American HealthTech

WALKING THE TIGHTROPE: Balancing Good Clinical Outcomes With A Healthy Bottom Line

An Executive Roundtable of Key Post-Acute Executives

A special event hosted by Provider magazine and sponsored by American HealthTech – November 2017

Executive summary

The challenge

Three key steps to succeeding with value-based payment models are to reduce rehospitalizations, improve quality and clinical outcomes, and focus on interoperability, both inside and outside of facility walls.

Post-acute care organizations are not only responsible for the health and safety of their residents, but they must also manage the changing regulatory and payment demands, which are increasingly focused on clinical outcomes. These two momentous realities are raising the stakes – and the questions – for post-acute providers: How can it all be accomplished and maintained? What strategic practices can be continually relied upon to meet the goals of coordinated, high-quality care at reduced cost in spite of the changing regulatory and reimbursement landscape?

In October 2017, executives from various segments of healthcare – from assisted living, to skilled nursing, to home health and hospice – met for a roundtable discussion at the American Health Care Association/National Center for Assisted Living (AHCA/NCAL) Annual Convention & Expo in Las Vegas, NV for a Provider Executive Roundtable to share their observations, challenges and innovations surrounding how to achieve positive clinical outcomes under new payment models, while also managing rehospitalizations, a myriad of regulations and a host of operational challenges.

The bottom line

Delivering high-quality patient experiences and producing good outcomes in a rapidly changing reimbursement environment have become a massive undertaking and executives must depend on many people to fulfill the vision of what needs to be done in the world of post-acute care.

Host: Teresa Chase, President, American HealthTech (top) **Moderators: Joanne Erickson,** Editor in Chief, *Provider* magazine (middle) **Jerilyn Reinhardt**, Vice President, Quality & Performance Excellence, Benedictine Health System

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The takeaway

Moving beyond a decade consumed by CMS mandates, clinical healthcare executives are now fixing their sights on what it will take to succeed in the healthcare marketplace of the future and developing the infrastructure needed to support value-based healthcare – all while keeping focus on reducing unnecessary readmissions, addressing staffing shortages and improving revenue.

- Reduce rehospitalizations
- Quality clinical outcomes
- Data, data, data

Reduce rehospitalizations

Perhaps more than anyone in a post-acute care facility, clinicians are better-positioned to monitor at-risk patients, identify warning signs of future acute-care incidents, and intervene, preventing those symptoms from becoming severe enough to warrant a costly readmission to the hospital.

The bottom line, according to Jerilyn Reinhardt, co-moderator of the panel, Vice President of Quality and Performance Excellence and Interim Senior Vice President of Clinical Services at Benedictine Health System, is this: When you do the right thing for the patient, it leads to the best financial outcome.

"We have implemented a dashboard that is open to our entire enterprise," she explained. "We use this tool to praise those facilities that are out-performing; but we also use it to mentor our staff so they can see areas of needed improvements. We call it, 'the art of the possible'. It's the innovation and creativity that happens when staff has access to data that shows, not only the bright spots, but also the areas that need more focus."

But programs that deliver the 'art of the possible' would not be possible without technology. Jim Riemenschneider, co-founder and Chief Revenue Officer of COMS Interactive, doesn't take this role lightly. "As technology experts, AHT and COMS are responsible for supporting providers and determining how to automate protocols within the EHR in order to make it easier for clinicians to use."

Improve quality and clinical outcomes

Quality programs and positive clinical outcomes go hand-in-hand in any healthcare environment. But within the post-acute care landscape, these initiatives take on a unique role, as providers

balance their relationships with their patients, their hospital and referral partners and their payment sources. The better their quality, the better their outcomes will be. And the better their outcomes, the better their patient satisfaction, census – and revenue – will be.

PruittHealth takes an innovative approach to quality improvement that begins with key business drivers. As Mary Ousley explains, "We focus on achieving positive outcomes, retaining our employees and customer satisfaction for our patient population. These drivers are all interconnected. One feeds into the other so it really helps us to stay focused and with our eye on quality across the key areas of our business."

Sometimes, achieving higher-quality results and outcomes comes from the oldest, simplest form of problem-solving: Communication. According to Shannon Lager of Medicalodges, "We utilize our sister facilities to exchange knowledge and experiences. Staying in regular contact helps us track consistencies and learn; it helps us mentor staff and communities toward better case management; and, it helps nurses reframe how they think about why a patient came to our facility and what care services are needed. Simply talking and sharing helps us get on the same page and break down the silos within our own buildings."

Data, data, data

One of the most important things that post-acute organizations can do is create strong partnerships with hospitals, as well as their counterparts in the post-acute market.

One way to build a better relationship is through interoperability, or the ability to seamlessly share information and data related to patient care. The ultimate goal of interoperability is for the data to follow the patient, no matter where they are in the care continuum.

As Mary Ousley explained, "In today's world, we simply can't operate as silos. We're all very dependent on each other, and what's happening in each one of the patient's respective facilities is paramount to their health and well-being."

And while interoperability is challenging in any healthcare environment, being a rural post-acute provider introduces whole new issues.

According to Shannon Lager, "In rural Kansas, you need to have someone to be interoperable with! In some of our markets, we're well-ahead of our community hospitals and our critical access hospitals. Some providers are still operating on paper. At Medicalodges, we're completely electronic so we're not on an equal plane with each other. This makes it difficult to communicate effectively; and it makes interoperability next to impossible."

> "We found that hospitals were really hungry for information."
>
> Mary Ousley, Chief Strategy Officer, PruittHealth

Mary Ousley said that they didn't understand how it all tied to outcomes, and how you have to build your own story of what you can do for your referral partners.

New requirements of participation: tough but necessary

A key theme of the 2017 executive panel was 'change.' One of the key impetuses for change in the post-acute world is the increased scrutiny and regulation by CMS. Beginning in 2018, skilled nursing facilities will suffer financial penalties if their hospital readmissions rates are higher than expected.

In October 2016, CMS published a final rule revising the Medicare and Medicaid Requirements of Participation for nursing centers. The rule becomes effective in three phases. The first phase had to be implemented by November 28, 2016. The second phase must be implemented by November 28, 2017. The third and final phase must be implemented by November 28, 2019. The executive panel is addressing the new requirements with planning, caution and concern, and determination to succeed.

"I've been preparing for the new requirements for months," said Angela Smith, Senior Director of Reimbursement and Rehabilitation for Cantex Continuing Care Network. "We're looking at our policies to determine whether or not they meet the requirements. The new survey process just came out so we're looking at how our mock survey processes work in line with the new one. Next, we'll be evaluating our quality assurance program. I'm most concerned about the burden on our social services staff. The new interpreter guidelines are very heavy on discharge planning and hospice. And there's just so much in it for them to read and understand, while balancing the demands of their normal jobs."

Final thoughts: the journey ahead

The post-acute market is under tremendous pressure from hospitals, payers, competing healthcare entities and patients to improve quality by reducing unnecessary rehospitalizations while simultaneously reducing costs and complying with more stringent regulatory oversight. The force of these pressures is causing seismic changes, forcing providers to walk a tightrope between quality, cost and value. In response, providers are taking steps to become valued partners to hospitals in their markets and preparing their infrastructures and operations for success in the value-based payment model.

"We're more creative about care giving," said Jeff Amann, Chief Operating Officer with Welcov Healthcare. "Our hospital partners look to us as the experts and I haven't seen that in the 35 years I've worked in this industry! The silos are finally coming down and that is a win for everyone, most especially the patients."

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"I see a higher quality standard in our sector. We always reinvent ourselves. I take a great amount of pride in that. I believe post-acute is the future of healthcare."

- Angela Smith, Cantex Continuing Care Network

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