

The Coming Battle for the Post-Acute Patient: Why Your Medical Model Matters

LTC 100

May 1, 2011

Kathleen M. Griffin, PhD, National Director, Post Acute and Senior Services, Health Dimensions Group

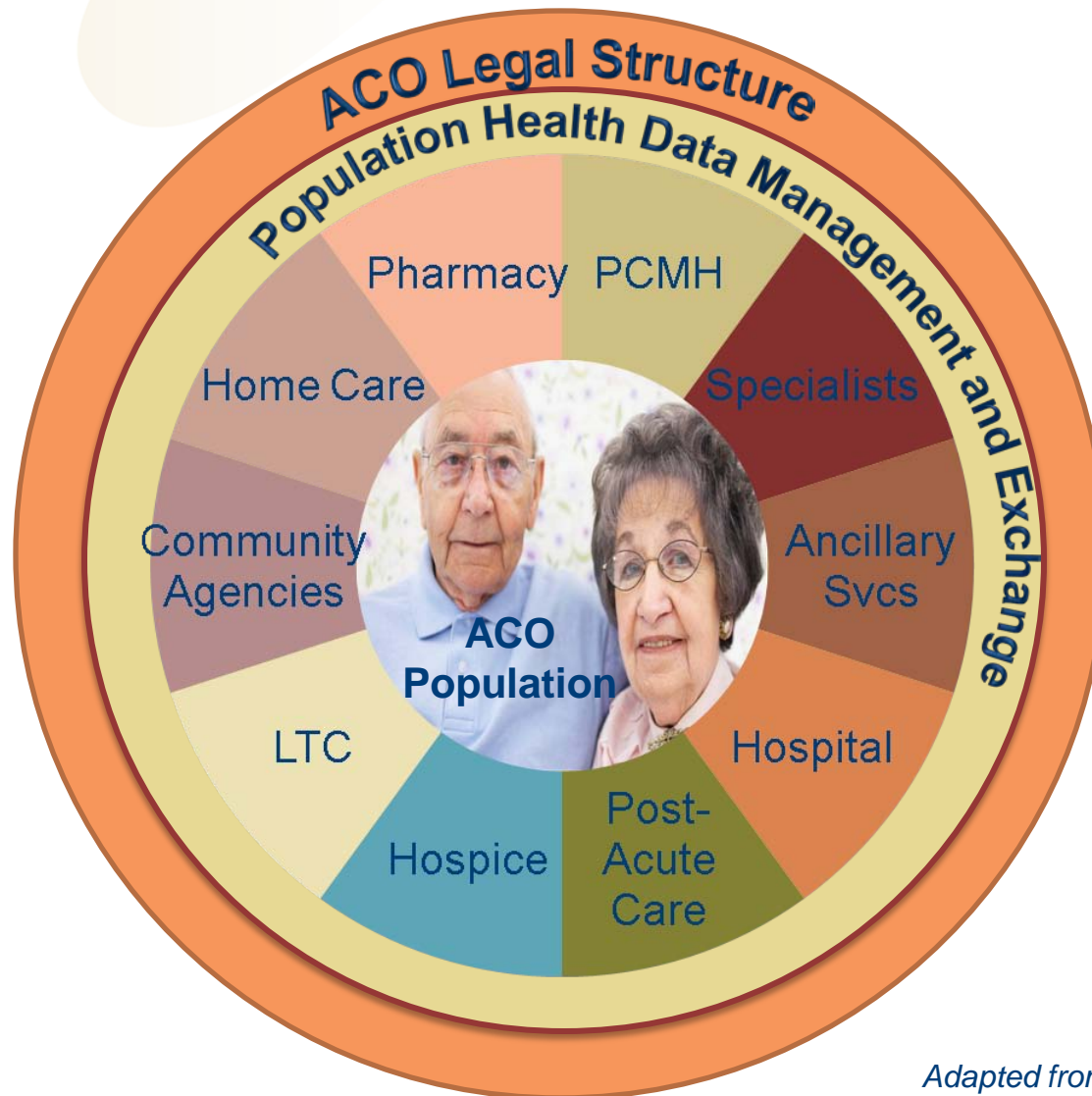
Game Changer for Post-Acute Medicare Payment: Hospitals and Physicians at Risk for Post-Acute Care



***Beginning
in 2012, will
change
post-acute
care
forever.***

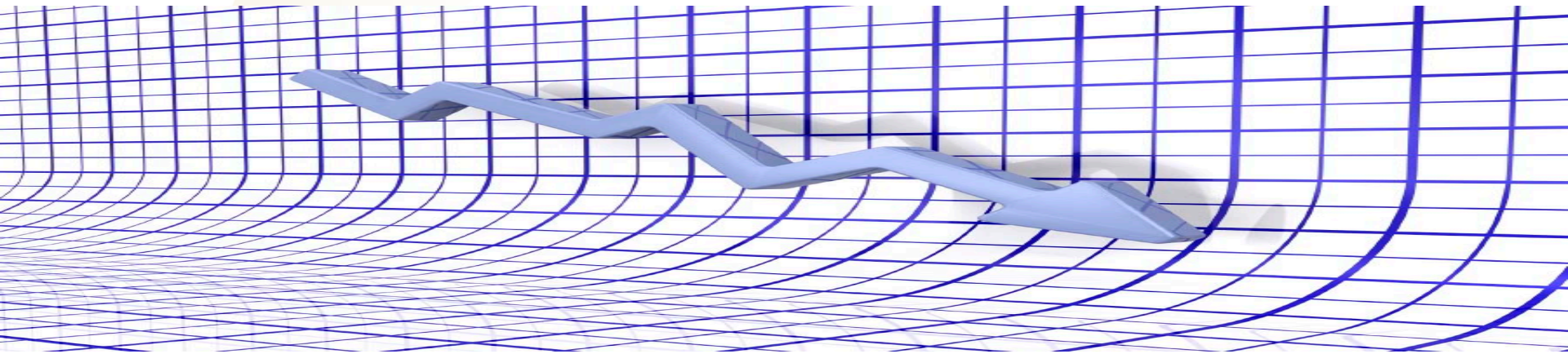
- Accountable Care Organizations
- Hospital Readmission Penalties
- Bundled Payment Pilots
- Value-Based Payment

1/1/2012—Accountable Care Organizations: Coordinated and Integrated







- Physician Groups or Physicians & Hospitals share savings if reduce Medicare A & B costs
- Contract with select post-acute providers
- Serve 5,000+ Medicare fee-for-service beneficiaries
- Savings through primary care access, prevention, avoiding institutions

10/1/2012—Penalties for Hospitals with Excessive 30-Day Readmissions



- Hospitals in quartile with highest rate of 30-day readmissions for heart attack, heart failure, and pneumonia will lose up to 1% *total* Medicare payments
 - Penalty increases to 3% in FY2015
 - More penalty conditions will be added

2012—Impact on Post-Acute Providers

- Preferred provider networks for ACOs and hospitals/health systems: selection criteria
 - Data proving low readmission rate; Medicare Part A “go homes” from subacute to home health—and stay at home  
 - Manage high-acuity patients with 24/7 physician/NP access  
 - Reduced ED visits and hospitalizations of LTC residents
 - Appropriate use of hospice
- ACO primary care or health system’s doctors integrated into subacute care and long-term care: nurses, physicians, and NPs rounding to prevent crises from occurring

2013—Bundled Payment Pilot and VBP 90-Day Cost Accountability

1/1/2013

Bundled Payment Pilot

- One payment to hospital for hospitalization + 30 days of care



10/1/2013

Value-Based Purchasing

- Proposed measure: Hospital is responsible for Medicare costs for 90 days after hospital discharge
- Excessive costs = less Medicare payment



2013—Impact on Post-Acute Providers

- Fewer hospital days, fewer post-acute institutional days, more home care = lower costs (so long as patient outcomes are good)
- Subacute becomes today's community hospital without surgical suites and high-tech diagnostics
 - Physicians/NPs manage crises for both short-term Medicare patients and long-term care residents in subacute, not hospital
 - Procedure rooms for replacing g-tubes
 - Facilityists for your general subacute; specialists for your subacute centers of excellence
 - Care continuum for seniors—no one falls through the cracks



Wake-Up Call: To Be a Post-Acute Player in the Future, Must Have Physician Strategy Today

- #1 reason for hospital admissions from SNFs = “limited on-site capacity to deal with medical issues”
- #2 reason = “physicians more comfortable with hospital services: stat labs, x-ray, nurse competencies”

To Hospitalize or Not to Hospitalize? Medical Care for Long-Term Care Facility Residents. Kaiser Foundation, October 2010

