HOME CARE 100®
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KanTime
Healthcare Software

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Thought Leadership Series, 2021

Driving Growth Through Payer Diversification

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SUCCESS FOR POST-ACUTE CARE AGENCIES

The demand for post-acute care continues to grow as technology enables care to be moved away from medical facilities and into the home. Post-acute care agencies are treating patients in all life stages and are embracing greater diversification as they are poised to expand into different provider types. The opportunity for growth is huge.

So how are post-acute care agencies positioning themselves to manage this growth? A key strategy is to develop a wide array of payer configurability. Agencies with a single payer concentration are at the mercy of that one state, federal or MCO payer. Payers frequently change rules and requirements with no notice causing agencies to spend extensive hours researching and resubmitting rejected claims.

To mitigate the risk, agencies are moving to a more diverse payer mix. This strategy enables much top line revenue growth and margin improvement. Let's look at some of the opportunities that employing a diversified payer mix allows..

1 REFERRAL SOURCES

Under a single payer mix, referrals from trusted sources are often turned down if the patient qualifies under a different plan. Moving to a diversified payer mix enables an enhanced relationship with referral sources, as well as a deeper breadth of payer services.

2 PATIENT CARE

A diversified payer mix offers continuity of care for patients as they move from one care stage to another. Agencies can offer a more comprehensive approach to the care of patients, which leads to a better patient outcome.

3 WORKFORCE

A more diverse payer mix leads to a more fully engaged and expanded workforce. With more payers comes more guaranteed work hours for skilled staff, as well as allowing for staff personal preferences, such as geographically desirable cases. These factors all drive higher margins that will in turn allow for more competitive compensation for the workforce.

4 INVESTORS / ADDITIONAL CAPITAL

Having a more diverse payer mix also makes agencies much more attractive to investment firms and banks as more payers lends itself to risk abatement. Potential investors view multiple payers as contributing to less margin degradation. Additional payers drive increased market share for agencies and contribute to top line revenue growth.

CHALLENGES OF A MULTIPLE PAYER MIX

As agencies add additional payers to their mix, there are challenges that must be mitigated. With hundreds of plans throughout Medicare, Medicaid, private insurance, etc., come dozens of portals with different requirements and dissimilar interfaces. Learning to navigate each portal takes time, and even once learned, the requirements can change seemingly overnight and without warning.

Some portals are more easily managed, but others require more labor and hard copy files, phone calls, faxes, etc. Managing these dissimilar payers and their portals requires good communication and integrated solutions throughout the team. Each team member needs to understand the rules and how they will affect compensation. Even with these challenges, the benefits of a strong payer configuration outweigh the issues.

WISDOM FROM THE EXPERTS

Home health agency experts agree that the initial learning curve of a new payer's processes, rules and regulations can cause a higher denial rate, which is to be expected. When dealing with a new payers' portal, they advise creating a matrix of similar issues to address with the payer. This will assist staff in achieving more rapid resolutions with less labor. The importance of automating these processes and leveraging the results for faster resolution in the future cannot be overstated.

When adding a new payer, staff need to understand the payer process and regulations around the industry. Every payer has experts who can assist staff in quickly learning these processes. Leverage these experts at the vendor, the state, and consultants in the field as much as possible. They can help staff understand the efficiencies to be gained and assist with profitability. The last thing an agency wants is to leave money on the table.

INTELLIGENT TECHNOLOGY SOLUTIONS

When diversifying a payer mix or expanding lines of business, choosing the right technology platform for an agency is of paramount importance. Different lines of business require different functionality in a software platform. With a mix of payer types, compliance

requirements need to be tightly managed to ensure conformity. Claims, billing, scheduling, and compliance all need to be tied into the system. Enhanced reimbursement opportunities increase with the use of the right technology.

A single, bi-directional software solution, which works seamlessly across all aspects of the business, will yield the greatest degree of compliance and efficiency for an agency. Automated workflow processes that assign tasks only when they're approved at the prior level eliminate wasted time. Configurable criteria enable individualized patient care and will generate flags when a situation is outside the preassigned parameters. Incorporating all the facets of an agency's business all within a HIPPA-compliant environment will expedite reimbursements while contributing to better patient outcomes.

INTEROPERABILITY

When choosing a single software solution, an agency needs to consider their existing software partner's platforms to ensure the software dovetails into the overall operation. As well, choosing a solution that partners with leading innovative healthcare IT solutions will result in greater efficiencies across the board.

SUMMARY

There is incredible room for growth in the home health agency business through integrating a diversified payer mix. Doing so will allow the agency to add lines of business, as well as increase the efficiency in delivering care. Having the right partners with the right solutions who can help agencies navigate as they grow will drive positive bottom-line results.

ABOUT KANTIME SOFTWARE

KanTime is the Enterprise Software that handles multiple service lines, including home health, home care, hospice (outpatient and IPU), pediatrics, and self-direction. We support configurable payer configurations. If your services fall under the post-acute side of the industry, then we solve the complexities with our configurable solution. We serve over 912,000 patients and 210,000 users across 42 states. KanTime has over 70,000,000 visits scheduled and over 2,000,000 EVV Check-Ins/Check-Outs every year. KanTime is device agnostic, so no matter if your point of care device is an Apple, Android, or Windows-based product, we provide seamless documentation online and offline. Our platform was built on two core principles, "Do It Right the First Time" and "Manage by Exception," both of which empower providers to improve operational efficiency and deliver quality patient care.