

The Business Case for Outsourcing Rehab Therapy: 5 Questions You Need to Ask

There's much debate on the cost, value – *and risks* – associated with outsourcing rehab therapy operations. With increased regulatory risk – now driven by the Patient-Driven Payment Model (PDPM) Final Rule – pressures on providers are increasing. Now is the time to seriously weigh your options about outsourcing.

Marty Goetz, chief executive officer of River Garden Senior Care, based in Jacksonville, FL, was facing this decision nearly 10 years ago and hasn't looked back. "It's not an exaggeration to say this partnership is like a marriage. We've achieved a deep level of trust that's needed to succeed, especially through a host of industry and regulatory changes that we've weathered together over the years. And now, here we are at the doorstep of PDPM. But we're ready for it."

Based on several factors, Goetz decided the best course of action for his organization was to outsource its therapy operations. "There are a lot of options out there," concedes Goetz. "But we did our due diligence, and as part of that, I talked to an industry colleague who I've known for a long time and whose opinion I respect and value. Her positive referral sealed the deal for me."

Since then, River Garden has thrived because it feels secure within its partnership. "I've felt reassured that RehabCare simply would not let us fail," explains Goetz. "My final words of wisdom are, 'choose your rehab partner wisely.' You need them by your side now more than ever."

If you're debating the value of in-house versus outsourced rehab, here are five questions to ask:

1. What happens when your rehab staff is under-performing or is under-staffed?

Risk: Hospital readmissions may spike.

Consideration: Make sure your rehab partner has a track record of lowering re-admissions through highly trained physical, speech and occupational therapists combined with interdisciplinary clinical programs.

2. What happens when you're suddenly short-staffed?

Risk: Hiring/recruiting creates care service delays/downtime and unfulfilled or unbilled services.

Consideration: Your rehab partner must a proven track record of rapid recruitment/same-day fulfillment of highly qualified rehab professionals.

3. What happens when your submitted claims are denied?

Risk: Lost claims with fewer resources to recoup revenue.

Consideration: Your rehab partner should have a track record of recouping at least 97% of denied/closed claims.

4. What happens if you don't meet regulatory/compliance requirements?

Risk: Federal enforcement actions are imposed by CMS, ranging from fines, deficiencies that could include up to termination of license depending upon the infraction.

Consideration: Your partner should mitigate risk through a combination of a tenured team, industry knowledge and working directly with CMS.

5. What happens when your facility isn't able to focus on core competencies of providing care?

Risk: When providers are pulled in too many directions, they risk losing focus on core competencies and delivering effectively on its high-margin service lines.

Consideration: Your partner should deliver expertise 24/7/365, including offering research-based clinical programs, reducing patient/employee risk and enhancing quality care and financial performance.