

Use CCM to Reduce Revenue Leakage & Improve Patient Stickiness



Healthcare spending in the U.S. continues to rise, with 2022 seeing a 4.1% increase, bringing the total to a staggering \$4.5 trillion, according to the [American Medical Association](#). As the population ages, the burden of chronic conditions intensifies. [The National Council on Aging](#) reports that nearly 95% of older adults have at least one chronic condition, and almost 80% have two or more. With 56 million Americans currently aged 65 or older—a [number](#) projected to reach 94.7 million by 2060—the need for chronic disease management has never been more critical.

[Chronic Care Management \(CCM\)](#) programs are increasingly recognized for their ability to improve patient outcomes, manage healthcare costs, and significantly contribute to health system revenue. A [2022 report](#) on patient leakage found that 65% of health system leaders identify patient leakage as a barrier to achieving financial goals, and 94% prioritize reducing leakage. Additionally, it's [estimated](#) that hospitals lose between 10-30% of their revenue due to patient referral leakage. This financial impact highlights the importance of a systemic approach to care, connecting the various entities within a health system into a cohesive whole. CCM can play a vital role in this integration, helping to capture lost revenue, reduce care costs, and enhance patient retention.

Creating More Revenue Opportunities

CCM programs help strengthen patient engagement by facilitating regular, proactive interactions connecting provider and patient between healthcare visits. This is important because patients who are actively engaged in their chronic disease management are more likely to follow prescribed treatment plans, take their medication, and report complications earlier. These same patients will then be more likely to use specialists employed by the CCM service provider for preventative procedures, such as mammography, colonoscopy, etc. This constant and ongoing communication also helps patients stay aware of their health and maintain regularly scheduled follow-up appointments.

For healthcare systems, patients who adhere to their treatment plans, and follow up with their provider, tend to reduce the frequency of missed appointments, thereby stabilizing billing opportunities, while increasing revenue. And the revenue can be significant. Medicare offers very specific [reimbursement guidelines for CCM](#) services. *Becker's Hospital CFO Report* outlines what the average physician group could expect to see in revenue under a CCM program. Their analysis revealed that the average revenue per physician came to just over \$139,000 annually.

Despite these financial benefits, many providers underutilize CCM services due to a lack of awareness or misunderstanding billing complexities. But health systems that have an effectively managed CCM program ensure that eligible patients are enrolled, and all potential reimbursements are claimed, including compensation for non-face-to-face services, which might otherwise go unbilled.

Reducing Cost of Care

One of the biggest advantages CCMs programs offer is the reduction of the cost of care. This is achieved by focusing on preventative care and effective chronic disease management for the patient. This focused attention can prevent the escalation of illnesses and reduce the occurrence of acute episodes that result in costly care interventions, such as emergency room visits and hospitalizations. Signallamp Health customers have seen average reductions in total cost of care of 15-20% and 62.5% lower ED utilization overall across their CCM-enrolled population year over year.

Simply put, managing chronic conditions effectively through a CCM program improves patient outcomes and decreases the financial burden of uncompensated care.

In [value-based care \(VBC\) models](#), which are increasingly dominating healthcare reimbursement structures, CCM programs play a critical role. Since VBC models often include penalties for high readmission rates—and rewards for improved health outcomes—successful patient treatment management can lead to increased reimbursements and bonuses for health systems operating under these models. The decreased use of high-cost services also can result in cost savings, which are often shared between payers and providers. In decreasing the utilization of high-cost services, CCM programs can not only achieve significant cost savings for health systems, but also enhance the overall cost-efficiency metrics that many VBC agreements evaluate.

For [Accountable Care Organizations \(ACOs\)](#), which focus on coordinated care and cost efficiencies, CCM programs provide an efficient way to drive patients to a “preferred network” of their high-performing providers through their nursing teams. This approach can help ensure improved patient accountability, while reducing treatment complications and readmissions. Ultimately, this leads to a lower total cost of care, with shared savings for the ACO.

Improving Patient Stickiness and Satisfaction

CCM programs contribute significantly to [patient satisfaction and retention](#) by nurturing long-term relationships and delivering consistent, personalized care. Patients who trust that their health is being closely monitored and managed are more likely to feel satisfied with the care they receive. This, in turn, leads to loyalty towards their healthcare providers. And that satisfaction leads to reduced patient leakage to other providers, resulting in sustained revenue streams for healthcare organizations.

Not surprisingly, satisfaction is a fundamental element of quality under a value-based care reimbursement model. The convenience and ease of treatment access offered by CCM programs are highly valued by patients, making them more inclined to stick with a health system that makes their healthcare journey both personalized and easier. This improves patient satisfaction and reinforces adherence to treatment plans, which can boost clinical outcomes.

In VBC models, where patient satisfaction scores are increasingly influential in determining reimbursement levels, a CCM program’s focus on patient care and satisfaction further strengthens the healthcare system’s performance under the metrics included in VBC contracts.

Chronic Care Management programs also provide a transformative approach to healthcare delivery by closely aligning improved patient outcomes with financial sustainability. A CCM program positions healthcare providers—and their health systems—for success in a value-based reimbursement environment. As the complexities of healthcare continue to evolve, leveraging CCM programs will be essential in the future to achieving clinical excellence and financial growth and stability in healthcare delivery.

Outsourcing to a Chronic Care Management Company

If you would like to implement a CCM program, outsourcing is a viable and recommended path.

[Signallamp Health](#) works as an extension of your providers, helping you to harness your physician-patient relationships to increase access to care, improve outcomes, and feed longitudinal patient engagement. Signallamp Health CCM programs have a 90 percent patient retention and an 86 percent medication adherence rate.

Signallamp offers white glove, on demand, nursing capacity dedicated only to your providers and patients and tailored to your workflows. Our unique remotely embedded nurse care model enables our nurses to become a truly integrated extension of your existing facility-base care team, all at no up front cost to you. Our success is directly linked with your success.

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