

## Valuation of Home Health Agencies: Technological Environment

With home healthcare providers increasingly being viewed as a critical link in the array of patient-centered healthcare services aimed to bring care back into the community, technology will likely play a more prominent role in managing patient populations in need of home healthcare services. The final installment of this five-part series on the valuation of home health agencies (HHAs) will discuss the growing role of technology in home healthcare and the challenges of utilizing this technology post-COVID-19.

Seniors increasingly want to use home healthcare technology, with a 2020 University of Michigan survey reporting that 72% of seniors want to access healthcare services from home, while a more recent report from AccentCare and Home Health Care News highlighted the ease of adaptation for both providers and patients.<sup>1</sup> New technological advances have made delivering home healthcare easier by removing barriers between physicians and their patients. These technological advances serve two main functions: (1) to provide more efficient healthcare delivery; and, (2) to allow better safety monitoring.<sup>2</sup>

First, technological advancements in home healthcare have increased healthcare access and the efficient delivery of healthcare services by allowing more patients to receive medical care in their homes, rather than at an inpatient or outpatient facility. For example, *infusion therapy*, or the receipt of medication intravenously, can now be completed at a patient's home by a skilled nurse or home health aide. Additionally, mobile health (mHealth) device<sup>3</sup> advancements have allowed for wider remote patient monitoring (RPM) for conditions such as: (1) high blood pressure, (2) diabetes, (3) weight loss/gain, (4) heart conditions, (5) chronic obstructive pulmonary disease (COPD), (6) sleep apnea, and (7) asthma,<sup>4</sup> which have permitted some patients to remain in their homes unless a need for acute healthcare services arises. These and other medical devices are also becoming widely used for remote therapeutic monitoring (RTM), a complement to RPM which uses devices to collect and report non-physiologic data related to musculoskeletal and respiratory conditions.<sup>5</sup>

Second, safety is an important concern for adults age 65 and older, as injuries resulting from falls is one of the most common causes of death for elderly individuals.<sup>6</sup> Motion detectors, webcams, and audio monitors can be used to monitor an individual's safety at home, and

emergency response technologies such as Life Alert can be used in case of an emergency.<sup>7</sup>

As much of the technology discussed falls under the broader umbrella of telehealth, telehealth technology will be discussed in more depth herein. According to the *Health Resources Services Administration (HRSA)*, telehealth is defined as:

*"the use of electronic information and telecommunications technologies to support long-distance clinical health care, patient and professional health-related education, public health and health administration."*<sup>8</sup>

Telehealth can also describe the monitoring of medical devices; health status data collection and analysis via smart devices; or, virtual visits between physicians and patients.<sup>9</sup>

The terms "telehealth" and "telemedicine" are distinguished by some in the healthcare industry, including HRSA, which differentiates *telemedicine* (which only includes remote clinical services), from *telehealth* (which can encompass a broad scope of remote healthcare services, including provider training, administrative meetings, and medical education, in addition to clinical services).<sup>10</sup> In contrast, the *American Telemedicine Association (ATA)* considers the terms to be synonymous and largely interchangeable.<sup>11</sup> For the purposes of this article, the terms will be considered to be synonymous, and may be used interchangeably.

As mentioned above, telehealth services are provided utilizing two-way video, as well as email, smart phones, wireless tools, or other methods of telecommunication technology.<sup>12</sup> These technologies allow virtual consultations with distant specialists, patient monitoring without having to leave the home or office, and, consequently, less expensive healthcare.<sup>13</sup> Utilizing telemedicine services are equally as effective in obtaining clinical information, making an accurate diagnosis, and developing treatment plans as they are during in-person care.<sup>14</sup>

The COVID-19 public health emergency (PHE), which commenced in March 2020, forced the Centers for Medicare & Medicaid Services (CMS) to extend reimbursement for telemedicine services (e.g., patients may currently receive telehealth services from home). This resulted in a drastic increase in utilization, with a 2021 McKinsey and Co. report finding that telehealth

utilization has grown 38% from its pre-pandemic levels.<sup>15</sup> Further, 40% of people surveyed believed they would continue to use telehealth services after COVID-19.<sup>16</sup> Over the last year, telehealth has comprised an average of 4.75% of all medical claim lines.<sup>17</sup>

However, it is uncertain whether CMS will continue to reimburse for telehealth after the PHE ends. The *Choose Home Care Act* bill, which was introduced in Congress in 2021, aims to make COVID-19-related changes to telehealth access and reimbursement under Medicare permanent.<sup>18</sup> This bill seeks to increase the ability for Medicare beneficiaries to receive in-home care, reducing their reliance on skilled nursing facilities and other post-acute care facilities.<sup>19</sup> The bill's sponsors project a \$250

million in savings annually as a result of increasing telemedicine reimbursement and accompanying utilization, benefiting both patients and providers.<sup>20</sup> However, this bill has not progressed forward, in either chamber of Congress, for nearly a year.<sup>21</sup> Nevertheless, as of June 2022, there were a number of proposed telehealth bills in Congress, including proposals to extend telehealth options for behavioral health services and to generally expand telehealth offerings under Medicare and other federal healthcare programs.<sup>22</sup>

Despite the immediate future of telehealth coverage being uncertain, it is evident that healthcare technology – including RPM, RTM, and telehealth – will continue to change (and augment) the way HHAs provide care.

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