



# From Better Clinical Capacity to Maximized Reimbursement: Creating a Home Health Care Virtuous Cycle

By MedBridge

# Overview

The demand for home health care has risen dramatically in recent years, with demand exceeding capacity— forcing agencies to turn away referrals.<sup>1</sup> At the same time, clinician turnover remains high, heavy backfilling of roles is required, and payment models are changing.

Home health agencies have an ongoing need to recruit, onboard, and retain nurses in an attempt to solve the gap in capacity. Approximately 11,000 new nurses enter home health each year to help keep up with the rising demand, but home health nurse turnover rate is a staggering 32 percent.<sup>2</sup> That means that approximately 118,000 nurses in the U.S. would need onboarding each year to solve this growing problem. Luckily there’s a way to maximize reimbursement by addressing the problems of clinical capacity limitations, creating a ‘virtuous cycle’ that starts with better onboarding and supports nurses throughout their entire career.

**This eBook will dive into:**

- 1 Why growing clinical capacity issues threaten to upend home health care
- 2 How a digital home health ecosystem can help you avoid the ‘vicious circle’ of staff attrition
- 3 How MedBridge can help you achieve the ‘virtuous cycle’ that will boost clinical capacity for years to come

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## Introduction

The home health industry is in crisis. Demand for home health care has skyrocketed, but clinical capacity shortages have prevented agencies from keeping up, forcing them to turn away an unprecedented 76 percent of referrals last year.<sup>3</sup>

But this massive increase in demand isn't just an age-related issue. More patients each year simply prefer to receive care in the comfort of their own homes.<sup>5</sup> Additionally, higher acuity patients with complex condition are now being referred more often to home health rather than inpatient care.<sup>6</sup> To increase capacity, agencies need to recruit, hire, and onboard new nurses and get them up to speed quickly to prepare them for this influx in patients. However nurses are in short supply, with 175,000 more nursing jobs opening across all practice settings each year.<sup>7</sup> That means more competition for a smaller field of nurses—and for many, expectations around pay and working hours have changed.

Because of the rush to boost capacity in the short term, many of these new nurses will wind up receiving training that is created for other settings. Once in the field, nurses who need assistance with a skill or a quick refresher often lack access to resources. Without their agency providing evidence-based education, they may feel like they need to turn to substandard or unvetted sources like YouTube, leading to a knowledge gap that can have serious consequences for patients.

### The Rise of Medicare Spending

According to data from the U.S. Census Bureau, the number of people aged 65 and older in the United States has grown from 35 million in 2000 to approximately 55 million in 2020. People aged 65 and older are also statistically living longer, and every day 10,000 more people turn 65 and qualify for Medicare.<sup>4</sup>

Within the next 6 years, 76 million members of the Baby Boomer generation will qualify for Medicare. As a result, **Medicare spending is expected to more than double over the next decade due to increased enrollment and health care costs.**

# Introduction

## Continued

Complicating matters are the new reimbursement models introduced over the past decade that have shifted the industry to value-based care, meaning agencies have to demonstrate that they are providing better quality care and driving better outcomes. This reimbursement is heavily reliant on staff performance metrics like OASIS accuracy, HHCAHPS surveys, and emergency department and hospitalization claims.

Meanwhile, the Centers for Medicare & Medicaid Services 2024 CY Proposed Rule for home health includes reduced net home health payments by -2.2 percent in calendar year 2024.<sup>8</sup> Whether this is adopted in the Final Rule or not, cuts are on the table yet again. Simply put, agencies and the patients in their care cannot afford to have nurses who are not adequately prepared for the field.

Taking OASIS as an example, agencies need the right training solution to help efficiently onboard nurses with full-scope OASIS training and remediate common errors, otherwise inexperienced or ill-prepared staff can make mistakes that lead to cuts in reimbursement. With 35 percent of an agency's quality score based on OASIS accuracy, any mistakes can quickly become very costly in an environment when home health agencies are already feeling the squeeze.

Without a solution to address these critical needs, home health agencies run the risk of poor outcomes, increases in rehospitalizations, employee burnout and attrition, and lost reimbursement and other opportunities.



**35%**

**of an agency's quality score  
is based on OASIS accuracy**



## The Home Health Ecosystem

Ecosystems exist across many industries, with one of the most prominent examples being Amazon, which leverages a virtual data backbone to offer products and services including retail, transportation, cloud computing, payments, entertainment, and even an attempt at home health care.

A **home health ecosystem** is a set of services centered around the patient that delivers a personalized and integrated experience, improving outcomes while boosting provider capacity with efficient onboarding and ongoing training. Some of the individual solutions that contribute to a home health ecosystem are already in play today, like Learning Management Systems that streamline training and patient monitoring tools that help relay valuable data to healthcare workers. But the true power of the home health ecosystem is when a robust suite of solutions work together to reinforce each other and create a **'virtuous cycle'** that grows stronger over time.

The home health ecosystem of the future will guide patients along their entire care journey, with the goal to increase the number of healthcare touchpoints to promote engagement and improve outcomes. Lower acuity patients with less serious medical challenges can be managed with fewer in-person touchpoints while keeping them healthy, freeing up more hands-on care for higher acuity patients with more complex or chronic conditions. This will become especially important as more care moves into the home.

For agencies, this process starts with onboarding but, crucially, doesn't end there. More efficient onboarding leads to better new hire time-to-productivity, expanding clinical capacity. An increase of well-trained nurses in the field helps maximize reimbursement by driving better outcomes, enabling agencies to negotiate better Medicare Advantage rates by weaving stronger education into practice. A holistic home health ecosystem is critical to success, otherwise agencies run the risk of falling into the **home health 'vicious circle.'**

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### Virtuous Cycle

When a robust suite of solutions work together to reinforce each other and create a powerful home health ecosystem that grows stronger over time.

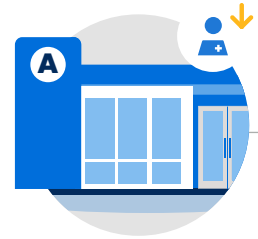


## The Home Health ‘Vicious Circle’

Picture this scenario: Agency ‘A’ has been experiencing high clinical demand for the past several years, but they’re having trouble keeping up with clinical capacity. Hiring new nurses in a competitive market has been challenging, and the nurses they already have are showing the telltale signs of burnout. As a result, referral rejections are high and morale is low. They need to do something quickly to boost clinical capacity and support their nurses to prevent staff attrition that they can’t afford. The decision is made to rush new nurse onboarding to boost clinical capacity in the short term and lower the referral rejection rate. But repurposed training materials initially created for other settings were used, and staff aren’t fully prepared for more complex home health-specific skills like wound care, or challenges with patients and caregivers that will appear once in the field. OASIS documentation errors begin to pile up, but their training solution didn’t include a remediation strategy to fix the mounting documentation and compliance issues.

With the lack of preparation for complex skills, staff have been making mistakes with wound care, resulting in higher rehospitalization rates, and patients have been expressing their dissatisfaction in their HHCAHPs surveys. Combined with the low OASIS accuracy, you have a dangerous recipe for reduced reimbursements. And now that less resources are coming in, Agency A is not only right back where they started, they’re working with even less the following year. Even if they can retain the staff they have, the damage to the agency’s reputation will make it difficult to attract quality new hires. With reduced ability to hire new staff, they won’t be able to meet clinical demand, and their patients, staff, and reputation will suffer. They’ve been caught in a vicious circle that will be difficult to overcome in the future.

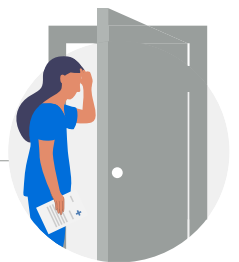
So how could this have been avoided? Let’s look at another agency that took a different approach to achieve the **home health ‘virtuous cycle.’**



**Agency A experiences high demand and low capacity, resulting in high staff burnout.**



**New hire onboarding is rushed, resulting in unprepared staff. Mistakes are made, and patients are unhappy.**



**Low quality scores means reduced reimbursement and difficulty retaining staff, and Agency A is back at low capacity.**



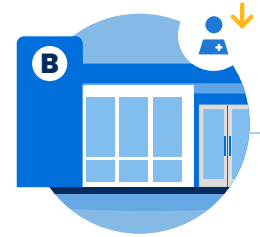


## The Home Health ‘Virtuous Cycle’

Agency ‘B’ is also experiencing the same unprecedented clinical demand that is affecting the entire home health industry. Like Agency A, they’re finding it difficult to increase clinical capacity and reduce their referral rejection rates. But they’ve found a superior training solution, one that uses an ecosystem model to prepare staff for complex skills, documentation and OASIS, as well as the challenges with patients and family that they’ll experience in the field. Not only does this training solution offer excellent onboarding training, it also offers remediation training and on-the-go booster courses to support nurses from day one to year five and beyond.

Because Agency B’s nurses received comprehensive training, the wound care issues that challenged Agency A were avoided, and rehospitalizations have gone down. Patients are not only getting the care they want in the home but staying healthy enough to avoid costly emergency department visits, and their satisfaction is reflected in their HHCAHPs surveys. Since OASIS was an emphasis point at onboarding, accuracy scores are way up, and any errors that do occur are quickly remediated with OASIS reinforcement training. By improving these three metrics, they’ve hit the quality score trifecta, setting a high HHVBP benchmark and earning more reimbursement from Medicare.

Not only have they had a banner year in improving patient outcomes and satisfaction, the higher reimbursement rates now allow them to reinvest in patient care and staff, creating a virtuous cycle that can continue year over year. Staff are more satisfied, reducing burnout and improving patient outcomes, which in turn makes Agency B a much more attractive place to work when hiring nurses in a competitive field. This gives them a distinct advantage over Agency A when attracting the best talent. Staff satisfaction is improved, clinical competency is high, the patients are receiving the best possible care, and the agency continues to thrive.



**Agency B experiences high demand and low capacity, and seeks a solution.**



**Agency B’s training solution properly prepares staff, hospitalizations are avoided, and patients are satisfied.**



**Earning more reimbursement allows Agency B to reinvest in patients and staff.**



## How MedBridge Can Help

As you've seen in this eBook, traditional onboarding isn't enough to keep up with the rapidly changing industry. You need an entire digital ecosystem to support your clinical capacity needs. MedBridge provides a comprehensive solution that meets all of these needs, allowing home health agencies to support nurses along their entire career path. From onboarding to career advancement, our solution provides an ecosystem that allows nurses to quickly master necessary home health skills, access high quality training on the go, and learn advanced skills to provide patients with even the most complex needs the best care possible. With a team of highly capable, well-supported nurses and improved outcomes, agencies are in a much better position to thrive in our new value-based care environment.

MedBridge is already providing these solutions to top home health agencies around the country. We are:

### **The most effective platform to grow more nursing capacity**

- See more patients faster with the only all-in-one solution proven to help agencies reduce nurse time-to-productivity..

### **Your partner for value-based care**

- With the industry shift to value-based purchasing, agencies need a partner that will ensure they can achieve and document the best outcomes to maximize reimbursement.

### **Chosen by 6 of the top 10 largest agencies**

- Our home health solution is trusted by the industry's largest organizations.



# How MedBridge Can Help

## Continued

MedBridge gives home health agencies everything they need to prepare nurses on day one and beyond, including:

- ✓ [Home Health Onboarding Solution](#)  
With more care shifting to the home, quickly preparing new hires for the field is essential. Our Home Health Onboarding Solution allows agencies to boost staff readiness with effective, engaging education and easy-to-use delivery and reporting tools.
- ✓ [Skills & Competency Manager](#)  
Meet regulatory requirements and reduce risk while improving quality of care and patient satisfaction with our online skills assessment checklist and engaging, evidence-based skills training. This effective solution includes:

### Digital Skills Checklist

Customize training programs to target identified skill gaps.

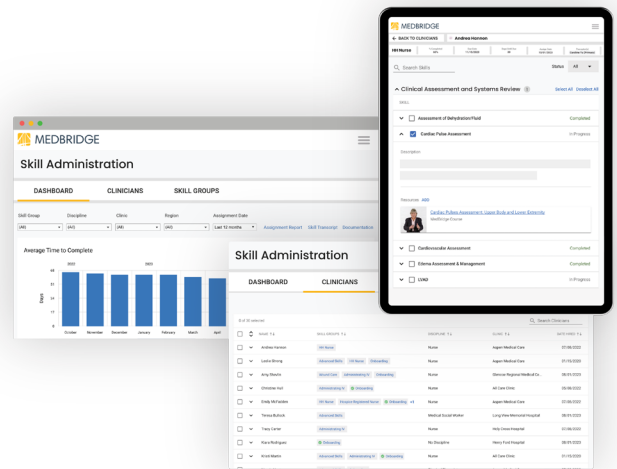
### Video-Based Skills Library

Boost knowledge retention and master home health- and hospice-specific skills with bite-sized lessons.

### Reporting & Analytics Dashboard

Assign checklists, simplify preceptor assessment, and review skill acquisition.

- ✓ [OASIS Training Solution](#)  
Poor OASIS documentation can be costly. Provide your staff with expert-led onboarding and refresher training to ensure accurate outcomes and reimbursement.
- ✓ [Patient Engagement Solution](#)  
Decrease unnecessary in-person visits and cost of care with effective patient management.
- COMING SOON
- ✓ [Clinical Procedure Manual](#)  
Support nurses from onboarding to career advancement, helping them quickly master necessary home health skills and access high quality training on the go. [Find out more.](#)



# Conclusion

The home health industry is facing an inflection point, with agencies simultaneously staring down record demand and also monumental challenges. By adopting an ecosystem model, agencies have the opportunity to come out of this crisis moment stronger than ever—staff satisfaction improves, patients receive the best possible care, and your agency continues to thrive. How each agency decides to proceed will determine whether they'll be treading water while caught in a vicious circle, or riding the virtuous cycle to the benefit of their staff and the patients they serve.

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## ABOUT MEDBRIDGE

Combining powerful digital patient care tools with the highest quality education, MedBridge is committed to making healthcare better for both providers and patients. Organizations across the care continuum use MedBridge to provide an enriched, digitally enabled experience that engages patients while streamlining and simplifying care. Designed with over a decade of insight from more than 300,000 clinicians and 25 million patients, MedBridge has helped thousands of organizations realize better patient outcomes. [Learn more.](#)

See how MedBridge can help your organization. [Contact us to request a demo.](#)