



It has never been more challenging to be a home health operator. At the same time, there has never been more upside. That's the general census of home health executives as 2021 comes to a close. Looking ahead to next year, many believe unprecedented labor struggles are likely to continue, though technology and the use of "extenders" offer potential solutions.

In addition to ongoing workforce hurdles, home health executives predict the shift toward value-based care to make its mark on the industry. As one leader told Home Health Care News, "If you didn't throw out your old home health playbook in 2020, it's time to recycle it now."

As part of our annual tradition, HHCN caught up with eight industry leaders to document their predictions on trends, challenges and opportunities for the coming year. Their names and predictions are below, edited for length and clarity.

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Whether we get COVID under control or not will influence the industry short term.

Medicare Advantage (MA) plans are increasingly delegating the management of their home health spend to conveners. With MA outpacing fee-for-service in growth, home health providers are increasingly trying to figure out how to best work with the MA subsection of their business. Fortunately, the constrained labor market gives those companies who are supplying clinicians more leverage.

Having an adequate supply of clinical capacity/labor will be essential to keep up with the growth that's occurring and anticipated.

Despite the downturn, we're very excited about where we are as a company. We're innovating to build, maintain and grow our labor pool. We're also excited about expanding into new markets: hospital-at-home, SNF-at-home and risk-based palliative programs. Amedisys is in a unique spot to apply home health into higher-acuity settings – and to take full risk for the care and cost of the patient. Now, being partners with the large MA plans and large hospital systems, via our Contessa acquisition, we can drive our risk-taking solutions into traditional home health and hospice, as well as increase our market size into high-acuity home care.

**— Paul Kusserow; President and CEO, Amedisys Inc. (Nasdaq: AMED)**

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The pandemic helped accelerate the growth of home-based care, and we think that trend will only continue into 2022 and beyond.

Technology will play a major role. Remote monitoring will continue to get better and more sophisticated, allowing for new ways of keeping track of patients' health. We're already seeing developments such as hemodynamic monitoring, noninvasive lab tests, ambient monitoring, ultrasounds in the home and more. There's even voice technology that can detect changes in the patient's voice to predict possible COPD exacerbation and other devices that can help detect falls — or even predict that a fall might happen, helping us work to prevent it.

Artificial intelligence is another way technology advancements can help drive changes in home-based care. Assuming you have good data, AI can analyze that data and offer predictive modeling of possible risks to the patient we can work to prevent.

Regulatory issues are a factor, too. So much has happened within the space, within tech, within provider adoption and public acceptance of in-home care, but the regulatory environment has not kept pace. With appropriate guardrails in place to protect patients, we have an excellent opportunity for a regulatory framework that allows for greater creativity in caring for the patient.

An evolution in the reimbursement model toward more value-based care is just getting started, and we see that continuing to grow.

A final factor to consider is the labor shortage, which will continue to be an issue for years to come.

**— Greg Sheff; Interim Segment President, Home Solutions, Humana Inc. (NYSE: HUM)**

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The No. 1 factor will be the industry's ability to recruit and retain clinical and non-clinical home care workers. Headlines tell us daily about the nation's tight job market in health care, as a result of the pandemic, in addition to the overall shortage of workers impacting every industry. Exacerbating the problem further is the rapidly aging American population and the need for more home health aides, home care nurses and other home health workers to support their needs so they can live and heal well and safely at home. And of course, it's not just workforce numbers; it's having a skilled and unified team to deliver a superb care experience and high-quality outcomes.

Other important factors include our industry's preparations for the first nationwide performance year of Medicare's Home Health Value-Based Purchasing (HHVBP) Model in 2023, and the continued drive to better value as managed care organizations increase their focus on areas like data analytics and social determinants of health.

There will also be continued consolidation, which in turn will accelerate the introduction of new models of care in the home. We will also see that continued shift away from the fee-for-service model as our industry cares for patients of higher acuity and moves more to value-based agreements. As is often the case, changes in the financial model really drive industry change. Without that catalyst, the shift to value has been slower and more measured. We are now seeing more focus on value-based financial arrangements from the payers, including the Centers for Medicare & Medicaid Services (CMS), which supports the acceleration of clinical model changes.

**— Dan Savitt; President and CEO, Visiting Nurse Service of New York (VNSNY)**

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At AccentCare, we believe that care in the home will continue to evolve in both the breadth and complexity of services offered — an enhanced care model driven by an integrated system of services with seamless transitions. Providers that are able to better serve both patients and referral sources across the continuum of need will have the advantage.

The use of artificial intelligence and machine learning tools will push into the home. These tools will allow us to gain a better understanding of the patient and their support systems, and allow us to tailor and improve the quality of care delivery. We'll also see these tools used in better understanding our people and use them to develop targeted recruitment and retention plans.

Labor challenges will expand beyond nursing into other clinical and administrative areas that are necessary to provide care in the home. Provider organizations that can improve the work lives of their people and provide meaning and connection to their work will triumph.

— **Steve Rodgers; CEO, AccentCare**

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Consumer expectations and clinician expectations are changing the landscape of our industry.

Consumer expectations: The world became homebound in the spring of 2020, while health care needs increased. Demand for home-based health care skyrocketed. This catalyzed one of the most important and long-lasting changes to our health care delivery system: The nation realizing you can receive care at home. Consumers expect health care to come to them. For home health, home care and hospice, this means doing more of what we already know well. Couple this shift in expectations with the approaching mass of aging consumers and the industry will be forced to innovate even more rapidly. Demand will outweigh supply into the distant future. The winners will be more available to provide better care – and in more innovative ways. If you didn't throw out your old home health playbook in 2020, it's time to recycle it now.

Clinician expectations: The pandemic has people questioning their jobs, reevaluating the work-life experience and wanting to make a difference. People are seeking more flexibility, more meaning in their work and more time to recover from taxing patient care. Today's difficult recruitment environment, ultimately, is an excellent opportunity for clinicians and organizations who offer the best employment experience. Our industry offers flexibility, work-life balance, a respite from backbreaking hospital work and an opportunity for real one-on-one patient care. Traditional recruitment is out and employee experience is everything.

— **Brent Korte; Chief Home Care Officer, EvergreenHealth Home Care**

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Care and operational enhancements made possible by technology deployment should continue to gain steam and be more widely used. With people and quality at the core, using the best systems and approaches to digitize information, analyze data for actions and enable efficient operations, helps to drive patient-specific outcomes and optimal use of available resources. A more proactive and customized approach to patient needs can present opportunities to differentiate home-based services and maximize impact.

Of course, attracting and retaining capable and conscientious caregivers and employees is a must – more so than ever. Notwithstanding the additional demands placed upon this workforce through COVID, nursing, therapy, physician, NP, PA, social workers, care managers, pharmacists and technicians, aides and other caregiver positions remain paramount. They also offer rewarding and valuable careers. While compensation for these careers has continued to increase substantially, we are focused on attracting and growing professionals in this industry through more flexibility, recognition, career paths and internal development programs — all to support job and company satisfaction while adding new professionals to these fields.

— **Jon Rousseau; President and CEO, BrightSpring Health Services**

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The impact of COVID-19 and the numerous variants that are surfacing will continue to impact health care worldwide. The pandemic has put a tremendous strain on the nursing and caregiver labor markets that were already struggling to keep pace with demand prior to the pandemic. We will likely be experiencing labor shortages, along with wage inflation, well into 2022 and beyond. The flipside of that coin is that demand for our services across the board has never been

higher. The pandemic has put the spotlight on home care as the preferred place for health care delivery and remains the best value proposition in our health care system.

I believe there will be a lot of emphasis on innovation as we search for ways to attract and retain caregivers. How can we help them be as efficient as possible with technology and training? Consolidation will continue, and value-based care will be more prevalent in our payment systems. Stronger regional players will begin to mature, and competition will increase around who can care for patients. He who has the nurses and caregivers will have the patients.

— **Rod Windley; Executive Chairman, Aveanna Healthcare Holdings Inc. (Nasdaq: AVAH)**

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The status of the pandemic, particularly regarding vaccine status and how vaccines will impact any new variants, will be a big factor on the health care labor market. Recruitment and retention of staff, specifically nursing, will shape the growth and availability of home health care in 2022.

Additionally, value-based care focuses on quality and puts patients at the center of care. The shift from fee-for-service to value-based care will continue to evolve in 2022. Payers' evaluation of the value of home health will be important as more and more patients prefer to age at home. This acknowledgment of the value of home health will continue to have an impact on arrangements with MA plans.

— **Barbara Jacobsmeyer; President and CEO, Home Health and Hospice, Encompass Health Corporation (NYSE: EHC)**