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Post-Acute Preferred Provider Arrangements—Strategies for Partnership

Transacting in the Post-Acute Care Space Crash Course

November 28, 2017

Disclaimer

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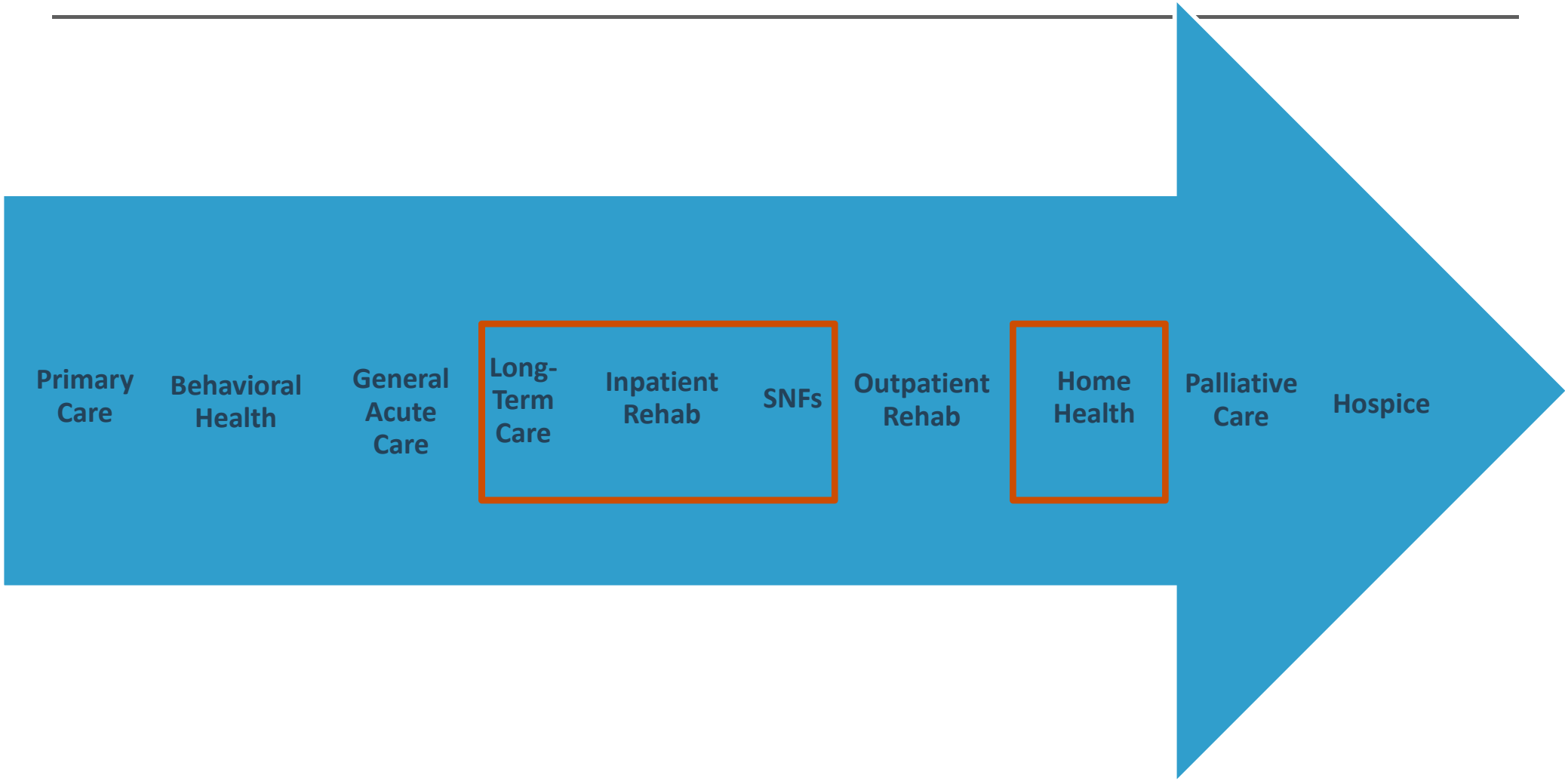
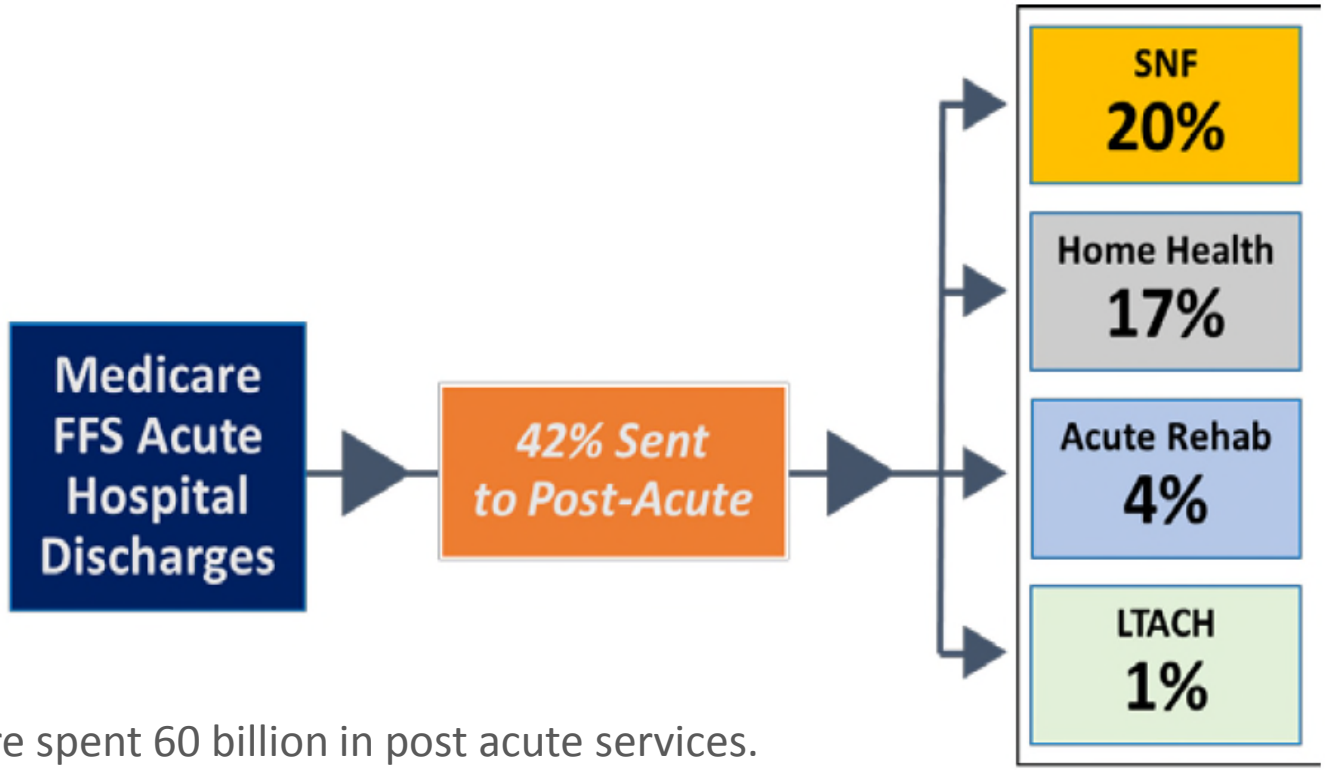
Reasons Preferred Provider Arrangements Are Part of Hospital and PAC Provider's Strategy

- MedPac – recommendation of unified payment system for post acute with payments based on patient characteristics instead of site of service to be implemented in 2021.
- Medicare's Hospital Readmission Reduction Program – (HRRP). Penalties up to 3% of hospital's payments as of October 2017. (Despite Trump admin issue with ACA).
- Of the 3,241 hospitals whose readmissions were evaluated, Medicare penalized 4 out of 5.
- Bundled Payment for Care Improvement (BPCI) will continue to increase.
- Value and outcome based payment models will continue to increase.
- Gain more control over quality and cost without acquisition or entering the business.

Post-Acute Services on the Continuum of Care



Post Acute Care – Opportunity to Control Costs and Outcomes



In 2015 – Medicare spent 60 billion in post acute services.

Source: Medicare post-acute care reforms. Statement of Mark E. Miller. Executive Director, Medicare Payment Advisory Commission. Before the Subcommittee on Health. Committee on Energy and Commerce. U.S. House of Representatives. April 16, 2015.

EBG and EBGA PAC Preferred Provider Agreement Development Process

EBG and EBGA provide value added

I. PAC Assessment Process

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II. Develop Data Request and Analysis

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III. Evaluate Market Area PAC Providers

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IV. Select PAC Network

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V. Redesign Care to Effect PAC Continuum

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VI. Establish Means and Measures for ROI

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VII. Develop Preferred Provider Agreement

I. PAC Assessment Process

Conducts internal analyses

- Identify enterprise needs and points of pain
- Assess discharge process and practices
- Assess discharge patterns and volumes
- Assess needs for post acute – physicians, case managers, etc.
- Identify enterprise priorities
- Identify need for Care Transformation

II. Develop Data Request and Analysis

Determine information needed to conduct analysis

- Hospitalization rates
- ER utilization rates
- Average length of stay for Medicare FFS and Managed Care
- Patient Satisfaction survey results
- Program Specialties and Clinical Capabilities for:
  - Heart attacks
  - Heart failures
  - Pneumonia
  - Chronic lung disease
  - Hip and knee replacement
  - Coronary artery bypass graft surgery
- CMS Five-Star Quality Rating Data
- State Survey Scores
- Facility Leadership/Senior Staff Tenure
- Employee Satisfaction and Turnover

III. Evaluate Market Area PAC Providers

Selection Criteria will vary by type of PAC provider

- State Health and Safety Reports
- Medicare Quality Measures (Star Rating)
  - prevent pressure ulcers
  - manage pain
  - provide vaccines
- Medicare Billing Data
  - average length of stay
  - readmissions within 30 days
- Joint Commission Accreditation (shows commitment to quality)
- Physician Alignment – where hospital doctors frequent
- Case Manager and Discharge Planner preferences based upon quality and communication
- As part of selection visit, and interview leadership to determine commitment to collaboration and partnership
- Specialties – complex case capability
- EHR Capability

IV. Select PAC Network

Criteria for Credentialing and Recredentialing in Network

- Legally sufficient credentialing process
- Readmission rates
- Emergency Department rates
- Patient discharges through post acute care continuum
- Average length of Stay
- Key indicia on standardized patient survey
- Quality measures

V. Redesign Care to Effect PAC Continuum

Purpose

- Integrate and coordinate patients' journey across PAC continuum
- Remove silos and focus on person-centered care models
- Transform patient experience through integrating interventions

MedPACs Recommended Strategies

- Establish new processes to facilitate better communication among staffs of facilities and within staff – (leadership and staff)
- Improve skills of staff providing direct care
  - i.e. fall prevention, signs and symptoms of deteriorating health status
- Medication Review
- Advance Care Planning – end-of life preferences
- Telemedicine – use of advanced practice nurses

V. Redesign Care to Effect PAC Continuum

National Transitions of Care Coalition's Seven Essential Intervention Categories

1. Medications Management – ensure safe use by patient and family
2. Transition Planning – formal process for safe transition from one level of care to another
3. Patient and Family Engagement – Education and counseling of patients and families to facilitate active participation
4. Information Transfer – Sharing care information in a timely and effective manner. IT Strategy
5. Follow-up Care – Effective follow-up care activities
6. Health Provider Engagement – Demonstrating ownership, responsibility and accountability
7. Shared Accountability Across Providers and Organization – Accountability of care of patients by both referring and receiving providers

VI. Establish Means and Measures for ROI for Acute and Post Acute Partner

Goals

- Drive performance improvement initiatives
- Metrics that measure effectiveness and ROI of PAC Network
- Network members that fail to maintain metrics are suspended

Metrics

- Increase patient volume with shorter lengths of stays
- Increasing ability to care for more complex patients
- Readmission rates and root cause analysis
- Outcome improvement indicators i.e. infection, pressure ulcer rates, resident fall with injury
- Agreed upon Patient Satisfaction Results

VII. Develop Preferred Provider Agreement

Legal/Compliance Support

- Establish Criteria to Enable Patient to Make Informed Decision Preserving Patient Choice while promoting narrow networks
  - Medicare Hospital Conditions of Participation (CoPs) require discharge planning process and that the discharge plan include:
    - A list of SNFs or HHAS that are available to patient; that are participating in Medicare program and that serve the geographic area in which resident resides or requested by patient;
    - That hospital must document in patients medical record that the list was presented to the patient or person acting on patient's behalf;
    - That hospital must inform the patient or family member of the freedom to chose among participating Medicare providers; As needed, patient and family must be counseled to prepare them for post-hospital care;
    - That the hospital must not specify or otherwise limit the qualified providers that are available to patient; and
    - That the discharge plan must identify any HHA or SNF in which the hospital has a disclosable financial interest.

VII. Develop Preferred Provider Agreement

Legal/Compliance Support

- Effective Contract Requirements:
  - Communication Requirements, i.e. monthly meeting, education initiatives to improve clinical skills; IT interoperability
  - Monitoring requirements and structure, i.e., readmissions, complaints, patient satisfaction surveys
  - Basis of suspension of network member
  - Oversight Structure
  - Data Collection Process and IT initiatives
  - Credentialing Criteria
  - Pre-discharge and Post-discharge responsibilities
  - Care Coordination including, transformation initiatives
  - Metrics and measures for ROI
  - Incentive compensation

Questions?

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Thank you.

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