

PRIVATE DUTY NURSING

Services for children with medically complex needs, who would otherwise reside in a hospital or nursing facility.

In Texas, about **7,000 children** with **multiple disabilities**, or who are medically fragile, **require care by nurses** that have special skills, knowledge and training in order to remain at home with their families and **out of institutions**.

Licensed Home and Community Support Services Agencies provide this care through **private duty nursing (PDN)**. These children are enrolled in the **STAR Kids Managed Care program**.



PDN is an important source of support for parents & caregivers

1/3 of mothers of a child **assisted by technology** reported quitting a job to care for the child at home.

Many of these children require the use of **mechanical assistance**, such as a ventilator or gastrostomy tube.



PDN KEEPS FAMILIES TOGETHER

MEDICAID COST AVOIDANCE & IMPROVED OUTCOMES

IMPROVED OUTCOMES

2016 STUDY | JAN '04 - SEPT '12

WITH HOME HEALTH

20%

REDUCTION IN HOSPITAL
ADMISSIONS

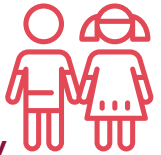
15%

REDUCTION IN HOSPITAL
READMISSIONS

COST CONTAINMENT

When PDN is appropriately staffed:

- Fewer hospital stays
- Improved outcomes
- Saves Medicaid money



Reimbursement rates paid to home health agencies for private duty nursing **must increase** to ensure every family who needs in-home care can receive it, before issues and costs escalate.

COST DIFFERENCE

PDN is a **cost effective alternative to pediatric nursing care in a hospital**.

Private duty nursing can reduce the length of hospital stay or help avoid hospitalization altogether.

For example, hospitalization for one week of severe RSV or a major respiratory infection **costs over \$25,000**.

With consistent care from a private duty nurse for only 8 hours a day, it **costs just \$2,300 for that same week**.

HOSPITAL VS. PDN

The average cost for **one week's worth of care for a respiratory infection**

HOSPITAL - \$25,100



PDN - \$2,300





Support Access to Private Duty Nursing

Private Duty Nursing (PDN) is a cost-containment solution to health care for medically complex children, who would otherwise reside in a hospital or institution. The current reimbursement rate for this program is 6.5% below the Medicaid allowable costs incurred by providers, as noted in the 2020-2021 Health and Human Services Commission Consolidated Budget. After years of inaction, our legislature must act now to increase the private duty nursing rate and enable the industry to attract qualified nurses for Texas children.

Experienced Nurses are Hard to Find

Home care agencies that serve these children struggle under the current payment rate to attract nurses with the unique combination of skills and experience in home care and pediatrics. According to the 2015 Texas Center for Nursing Workforce Studies’ “Home Health and Hospice Care Nurse Staffing” study, 63.2% of agencies reported difficulty recruiting RNs with more than one year of home health experience. Home care has higher vacancy rates for both registered nurses and licensed vocational nurses when compared to either the governmental public health setting or the hospital setting. In the coming years, as Texas’ nursing shortage becomes even more pronounced, home health will continue to struggle to recruit nurses relative to other settings, including hospitals and schools. The National Center for Health Workforce Analysis found Texas’ demand for nurses in long-term care, including home health, is projected to be the greatest in the country between 2015-2030.

How to Support Private Duty Nursing

Rates paid to home health agencies for private duty nursing need to increase to take into account higher skill levels, wages, and benefits demanded by pediatric nurses with very specialized skill sets and neonatal intensive care units and/or pediatric intensive care units. The intense, specialized and technology-based pediatric care model under PDN requires a greater level of funding than what is currently contemplated.

Legislative Actions Needed:

- Increase private duty nursing payment rates by 40%
- Include an additional \$6/hour for holiday and weekend shifts (shift differential)
- Add a related rider in HHSC’s bill pattern to direct the funding to PDN

Texas Health Steps Program	TAHCH Proposed Increase (Biennial)*			
	% Increase	General Revenue	Federal Funds	All Funds
Private Duty Nursing	40%	\$271,213,019	\$406,904,293	\$678,117,312
Private Duty Nursing	\$6.00 Holiday/Weekend Differential	\$31,609,221	\$47,423,710	\$79,032,931
		\$302,822,240	\$454,328,003	\$757,150,243

* TAHCH Increase based on PDN data, Codes T1000-T1003, provided by HHSC, 2016-2020.

Fully fund an appropriate rate for Texas Health Steps Nursing. The intense, specialized and technology-based pediatric care model under PDN requires a greater level of funding than what is currently contemplated in both budget bills.