**CMS Expands Value-Based Home Health Services**

In previous years, discussion around value-based reimbursement programs typically included questions like “Will they continue to be proposed?” and “Will they be adopted and implemented?”. These questions are answered by reviewing the 2022 Centers for Medicare and Medicaid Services (CMS) proposed rules. Value-Based Purchasing (VBP) programs are being expanded, and in the case of Home Healthcare (HH), accelerated.

In the recent Federal Registry, CMS is proposing an early end to the current HH VBP (limited to certain States), and an expansion of the program nation-wide starting January 2022. The initial trial program, in the latest review, demonstrated a 4.6 percent improvement in quality scores, with a potential CMS annual savings of $141 million.

This expansion of HH VBP holds the potential for expansion of HH providers as HH is under-utilized in the Medicare Advantage population. In a recent study by Skopec et al., (2020), they demonstrated that:

“MA enrollees are less likely to receive post-acute care, including home health care, than traditional Medicare enrollees discharged from the same hospital with the same condition. These results suggest that MA plans are not substituting home health care for institutional post-acute care but are providing less care than traditional Medicare does overall.” (pg.842). [Home Health and Post-acute Care Use In Medicare Advantage And Traditional Medicare | Health Affairs](https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.00844)

Organizations and providers, who understand the value of HH and the potential growth of demand, stand to benefit from this expansion and rapid acceleration of the HH VBP from CMS.

Organizations wishing to expand their VBP program and market should follow a plan to evaluate and establish their program.

The plan should include:

* The current utilization rates of HH
* Current case mix and potential for additional volume
* Proforma development to verify financial viability
* Analysis of clinical processes and access to HH
* Development of clinical protocols and guidelines
* Establishing metrics for program accountability, goals, and implementation timeline
* Educational materials and training programs for staff and potential beneficiaries

Pinnacle Healthcare Consulting offers professional expertise and extensive knowledge to support an organization seeking to develop or expand Value Based Care. Pinnacle can provide insights and assistance through the evaluation, development, and implementation allowing providers and team members to focus on their day-to-day roles, while providing valuable local insights and historical perspective.

Skopec, L., Huckfeldt, P. J., Wissoker, D., Aarons, J., Dey, J., Oliveira, L., & Zuckerman, S. (2020). Home health and postacute care use in medicare advantage and traditional medicare.*Health Affairs, 39*(5), 837-842,842A-842G. <http://dx.doi.org/10.1377/hlthaff.2019.00844>

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