

Research Report Demonstrates the **Value of LTACHs** to **Managed Care** During Pandemic



In today's intense healthcare environment, collaboration between acute and post-acute providers as well as payers has been particularly essential. Recent analysis conducted by ATI Advisory, a Washington, DC-based research and advisory services firm, evaluated post-acute provider performance during the public health emergency using claims data from Centers for Medicare and Medicaid Services (CMS).

The resulting study, ***Role of LTAC Hospitals in COVID-19 Pandemic***, contains data and qualitative interviews with professionals and clinicians that, ***“strongly suggests that LTACHs have played an important role in meeting the public health needs of clinicians, patients, and patients’ families over the course of the pandemic.”***¹

This article outlines the study’s key findings, which reinforce the positive outcomes of long-term acute care hospital (LTACH) partnership.

The Value of Partnership for a Niche Patient Population

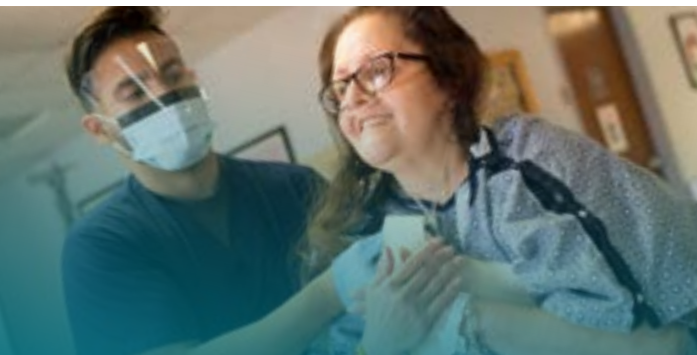
The ATI study highlights that during the pandemic, strong communication and partnerships between acute hospitals and LTACHs were critical in managing COVID and non-COVID patients: “[Short-term acute care hospitals (STACHs)] turned to LTACHs to relieve capacity constraints and admit and support, without disruption, patients with more intensive needs. Many STACHs took to relying on LTACHs and IRFs to help manage the increasingly critical caseload.” The report clearly demonstrates the value in traditional hospitals working closely with LTACHs to deliver necessary acute-level care for highly clinically complex patients.

The value that LTACHs brought to managed care plans and their patients was also emphasized in the report. Specifically, it noted that “the contributions LTACHs have made during the pandemic have shifted outdated perspectives from clinicians and perhaps even some managed care plans. LTACHs that appropriately redesigned processes during the pandemic were able to (a) deliver better COVID-specific care and (b) highlight the LTACH model’s unique capabilities.”

As the benefits of transparency and collaboration are becoming more apparent due to the pandemic, payers should continue to ensure their partners are meeting these expectations and providing a full view of improved outcomes and cost-effective care delivery.

LTACH Population Is Becoming More Acute, Even with Waivers

While the temporary prior authorization relief has expired in many areas, it is important for managed care organizations to recognize that it encouraged flexible care pathways between STACHs and post-acute care settings. The waivers enabled STACHs to significantly improve patient flow and minimized unnecessary disease exposure (COVID-19 and otherwise) through shorter lengths of stay. The streamlined process also resulted in improved care and outcomes for LTACH-appropriate patients.



According to the ATI Advisory report, CMS claims indicate that LTACHs remained a specialty setting for the sickest patients. Despite federal waivers that loosened stringent requirements for LTACH admission, LTACHs nonetheless cared for an even more complex patient population during the COVID-19 pandemic. This is supported by an increased Case Mix Index (CMI) from January to May 2020.

Also within the study, the shorter average length of stay (ALOS) at an LTACH compared to other post-acute care providers was recognized as a differentiator in outcomes by interviewees. For example, a VP of Population Health Management at a Managed Care Plan stated, “ALOS is very important. If a patient is going to a SNF but staying 45 days and would have only stayed 20 in the LTACH and then gets discharged home, that’s probably a better outcome.”

As the critically ill patient population continues to become more medically complex, payers should continue to ensure their networks include the specialized, effective care settings these patients require.

The Benefits of LTACHs Within Payer Partnerships

Going forward, the study indicated that “LTACHs can leverage their meaningful role during COVID-19 in order to *foster new conversations with plans and policymakers to share metrics, increase transparency, and collaboratively develop new patient pathways* that reduce friction during patient transitions.”

According to interviews that ATI Advisory conducted with providers and physicians, they collectively indicated that the *capabilities of LTACHs extend the capacity of short-term hospitals as well as deliver a clinical expertise that was particularly helpful for a COVID-19 population*. Interviewees for the study focused on the expertise of LTACHs in treating ventilator-dependent patients or those in respiratory failure, and in relieving the overburdened healthcare system.



The COVID pandemic has highlighted shortfalls in our nation's healthcare system, particularly in the post-acute sector, yet it has also provided an opportunity for providers to collaborate in new ways and has underlined the value of LTACHs in caring for the most difficult-to-treat patients, regardless of whether they had COVID.

How Kindred Can Help Manage Your Medically Complex Patient Population

Acute care providers and payers need partners who can continue to provide physician-directed care and the extended recovery time these patients require, particularly those on mechanical ventilation.

Kindred Hospitals specialize in the treatment of patients who require intensive care and specialized rehabilitation in an acute hospital setting.

With daily physician oversight, ICU- and CCU-level staffing, 24/7 respiratory coverage and specially-trained caregivers, we work to improve functional outcomes, reduce costly readmissions and help patients transition home or to a lower level of care.

Throughout the pandemic, Kindred Hospitals have proved to be a key partner in relieving ICUs as traditional hospitals have faced patient surges. Federal waivers and Kindred Hospitals' flexibility allowed patients needing ICU-level care to move along the healthcare continuum with greater ease. Kindred Hospitals also demonstrated integrity as an LTACH provider by maintaining a commitment to treating only medically complex and critically ill patients, despite the removal of prior authorization that could have allowed for admission of patients who would benefit from a lower level of care.

Kindred Hospitals strive to be a valuable partner for providers and payers alike and are committed to an innovative approach to managed care. Health plan partnerships are customized by product and can be built on DRG or negotiated by per diem rates. Kindred Hospitals currently support the following contract products:

- Medicare Advantage
- Commercial
- Managed Medicaid
- Veterans Affairs
- Worker's Compensation

Visit kindredmanagedcare.com to request a conversation about how a Kindred Hospital's level of service can help manage your critically complex patients.

1. <https://atiadvisory.com/role-of-ltac-hospitals-in-covid-19-pandemic>