TOP 5 STRATEGIES FOR MANAGING POST-ACUTE CARE

Why is Post-Acute Care Management Important for Medicare Advantage plans?

1. NETWORK MANAGEMENT

Medicare per capita costs are greater in the South, Midwest, and Mid-Atlantic. This is the result of high utilization rather than cost variation.¹

For Consideration:
- Implement a preferred network, based on quality and financial incentives.
- Optimize through streamlined coordination and transitions between care providers (e.g., hospital to Skilled Nursing Facility (SNF), SNF to home health).
- Align financial incentives across network providers.

2. APPROPRIATE SETTING FOR CARE

$3K vs. $9K

According to a MedPAC report, the average cost to heal from a hip fracture in a Skilled Nursing Facility (SNF) is 3x more expensive than healing at home with health support.²

For Consideration:
- A 5-year study by Dobson DaVanzo and Associates discovered significant differences in costs for Medicare patients depending on their first setting post-discharge.
- Use pre-discharge coordination and analytics to determine the level of intensity that a patient needs to heal effectively, including where a “home first” approach is possible.

3. LENGTH OF STAY MANAGEMENT

17–20%

Approximately 17-20 percent of patients with post-acute care needs would benefit from a SNF stay. The key is to manage how long the patient should remain in SNF care.³

For Consideration:
- According to a recent report prepared for the Centers for Medicare & Medicaid Services (CMS), SNF length of stay dropped 1.3 days when orthopedic patients were in the Bundled Payment program.
- Reimbursement rates affect SNF length of stay rather than clinical need alone.⁴

4. READMISSIONS PREVENTION

76%

MedPAC and a study by Jenkins et al. estimates that 17–20% of Medicare patients discharged from the hospital were readmitted within 30 days. Among these, it’s estimated that 76% were avoidable and were associated with $12 billion in Medicare spend.⁵,⁶

Who’s most at-risk?

Patients who have:
- Been discharged without ANY home health orders.
- Been in the hospital for more than 7 days, or have been readmitted at least 2x in the last 6 months.
- High number of medications (>8) and have multiple services prescribed.⁷

For Consideration:
- In original Medicare, over 16% of nursing home visits are improperly paid, and some items of DMEPOS (Durable Medical Equipment, Prosthetics, Orthotics and Supplies) have improper payment rates of over 50% (e.g., Lower Limb Orthoses are paid improperly 99.6% of the time).⁸

5. FRAUD, WASTE, AND ABUSE MINIMIZATION

$60 Billion

Of the $554 billion paid to providers through Medicare in FY 2014, CMS estimates that about 10%, or $60 billion was paid impropriety.⁹

For Consideration:
- CareCentrix estimates that approximately 50% of patients who have a knee or hip replacement recover in a SNF, but of these, 23% have no comorbid conditions and may be candidates for healing at home.
- CareCentrix estimates that 10-15% of total post-acute care costs can be eliminated through better management.¹⁰

TopCareCentrix has developed an integrated approach to post-acute care management that is focused, home-centric when appropriate, and fills the gaps between fragmented services. The approach identifies the best path for the patient’s care, engages the highest-performing providers, and connects providers, patients, and caregivers through our proprietary HomeBridge™ technology.

References: