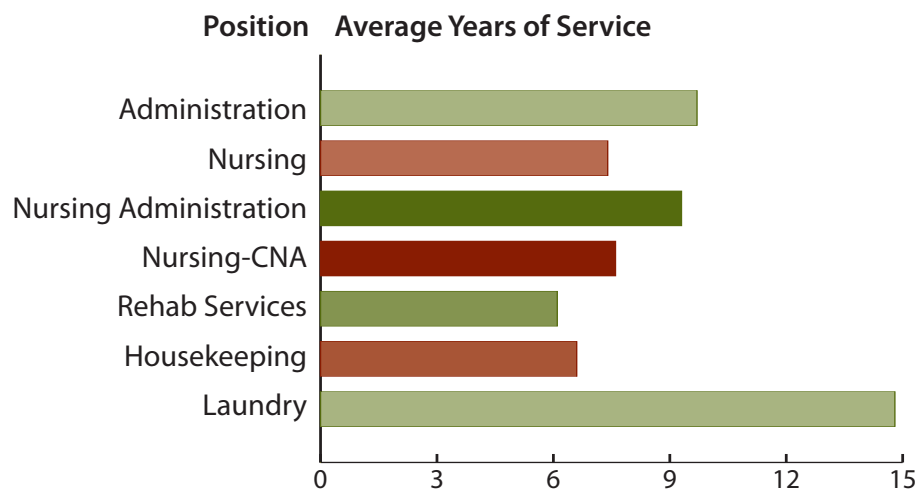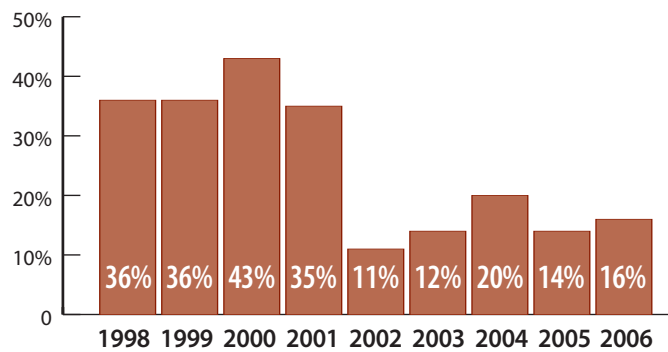
Wesley Village

Visit
www.pioneernetwork.net/Providers/CaseStudies/Wesley/
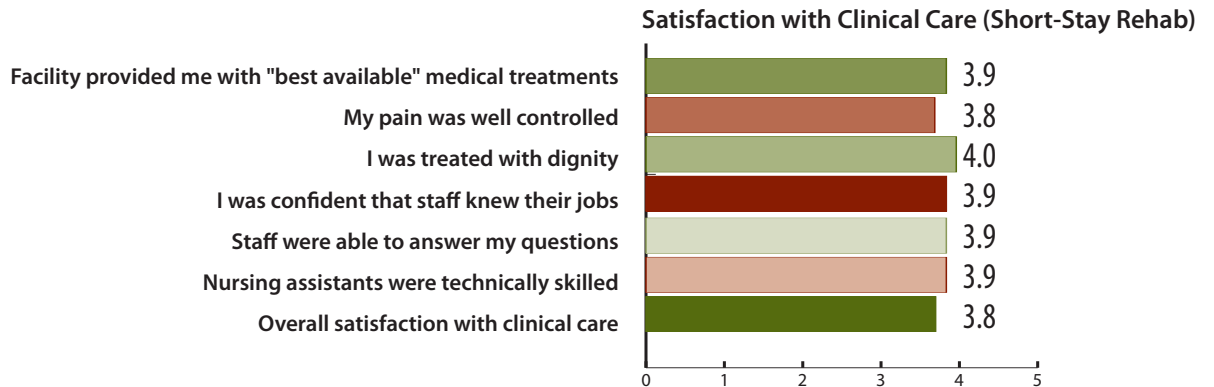to view the Wesley Village case study
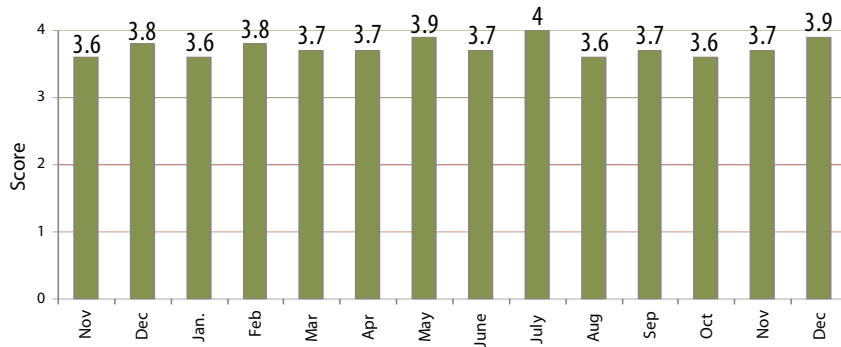
Wesley Village CNA Turnover
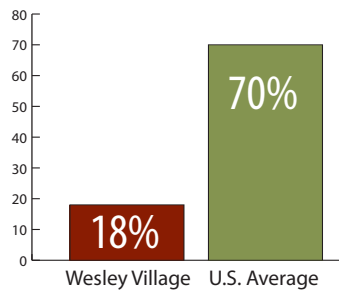
Resident Satisfaction

While quality of life is the most important outcome of culture change and person-centered care, resident satisfaction is one proxy for this measurement in nursing homes. Below are examples from case studies(view full case studies at http://www.pioneernetwork.net/Providers/CaseStudies/).

Providence Mount St. Vincent

Satisfaction with Clinical Care (Short-Stay Rehab)

	Score
Facility provided me with "best available" medical treatments	3.9
My pain was well controlled	3.8
I was treated with dignity	4.0
I was confident that staff knew their jobs	3.9
Staff were able to answer my questions	3.9
Nursing assistants were technically skilled	3.9
Overall satisfaction with clinical care	3.8

Recommendation of the Mount

Nov	Dec	Jan.	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
3.6	3.8	3.6	3.8	3.7	3.7	3.9	3.7	4	3.6	3.7	3.6	3.7	3.9

Additional Resources are available at
http://www.pioneernetwork.net/Providers/Case/

Pioneer Network