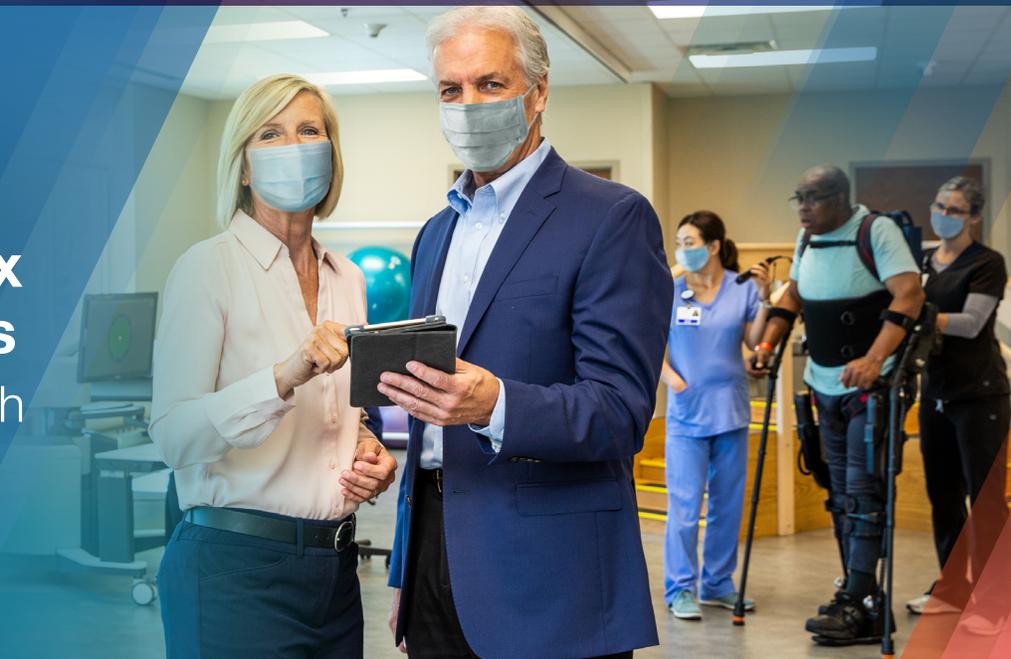


Addressing Medically Complex Patient Challenges

How LTACHs Help Health Systems Improve Care and Reduce Cost



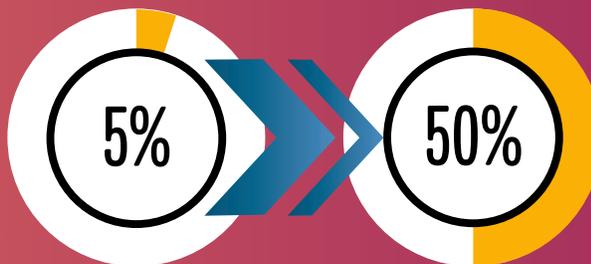
Recent data shows that patients admitted to short-term acute care hospitals (STACHs) have increasingly complicated medical conditions. This has led many hospitals to seek support from experienced management partners in the long-term acute care hospital (LTACH) space to help address the unique needs of this critical population. While medically complex and critically ill patients make up only 5% of the U.S. patient population, they account for 50% of healthcare spending, magnifying the need to properly identify the most efficient care delivery pathways for these patients.¹ COVID-19 patients have led to additional growth in both critically ill and medically complex populations.

Lack of access for high-acuity patients in the post-acute care setting often leads to discharge delays from STACHs. These delays can be detrimental for the patient and payors, and a transition to a lower level of treatment, such as a skilled nursing facility (SNF) that cannot

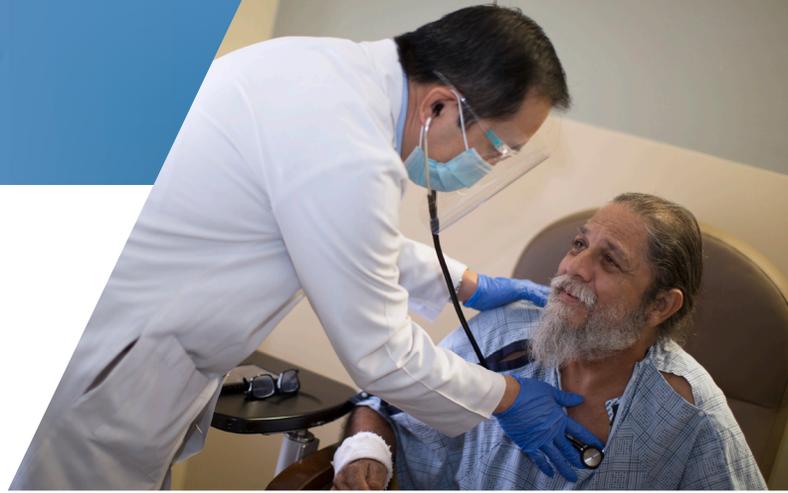
provide physician-led acute care, can lead to costly readmissions and an unfavorable patient experience. An LTACH is often the most appropriate care setting for reducing avoidable delays in discharge and recovery.

Through this guide, you will learn four distinctive benefits of LTACHs for the sickest and most vulnerable patient population. You will also learn how adding LTACH services to your health system's care continuum – or working with a management partner to optimize your current service – can help reduce avoidable days, lower total cost of care and improve outcomes for the system overall.

MEDICALLY COMPLEX AND CRITICALLY ILL PATIENTS MAKE UP ONLY 5% OF THE U.S. PATIENT POPULATION



BUT THEY ACCOUNT FOR 50% OF HEALTHCARE SPENDING



1

Experience in Treating a Growing Medically Complex Patient Population

LTACHs are uniquely effective in treating medically complex patients — an already growing population — now even larger due to the pandemic. Patients who benefit from LTACH care typically have had three or more days in the ICU or require mechanical ventilation. On average, LTACH patients have nearly six comorbidities and the Case Mix Index (CMI) and Average Length of Stay (ALOS) at LTACHs have increased in the past year.^{2,3} Throughout this time, LTACHs demonstrated their specific advantage among post-acute care providers in treating this medically complex patient population — LTACHs were 50% less likely than SNFs to discharge a current patient to an STACH.³ This expertise in treating medically complex patients plays a critical role in reducing costly readmissions.

They also receive 24/7 oversight from physicians, which could include those with sub-specialties such as pulmonology, infectious diseases, nephrology or neurology, as well as care from a team of clinicians that is customized to their needs.



2

Cost Efficiency and Population Health Management

As part of their commitment to patient recovery, LTACHs 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. **LTACHs have 39% lower per-day payments than STACHs.** As such, LTACHs play a critical role in value-based networks and accountable care organizations.⁴



4

Comprehensive Rehabilitation for Lasting Recovery

Along with ICU-level treatment, LTACHs provide the rehabilitation care necessary for lasting patient recovery. The dangers of patient immobility are becoming clearer, including their link to rehospitalization rates. Studies show that keeping hospital patients in bed or in a chair can increase the likelihood of muscle atrophy, blood clots and wounds.⁵ 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 a long-lasting impact on patient well-being.⁶ LTACHs have the clinical expertise to successfully support recovery for patients who require extended ICU-level treatment. Patients receive comprehensive therapy that strengthens their muscles, increases cardiovascular and pulmonary endurance, and improves their cognitive-communication skills and psychosocial well-being. Further, patients recovering in an LTACH receive rehabilitation from interdisciplinary teams of respiratory therapists, physical therapists, occupational therapists and speech-language pathologists who have extensive training and are widely recognized for their ability to wean patients from ventilators.

These four clinical benefits lead to improved patient access and care quality, reduced readmissions, shortened LOS and ultimately lower total costs for the health system.



3

Setting and Physician Staffing Designed for Highly Acute Patients

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

While the benefits of having LTACHs within the health system's care continuum are clear, developing and running a fully optimized LTACH can be challenging because of the complex patient population and highly regulated space. Partnership with an experienced LTACH operator can help ease the burden while still providing the many benefits to patients and the health system.

Kindred Hospitals: Recognized Expert in Specialty Hospital Care and Partnership

Kindred Hospitals partner with health systems to develop new or optimize existing LTACHs through hospital-within-a-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 improve outcomes, reduce readmissions and help patients transition to home or a lower level of care.

Kindred delivers value-enhancing services to partner hospitals through:

- **History of successful joint-venture partnerships and management agreements.** Kindred partners with more than 300 of the leading hospitals across the country in many different service lines. Additionally, Kindred offers flexible service line offerings such as LTACHs with acute rehabilitation units or behavioral health units.

- **Best-in-class clinical quality.** Unique patients require unique care. Our long history of treating high-acuity patients has allowed Kindred to achieve industry-leading clinical performance that exceeds national averages and peer groups in key indicators.
- **Longstanding LTACH-specific expertise.** Kindred is able to help ensure compliance and appropriate utilization of LTACHs, increasing appropriate patient access, significantly reducing the risk of readmission and improving patient experience. Kindred helped pioneer the long-term acute care hospital model three decades ago through developing the first hospitals in the nation specialized in pulmonary treatment, and we continue to lead the nation in caring for medically complex patients.
- **Lower costs/value-based modeling.** Kindred brings unparalleled operational efficiency, optimization skills and significant expertise in working with nationally-based health plans to ensure alignment with their goals to improve outcomes, reduce denials and lower overall cost of patient care.
- **The latest clinical innovation and technology.** Kindred has a history of pursuing innovation with developments such as RehabTracker, Kindred's proprietary patient engagement app, and AfterCare, a Registered Nurse follow-up program. Both have resulted in improved patient outcomes, reduced cost of care and lower rehospitalization rates.

References on following page >>

How Kindred Can Help

For information about how your health system could benefit from an LTACH partnership with Kindred, visit KindredLTACHPartner.com.

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