



**WHY INSURANCE PROVIDERS ARE
PARTNERING WITH HOME
HEALTH CARE AGENCIES**

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This eBook will discuss the different advantages these partnerships offer to patients, insurance companies, home health care agencies, hospitals and others – and how BrightStar Care supports franchisees interested in pursuing these partnerships.

A woman in a white lab coat and a woman in blue scrubs are looking at a tablet together. The woman in the lab coat has a name tag that reads "BrightStar Care" and "Medical Quality Officer". The woman in the scrubs has a name tag that reads "BrightStar Care" and "L.A.". They are both smiling and appear to be in a professional setting.

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In addition to partnering with hospitals, home health care agencies also have growing opportunities to partner with insurance providers – with the same goal to lower hospital readmission rates and offer more affordable care to everyone.

Transitional Care

Readmission rates have long been a trusted and effective measure of responsible, patient-centered care. However, since the 2012 introduction of the Affordable Care Act's Readmission Reduction Program, readmission rates have become an even more important key performance indicator for hospitals. Not only is a hospital's quality of care assessed by their readmission rate, hospitals with high rates also face government penalties.

When the program was instituted, nearly one in five Medicare patients was being readmitted to the hospital within 30 days of their discharge. While some readmissions are inevitable, the majority of them are rooted in completely preventable circumstances that may have been avoided with home health care assistance, especially with older adults and other patients that were not strictly adhering to care guidelines after discharge.

While higher quality care during the hospital visit is imperative to avoid a readmission, studies show that transitional care is just as important for lowering these rates. When patients have a comprehensive transitional care plan, their likelihood of readmission drops by nearly 50 percent. That's why more and more hospitals have been partnering with home health care agencies to provide comprehensive care and treatment plans. With a home health care provider, patients receive the monitoring and attention they need after they're discharged.

While many acknowledged the benefits of higher quality care for patients and hospitals alike, they did not realize the advantages this also presented for insurance companies.

Insurers do not have to pay direct fines like hospitals, but hospitalizations and readmissions present a tremendous burden for insurance companies. The average hospital stay costs about \$10,000, with expenses increasing incrementally with age.

So, insurance companies are just as motivated to keep hospital visits as few as possible. Increasingly, they are partnering with home health care agencies to ensure patients get the care they need, avoiding any complications after they return home that could put them back in the hospital.

\$10,000

The cost of an average hospital stay

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50%

Patients that have a comprehensive transitional care plan, drop their likelihood of readmission by nearly 50 percent.

Ongoing Care

Not only is it important to keep patients out of the hospital during the critical 30-day post-discharge window, it's also important to provide ongoing care to prevent emergency situations in the first place.

The public's health care needs have changed significantly in the 21st century, especially since Americans are living longer than ever before. With an aging population comes greater prevalence of chronic conditions like heart disease, diabetes and asthma. Demand for transitional and ongoing care has been steadily increasing, as patients need regular care and monitoring for these conditions.

This has become especially true in recent years, as health care providers have focused more on continuing care for chronic conditions, rather than placing a greater emphasis on episodic care needs. Preventative and ongoing care are much more manageable and less stressful for patients than emergency situations.

Preventative and long-term care create a better quality of life for patients and are much more cost-effective than periodic urgent care and ER visits. These cost savings span the expenses associated with all involved parties – patients, hospitals and insurance providers.



How this Impacts BrightStar Care Franchisees

So, what does this all mean for home health care agencies? Aside from being able to provide a higher-quality of care, it also means their business is now more in-demand than ever.

By providing cost-effective transitional and long-term care for families, home health care agencies – like BrightStar Care – are able to fill an industry void. High-quality transitional and ongoing care allow for a higher standard of care for our patients, while benefiting hospitals and insurance companies financially.

With our cohesive care plans, doctors, patients, caregivers and insurers are all on the same page and the health care providers can offer input on a treatment plan that will help patients heal faster and prevent hospital readmissions or other adverse effects. As a result, every health care provider is able to better communicate and collaborate, giving patients the best care possible – putting less strain on everyone.

And, with insurance providers on the same page as well, patients and caregivers don't have to deal with any added administrative stress. Insurers can process claims efficiently, cover many of the costs and fill in any holes where needed. Patients won't need to worry about submitting these claims themselves, or managing multiple insurance carriers or health care providers – and worrying if they're all in-network.

Partnerships with insurers are just as beneficial for our franchisees as they are for patients and insurance companies. By partnering with insurance companies, franchisees experience increased demand for their services – and they're more equipped to answer that demand. Through these partnerships, franchisees are able to accept more referrals, and they don't have to turn away patients because they don't accept their insurance.



Why BrightStar Care?

BrightStar Care is the premier home health care agency in the United States, but our expansive continuum of care represents an even bigger reason why more insurance companies want to partner with us.

Many agencies specialize in one type of home care – whether it's non-skilled home care or senior care. BrightStar Care specializes in everything – pediatric, non-skilled home care, skilled home health care and senior care.

It's much more cost-effective for insurers to partner with an agency that offers the full continuum of care patients may need. Insurance providers are able to offer their clients much more when they have partnered with a home health care agency that spans the full continuum of in-home senior care.

And, not only can they offer individual clients more, they can accommodate a greater number of clients. With a single point of contact for this full continuum of care, insurers also enjoy the benefits of more efficient claims processing.



How We Support Our Franchisees

For our franchisees, owning a home health care agency with the trusted BrightStar Care name is already half the battle in winning over insurance companies. However, we're currently working to make the facilitation of these partnerships even easier for franchisees.

We are in the process of creating partnerships with insurance providers on a national account level. This will provide our franchisees built-in partnerships with insurers – they won't have to seek out and negotiate these opportunities themselves.

In the meantime, many of our franchisees are setting up these relationships with insurance providers on a local level. This helps drive referrals to their business, while also making sure they're on insurance companies' lists of in-network providers.

In order to facilitate these relationships, franchisees should first make sure they have the necessary office infrastructure to support partnerships. For example, they will probably want a billing department and some administrative staff who understand and know claims processing to help streamline operations.

With the right infrastructure in place, the next steps are much easier. Franchisees can reach out to local or smaller insurance companies on their contact page. Then, they simply explain the advantages of this mutually-beneficial partnership. With a partnership, the insurer will have innumerable cost and efficiency advantages of only having to deal with claims processing with one agency.

And, since preventative care is more affordable for the patient, the insurance company will have to pick up less of the cost.



Key Takeaways

In an evolving health care marketplace whose resources are already strained, partnerships between home health care agencies and insurance companies represent the future of the industry. By leveraging these partnerships and creating a more integrated health care system, the patient, health care providers and insurance companies all benefit.

This partnership also presents an incredible business opportunity for home health care agencies – whose services are increasingly in demand. Home health care providers offering a full continuum of care can create a more patient-centered care plan, while cultivating these important relationships with insurance providers. This will not only allow home health care agencies to accept more referrals and patients, it will also take cost and administrative burdens off the patient.

BrightStar Care franchisees are in the perfect position to build these relationships and partnerships. As a national brand with a full continuum of care, BrightStar Care is the first choice for insurance companies looking to partner with a trusted name.

Franchisees can facilitate these partnerships, on the local level, while the brand works at the corporate level to establish national accounts. This will ultimately shift the responsibility to forge these relationships away from franchisees, while offering them all the benefits these partnerships bring.

For more information about this home care business opportunity, contact us:

(877) 689-6898

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