The EverCare demonstration attempts to reduce medical complications and dislocation trauma resulting from hospitalization, and to save the expense of hospital care when patients can be managed safely in nursing homes with expanded services. The underlying premise of the program is that providing more intensive primary care will reduce the use of more expensive services like hospitalizations. To achieve this higher level of primary care, EverCare employed a cadre of nurse practitioners (NPs), who work in cooperation with the residents' primary care physicians. Each site is paid a capitation rate based on the institutional rate cell of the M+C payment system. EverCare offers nursing homes that agree to care for these potentially hospitalized patients an incentive payment referred to as an Intensive Service Day (ISD). The evaluation is being conducted by the University of Minnesota.

Evaluation Highlights:

The following summarizes the findings:

- EverCare patients are more likely to have dementia but have fewer ADL limitations than controls. Otherwise, EverCare enrollees and controls have similar disease prevalence.

- Family members of EverCare patients report greater satisfaction with care than relatives of controls. There is no difference in reported satisfaction with care between EverCare patients and controls.

- Controls are nearly twice as likely to be hospitalized as EverCare enrollees. The rate of emergency room use was also nearly twice as large for controls.

- The presence of NP and PAs reduces the occurrence of adverse events. The EverCare sample experiences fewer hospital admissions and uses fewer hospital days. When the ISD admissions rate is included, the EverCare admission rate is lower than the controls. In addition, ISD days are less than those for a regular hospitalization.

- The EverCare population is more likely to be seen by a Nurse Practitioner or Physician’s Assistant than controls; but these visits do not appear to displace physician visits, which are also more frequent for EverCare enrollees.

- EverCare patients with dementia are less likely to see a psychiatric professional (i.e., psychiatrists or neurologists), but more likely than controls to receive mental health care from a NP or PA. For other mental health care, EverCare patients are less likely to receive treatment from traditional professionals and this difference is not made up by greater NP attention.

- Evercare enrollees received more podiatry care than control residents. Physical, occupational, and speech therapies are provided to less than one-half as many Evercare patients as Controls.

- Overall, similar quality of care is provided to EverCare patients and controls. A comparison of quality indicators from the MDS suggests quality of care is similar for EverCare patients and controls.

- The monthly mortality rate is similar for the EverCare sample and controls. The hospitalization rate after an ISD is very similar to that for re-hospitalizations in the control group, suggesting that using ISDs is not associated with any greater risk of complications than admitting patients to the hospital.

- Managed care has an incentive to encourage advance medical directives to control costs of end-of-life care. EverCare enrollees and controls are equally likely to have advance directives, and are equally likely to report "feeling pressured" to establish an advance directive as non-Ever Care patients in the same nursing home.

- It appears that the EverCare approach saves hospital costs. The use of NPs accounts for an estimated savings of about $109,000 per NP, but under the demonstration Medicare does not realize these savings as EverCare is capitated and retains the difference between payment and costs.

- The Medicare program overpays EverCare. Cost analysis suggests that payments for EverCare enrollees are about 30 percent higher than if they remained in fee-for-service Medicare.

(See downloads area below for more information: Final Report)