

The BlackBerry® Report: The National State of the Home Care Industry

In what has been termed “the most comprehensive study on technology and home care’s strategies and relationships with hospitals,” the BlackBerry® Report: The National State of the Home Care Industry Study is completed and in-depth analysis has begun.

The study was sponsored by Research In Motion (RIM), developers of the BlackBerry® wireless solution, and co-sponsored by the home care industries largest national home care association, the National Association for Home Care and Hospice (NAHC) along with the Hospital Home Care Association of America (HHCAA), an affiliate of NAHC and Fazzi Associates, one of home care’s leading consulting, benchmarking, training, and research firms. Fazzi also served as project managers for the study.

Over 900 senior executives from home care agencies were surveyed, 90% of them being the agency President or CEO. Surveys lasted from fifteen minutes to fifty minutes. Those surveyed represented hospital based, hospital affiliated, and free standing agencies. They included segments of agencies smaller than one million dollars to those with Medicare revenues of ten million dollars or more. Representative samples of for-profit and not-for-profit agencies were surveyed as were governmental agencies. The survey also included strong representation of both urban and rural agencies.

The BlackBerry Report: First Insights

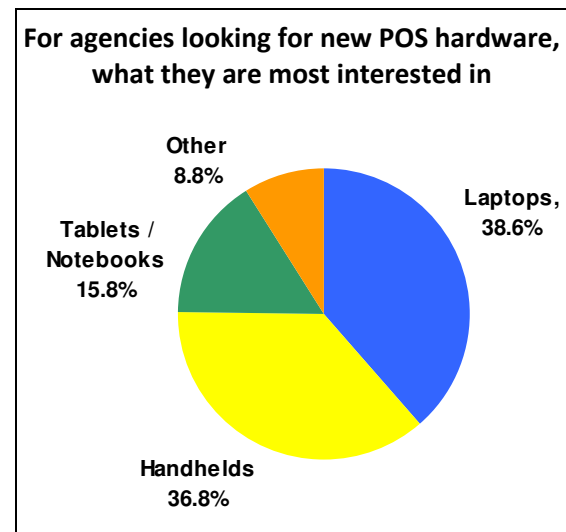
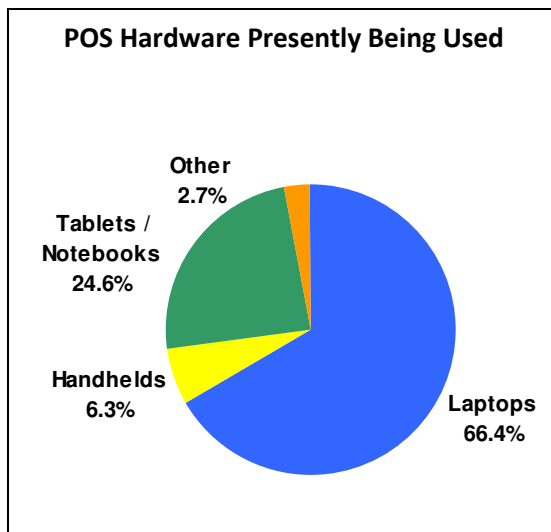
The BlackBerry Report: First Insights is a high level view of some of the initial findings that have emerged from the survey. These are only a small sampling of what is beginning to emerge from certain topics, and a full report will be made available to the home care industry later in the year.



BlackBerry First Insight Report

The following are ten insights that emerged during the first analysis of the BlackBerry Report: The National State of the Home Care Industry Report. A major in-depth report will be released to industry later in the year.

- 1. Fiscal, Billing, and Back Office Vendors Have Heavy Penetration in Home Care But Changes May Be In the Wind:** Seventy-two percent of all agencies now use back-office software systems provided by one of a number of vendors. Unfortunately, one of every nine agencies (12.4%) are either very unsatisfied or somewhat unsatisfied. More importantly, 21.3% of all agencies are planning on getting a new system in the next twelve months and 40.5% report that they expect to go to a new vendor.
- 2. Electronic Medical Record Systems Are Proving Valuable:** Just over 65% of all agencies now have EMR systems. Eighty-three percent of these agencies report that use of these systems has led to improvement in quality of care coordination. Even within agencies using EMRs, change comes hard. A full 88.1% still maintain some level of paper charts.
- 3. Use of Point of Care Grows as Size of Agencies Grow:** Nearly 40% of all agencies now use some form of POS system in the field. The growth is not even. Only 28.9% of agencies under one million use POS and 39.8% between one and five million. What about the biggest agencies? Of those over ten million (61.5%) use POS.



- 4. Use of Handheld POS Expected to Have Largest Growth:** The most prevalent types of hardware presently used with POS are laptops (66.4%) followed by tablet or notebooks (24.6%). For agencies who report that they will purchase new hardware (13.3%), the single biggest area of growth is in handhelds. While handhelds only account for 6.3% of hardware presently being used, 36.8% of those seeking to purchase new hardware report that they are most interested in handhelds.

5. **Major Shift Coming in Home Health Aide Documentation:** Presently, 78.3% of Home Health Aides document personal care using paper forms with 10.1% using telephony and 11.5% using handhelds. With more than one of every four agencies reporting that they intend to change the way Aides document personal care, the overwhelming number choose handheld devices (74.6%) for the future .
6. **Leaders Use of Smartphones Increases as Size of Agency Increases:** More than one out of every three home care leaders presently uses a smartphone. The percentage differs, however, depending on the size of the agency. While 33% percent of leaders of agencies with revenues of less than five million use smartphones, well over 50% of those with revenues of five million now use smartphones. Most used a BlackBerry, with 50% of the market, followed by Apple iPhone and Microsoft (14.8% each) and Palm Treo (5.5%).
7. **Having a Telehealth System and Using the System Are Two Different Things:** Today, 23.0% of agencies report using telehealth systems, up from 17.1% in 2006. Twenty-two percent of agencies, however, report that on any given day, less than 25% of their units are in use. The problem is particularly bad for small agencies, where 48% report using less than 25% of their units. Compare this percent to large agencies, those with Medicare revenues over 10 million, where only 4.9% report having less than 25% of their units in use. On the flip side, 63% of large agencies as compared to 20% of small agencies report that at a minimum, three out of four of their units are always in use.
8. **Agencies Are Preparing for Cost Cuts:** When asked if they are planning on cutting costs in the next twelve months, 72.6% of agencies report that they are. Of all home care segments, 92.2% of hospital affiliated agencies report that they plan on cutting costs. Most report that they are going to focus on enhancing productivity in the field.
9. **Charity/Free Care Significant, Growing But Not the Same:** Home care is clearly generous with their commitment to providing care for people in need. Two-thirds of all agencies report that a minimum of 1% of their revenues go for free care, with 21.9% reporting that more than 5% is given for free care. Nearly 27% of hospitals and 31.1% of not-for-profits report providing 5% or more of free care versus 16.2% of for profits. Nearly 28% of all respondents report that their percentage of free care grew over the last twelve months.
10. **Per Visit Pay Models Growing But Not for All Types of Agencies:** Over 36% of agencies are now using the pay-per-visit as their primary payment model for clinical staff. There is, however, a wide discrepancy in who uses it. More than 50% of for-profit agencies use it, while only 17.7% of not-for-profit agencies now use it. Urban agencies (41.8%) are far more likely to use it than rural agencies (17.0%), and freestanding agencies (44.0%) were also far more likely to use it than hospital based (9.6%).

Sponsor

Research In Motion – the maker of BlackBerry

Research In Motion Limited is a leading designer, manufacturer, and marketer of innovative wireless solutions for the worldwide mobile communications market. Through the development of integrated hardware, software, and services that support multiple wireless network standards, RIM provides platforms and solutions for seamless access to time-sensitive information including email, phone, SMS messaging, Internet, and intranet-based applications. RIM technology also enables a broad array of third party developers and manufacturers to enhance their products and services with wireless connectivity to data. RIM's portfolio of award-winning products, services, and embedded technologies are used by thousands of organizations around the world and include the BlackBerry® wireless platform, the RIM Wireless Handheld™ product line, software development tools, radio-modems, and software/hardware licensing agreements. Visit www.blackberry.com/homecare for more information.

Co-Sponsors

National Association for Home Care & Hospice

NAHC is the nation's largest trade association representing the interests and concerns of home care agencies, hospices, home care aide organizations, and medical equipment suppliers. NAHC is particularly dedicated to making home care and hospice providers' lives easier. One of the major roles NAHC performs is sponsoring and supporting research that responds to the needs of the field and disseminate this information home care and hospice agencies throughout the country.

Hospital Home Care Association of America

HHCAA is the leading voice for hospital based and hospital affiliated home care agencies. The Association is dedicated to promoting quality improvement through model programs that reflect cooperative care planning and clinical partnerships between hospital and home care providers and to sponsoring and supporting efforts to conduct national research and collect data that can be of benefit to its member agencies and the field as a whole.

Fazzi Associates

Fazzi Associates is one of the nation's largest and most respected home care and hospice consulting, benchmarking, training, and research firms. Fazzi provides an array of OASIS audit and training services, operational and strategic services, and patient satisfaction and operational benchmarking services. Fazzi has also conducted some of home care's most acclaimed studies partnering with groups such as NAHC, 3M Corporation, and Philips.