THE FUTURE OF HOME HEALTH AGENCIES

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ABSTRACT: A multidisciplinary, multiinstitutional, volunteer task force was convened by the Visiting Nurse Association (VNA) of Los Angeles to perform an evaluation of the agency and, on the basis of the evaluation, to make recommendations regarding the future potential of home health service agencies in the United States.

For the VNA of Los Angeles, this use of a voluntary task force as a planning mechanism was successful; we strongly recommend its application to other agencies. The recommendations made were specific to the VNA of Los Angeles, but many are applicable to home health agencies in general. They called for an expansion of the types of services currently offered, with an emphasis on the coordinated team approach to health problems, an increased emphasis on preventive and health education services, and a movement toward providing services to groups as well as individual home care patients. The task force also urged willingness to expand services to include primary care. Modern management techniques were recommended as tools to increase the efficiency of home health service agencies. Potential new sources of revenue were proposed.

The concept of providing health and other human support services in the home, rather than in an institutional setting, is timely. In an era when the massive U.S. health industry is crying out for ways to control its spiraling costs and our critics are decrying the depersonalization to our institutionally oriented health system, it would seem that home health services should be experiencing a period of rapid growth. Trautman documents quite well the research that has shown the ability of a home health care program to reduce the total costs of an episode of illness. This cost reduction is clearly due to a reduction in the use of expensive in-hospital services. The Nielson and associates study showed not only a significant reduction in the number of hospital days, when coupled with a home aide service, but also a significant increase in the satisfaction expressed by the population served.

Home health services are not, however, experiencing this growth. The use of home health services has generally remained fairly stable, representing only a small part of the total amount of personal health services delivered. Brahna Trager, in a comprehensive report, has shown that the "utilization of home health services in the Medicare Insurance System has remained at less than one percent of insurance expenditures and appears to be diminishing. Institutional utilization and expenditures are increasing." In reviewing home health agencies, she found that they are actually decreasing in number, curtailling their services, narrowing their coverage to selected groups in the population, and

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reducing the duration of the care they offer. The National Association of Home Health Agencies estimates that only 15% of the projected national need is being met, and that there are 2.3 million elderly individuals who are in need of home health services.\(^1\) Shanas, in a study of six countries, predicts an even greater need for medical and other support services in the home. Her projections show that 25% of the individuals aged 65 and over need home health services.\(^7\)

In the summer of 1975, with this picture in mind and with a healthy desire for critical evaluation, the Visiting Nurse Association of Los Angeles (VNA) embarked upon a course that would chart its future and serve as a catalyst for an examination of the future of home health services in the United States. Our purpose was clearly twofold. One goal was to evaluate the Visiting Nurse Association of Los Angeles in relation to the scope of its service, its efficiency of operation, and its financial status and, on the basis of this examination, to make recommendations to the Board of Directors. A second goal was to use the experience of the agency as a model upon which to base projections for the future of home health agencies in general and to make recommendations regarding this potential.

The first goal was met by a report from the task force to the Board of Directors of the Agency. The recommendations in this report were specific to the agency, and many of these have already been initiated. The second goal was much broader and is the focus of this article.

The VNA of Los Angeles has grown, since its beginning in 1941, to become the largest, multidisciplinary home health care agency in California. A staff of 160 from multiple health backgrounds, including the clerical staff, now work out of six regional offices that are situated geographically throughout the Los Angeles Metropolitan Service Area. Los Angeles County has a population of over 7.5 million people. It is served by several nonprofit home health agencies, each of which concentrates on a central geographic area; they work closely together and tend not to compete with each other. There are also several proprietary agencies that overlap service areas with the VNA of Los Angeles. The potential target population of the VNA of Los Angeles includes 4 million people. The agency's annual budget has grown to over $2 million a year; in the last fiscal year, it delivered 113,548 home service visits, not including homemaker services. It is a nonprofit home health services agency whose voluntary board represents a cross section of health and business professionals and consumers.

The agency decided on a task force approach to meet its dual goals. The task force was selected by the board of the VNA and had 25 members. The task force chairman was a Professor of Community Medicine at one of the medical schools in the area and a former chairman of the VNA Board of Directors. Despite hectic schedules and family commitments, those asked to serve willingly donated many hours of work and numerous evenings toward the completion of this task. The task force was formed during the summer of 1975 and extended its work over a six-month period to allow its report to coincide with the annual meeting of the VNA in early 1976. In conjecturing about the reasons for this successful participation, we concluded that the willingness and enthusiasm of the