

Leading Stakeholders Identify Need for Tools to Manage Post-Acute Network Quality

Data show gaps in care integration across provider settings following hospital discharges

Results from a new survey conducted by Avalere Health with the support of post-acute provider Kindred Healthcare find that while Medicare Advantage health plans unanimously report being focused on patient care following a hospital discharge, less than half (31%) have identified solutions to assess the quality of their post-acute provider network. Post-acute providers include long-term acute care hospitals, inpatient rehabilitation facilities, skilled nursing facilities, and home health agencies.

Avalere conducted interviews focused on post-acute care (PAC) with 20 leading health plans and health systems and asked questions addressing PAC network management, discharge planning and care transitions, and patient engagement / home care. Avalere found that plans and health systems are generally developing PAC networks one provider type at a time, with skilled nursing facilities being the most common area for initial focus, rather than finding ways to integrate care management and accountability across settings. “Providers that can integrate data across the care continuum can drive better outcomes for patients and be better partners to Medicare,” said Josh Seidman, a senior vice president in Avalere’s Center for Payment and Delivery Innovation. “The Avalere survey shows that a focus on post-acute care by key stakeholders can further evolve the healthcare system.”

In addition to the findings above, Avalere’s major conclusions from the survey include:

- **Reliable data are critical to advancing value-based contracts in the post-acute environment.** Unreliable provider quality data was a common concern reported by health plans when asked about PAC networks. Payers also expressed general skepticism about the capability of PAC providers to enter into risk-based contracts with health plans directly. In addition, health systems cited a lack of data infrastructure to systematically channel patients to high-quality PAC providers.
- **Incentives to redefine PAC management could be most prominent in arrangements where health systems are bearing financial risk.** All health systems interviewed by Avalere noted priorities related to developing high-quality PAC networks, and more than half were interested in discharging patients to lower-cost PAC settings such as home health. Interviewees indicated that entering into bundled payment or accountable care organization (ACO) contracts, under which providers bear financial risk for the total cost of care, were important catalysts for such prioritization.



- **Reducing readmissions is an area of focus for stakeholders. However, the role of PAC in improving readmission rates is still evolving.** All interviewees reported having made investments to reduce hospital readmissions. However, many are just beginning to think about how PAC provider quality and accountability can contribute to those efforts. In particular, health systems are ramping up their focus on post-discharge follow-up, including exploring new uses for remote care technology.

“Post-acute care providers play a valuable role in preventing readmissions and ensuring patients receive the appropriate level of care in the most efficient settings following hospital discharge,” said Dan Mendelson, president at Avalere. “Post-acute providers can take increasing ownership of care coordination if integrated within high-quality networks that are powered by analytics to proactively manage care.”

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