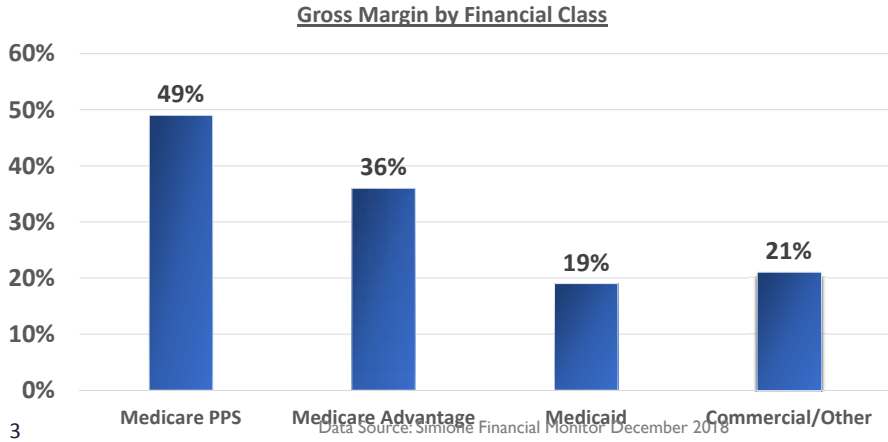


# Home Health Gross Margin

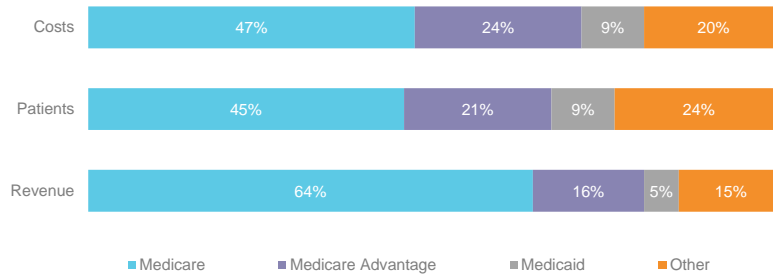
NAHC HHFMA Benchmark of the Month

- Overall Gross Margin – 41%
- Direct Payer Revenue minus Direct Service Cost
- Everyone Drives Gross Margin
  - Clinical – Revenue and Cost
  - Finance – Cost Containment
  - Operation – Cost Efficiencies
  - Marketing/Intake – Revenue
  - Billing – Collection

# Gross Margin by Payer



# Payer Mix



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Data Source: Simone Financial Monitor December 2018

- **First step: What drives my top line?**

- Admissions
- Capture Rate
- Payer Mix
- Case Weight Mix
- Patient Acuity
- Coding
- Collections
- Operational Workflow

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- **Step 2 Creating Direct Cost Efficiencies:**

- Staffing Model
- Productivity
- Visit Utilization
- Patient Acuity
- Benefits
- Vendor Staff Expenses
- Mileage/Geography
- Supplies Management

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