The Promises and Perils of AI in Post Acute Care

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30 years in home health as a provider and consultant.

C-level experience in finance, IT, and operations

Member of the HHFMA Advisory Board

Co-Chair of the Alliance for Care at Home's Care at Home Technology Group

We are at an inflection point in the adoption of AI in post-acute care


There is a world of promise:
Faster documentation
More accurate charting
Lower costs
Deeper insights
Faster decision-making


There is also a world of peril:
Wasted money
Cognitive offloading
Bias and inequity
Privacy issues
Lack of trust in models

VIDEO

Tech Trends

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The Promises

LEADERSHIP
Leading Organizations

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healthcare

"A developed digital scribe was found to be 2.7 times faster than typing, 2.17 times faster than dictation for history sections, and 3.12 times faster for physical exams. It showed higher efficiency and reliability compared to traditional methods, with minimal training required."

Sasseville, M., Yousefi, F., Ouellet, S., Naye, F., Stefan, T., Carnovale, V., Bergeron, F., Ling, L., Gheorghiu, B., & Hagens, S. 2025. "The Impact of AI Scribes on Streamlining Clinical Documentation: A Systematic Review." *Healthcare (Basel)* 13 (12): 1447. https://pmc.ncbi.nlm.nih.gov/articles/PMC12193156/

healthcare

There is a statistically significant decrease in 24-hour documentation deficiency rate

Sasseville, M., Yousefi, F., Ouellet, S., Naye, F., Stefan, T., Carnovale, V., Bergeron, F., Ling, L., Gheorghiu, B., & Hagens, S. 2025. “The Impact of AI Scribes on Streamlining Clinical Documentation: A Systematic Review.” *Healthcare (Basel)* 13 (12): 1447. https://pmc.ncbi.nlm.nih.gov/articles/PMC12193156/

More accurate charting

JAMA®
The Journal of the American Medical Association

Participant's baseline diagnostic accuracy without model input was 73.0% for [diagnosing pneumonia, heart failure, and COPD]. Provided with standard AI predictions, participant diagnostic accuracy for each disease category increased to 75.9%, an increase of 2.9 percentage points. Providing standard AI predictions with explanations increased accuracy to 77.5%, an increase of 4.4 percentage points from baseline.

"Measuring the Impact of AI in the Diagnosis of Hospitalized Patients: A Randomized Clinical Vignette Survey Study." *JAMA* 330, no. 23 (December 19, 2023): 2275–2284.

EMORY UNIVERSITY SCHOOL OF MEDICINE

On MedXpertQA MM,GPT-5 and surpasses pre-licensed human experts by +24.23% in reasoning and +29.40% in understanding.

Wang, Shansong, Mingzhe Hu, Qiang Li, Mojtaba Safari, and Xiaofeng Yang. “Capabilities of GPT-5 on Multimodal Medical Reasoning.” *arXiv preprint*, August 2025. arXiv:2508.08224.

Lower costs

First Choice®
Home Health & Hospice

By utilizing an AI-based OASIS coding tool, First Choice has decreased its coding costs 75%, all while maintaining or exceeding coding quality established by human coders.

DoubleCare ABA

By utilizing an AI-based QA tool, Double Care ABA has decreased its QA costs 80%, increasing the number of reviews up to 100% of all notes.


Deeper insights

By utilizing an AI-based care transition tool, Elara Caring increased their total hospice days by 300%.

THE WALL STREET JOURNAL.

"Sinai Hospital…uses an algorithm to identify hospitalized patients who are most at-risk for sepsis…The algorithm examines more than 250 factors…[and] alerts doctors if it determines a patient is septic or deteriorating…The system adjusts over time based on the doctors' feedback…using the algorithm in hospitals could result in patients getting sepsis treatment nearly two hours earlier on average, reducing the condition's hospital mortality rate by 18%."

-Sumathi Reddy
"How Doctors Use AI to Help Diagnose Patients"
February 28, 2023


Faster
decision-making

The Perils

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Wasted money

$7.5 Billion

Dollars spent per year on unused software

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McKinsey & Company

Most [study] respondents have yet to see organization-wide, bottom-line impact from gen AI use.

Singla, Alex; Alexander Sukharevsky; Lareina Yee; Michael Chui; and Bryce Hall. *"The State of AI: How Organizations Are Rewiring to Capture Value."* McKinsey & Company (QuantumBlack, March 2025).

Cognitive offloading

Massachusetts Institute of Technology

LLM users…struggled to accurately quote their own work. While LLMs offer immediate convenience, our findings highlight potential cognitive costs. Over four months, LLM users consistently underperformed at neural, linguistic, and behavioral levels.

Nataliya Kosmyna, Eugene Hauptmann, Ye Tong Yuan, Jessica Situ, Xian-Hao Liao, Ashly Vivian Beresnitzky, Iris Braunstein, and Pattie Maes. "Your brain on chatgpt: Accumulation of cognitive debt when using an ai assistant for essay writing task." arXiv preprint arXiv:2506.08872 (2025).

SBS

SWISS BUSINESS SCHOOL

Our research demonstrates a significant negative correlation between the frequent use of AI tools and critical thinking abilities, mediated by the phenomenon of cognitive offloading. This suggests that while AI tools offer undeniable benefits in terms of efficiency and accessibility, they may inadvertently diminish users' engagement in deep, reflective thinking processes.

Gerlich, Michael. 2025. "AI Tools in Society: Impacts on Cognitive Offloading and the Future of Critical Thinking." *Societies* 15, no. 1: 6.

Bias and inequity

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We found that all three AI generators exhibited bias against women and African Americans. Moreover, we found that the evident gender and racial biases uncovered in our analysis were even more pronounced than the status quo when compared to labor force statistics or Google images.

Zhou, Mi, Vibhanshu Abhishek, Timothy P. Derdenger, Jaymo Kim, and Kannan Srinivasan. 2024. “Bias in Generative AI.” arXiv preprint, arXiv:2403.02726

Massachusetts Institute of Technology

GenAI systems can produce inaccurate and biased content for three key reasons:

Training Data Sources. Models mimic patterns in their training data, regardless of validity. **Limitations of Generative Models:** GenAI functions like advanced autocomplete tools. **Inherent Challenges in AI Design:** Their generative nature means they can produce new, inaccurate content by combining patterns in unexpected ways.

Privacy issues

Commercial AI systems like ChatGPT, Claude, Gemini, DeepSeek, etc. are designed without any privacy in mind. All the data that goes into the system is stored and used as training data to improve the model.


Lack of trust in models

Trust comes from a combination of character and competence. As AI has no “character,” trust can only come from competence (capabilities + results).

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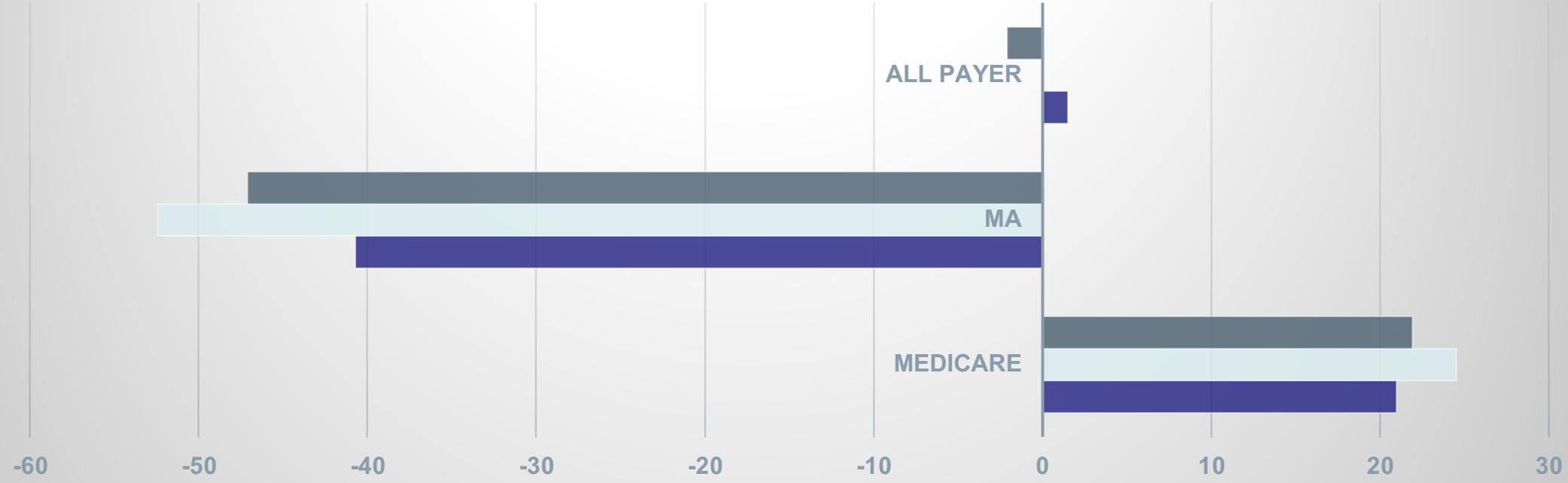
All Payer Profit Margin % by Year



	Medicare	MA	All Payer
2022	21,91	-47,11	-2,1
2021	24,53	-52,44	0
2020	20,97	-40,73	1,48

How do post-acute care agencies successfully take advantage of the promises without running into the perils?

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Data
Model
Workflow
Governance


Data
68 %
80 %
58 %
28 %
15 %

While it is ultimately a post-acute care agency's responsibility to make sure their AI tool is accurate, it is incumbent upon technology providers to provide data to back up claims of accuracy.

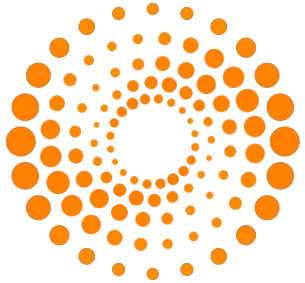
Los Angeles Times

Federal judge mulls sanctions against attorney for AI use in Kluwe defamation case

The New York Times

Judge Fines Lawyers for MyPillow Founder for Error-Filled Court Filing

The judge said the lawyers had not explained how such errors could have been filed "absent the use of generative artificial intelligence or gross carelessness by counsel."



REUTERS

Judge disqualifies three Butler Snow attorneys from case over AI citations

Questions to ask your vendor:

- Where did the dataset come from?
- What groups are represented by the data (sex, age, race, etc.)?
- What data was zero-filled or missing?
- Are the labels objective (mortality) or subjective (pain controlled)?

How Do Agencies Verify Data?

- Utilize AI tools in test datasets before using them with live patients.
- A | B test the tools and their results with the same patients.
- When you use tools, include humans at the end of the process until the results are fully vetted.

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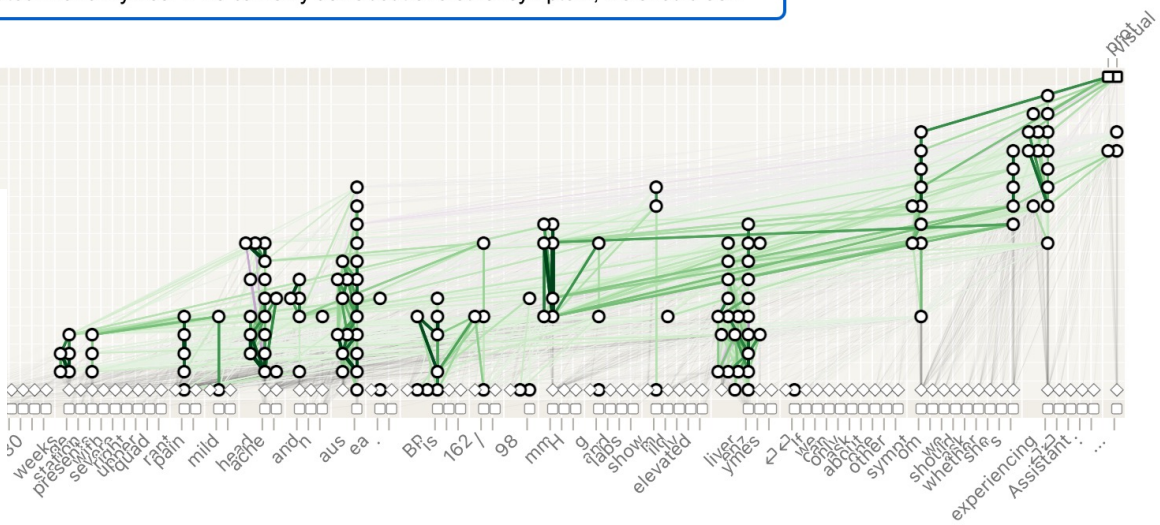
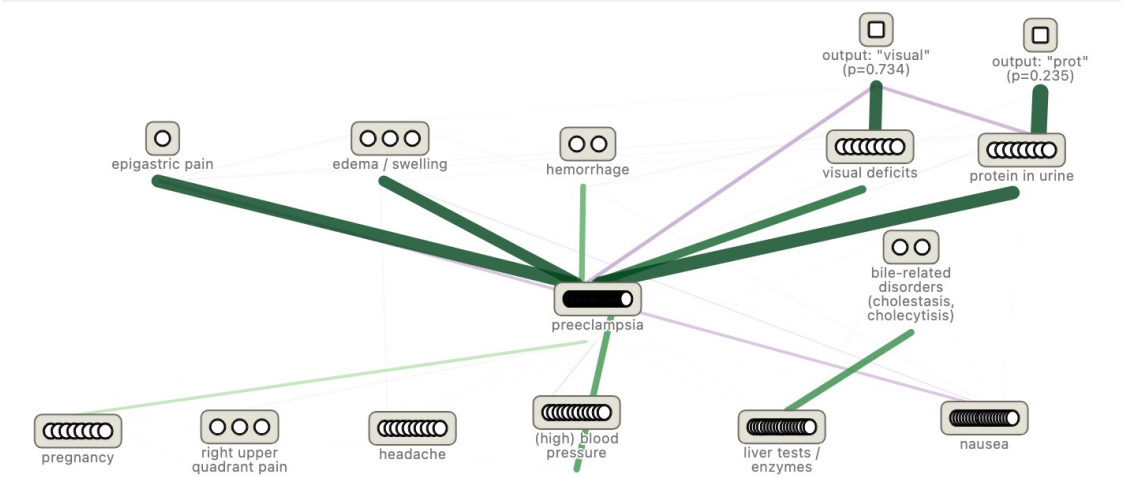
The data in an LLM is the secret sauce of the AI tool you are using. While you don't need to know the nitty-gritty of it, your vendor should be able to describe it in a way you can know it.

Anthropic: How AI “thinks”:

Haiku — Human: A 32-year-old female at 30 weeks gestation presents with severe right upper quadrant pain, mild headache, and nausea. BP is 162/98 mmHg, and labs show mildly elevated liver enzymes. If we can only ask about one other symptom, we should ask





The graph reveals a process that mirrors clinical diagnostic thinking. In particular, the model activates several distinct feature clusters that correspond to key elements of the clinical presentation:

1. First, the model activates features corresponding to the patient’s status and symptoms – pregnancy, right upper quadrant pain, headache, elevated blood pressure, and liver abnormalities. These serve as the inputs to the diagnostic reasoning process.
2. These patient status features collectively activate features representing potential diagnoses, with preeclampsia emerging as the primary hypothesis. Note that not all the status features contribute equally – the pregnancy features (followed by blood pressure features) are by far the strongest inputs to the preeclampsia features, with the rest contributing more weakly.
3. In addition, the model simultaneously activates features representing alternative diagnoses, particularly biliary system disorders like cholecystitis or cholestasis.
4. The preeclampsia features activate downstream features representing additional symptoms that would provide confirmatory evidence for a preeclampsia diagnosis, including the two – visual deficits, and proteinuria – that correspond to its two most likely responses.

Lindsey, Jack, et al. "On the Biology of a Large Language Model." Transformer Circuits Thread. March 27, 2025. https://transformer-circuits.pub/2025/attribution-graphs/biology.html. Accessed October 28, 2025.

Questions to ask your vendor:

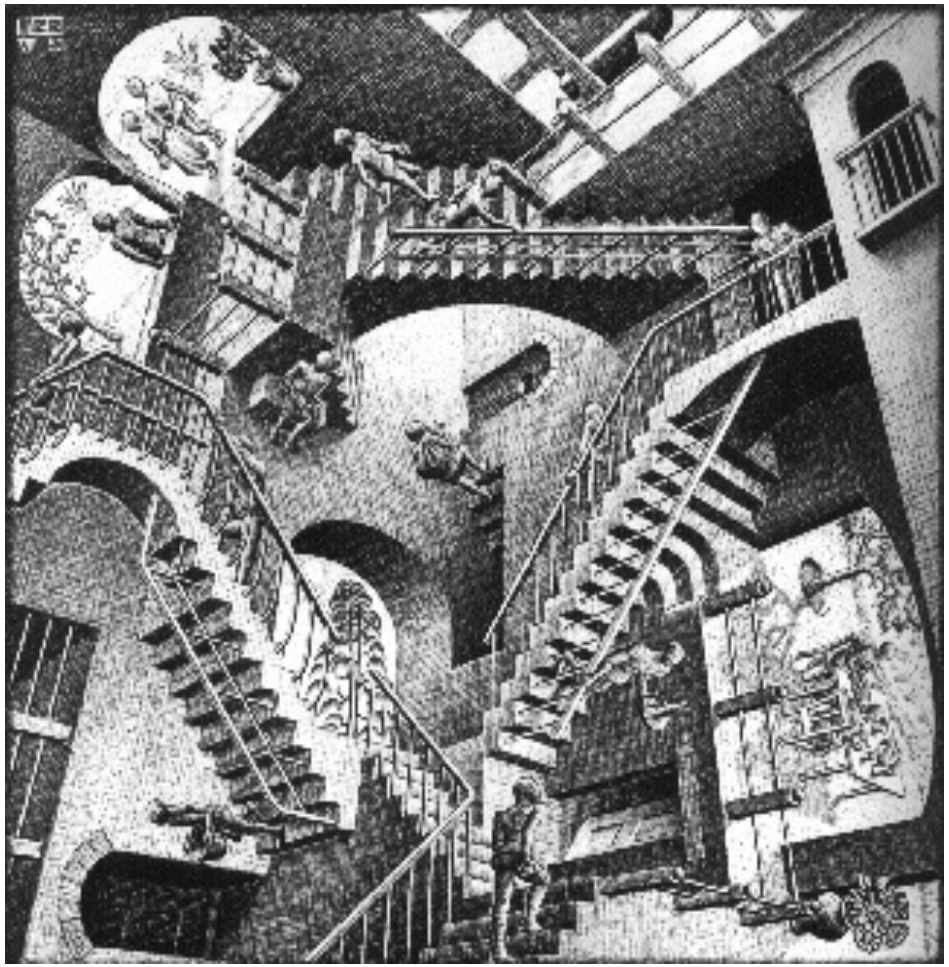
- What was the date range of the data being collected?
- How often will the data be refreshed and the model updated?
- How can you help me calibrate my data on an ongoing basis?

How Do Agencies Verify Data?

- Work with your vendor when there are changes that will impact the dataset (i.e. OASIS-D to OASIS-E).
- Calibrate results – compare predicted outcomes vs. actual observed outcomes.
- Calibration is an ongoing effort, not a one-time event.


Information
Date Created
Modified
Content Created
Last Opened
More ...
In Progress
Testing
Done
31%
65%
56%
75%
100%
Work Item C-012

Workflow



All organizations are perfectly aligned to get the results they are getting!

Arthur Jones

If an AI tool won't work in your workflow – for whatever the reason – you should not adopt the AI tool.

Questions to ask your vendor:

- How does this integrate with my EMR?
- What data of mine will it be trained on?
- What best practices have you seen from other clients (ideally, clients similar to me)?

If you put really great people in really poor systems the systems win every time.

Stephen R. Covey

What do you need to change?

- What people need to be re-trained in a new job?
- What processes need to be reformed and/or eliminated?
- What contracts do you need to eliminate or software do you need to remove?
- What are “must-think” points?
- Where will the human be in the loop? How will things be verified and on what schedule?

Governance

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NYPD
Who is in charge of this tool?

What privacy and security controls will you have?

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When will we evaluate its effectiveness and adjust plans?

What does winning look like?

75% decrease

In front-end OASIS costs in year one

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50-90% savings
In clinician charting time
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80% decrease

In auditing costs, all while auditing more charts

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60% less time

Balancing the books

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No legal issues

VISIONBOUND®

No three-letter agencies

VISIONBOUND®

Happier employees

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