



# LTACHs: Four Things Hospital Leaders Need to Know to Enhance Outcomes

Recent regulatory changes in LTACH development present new growth opportunities for short-term hospitals and enhance care options for their most medically complex patients. Of the 68 million Americans experiencing multiple comorbidities, a majority lack access to the high-quality, specialized care needed to effectively treat their illnesses.<sup>1</sup>

This is due in part to limitations as to where and when long-term acute care hospitals (LTACHs) were historically able to be developed nationwide.<sup>2</sup> As a result, patients receive a lower level of treatment, thus contributing to more costly readmissions, less effective care interventions and long-term complications. Common misconceptions have hindered health systems from including LTACHs in their market expansion strategies.

**Read this guide to discover four key benefits of LTACHs that hospital leaders need to know and why long-term acute care hospital integration should be a top priority in a health system's market expansion strategy to help ensure optimal facility and patient outcomes.**

## 1

### Uniquely Equipped to Treat Medically Complex Patients



The rise in medically complex patients has highlighted the vital need for specialized care options in addition to short-term acute care as patients are presenting with multiple comorbidities –

requiring them to receive specialized care for longer periods of time.

Throughout the COVID-19 public health emergency, LTACHs have continued to demonstrate their specific advantage among post-acute care providers in treating the medically complex patient population, as evidenced by the fact that LTACHs were 50% less likely than skilled nursing facilities (SNFs) to discharge a current patient to an STACH.<sup>3</sup>

Additional benefits of long-term acute care hospitals for the overall health system include:

- **Cost Efficiency and Population Health Management:** Highly-trained LTACH clinical liaisons can work with families and healthcare providers to identify patients who would benefit from continued acute care, as well as with payor networks to ensure that these patients receive access to the most effective treatment for their

diagnoses. This involvement contributes to an improvement in patient outcomes and in the overall cost efficiency of care delivery.

- **Comprehensive Rehabilitation for Lasting Recovery:** Along with ICU-level treatment, LTACHs provide acute rehabilitation care which supports lasting patient recovery. Patients who spend extended time in the ICU, including those recovering from COVID-19, are at a higher risk of developing post-intensive care syndrome (PICS), which can have an enduring impact on patient well-being.<sup>4</sup>

An LTACH's ability to provide such high-quality clinical expertise enables them to successfully support recovery for patients who require extended ICU-level treatment. Through LTACH treatment, patients receive comprehensive therapy that strengthens their muscles, increases cardiovascular and pulmonary endurance, and improves their cognitive communication skills and psychosocial well-being.

While LTACHs provide care for a very high-acuity, niche patient population, they also play a vital role in helping patients recover more efficiently in a shorter period of time, as compared to other care settings including SNFs.

## 2 Shorter Average Length of Stay



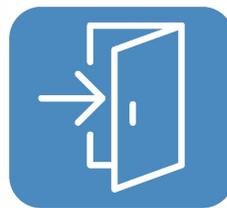
Often, “long-term hospital care” is misconstrued as “longer length of stay” – however, this is not always the case. LTACHs have the unique ability to treat patients who are medically complex, therefore

often reducing the need for treatment in multiple care settings and reducing the length of treatment per episode.

Another common misconception in the healthcare space is that LTACH patients must stay for 25 days. An LTACH accepts a variety of clinically complex patients requiring varying lengths of stay (LOS). The average LOS requirement only applies to LTACH qualified patients with traditional Medicare FFS coverage and does not apply to Medicare Advantage enrollees. This presents greater discharge options for the rapidly growing enrollment in managed care plans.

LTACH providers can produce outcomes that appropriately decrease average length of stay (ALOS) in targeted diagnosis-related groups (DRGs), help improve patient outcomes and financial performance for STACHs and ultimately reduce the risk of readmission.

## 3 Specialized Care Approach to Avoid Readmission Risk



The effective care provided by an LTACH to treat the critically ill patient population not only helps to decrease LOS, but can also significantly reduce the risk of readmission by 26-44% compared to other post-acute settings, as recently reported by government data.<sup>5</sup>

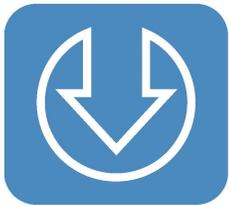
Qualities an LTACH possesses that can aid in successfully reducing readmission risk include:

- Integration of a skilled interdisciplinary team of physicians, nurses, therapists, dietitians and other key specialists;
- Providing patients with daily oversight from physicians for daily interventions and management of customized patient care plans; and
- Access to a team of clinicians with the ability to provide custom care to meet the unique needs of each patient, including sub-specialties such as pulmonology, infectious diseases, nephrology or neurology.

LTACHs are licensed as acute care hospitals and are accredited by The Joint Commission. Patients at LTACHs benefit from on-site telemetry, diagnostic imaging and lab capabilities that reduce the need for outpatient services.

Through these tools and resources, an LTACH can help reduce the risk of readmission for a health system, therefore reducing the overall cost of care for patients as well as the hospital.

## 4 Play a Role in Lowering Total Care Costs



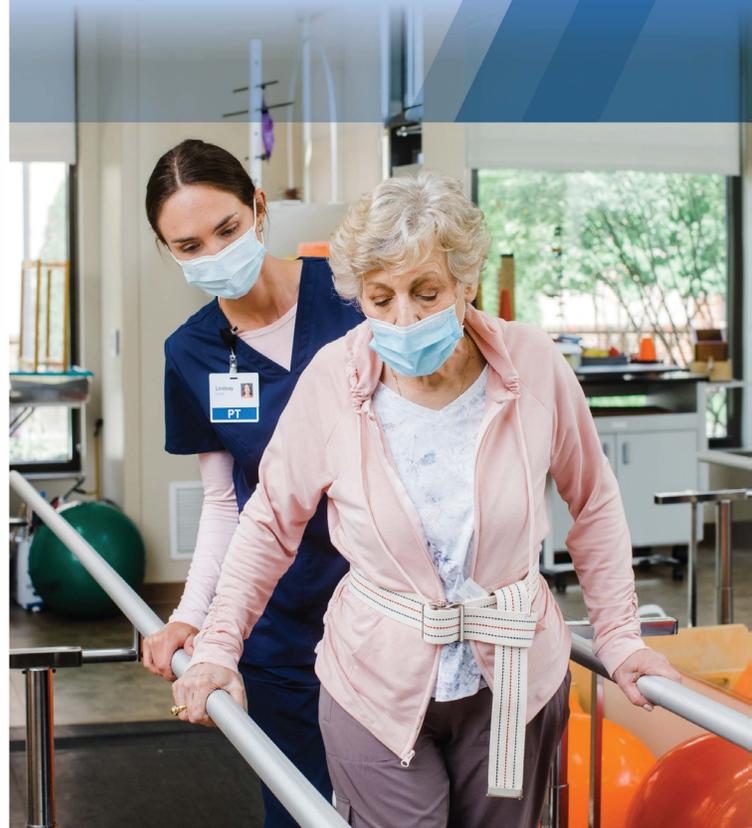
Analysis indicates that discharging critically-ill patients to an LTACH rather than another post-acute setting contributes to a shorter recovery and a lower total cost of care.

Research has demonstrated that critically-ill patients receiving care in an LTACH have better outcomes and are less costly to the Medicare program as compared to patients in other settings.<sup>6</sup>

Moreover, implementation of various tools has been proven to lower care costs while simultaneously benefiting patient outcomes. These include:

- Implementing innovative technology solutions;
- Obtaining Joint Commission accreditations and special certifications; and
- Integrating the latest infection control protocols and procedures.

When a hospital includes an LTACH in its care continuum, they can experience 39% lower per-day payments compared to the cost of care provided through traditional STACH services, while also mitigating exposure to costly outlier payments to STACHs – further demonstrating an LTACH’s critical role in value-based networks and accountable care organizations.<sup>7</sup>



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## Providing Long-Term Solutions Through Long-Term Acute Care Partnership

As hospitals work to resolve critical issues around readmission risk, care costs and specialization, LTACHs serve as an important strategy to combat today's health-care challenges and meet the growing patient needs in local communities.

As noted in a recent research paper, "The COVID-19 pandemic has laid bare areas in need of review and assessment within our healthcare system. These include public health preparedness, STACH capacity, and the limitations of SNFs. LTAC hospitals have helped address these areas... by functioning as a flexible acute care venue."<sup>8</sup>

Kindred Healthcare partners with health systems to develop new or optimize existing LTACHs through hospital-in-hospital (HiH), contract management and joint-venture freestanding partnership opportunities.

For more than 30 years, Kindred has worked with patients and health systems across the country to help treat the growing medically complex patient population, reduce readmissions, lower care costs and ultimately improve outcomes for both patients and hospitals.

## How Kindred Can Help

For information about how your health system could benefit from an LTACH partnership with Kindred, visit [KindredLTACHPartner.com](https://www.kindred.com/ltach-partner)

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