

THE PIONEER NETWORK

Preliminary Research Supports Nursing Home Culture Change Movement

New Study Suggests Better Quality of Care and Profitability Outcomes

BACKGROUND: THE PIONEER NETWORK

The Pioneer Network centers on a mission to improve communication, networking and relationships and to transform policies and practices regarding the culture of aging in America. In March of 1997, the founding members met in Rochester, NY to identify common elements and define indicators of change for older adults. The Pioneer Network has grown over the past 10 years and now includes professionals representing organizations from all disciplines of long-term care including nursing homes, regulatory offices, ombudsman, universities and government.

In nursing homes, the type of adaptive technique that the Pioneer Network advocates is commonly referred to as “culture change.” Culture change or deep system change refers to the transformation of nursing homes from an “acute care” medical model to a “consumer-directed” model. The nursing homes that are proponents of this process state that it commonly refers to techniques associated with consumer-directed care in areas such as bathing, consistent staffing, eliminating

KEY FINDINGS:

- In the 2003 cross-section, length of time participating in the network was positively associated with fewer survey citations.
- From the 1996 to 2003 timeframe, early adopter homes achieved better quality outcomes when compared to a matched group of non-participant homes.
- From the 1996 to 2003 timeframe, early adopter homes outperformed the control homes in the financial outcomes of per bed net income and improved operating margin.

nursing stations, promoting challenging activities and recreation, creating home-like environments, consumer-directed councils, and flexibility in sleep and dining schedules. Each of these areas contains common themes of change such as autonomy in personal choices for the residents, consistent staffing, improved communication between residents and staff, a less bureaucratic organizational approach, and an environment that is reminiscent of “home.”

THE POLICY DISCUSSION

Nursing homes as organizations are hampered by a complicated framework that enforces a litany of dichotomous quality and financial mandates that result in incongruent outcomes between the home and the resident. This relationship is further complicated by the government’s dual roles as the regulator charged with maintaining quality as well as the primary payer of the services concerned with lowering costs. Recent reports by the Urban Institute (2007) and the National Commission for Quality Long-Term Care (2006) recognize the potential issues and costs associated with the expected increase in frail elderly due to the aging of the baby boomer generation.

Given the threatened cuts by states and the Federal government to the payment structure that supports these long-term residents, the future of nursing homes as a resource for older adults is on the brink of crisis. These dwindling resources necessitate that nursing homes adapt and operate with greater efficiency while providing more complex and challenging care to an older

demographic. Public policy will also require revision due to the combination of regulatory and financial challenges created by the baby boomer population.

Transformative nursing homes, such as those participating in the Pioneer Network are posited to achieve quality of care and life for the resident as well as positive financial outcomes for the home (Baker, 2007). Yet, there is very little research to support operational linkages between quality of care and financing. Accordingly, in order to achieve advancements in policy that further insight into practice, it is essential to study homes that are attempting to alter the current state of operational frameworks.

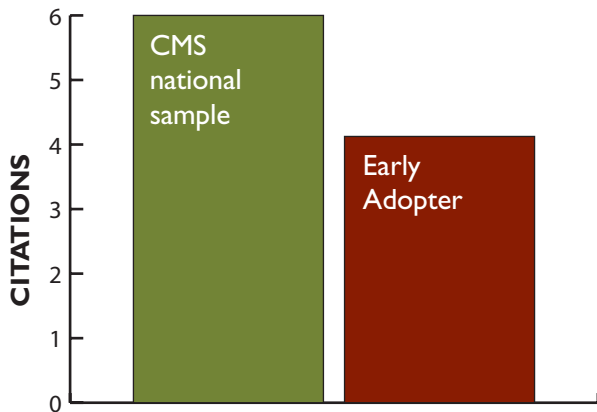
THE RESEARCH

A recent unpublished study (Elliot, 2007) used participation in the network as the treatment variable to assess any differences in quality of care and financial outcomes between network participants and non-participant nursing homes. For example, an investigation into quality of care outcomes for early adopter homes utilized a cross-sectional study analyzing outcomes in 2003 and found that length of time participating in the network was associated with positive outcomes over all other homes monitored by the Centers for Medicare and Medicaid Services in the country. The study also matched early adopter homes of the Pioneer Network to analogous non-participant homes and found that, from the 1996 to 2003 timeframe, early adopter homes achieved better quality outcomes

when compared to the matched group of non-participant homes. In addition, homes participating in the Pioneer Network outperformed the control homes in the financial outcomes of per bed net income and improved operating margin. Examples of findings include the following highlights:

- Early adopter homes participating in the network experienced fewer survey citations than the Centers for Medicare and Medicaid Service dataset of the national sample of homes in 2003 (Figure 1)

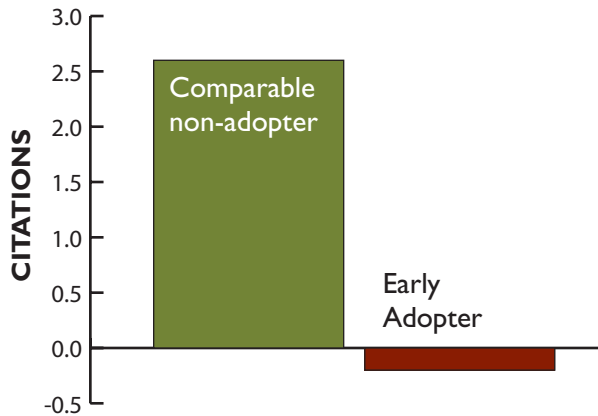
FIGURE 1
Average Number of Citations in 2003 – Early Adopter Homes versus the National CMS sample



- Early adopter homes participating in the network achieved better differences in quality of care outcomes (as measured by survey citations) than comparable non-participant homes from the 1996 to 2003 timeframe (Figure 2)
- Early adopter homes participating in the network achieved better differences in per bed net income and operating margins than comparable non-participant

homes from the 1996 to 2003 timeframe (Figure 3 and Figure 4)

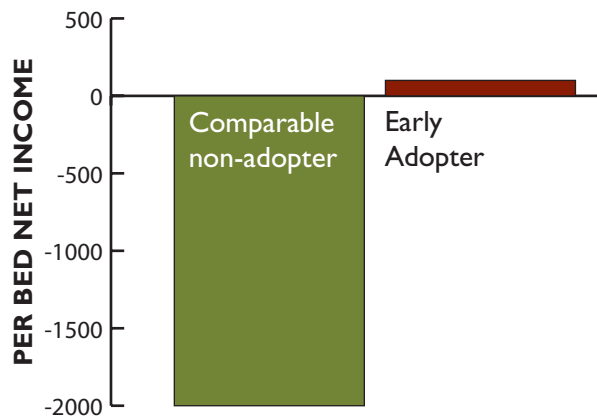
FIGURE 2
Average Change in Citations from 1996 to 2003



IMPLICATIONS

As the first stage of crucial research on outcomes associated with transformations of early adopter homes in the Pioneer Network, these findings intimate to policymakers that culture change is not counter-intuitive and potentially affects quality without a detrimental effect on cost. Additional analysis is needed to provide more detailed evidence of the effects of culture change on cost-savings and quality. For example, isolating particular cost centers (e.g. dining) along with quality of care components linked with those cost centers (e.g. weight loss) would further illuminate this relationship. Furthermore, since reduced turnover in staffing is a purported outcome in pioneering homes, this research could also enumerate any efficiency and quality advantages from staffing adaptations. With this evidence, cost and quality

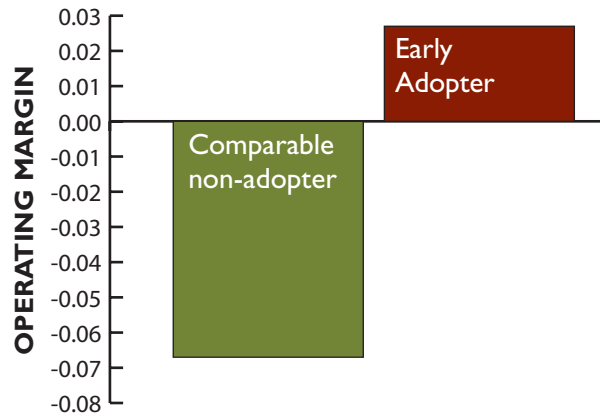
FIGURE 3
Average Change in Per Bed Net Income from 1996 to 2003



differentials resulting from organizational change can be quantified and forecasted in measures of quality improvements for the resident and cost reductions for the home. These types of measurable outcomes also inform policy and create opportunities for strategies such as Medicaid waivers to reward homes that actively reduce morbidity and improve cost efficiency through innovative practices.

This brief is the first in a series made possible through support from The Commonwealth Fund. For more information about the Pioneer Network visit: <http://www.pioneernetwork.net/>

FIGURE 4
Average Change in Operating Margin from 1996 to 2003



Citations

Baker, Beth. (2007). *Old age in a new age: The promise of transformative nursing homes*. Nashville, TN: Vanderbilt University Press.

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