RCM Solutions for
Home Health and Hospice

The post-acute care sector of the healthcare industry has seen substantial growth in recent years, but those who provide home health and hospice services face distinctive challenges that demand innovative solutions to provide a high level of patient care and remain profitable.

Home health and hospice providers are often independent practitioners or small - to medium-sized organizations that lack the resources of larger healthcare networks. They tend to rely heavily on practice management systems (PMS) and external agencies for assistance with revenue cycle management (RCM) and tracking the patient journey.

Fortunately, as post-acute care has broadened so have the technology and services available to help home and hospice providers and their partners optimize everything from scheduling to patient pre-authorization to medical coding to accounts-receivable management to credit resolution.

Challenges in the Home Health and Hospice Sector

Depending on the nature of medical treatment necessary and the unique needs of a patient, home health and home-based palliative care can offer numerous advantages over settings like hospitals for both patients and clinicians, including enhanced comfort and reduced costs.

The expansion of home health and hospice care has been fueled in part by imaginative entrepreneurs seeking to improve patient care and streamline the RCM processes. Yet post-acute care providers and their partners still face significant obstacles to sustainability and profitability.

❖ Patient Preference and Perception

Despite the rise in home health and hospice services, many older adults still prefer treatment in traditional settings. One study published in the Journal of the American Medical Association found that 54% of those age 65 and older would rather be treated in a hospital than at home.

Although perceptions surrounding home health and hospice care are changing, a Harvard Business Review article about home-based healthcare noted that this shift in mindset is somewhat generational. Many elderly patients especially find home-based care to be an ongoing reminder of their illness or an invasion of privacy. Some patients also like the social aspect and interaction of a hospital, where they are surrounded by others.

When it comes to hospice specifically, a study published in the Canadian Medical Association Journal found that while early palliative care is increasingly recommended by physicians and preferred by younger family members, it is often rejected by patients. The research indicates that many patients stigmatize home-based palliative care by associating it with death and feelings of hopelessness, despite evidence that home hospice care enhances patients' quality of life in their final days.

❖ Tight Profit Margins

Home-based healthcare can provide better outcomes than inpatient hospital care for many patients, according to an analysis conducted by The American Journal of Accountable Care. It can also offer lower costs, which is critical to post-acute care organizations that operate with tighter profit margins than acute healthcare providers and large healthcare networks.

There are several reasons for this profitability disconnect, including the diverse revenue streams to which larger healthcare entities have access. Due to the demographics of home health and hospice patients, many of whom are elderly, a majority of post-acute care revenue comes from Medicare reimbursements.

This narrow revenue stream is further diminished by the ongoing cuts to Medicare reimbursements for home-based care.

❖ Difficulty Attracting and Retaining Skilled Employees

The tight margins faced by home health and hospice providers are exacerbated by difficulty recruiting and retaining qualified employees.

The entire medical community has experienced an exodus of skilled workers fueled by the cumulative effects of the coronavirus pandemic and the mass job departure known as the Great Resignation. Replacing these employees has proven difficult, and many post-acute care providers have turned to PMS and outsourcing partners to fill the gap.

Post-Acute Care Partner Challenges

Yet the agencies that partner with home health and hospice providers for practice management and RCM solutions often face hurdles of their own.

❖ **Limited Resources**

Like the home health and hospice organizations they serve, some PMS and RCM service providers lack the resources for comprehensive solutions to improve revenue cycle efficiency and better the patient experience.

Many of these agencies also face the same staffing problems as other healthcare-related organizations. There are too many roles to fill and too few skilled workers to take them.

❖ **Incompatible Technology or Methodology**

Post-acute care providers often partner with multiple external or white-label vendors to handle RCM processes including eligibility verification, Medicare claims submission, medical coding and patient-access solutions.

But in some cases, these vendors are operating with outdated technologies that aren't compatible with one another, or with human services that lack specialization in medical care and corresponding requirements regarding coding, billing, claim denials and appeals, and other key functions. This can ultimately be more a hindrance than some help.

Post-Acute Care Administrative and Claims Workflow Requirements

Anyone who works in the home health and hospice fields understands the importance of the administrative and claims workflow. Every step in this process is integral to a functioning practice, a strong revenue cycle and optimum patient care.

A practical option with which post-acute care providers and PMS vendors can manage administrative and claims workflow is through a scalable, end-to-end RCM solution. Following are just a few of the vital needs that can be addressed by a fully integrated RCM service.

❖ Eligibility 270 and 271 (Healthcare Eligibility Benefit Inquiry and Response)

Properly identifying healthcare eligibility and benefits is one of the earliest and most important steps within the healthcare revenue cycle. Whether on an individual or batch level, getting this information correct upfront ensures timely, appropriate payments and enhances patient satisfaction.

❖ Claims Submission 837 and 835 (Electronic Submission of Healthcare Claims and Payment Information)

Errors in claims submission or corresponding payment information can contribute to claim denials, delay payments, and diminish the patient experience. An end-to-end RCM solution allows opportunities for automation to simplify and accelerate the process, decrease human errors, increase claims approvals, and improve time-to-payment.

❖ Claims Corrections Capabilities

An RCM service able to submit claim remittances but lacking corrections capabilities is not performing up to potential, or to the real-world financial and productivity needs of home-based health providers. A comprehensive RCM solution helps reduce claims-related errors, and it also offers the ability to easily correct and resubmit claims when data is inadequate or insufficient.
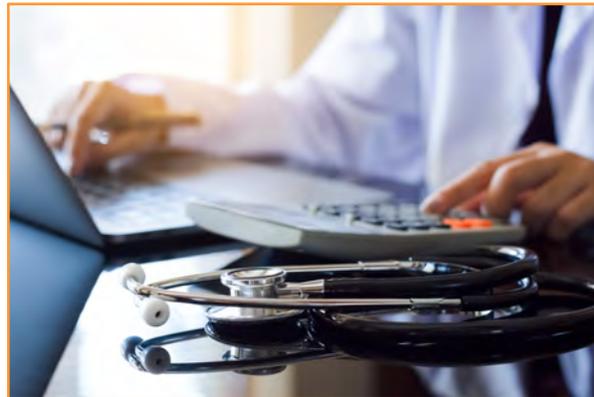
❖ Direct Data Entry (DDE)

Direct data entry is one of the most valuable tools available to providers who work with Medicare. It grants direct access to the Fiscal Intermediary Shared System (FISS) and allows for claims entry, inquiry, monitoring and more. While use of DDE isn't required, it can significantly improve efficiency within a practice. Therefore, it's an integral element of any end-to-end RCM solution.

❖ Claims Status 276 and 277 (Claims Status Inquiry and Response)

The electronic data interchange (EDI) for claims status inquiries, form 276, and responses, form 277, has replaced the necessity of managing claims and payments manually. This is another example of a common process that can be incorporated into an RCM system to improve workflow and free up employees for tasks that more directly impact patient care and workflow.

❖ Consumer Assessment of Healthcare Providers and Systems (CAHPS) Surveys

Since they're required by the Centers for Medicare and Medicaid Services (CMS), CAHPS surveys are crucial to the healthcare industry at large. Home-based care providers must deal with additional documentation, including Home and Community-Based Services (HCBS) applications. Modern RCM solutions allow post-acute care providers to remain up to date on these surveys and in compliance with the CMS and other regulations that govern healthcare.

Advantages of a Fully Integrated RCM for Home Health and Hospice

An end-to-end RCM service is ideal for nearly all medical practices, but there are certain benefits that stand out for home health and hospice providers and their PMS partners.

Many practice-management systems utilize RCM features, but these services often lack a full suite of RCM tools designed to communicate with one another. This means many post-acute care providers and PMS vendors are missing out on opportunities to improve productivity, increase accuracy, grow revenue and refine the patient experience.

- **Scheduling**
- **Eligibility/prior authorization**
- **Medical coding**
- **Claims submission**
- **Accounts-receivable management**
- **Claims correction and status management**
- **Credit resolution**
- **Patient access solutions**

For home health and hospice providers, implementing an RCM solution or incorporating an RCM service with an existing PMS platform offers additional advantages.

❖ Smooth Integration

The necessary tasks outlined above must also be linked to patient engagement, staff management and other factors that affect the revenue cycle and patient care.

A scalable RCM solution offers customization to meet the individual needs of a post-acute care provider or PMS vendor. Moreover, an advanced RCM service is created with compatibility in mind; it can function smoothly with existing applications and be scaled up to take over tasks from other technology or staff.

❖ Revenue Growth

Many of the challenges faced within the home health and hospice disciplines could be remedied by growing revenue. For example, an organization that makes more money can afford to hire more skilled healthcare professionals. Similarly, a PMS vendor that can market a true end-to-end RCM solution will have a significant advantage over competitors.

Yet many post-acute care providers and their partners work with RCM agencies that focus on limited areas. These providers are often not medical experts, even in their chosen focus areas. Working with an RCM service who offers deep healthcare specialization is instrumental to elevating revenue because they yield value in every stage of the revenue cycle and patient journey.

❖ Faster Payment

Effective revenue management requires evolving with technology, and automation and artificial intelligence (AI) are two areas that can improve workflow efficiency and speed up payments.

Advances in automation and AI allow claims to be processed in real time, which hastens claim approval and payment. Automation of certain tasks can also help reduce claim denials and expedite appeals, which lead to improved payment efficiency and profitability. This is extremely beneficial to home health and hospice organizations operating with thin profit margins.

❖ Improve Cash Flow

Automation doesn't just make RCM tasks more efficient; it can also improve cash flow by diversifying revenue sources through a single processing system.

Multiple platforms are not required to process reimbursements from separate payers. An end-to-end RCM solution can process all claims from Medicare, Medicaid, and other health insurance and commercial payers through a single funnel that offers complete transparency.

❖ Cloud-Based Operations

The cloud offers many benefits over on-premises RCM platforms.

There is no memory-hogging software to install, no technician visits, no hands-on updates, no viruses, or bugs. Cloud-based RCM solutions provide easy, convenient, and secure access at all times, and they are automatically updated to maintain industry compliance with the likes of the CMS and the Health Insurance Portability and Accountability Act (HIPAA).

❖ Stem Potential Revenue Loss

State-of-the-art RCM solutions can process, track and correct claims in real time. They can also automate Medicare eligibility verification and claims processing.

These capabilities make it easier to avoid costly mistakes and prevent potential revenue loss. Furthermore, these functions may prove essential for home health and hospice providers who rely on timely Medicare reimbursement to remain profitable.

GeBBS Healthcare Solutions: Revolutionizing RCM

Though post-acute care is an expanding field, home health and hospice providers and their practice-management vendors face notable challenges not shared by other healthcare categories. But with the end-to-end RCM services offered by GeBBS Healthcare Solutions, it's possible to succeed even against a stacked deck.

GeBBS works directly with individual providers and healthcare agencies, as well as practice-management services seeking white-label RCM solutions. Healthcare organizations that partner with GeBBS often experience measurable improvements to their workflow efficiency, profitability and patient care.

GeBBS Healthcare Solutions is a KLAS-rated provider of technology-enabled RCM and health information management (HIM) services. GeBBS' innovative technologies are backed by a global workforce of healthcare experts whose mission is to help GeBBS' partners improve their financial performance, maintain regulatory compliance and upgrade the patient experience.

Headquartered in Los Angeles, GeBBS is ranked among Modern Healthcare's Top 10 Largest RCM Firms, Black Book Market Research's Top 20 RCM Outsourcing Services and Inc. 5000's Fastest-Growing Private Companies in the U.S. Connect with GeBBS today to request a consultation.

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