

HOME CARE 100[®]

LEADERSHIP CONFERENCE

In Cooperation With

PlayMakerHEALTH
The Post-Acute Growth Platform

Thought Leadership Series, 2020

THE REFERRAL ECONOMY:

MAXIMIZE QUALITY TO
ENSURE PROFITABILITY
VIA PDGM AND BEYOND

As the home health and hospice landscape continues its ongoing shift toward value and outcomes-based payment models, industry leaders must continue to evolve in their approach toward referral source engagement and patient service delivery.

The referral economy – those experiences of patients’ family and friends who directly drive post-acute referrals – demands it.

Best practices for receiving home health and hospice patient referrals have become increasingly complex in recent years. Patients and referral sources have more choices and more comparison tools at their fingertips than ever before, making it a challenge for home health and hospice providers to continue receiving patient referrals that may have come more easily in the past.

When coupled with the coming implementation of the Patient-Driven Groupings Model (PDGM), it’s easy to understand why providers are getting nervous, particularly when all of this is viewed alongside ominous news from a recent report that suggests about 80% of home health agencies may have negative margins by 2040.

But by going back to the fundamentals of the industry and focusing on providing outstanding customer service and patient care, providers can experience a boon in both referrals and reimbursements for care. They also will be better prepared to weather the expected spike in home health audits after PDGM implementation.

“If you’re focusing on delivering the right care to the right individual, the reimbursements should follow, though that’s a very simplified way to think about it,” said John Griscavage, CEO of PlayMaker Health.

LOOK BEYOND PDGM

While PDGM and its dramatic overhaul of the reimbursement system can be anxiety-inducing, home health leadership must take a moment and consider the opportunities presented by the new system. At its core, PDGM attempts to better align reimbursement for services with positive patient outcomes.

“Oftentimes we are creating our care models based on how we get paid because we have to; we won’t be around if we don’t do that,” said Julia H. Maroney RN, MHSA, HCS-D, COS-C, managing director of Simone Healthcare Consultants, LLC. “But we should be providing good customer service. We should be providing good care. We should have good quality outcomes. Our patients should not have to go back into the hospital. Really, the payer models are changing to align more with what we should be doing as providers.”

By focusing on the referral economy, providers can develop a holistic approach that benefits patients and their families, improves referrals, and augments the bottom line of a home care or hospice provider.



START WITH RATINGS

One of the biggest ways successful providers have achieved continued referral growth in today's post-acute world is by focusing on improving and using positive quality measurements. Physicians, prospective patients, and the influencers of those patients regularly seek out ratings, reviews, and personal references.

The CMS Home Health Compare and Hospice Compare tools have transformed the way prospective patients find a post-acute care provider. Easy comparisons with state and national averages on both quality of care and the care experience have provided a spotlight for those who are doing things right and a visible hurdle for those who have not performed quite as well.

Entries in other online review platforms crystalize a prospective patient's view of a post-acute provider when viewed in concert with the Home Health Compare star ratings, CAHPS survey results on Hospice Compare, and other performance metrics.

"If you don't have a good reputation or you've had bad quality, that will be known," Griscavage said. "It is different than it was before when it was more siloed."

In a recent presentation at NHPCO on the concept of the referral economy, one of the lessons learned from home health indicated that top-performing 5-star home health agencies capture most of the business in their market. In 2017, these agencies secured more than twice as many admits as 4- and 4.5-star rated organizations, which in turn experienced significantly more than 2-, 3-, and 3.5-star rated organizations.

"If you are a high-star valued agency, you probably are focusing on things that are driving patient satisfaction and quality outcomes, delivering the right visit to the right need," Griscavage said.

Post-acute providers must actively examine each of their scores in comparison with their competitors and with previous years to identify trends and areas of decline or improvement. They then must optimize each of the inputs that factor into the ratings, Griscavage said.

“If you are breaking it down to each of the components, it drives the quality, which drives the reimbursement,” he said. “It helps you stay focused on, ‘Are we doing the best thing for the patient, and ultimately for the referral source?’”

To get a handle on how to identify and prioritize areas of improvement, a post-acute provider should identify their existing processes and outcomes and determine the gap that exists between these and desired outcomes.

Once this has taken place, leadership can identify steps that can be taken to reach that desired outcome and develop a plan to make this happen.

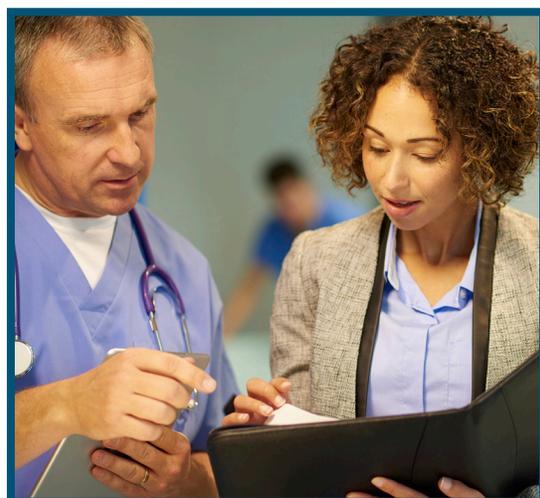
FOCUS ON PHYSICIAN REFERRAL PARTNERS

Prospective patients and their families aren't the only ones using publicly-reported quality and patient satisfaction scores to guide their care decisions.

Hospitals are acutely invested in ensuring their patients receive the best possible treatment after a hospital stay, and the CMS comparison tools factor into their care partnership decisions. However, their agreement to participate in a partnership extends far beyond this data.

“When looking at a relationship with home care and hospice agencies, the issue has always been, ‘What sort of value can you bring to me as a provider?’ A hospital is always seeking to reduce their mortality rates and reduce their rehospitalization rates, so the fact that an organization can assist in that is going to be paramount to survival,” Simone’s Maroney said. “In order to achieve not only the referrals through the relationship, but also the customer service and the quality scores, you really have to prove your merit as a provider.”

She said reviews of partnerships and post-acute provider performance across the country have shown that organizations are more competitive when they can demonstrate their abilities to assist referral sources in achieving their own goals.



REVISIT TELEHEALTH

Telehealth solutions have long been a way for home health providers to provide low-cost services with a high return on patient satisfaction and outcomes, so it comes as no surprise that they also play a role in the strategies of many post-acute care providers.

Studies have found that when home health patients have access to telehealth, patients are more likely to engage in positive self-care behaviors. This also positively correlated with the perception of their health care services.

Telehealth not only is a powerful tool to improve patient care and satisfaction, it's a demonstrable differentiator when hospitals are considering a home health referral partner.

SALES PRIORITIZATION

Although emphasizing excellent customer service and patient care are critical to finding success in the referral economy, providers would be remiss in neglecting to review and refine their sales process.

One strategy that has proven successful for some providers is splitting the sales process by service line. Those that have tasked sales reps to successfully achieve referrals by simple geographic area without respect to service line may find that different reps focus their energies on the areas of greatest familiarity or incentive.

By having specific sales team for each line, the tendency to favor one service line over another is eliminated and referrals are maximized. This is vital when working to find new institutional referral partnerships.

By coupling this with refined, targeted use of market data, post-acute providers can leverage their quality scores to not only succeed, but grow in the new CMS landscape.

The bottom line is those who improve outcomes and patient care will be those who see future business growth, regardless of the payment model that's in place. It's up to individual organizations to aggressively analyze their current operations and adjust their services, technology, and marketing to ensure their reimbursements are maximized for PDGM implementation and beyond.

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ABOUT PLAYMAKER HEALTH

PlayMaker Health's performance-built market, referral, and mobile CRM delivers the most comprehensive and current claims data, including Medicare Parts A and B, Medicare Advantage, Medicaid and Commercial. By combining market data and 37+ EMR integrations, PlayMaker's platform facilitates interoperability, turning data insights into actionable sales and growth intelligence. For more information, visit playmakerhealth.com.



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ABOUT HOME CARE 100

Home Care 100 is the preeminent conference exclusively for home care and hospice providers. We envision the best in leadership, strategy and innovation and help providers accelerate change towards a value-based system.

The 2020 conference takes place January 19-22 at The JW Marriott Miami Turnberry Resort & Spa. Visit homecare100.com for details.