

Healthcare

## Palomar Health Granted CMS Acute Hospital Care at Home Approval in 3 Months

Health system worked with Guidehouse on a six-month enterprise transformation initiative to strengthen performance and thrive during COVID-19 pandemic and beyond

“We are grateful to Guidehouse for their expertise in accelerating innovative strategies across Palomar Health to improve and sustain clinical, operational, and financial performance. It took a village to achieve this large-scale transformation in such a short amount of time — including leaders, physicians, staff, and Guidehouse experts working harmoniously every day. This work will enable our organization to improve margin while maintaining high-quality care delivery for our community during and after the pandemic.”

**Sheila Brown**

Chief Operating Officer, Palomar Health



## Challenge

In 2021, leaders at Palomar Health, the most comprehensive healthcare delivery system in northern San Diego County and a member of the Mayo Clinic Care Network, needed to offer more capacity due to COVID-19 pandemic surges. Named the World's Best Hospital in 2021, the health system includes two hospitals, a skilled nursing facility, and ambulatory clinics dedicated to providing patient-centric care. It is anchored by two medical center campuses that provide an array of acute care services, obstetrics, rehabilitation, behavioral health, and neonatal intensive care.

With 150 skilled and compassionate doctors, physician assistants, and nurse practitioners equipped with the latest therapies to provide expert care close to home, Palomar Health is focused on continually evolving the strategy and development of its network. In doing so, one of their goals was to provide a care model that would support a patient receiving care in their own home and they began evaluating hospital at home service offerings.

Palomar decided to pursue the Acute Hospital Care at Home program under the CMS Acute Care at Home waiver. In doing so, they would need to augment current services to shift care to the home setting, align their ongoing integration strategy, increase the capacity of inpatient volume, improve quality outcomes and patient experience, and mobilize the program under the CMS waiver.

## Solution

Leaders knew this large-scale transformation initiative would require significant investment in people, processes, and technology. They chose global consultancy Guidehouse as their trusted advisor in a six-month initiative due to their experience in supporting next-generation health systems. Guidehouse set out to guide the reimagining aspects of enabling care at home through a clinical operations redesign.

### **Building Palomar Health's Acute Hospital Care at Home Model Across Five Key Areas**

- 1. Physician enterprise.** Guidehouse and Palomar Health leaders ensured clinician involvement and governance in the design of the Acute Hospital Care at Home program, understanding their engagement was critical in the success of the identification of the appropriate patients and clinical oversight using telehealth capabilities. They were integral in the development and approval of the inclusion and exclusion criteria for enrollment.
- 2. Clinical operations.** Involved acute and ambulatory leaders to include physicians, nursing, therapy, food and nutrition, radiology, lab, IT, finance, human resources, pharmacy, radiology, home health, care management, risk, and quality. Team members aligned and developed 14 detail-oriented workflows with acute care functions to deliver acute care in the home setting.
  - Standards of care were amended and approved through Palomar governance committees.
  - Clinical competencies were cross walked with inpatient care competency requirements.
  - Pharmacy ensured that medication dispensing, workflows, and evidence-based standards of care met the state requirements to include capturing 340B reimbursement.



- The IT integration encompassed customization of Acute Hospital Care at Home workflows into the EHR, and interfaces were built to include remote patient monitoring, and documentation for all staff including ancillary and contract staff.
  - A mock readiness scenario deemed “The Day in the Life” enabled leaders to identify learnings, refine, and adjust customized workflows and connect to the community as a successful go-live preparation.
- 3. Finance and revenue cycle.** Palomar Health’s financial team worked with Guidehouse to build a proforma for the Acute Hospital Care at Home program to forecast volume, DRG reimbursement, staffing costs and other related health equipment and IT needs for future program growth. A mock inpatient unit was created in the EHR to drive consistent automation capabilities in revenue cycle and DRG reimbursement processes.
- 4. Human resources and marketing.** A factsheet was developed for internal and external education. Marketing created appropriate language and materials for commercials, union communication, an overall understanding of the program, and the value proposition for the internal and external community. Templates were provided to the marketing department for professional patient education materials. Guidehouse also supported job description development and staffing recommendations.
- 5. Quality.** The Quality department sent required measures through QNet to CMS on a weekly basis. Through governance structures, safety and quality measures will be reviewed monthly for continuous quality improvement within the Acute Hospital Care at Home program.

## Impact


Through this transformation initiative, Palomar Health was able to achieve an innovative enterprisewide clinical operations redesign, including CMS Acute Care at Home waiver approval in three months and implementation ready in six months, even amid pandemic surges.

Palomar Health’s investment in a future-focused and highly technological model has also positioned the system to mitigate risk and enhance safety in today’s rapidly evolving healthcare environment. Success means that the health system’s goals will have a long-lasting impact on the communities that Palomar Health serves while strengthening its market position.

“This initiative underscores our deep commitment to enhance care delivery for the communities we serve. The quality, cost, and efficiency gains we are making in collaboration with Guidehouse will further establish Palomar Health as the top provider of care in our community.”

### Sheila Brown

Chief Operating Officer, Palomar Health



[linkedin.com/showcase/guidehouse-health](https://www.linkedin.com/showcase/guidehouse-health)  
[twitter.com/GuidehouseHC](https://twitter.com/GuidehouseHC)

[guidehouse.com/healthcare](https://www.guidehouse.com/healthcare)

### About Guidehouse

Guidehouse is a leading global provider of consulting services to the public and commercial markets with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges and navigate significant regulatory pressures with a focus on transformational change, business resiliency, and technology-driven innovation. Across a range of advisory, consulting, outsourcing, and digital services, we create scalable, innovative solutions that prepare our clients for future growth and success. The company has more than 12,000 professionals in over 50 locations globally. Guidehouse is a Veritas Capital portfolio company, led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets, and agenda-setting issues driving economies around the world. For more information, please visit: [www.guidehouse.com](https://www.guidehouse.com).

©2022 Guidehouse Inc. All rights reserved.  
W390669

This content is for general informational purposes only, and should not be used as a substitute for consultation with professional advisors. This publication may be used only as expressly permitted by license from Guidehouse and may not be otherwise reproduced, modified, distributed, or used without the expressed written permission of Guidehouse.