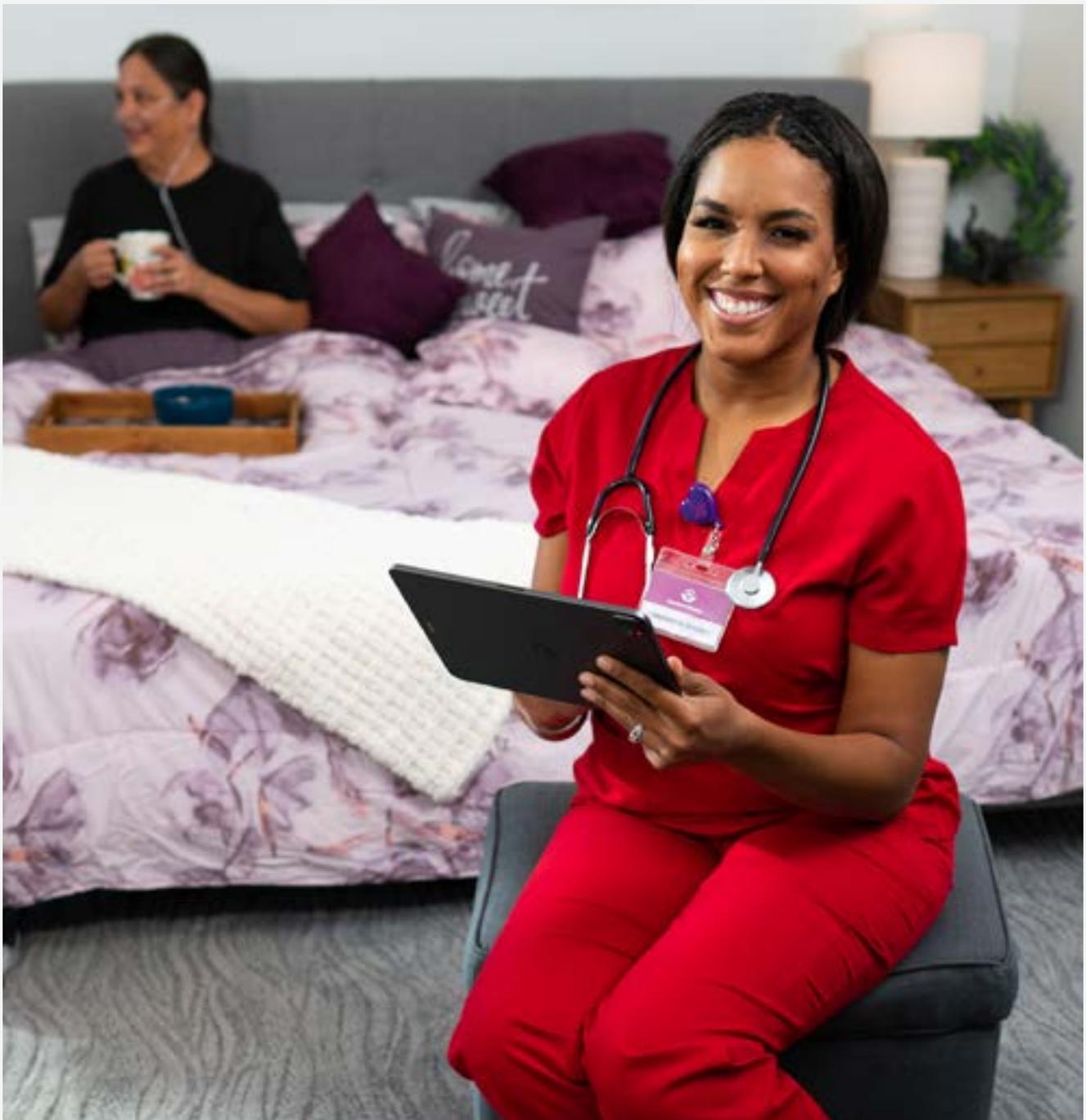




2024 INDUSTRY TRENDS REPORT



EXECUTIVE SUMMARY

Industry Trends Survey Shows Agencies Focusing on Efficiencies While Dealing with Changing Payment Dynamics and Regulatory Challenges

In a survey of thousands of home-based care providers from agencies of all sizes, key takeaways show care at home providers will be focused on efficiencies to improve operations while dealing with changing payment dynamics and regulatory challenges in 2024.

The survey conducted in December 2023 by healthcare technology leader Axxess in partnership with the Council of State Home Care and Hospice Associations and the Forum of State Associations also showed that care at home organizations recognize technology can play a key role in addressing challenges.

While respondents indicated a number of challenges facing them in 2024, two were noted by more than 50 percent of respondents: staffing (62%) and changing payment dynamics related to alternative payment models (51%). Regulatory changes, audit scrutiny and oversight (37%) and employee engagement (35%) were cited by more than one in three.

Asked about their organization's state of preparedness for meeting regulatory and reimbursement challenges in 2024, only 10% of respondents indicated their organizations are prepared for the key issues that will impact care at home providers, though another 34% indicated their organizations are somewhat prepared. This suggests a greater need for process improvements and efficiencies to mitigate the impact of regulatory changes among most organizations.

Among the biggest opportunities to help their organizations' bottom line, improving operational processes (63%) and increasing market share (42%) were most cited. Organizations will be looking to improve operations primarily

through staffing and scheduling optimization (66%), employee upskilling (40%) more efficient clinical documentation (36%), revenue cycle management optimization (28%) and data analytics optimization (25%).

Asked about the primary driver for technology investment, that which can help improve operational processes received the most citations (50%), but the need for technology to assist with employee engagement and retention (44%), training and upskilling (43%), more effective documentation processes (37%), and compliance and regulatory scrutiny (33%) were also noted. Referral partnerships were highlighted by more than one in four respondents.

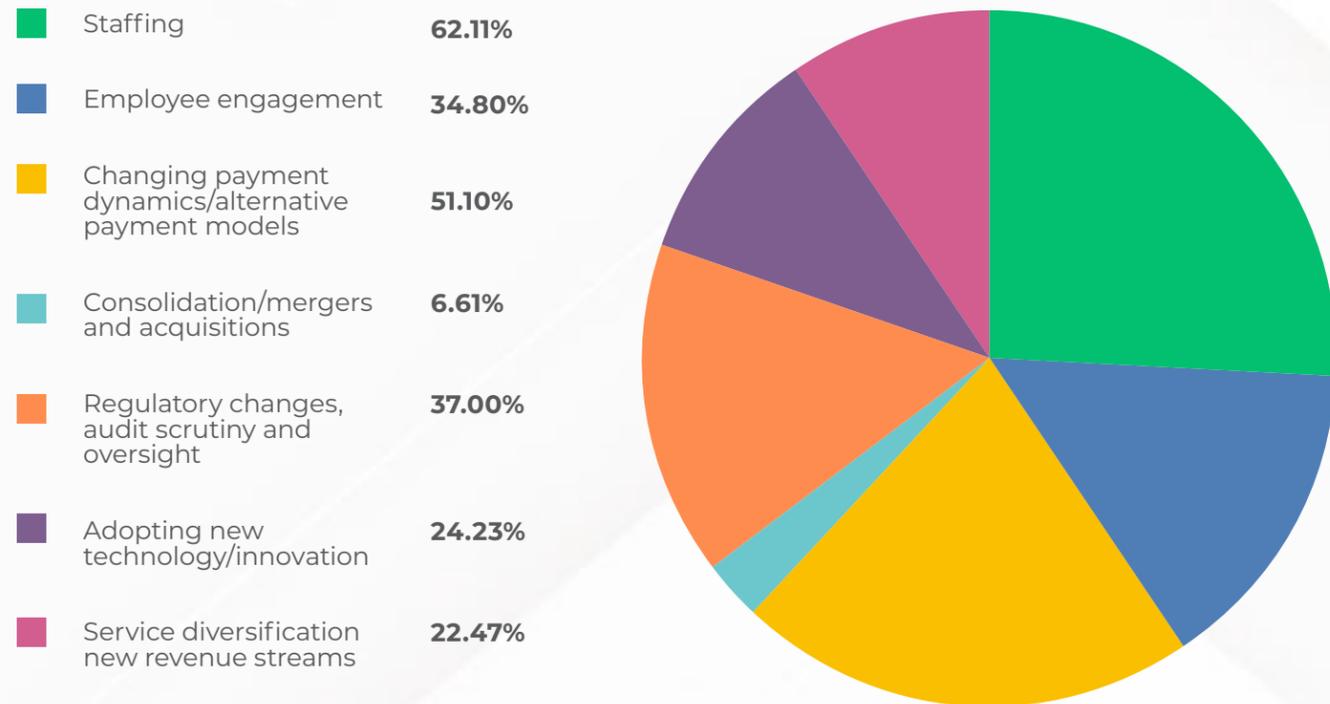
Conclusions

Care at home organizations want to remain viable and deliver high-quality care at home by looking to streamline operations through greater efficiencies. Hospice and home health care reimbursement is shifting toward a focus on both value and quality so embracing technology is the fastest way to elevate operations in a way that improves efficiency, optimizes outcomes and attracts and retains staff.

Based on the survey findings, numerous best practices to consider are offered by Axxess and other industry leaders at the end of this report to help agencies thrive in the years ahead.

SURVEY QUESTIONS AND RESULTS

As you prepare for 2024, what issues most concern you?
(Choose all that apply)

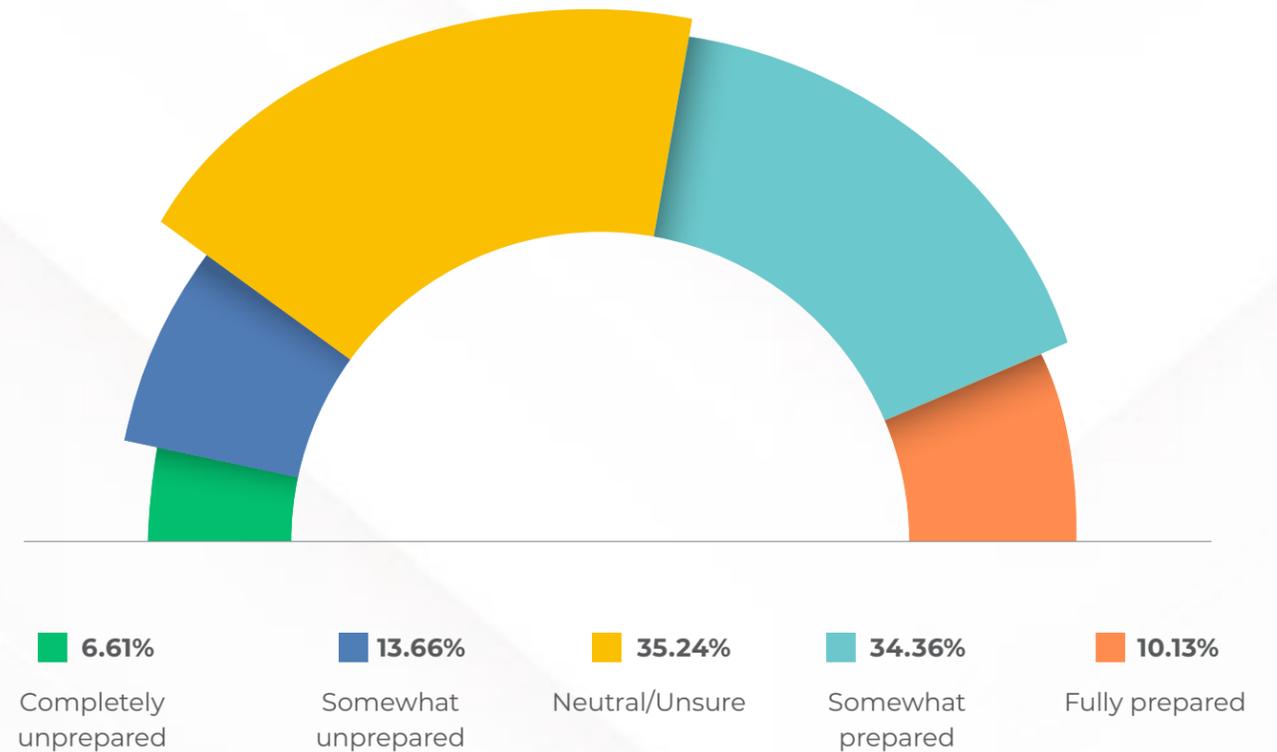


KEY INSIGHT

While a number of challenges were highlighted, two were noted by more than 50 percent of respondents: staffing (62%) and changing payment dynamics related to alternative payment models (51%). Regulatory changes, audit scrutiny and oversight (37%) and employee engagement (35%) were also noted.



Are you prepared for major regulatory changes, like shifts in reimbursement models or new compliance requirements?

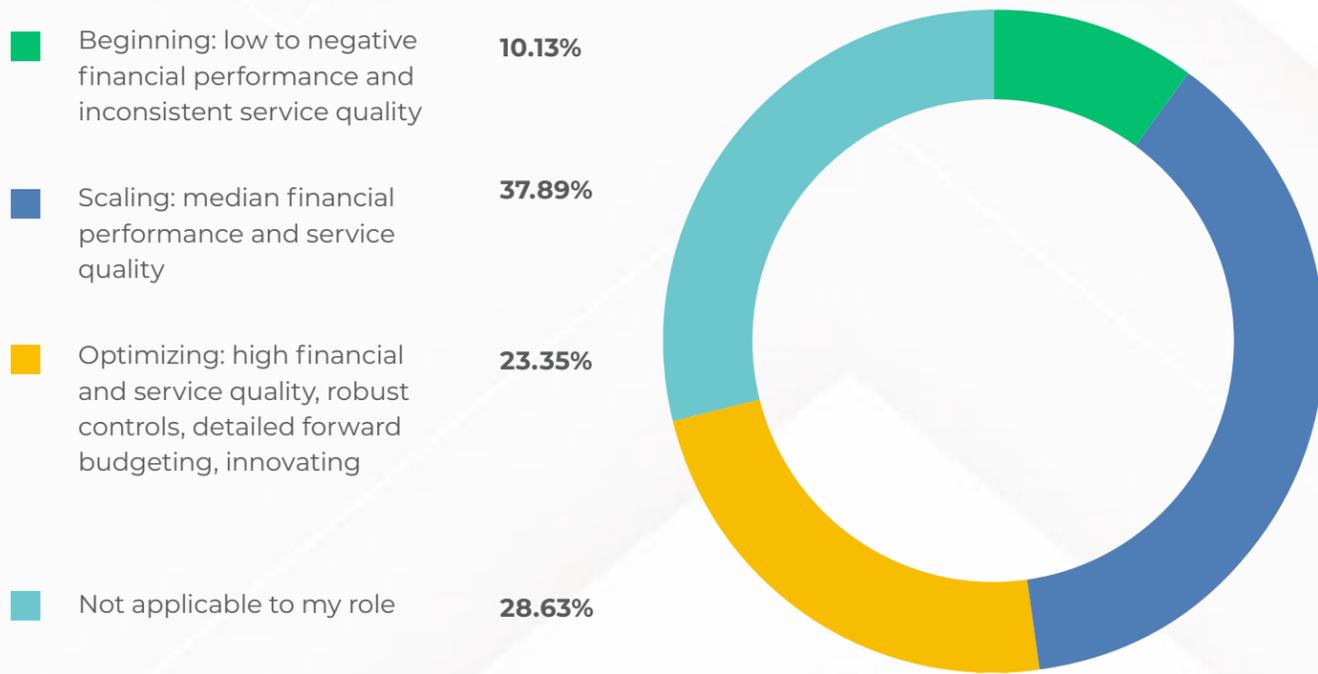


KEY INSIGHT

As the new year begins, only 10% of respondents indicated their organizations are fully prepared for the key issues that will impact care at home providers, though another 34% indicated their organizations are somewhat prepared. This suggests a greater need for process improvements and efficiencies to mitigate the impact of regulatory changes among most organizations.

SURVEY QUESTIONS AND RESULTS

How would you define your organizational maturity?

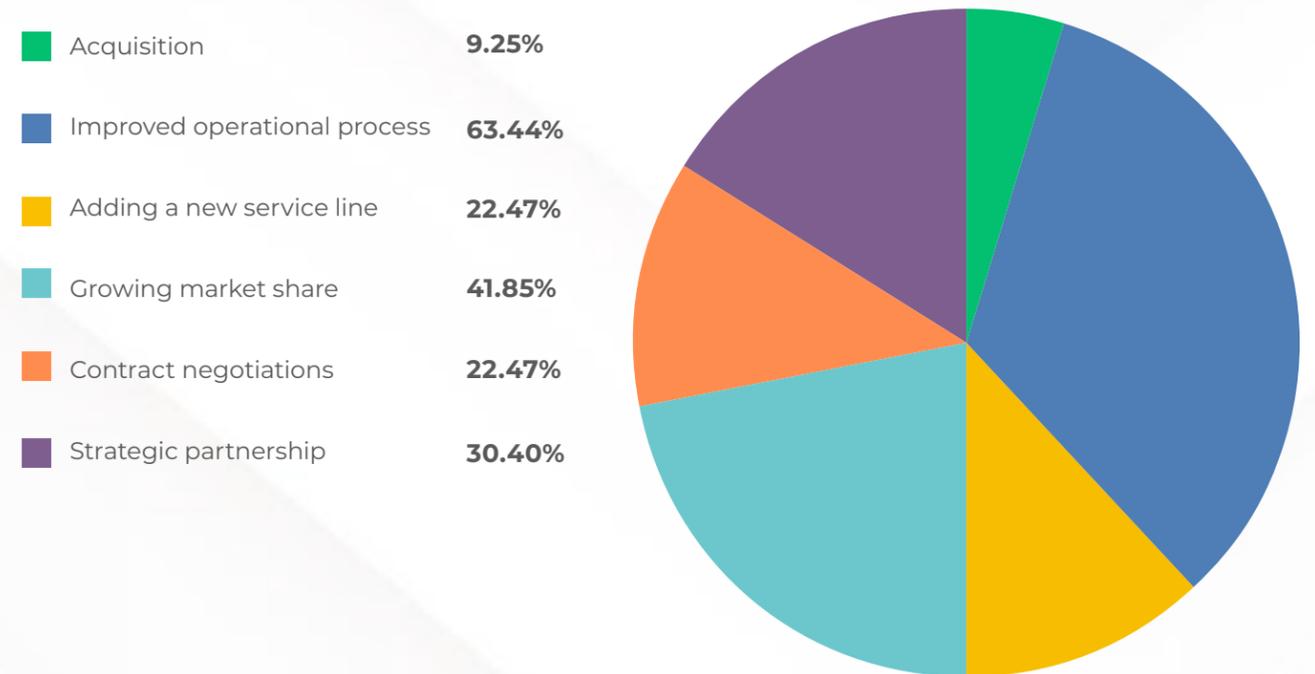


KEY INSIGHT

Of those with roles in their organization who would be knowledgeable, more than three-quarters of respondents indicated their organizations are scaling and optimizing, which suggests they will be relying on greater efficiencies to help them thrive and grow.



Which areas have the biggest opportunities to improve your bottom line in 2024? (Choose all that apply)



KEY INSIGHT

While several opportunities were identified improved operational processes (63%) and growing market share (42%) received the most citations. Coupled with responses to other questions, these suggest organizations will be placing a strong emphasis on internal efficiencies to help them grow.

SURVEY QUESTIONS AND RESULTS

Which areas have the biggest opportunity to improve your operations in 2024? (Choose all that apply)

■ Clinical documentation	35.68%
■ Revenue cycle management optimization	28.19%
■ Staffing/scheduling optimization	66.08%
■ Routing optimization	7.93%
■ Data analytics optimization	25.11%
■ Employee upskilling	39.65%



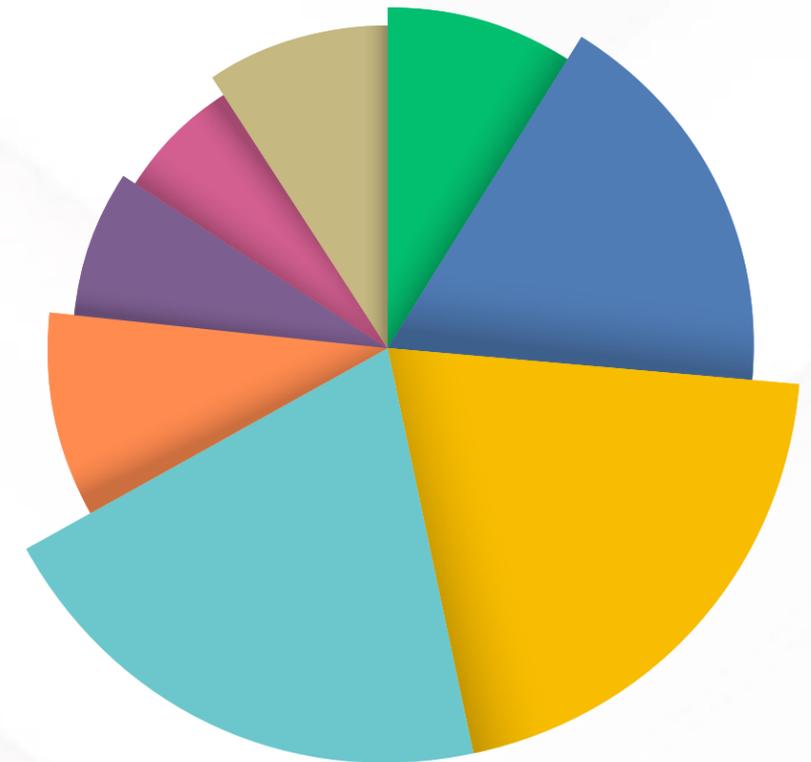
KEY INSIGHT

Providing deeper insight into the findings in the previous question, organizations will be looking to improve operations primarily through staffing and scheduling optimization (66%), employee upskilling (40%) more efficient clinical documentation (36%), revenue cycle management optimization (28%) and data analytics optimization (25%). Axxess has solutions and programs that address all of these opportunities for organizations to improve operations.



What technology investment will yield the greatest return on investment for your organization in 2024? (Choose all that apply)

■ Remote monitoring/telemedicine/telehealth	19.38%
■ Patient engagement	35.68%
■ Staff training technology	45.37%
■ Employee engagement	47.14%
■ EHR/EMR	23.79%
■ Predictive analytics	18.50%
■ Automation/Interoperability	16.30%
■ Claims data analysis	22.03%

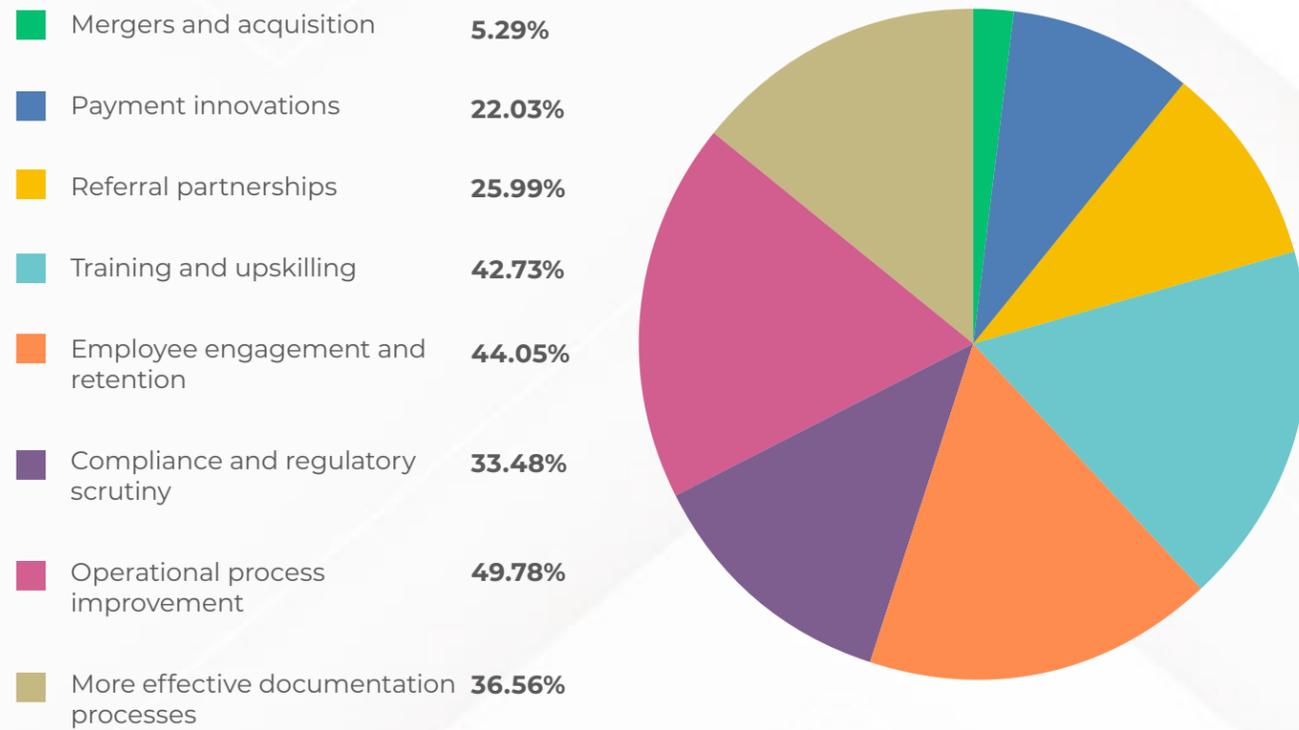


KEY INSIGHT

Respondents cited numerous areas where technology investment can yield a high return on investment for their organization. Technology to improve employee engagement (47%) and staff training (45%) were most noted, and patient engagement was indicated by more than one in three respondents as well. Clearly, there is awareness of how investments in technology can pay big dividends.

SURVEY QUESTIONS AND RESULTS

What is the primary driver for technology investment in 2024? (Choose all that apply)

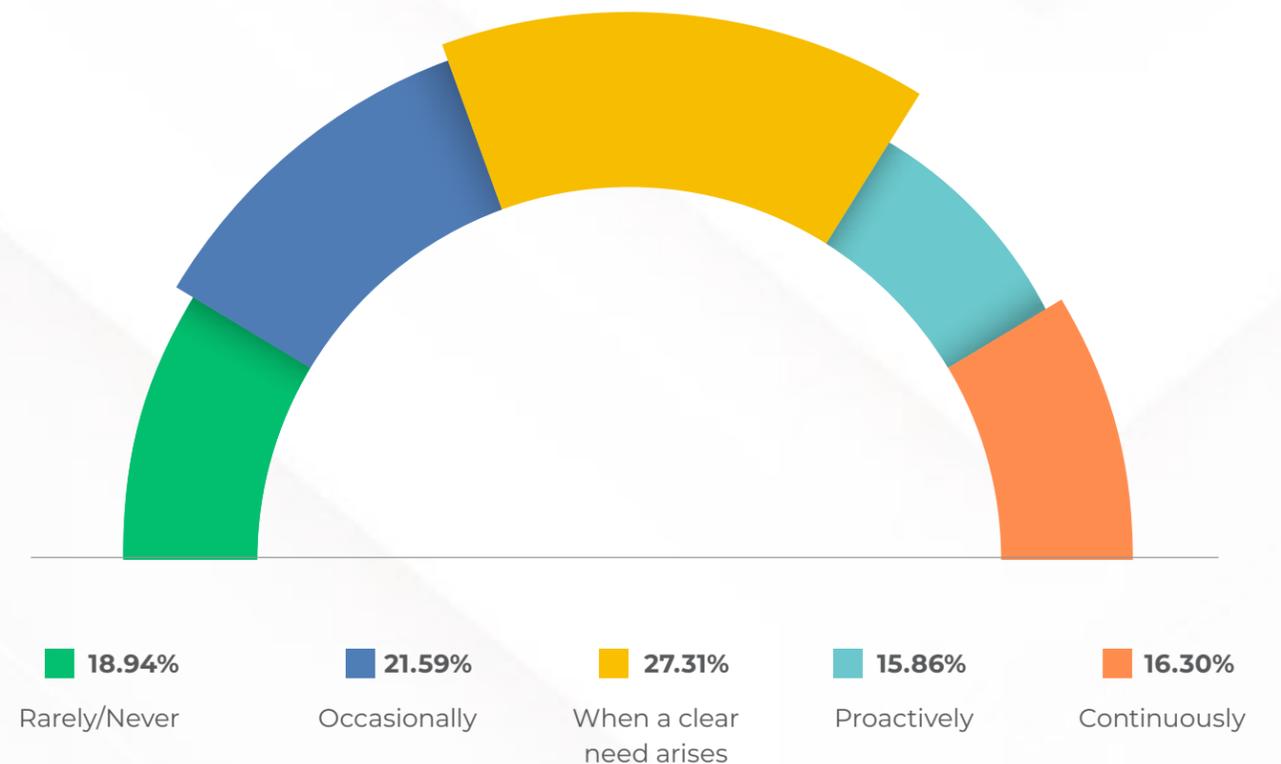


KEY INSIGHT

Looking to use technology that can help improve operational processes received the most citations (50%), but the need for technology to assist with employee engagement and retention (44%), training and upskilling (43%), more effective documentation processes (37%), and compliance and regulatory scrutiny (33%) were also noted. Referral partnerships were highlighted by more than one in four respondents.



How often does your organization explore and adopt new care models or revenue diversification strategies?



KEY INSIGHT

Only 32 percent of respondents indicated that their organization is proactively or continuously exploring and adopting new care models or revenue diversification strategies. Most are only addressing these opportunities as the need arises or less often. This seems to indicate organizations can improve their future standing with more attention to these areas.

SURVEY QUESTIONS AND RESULTS

How does your organization determine what service line a patient is eligible for at the right time?

- Clinical judgement **54.19%**
- LCDs/ Regulatory guidance **27.31%**
- AI/Technology **3.96%**
- None of the above/ We do not have a system in place **14.54%**

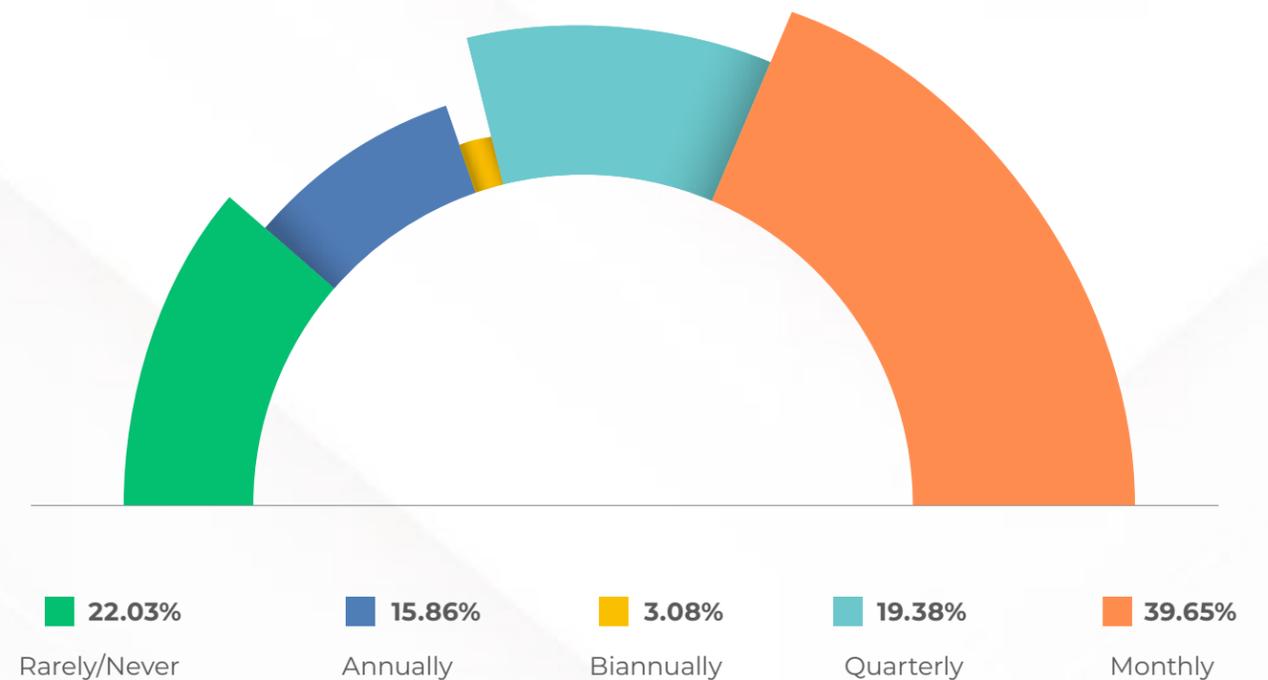


KEY INSIGHT

More than half of respondents indicated their organization relies solely on clinical judgment to determine eligibility of care for patient. This suggests there needs to be greater awareness of how improving technologies and developing artificial intelligence capabilities can assist with this critical need.



How often do you conduct internal auditing for compliance and oversight?



KEY INSIGHT

Nearly 60% of respondents indicated their organizations are conducting internal audits for compliance and oversight at least annually, with 40% doing it on a monthly basis.

BEST PRACTICES TO CONSIDER



CHRISTINA ANDREWS

Senior Director
Professional Services
Axxess



ARLENE MAXIM

RN, HCS-C
Senior Vice President
Clinical Services
Axxess



SARA RATCLIFFE

Executive Director
Indiana Association for Home
and Hospice Care



EVAN C. REINHARDT

MBA, JD
Executive Director
Indiana Association for Home
and Hospice Care

- ▶ **Attract top talent.** Today's workforce isn't uniform – five generations are working together, each bringing a unique work style. It's essential to implement different strategies and approaches to meet these unique needs.
- ▶ **Develop a strategic plan focused on enhancing employee well-being.** Invest in your staff in both big and small ways. Creating an employee-centric culture will reduce turnover and drive positive patient results.
- ▶ **Assess how your technology ecosystem drives organizational health.** 2024 is a pivotal year of education with multiple regulatory changes throughout the industry. In addition, younger leaders are emerging due to staffing constraints who may be in leadership positions that are new to them. It is imperative for agencies to give them the training, education, and tools they need to succeed.
- ▶ **Use dashboards and business analytics available in the EMR.** Utilizing these tools daily in the review of organization processes will assist in staying current with any financial issues resulting from clinical and operational practices. This information will enable managers to react more successfully to issues occurring during the year.

- ▶ **Develop a strategic growth plan to protect and increase your revenue.** A growth strategy that incorporates branding and messaging with specific sales techniques and concepts will drive market share and penetration.
- ▶ **Elevate organizational payment innovation.** In terms of payment innovation, the Quadruple Aim drives payment innovation by promoting value-based care. Determining an organizational interest and readiness in adapting a new alternative payment model can best be assessed by the health alignment of the quadruple aim.
- ▶ **Improve payer partnership success with meaningful data.** Knowing the metrics that matter most to the payor will make it possible for agencies to make changes necessary to improve the bottom line and to align with payors.
- ▶ **Grow strategic partnerships to strengthen organizational footprint.** Assess organizational partnerships alignment with vision and mission. Develop and grow new partnerships in the areas that impact interoperability, payer relations, staffing optimization and growth initiatives.
- ▶ **Improve the patient experience.** The ability to serve patients more upstream within their disease trajectory and determining the right level of care at the right time creates a unique patient experience and promotes organic growth.



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