

End of Month Reports - Defined

Information:

Mean: the current average

Upper and Lower control limits: The standard deviation set by the data to determine normal variation range.

Normal variation: Any data points that are moving within the upper and lower control limits

Special Cause:

1. When a data point falls outside the normal control limits – either above the upper control limit or below the lower control limit. This is something to respond to since it is outside the “norm”. The idea is to look into the data behind the point to determine possible causes. If this is a positive change, can things be changed in the system to reproduce this change and keep it going. So when we know why, can we keep that why up. If this is a negative change, can things be changed in the system to avoid this from happening again. Once we know why, can we stop it.
2. When the mean changes due to 7 data points in a row being above the mean or 7 data points in a row being below the mean. When the mean changes – what was the cause? We want to identify why - and if it is a positive, what can be done to keep it. If it is a negative, what can be done, if anything, to change it back. It can be hard to identify a new mean so always count the # of dots in a mean. If 7, then there was just a new mean set, and you need to comment on it since it was a special cause

Trend: 5-6 data points in a row either above the mean or 5-6 data points in a row below the mean. This is a trend that can lead to a special cause (mean change) because 7 data points in a row will lead to the mean change. So we want to identify a possible mean change before it occurs – try to figure out why and if it is a positive – can we keep that change up or if it is a negative – can we do something to combat it.

Metrics:

Productivity: All therapy minutes provided to patients (including eval min) / Therapist and Assistant staff hours (no aide)

Efficiency: All billable minutes provided to patients (therapy minutes minus Medicare A, Managed A and Med Replacement eval minutes)/ All department staff hours (including aides)

Labor rate: The average rate per minute for entire department staff - The cost of the labor (how much they are getting paid per minute). If it is trending higher or a SC high then the cost of labor has gone up. It may be due to increase in prn hours compared to other months, increase in therapist vs assistant hours, increase in contract hours, etc or a decrease in aide hours (aide rate brings overall rate down since paid less so if they decrease hours, the overall rate will go up because you are left with more costly labor). If it is trending lower or a SC low, it may be due to less prn hours compared to other months, less therapist hours vs assistant hours, less contract hours or more aide hours (aides cost less so with them added into the mix, it will bring the overall rate down)

Gross Margin: This is a wrap up of all the charts. It is a percentage. It is impacted by the cost of doing business (labor rate, Med A Ratio and overtime) and the revenue we bring in (Med A & Med replacement rate, Med B revenue). It is also affected by Prod and efficiency because they both affect

cost and revenue - the more prod or efficient the work force is, the GM % can be positively affected. When identifying why there are issues, you want to look at the other charts as to what could be impacting the Gross Margin.

Census Med A: The average # of Medicare Part A pts on therapy per day per month. Divide the # on the left side of the chart by the # of days in the month to get the average census. The higher the #, the higher the census.

Census Med A Replacement: The average # of Medicare A Replacement policy pts on therapy per day per month. Divide the # on the left side of the chart by the # of days in the month to get the average census. The higher the #, the higher the census.

Med A rate: The rate we are being reimbursed per minute considering the overall minutes provided for Part A patients. We are reimbursed .99 per minute. If under .99 per minute then there may have been a lot of overages from unplanned DC's, etc

Medicare replacement rate: The rate we are being reimbursed per minute considering the overall minutes provided for Med Replacement patients. We are reimbursed .99 per minute. If under .99 per minute then there may have been a lot of overages from unplanned DC's, etc

Med B Revenue: The total revenue for Med B for the month. This can be affected by the # of units, units/visit, the type of units, and how close to the next unit you are and # of disciplines per patient. If the revenue is trending or a Special cause, look at changes to these areas to determine reasons.

Overtime: The higher the # the higher the overtime. This chart is NOT MONTHLY, it is **weekly**. So when analyzing the EOM charts you need to look at the last 4-5 weeks to assess any trends or special causes for the current month.

Minutes per patient per day: The overall average daily minutes provided to the Medicare A patients for all disciplines combined within a months time. This # does take non treating days into consideration. Therefore if you on average schedule 70 min for PT and 75 for OT Mon thru Fri and no min on Sat or Sun, the average min per day would **not** be 145 min but instead $(145 \times 5 = 725, 725 \div 7 =)$ 104 min / day. By monitoring this metric, you are examining if there is a change in practice patterns over time.