



Bigger is Better: Three Strategies for Growing Your Home Care Agency

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Increasing regulatory demands and shrinking reimbursements are making it harder for home care agencies to make a profit. One way to combat this margin squeeze is to grow your business so that you can create economies of scale and allocate fixed costs across a larger number of patients.

Here are three strategies for successfully growing your home care agency, all aimed at increasing market share. Each also requires the right business processes, resources and technology investments to succeed.

Diversify Payer Sources

With healthcare reform fully underway, there are unique opportunities and challenges within each business line — Medicare, Medicaid and Private Pay. By diversifying your payer sources, an agency can better balance the risks and rewards associated with each, and gain a larger share of the market.

For example, while Medicare has historically been the largest source of funding for home care, the system's move to risk-based contracts in 2016 will significantly shift this business model. In the meantime, many expect Medicaid patients to grow in number under the Affordable Care Act (ACA,) creating more demand for home care but governed by a complex authorization system that will make accuracy and timeliness essential to turning a profit.

Private pay comes without all the red-tape of government-funded programs, but is a price-sensitive, consumer-driven business model due to the large amount of out-of-pocket expense. Finding a platform that can manage all business lines with the same high level of efficiency and accuracy and with the ability to adapt as quickly as regulatory requirements change is often the challenge.



Penetrate Market By Integrating New Services

Vertical integration of home health and hospice services is a growing opportunity for agency expansion. Demand for both is expected to exponentially grow as the number of Americans over the age of 65 is projected to double from 43.1 million in 2012 to 83.7 million in 2050, according to the U.S. Census Bureau.

While the operating models between the two are similar, there are cultural differences to manage and a shortage of qualified employees. Therefore, advanced recruiting techniques, scheduling tools and systems aimed at achieving high employee retention and job satisfaction are a competitive advantage.

Expand Geographically

For agencies that choose to focus on a single business line, geographic expansion is the best opportunity to grow. Depending upon your services, managing payer sources that may differ from county to county and supply and demand trends that may vary from market to market requires robust business software that can simplify and automate operations.

Managing Agency Growth

No matter which growth strategy is chosen, the one constant is “data is king.” You have to have a robust software tool in place, but even more important is having a consultative partner to guide you on how to analyze and use the data to make better business decisions.

About Complia Health

Complia Health is a leading global provider of technology and expertise for the long-term and post-acute care market. Nearly 3,000 home health, residential, community care, and hospice organizations count on Complia Health for the clinical, operational, and financial solutions required to profitably deliver quality care. Complia Health’s innovative products—including Procura, ContinuLink, Suncoast, Igea, and Progresa—are supported by a team of global health and technology experts located in the United States, Canada, and Australia. For more information, visit www.compliahealth.com

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