



Family CNA Program Overview

The Family CNA Program leverages nurse aides for lower acuity children and tasks, driving down total cost of care

What is Private Duty Nursing (PDN)?

Private Duty Nursing is also referred to as Continuous Nursing; frequently for patients requiring medical technology and equipment. It is meant to achieve the same level of care a patient would receive in a skilled nursing facility or hospital but at a fraction of the cost. (Average cost of daily PDN of ~\$250 vs \$4,000+ for hospital or SNF)

Who are the typical PDN patients?

Medicaid in every state is entitled to provide PDN for Medically Fragile Pediatric patients (under 21). Some states also cover PDN for adults. Common diagnoses include Traumatic Brain Injury, Cerebral Palsy, Chronic Respiratory Failure, etc. Patients generally receive 4-24 hours of skilled nursing per day, with the national average being ~45 hours per week. The Family CNA Program currently focuses primarily on pediatric patients only.

The Family CNA Program is a subset of Private Duty Nursing (PDN) for low acuity tasks for Medically Fragile Children

How does the Family CNA Program help?

PDN Care Continuity in the home is the #1 driver of reduced hospital admissions. When these children have their care plan executed in the home every day without fail, hospitalizations and total cost of care plummet.

The Family CNA Program takes parents, relatives or family friends, and trains them for free to become CNAs. They are then hired by a Home Health Agency and are paid to take on the lower acuity duties of the care plan for their child. This helps the nursing shortage by freeing up nurses to work on higher acuity children and tasks while driving down hospitalizations and cost for lower acuity children.

What is the problem with PDN for Medically Fragile Children?

Medicaid is the payor for > 80% of national PDN claims. The national nursing shortage combined with the low nature of Medicaid PDN reimbursement rates, makes it extremely difficult or impossible, to find reliable nurses to work these PDN hours given the substantial salary discount they must accept vs working in a hospital (hospital nurses able to make 25% to > 100% higher wages in hospitals).

The result is that Medically Fragile Children and their families often go without the home nursing care that Medicaid is entitled to provide for them. This generally leads to one of two scenarios when PDN is not available:








1. Hospitals/Institutions

When PDN is not available, children often remain trapped in hospitals and skilled nursing facilities at ~16 X higher daily cost than PDN

2. Unemployment/Frequent Re-Hospitalizations

If parents don't want to put child back in hospital or SNF, they are forced to try to cover the missed nursing shifts (with no proper training / oversight). This has the effect of significantly increasing the patients overall total cost of care due to frequent re-hospitalizations.

Benefits of the CNA Model

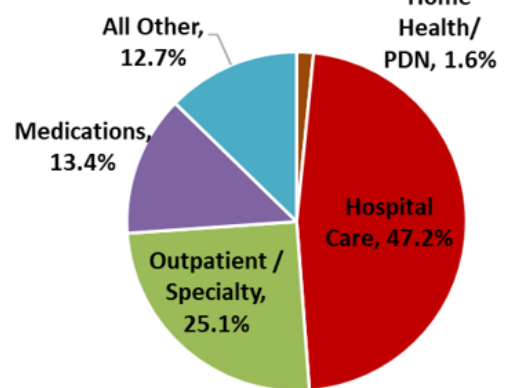
	Improve Access to Care & Combat Nursing Shortage	Overcome the <u>nursing shortage</u> and reimbursement rate challenges by leveraging CNAs to take on lower acuity tasks delegated and overseen by an RN.
	Improve Quality of Care and Outcomes	Valuable and scarce nurses are freed up to work in more supervisory roles or higher-acuity cases at top end of their licenses. Leveraging Family CNA's drives continuity of care, therefore improved quality and outcomes.
	Significant Reductions in Total Cost of Care	Replacing RN/LPN hours with CNA hours drives ~30-50% savings per hour, plus data shows unplanned hospitalizations go down by ~90% due to continuity of care driven by Family CNA's vs traditional PDN.
	Job Creation	<u>Train parents and family members for free to become CNAs (with no strings attached)</u> to fill these <u>delegated low-acuity tasks</u> . Full benefits package for > 30 hours per week.
	Innovating the Home Health Space	Providing a program that brings a solution to areas of challenge within the home health space to <u>ensure continuous care coordination through innovation and technology</u> .
	Making the World a Better Place for Children & Families	This program keeps families together, children safe at home, and generates income and health benefits for parents and family members.
	Win-Win for All Stakeholders	Hospitals win by freeing up beds. Payers win from significant cost reductions. Parents and Families win by taking back control of their lives and generating an income. Children especially win by having consistent care from a loved one who knows them best and cares the most.

How does the Family CNA Program save money?

States that adopt the Family CNA Program will see savings of ~30-50% on every hour of PDN billed. Data also shows a > 90% reduction in unplanned hospitalizations for patients cared for under the Family CNA model vs the Traditional PDN model.

This is because Traditional PDN is plagued by the nursing shortage, making it difficult or impossible to drive consistent PDN every day. Family CNA succeeds at reducing hospitalizations because the family member never misses a shift, and that child remains stable by having their care plan executed every day.

Medicaid Spending for Children with Medical Complexity



Average Daily Costs

\$800

Private Duty Nursing

\$4,264

Hospital (Inpatient)

30-Day Hospitalization

0.6%

Family CNA

18-21%

Traditional PDN