



**Atrium Health**

# **Innovative Strategies for Post-Acute Providers**

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# About Atrium Health

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## Size and Scope

**25+**  
cancer care locations\*

**28+**  
urgent care locations\*

**47**  
hospitals across three states\*

**6.5%**  
population growth in the  
Charlotte region

**65,000+**  
employees\*

**35**  
emergency departments,  
including  
freestanding\*

**350+**  
primary care practices\*

**8,700+**  
licensed beds\*

**\$9.03 billion**  
net operating revenue\*

\*As of July, 2017

# About Atrium Health

## Healthcare Consumers

**2,800+**

virtual care and e-visits

**87**

new primary care patients per day

**140,000**

complex chronic patients\*

**More than 350,000**

total discharges\*

**12.6 million** patient encounters

\*includes Blue Ridge, New Hanover, Scotland, St. Luke's and Wilkes

# About Atrium Health

## World-Class Care

Open heart surgery program ranked in the **top 15% nationally**  
by the Society of Thoracic Surgeons

Charlotte region's only **Level 1** trauma center

**1 Neurosciences Institute** serving a 22-facility Telestroke Network

**1 of only 5 academic** medical centers in NC

Outperformed all **5** national Centers for Medicare & Medicaid Services benchmarks for readmissions

**88,000** annual inpatient and outpatient neurology visits

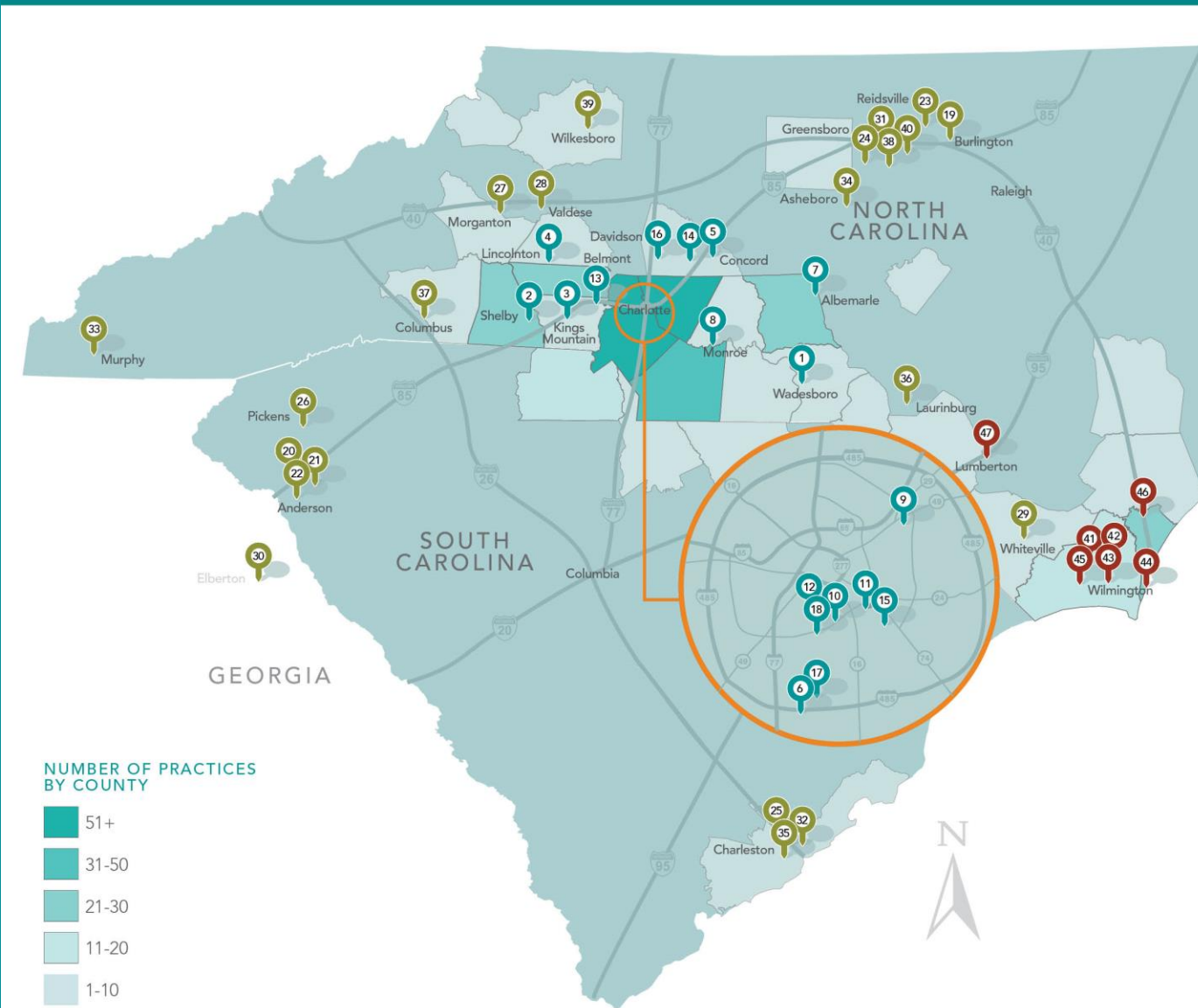
Levine Cancer Institute  
**12,500** new patient visits

**3,000+** System-employed physicians and ACPs\*

**90,000** diabetic patients managed

**5** pediatric specialties ranked by **U.S. News & World Report**

# CAROLINAS HEALTHCARE SYSTEM FACILITY LOCATIONS



NUMBER OF PRACTICES BY COUNTY

- 51+
- 31-50
- 21-30
- 11-20
- 1-10

## PRIMARY ENTERPRISES

1. Carolinas HealthCare System Anson
2. Carolinas HealthCare System Cleveland
3. Carolinas HealthCare System Kings Mountain
4. Carolinas HealthCare System Lincoln
5. Carolinas HealthCare System NorthEast
6. Carolinas HealthCare System Pineville
7. Carolinas HealthCare System Stanly
8. Carolinas HealthCare System Union
9. Carolinas HealthCare System University
10. Carolinas Medical Center
11. Carolinas Medical Center-Mercy
12. Carolinas Rehabilitation
13. Carolinas Rehabilitation-Mt. Holly
14. Carolinas Rehabilitation-NorthEast
15. CHS Behavioral Health-Charlotte
16. CHS Behavioral Health-Davidson
17. CHS Rehabilitation (Pineville)
18. Levine Children's Hospital

## REGIONAL ENTERPRISES

19. Alamance Regional Medical Center
20. AnMed Health Medical Center
21. AnMed Health Rehabilitation Hospital
22. AnMed Health Women's and Children's Hospital
23. Annie Penn Hospital
24. Behavioral Health Hospital (Cone Health)
25. Bon Secours/St. Francis Hospital
26. Cannon Memorial Hospital
27. CHS Blue Ridge-Morganton
28. CHS Blue Ridge-Valdese
29. Columbus Regional Healthcare System
30. Elbert Memorial Hospital
31. Moses H. Cone Memorial Hospital
32. Mount Pleasant Hospital
33. Murphy Medical Center
34. Randolph Hospital
35. Roper Hospital
36. Scotland Memorial Hospital
37. St. Luke's Hospital
38. Wesley Long Hospital
39. Wilkes Regional Medical Center
40. Women's Hospital (Cone Health)

## AFFILIATED ENTERPRISES

41. Betty H. Cameron Women's and Children's Hospital
42. New Hanover Regional Medical Center
43. New Hanover Regional Medical Center Behavioral Health
44. New Hanover Regional Orthopedic Hospital
45. New Hanover Regional Rehabilitation Hospital
46. Pender Memorial Hospital
47. Southeastern Health

**MISSION**

To *improve* **Health**  
*elevate* **Hope**  
and *advance* **Healing** - *for all*

**VISION**

To be the **first** and  
**best choice** for care.

# About Atrium Health

- **Atrium Health** has a unique story to share. Operating as a fully integrated system and **connecting and transforming** care delivery throughout the Carolinas and southeast, our overarching goal is to provide seamless access to coordinated, high quality healthcare – and provide that care **closer to where our patients live.**
- **The depth and breadth of services results in a full continuum of integrated care including:**
  - Prevention and general wellness with focus on population health
  - Primary care at more than 180 locations
  - Specialty care via several nationally-recognized service lines
  - Critical care with one of the largest virtual (e-ICU) programs in the nation
  - Continuing Care including home health, skilled nursing, hospice, palliative care centers, inpatient/outpatient rehab, and other services



# What is Continuing Care?

## COST

**\$29B**

US Medicare spending on continuing care in 2001

**\$59B**

US Medicare spending on continuing care in 2014

**73%**

Regional variation in annual Medicare spending on continuing care services

## QUALITY

**8.4%**

Readmission rate for top quartile skilled nursing facilities

**20%**

Readmission rate for bottom quartile skilled nursing facilities

**56%**

Percentage of health systems that have implemented some type of SNF preferred network

## EXPERIENCE

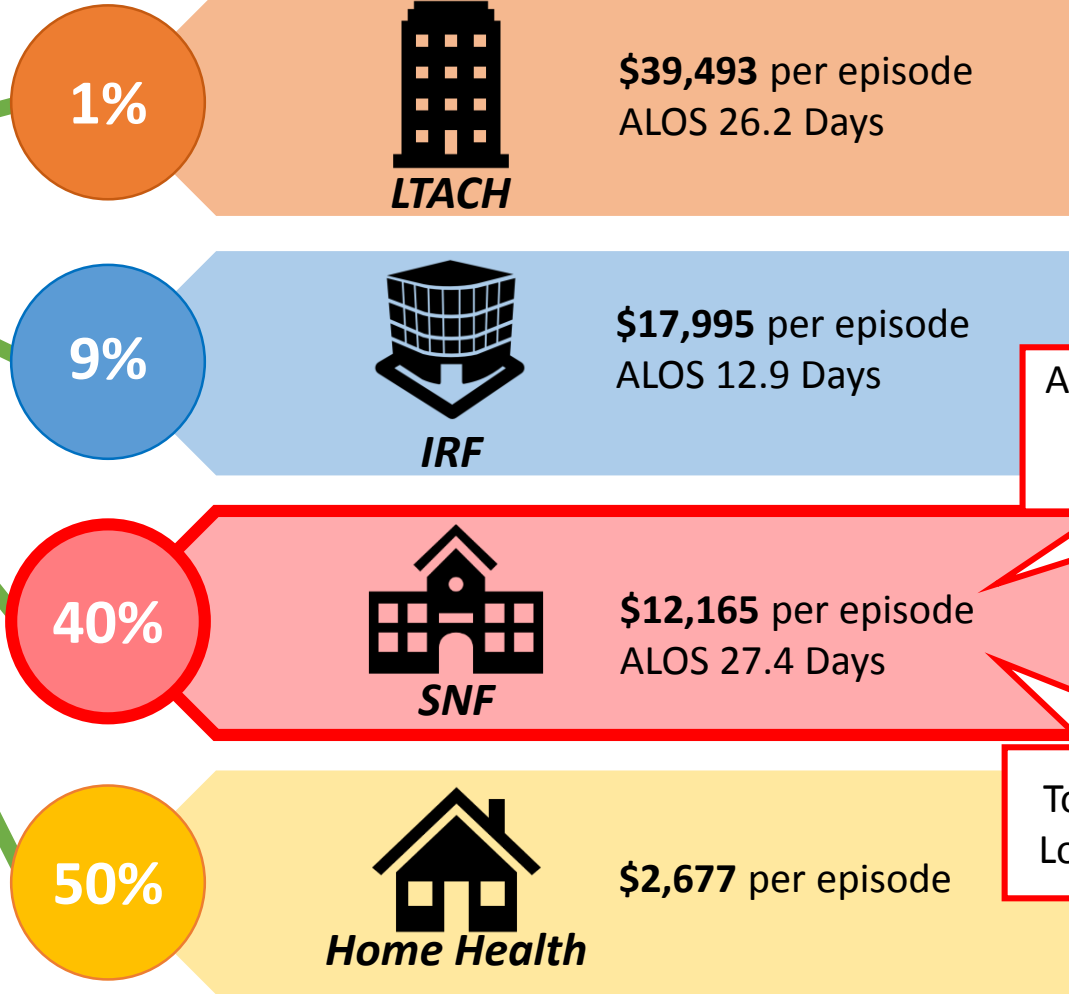
Patients value quality of care and proximity to home and family

Patients find the process of making decisions about continuing care confusing

# What is Continuing Care and Who Uses It?



**One in Five Acute Patients Discharged to Post-Acute**

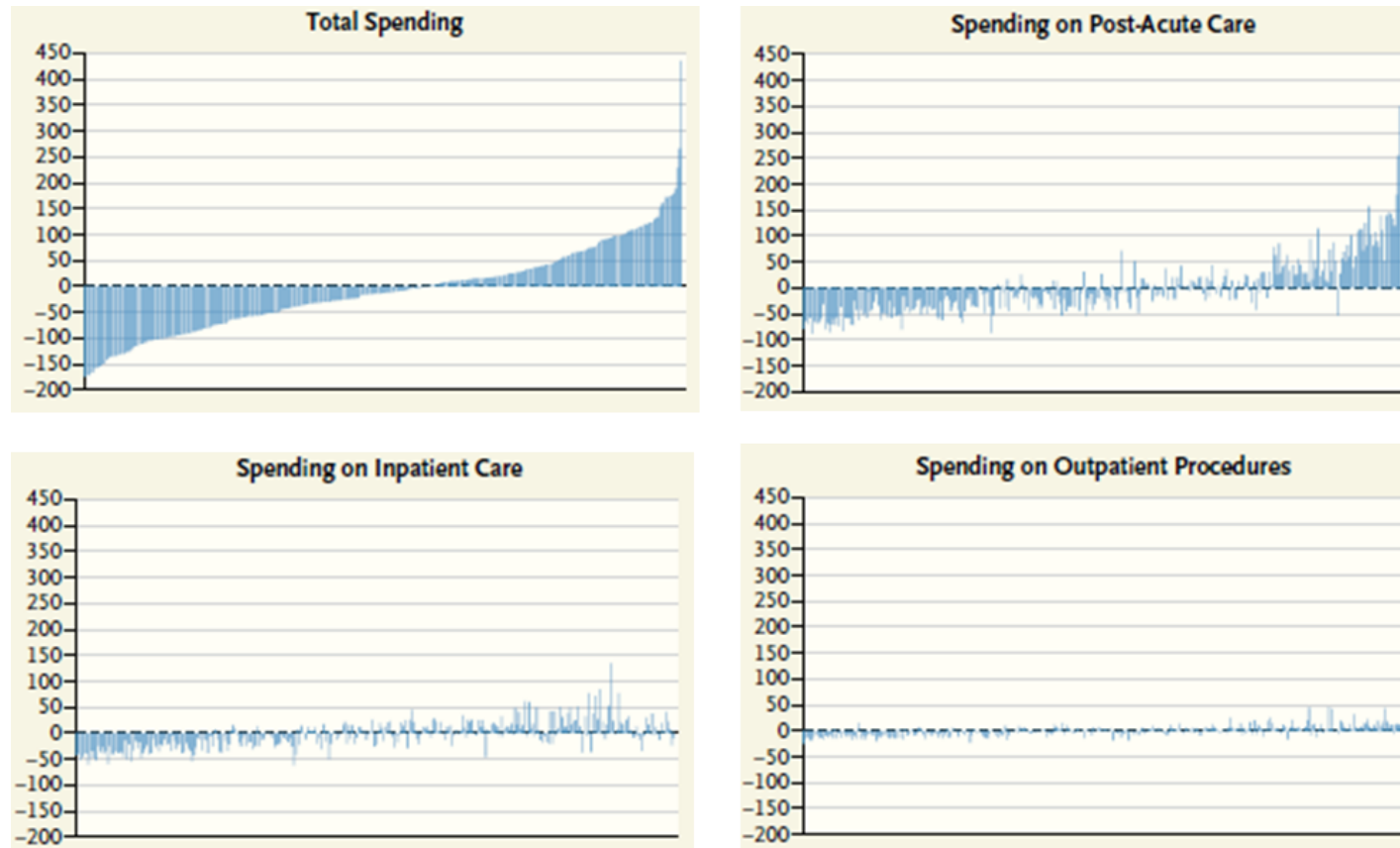


Average SNF Readmission Rate is **23%** Within 30 Days

Top Performing **<24** Days  
Low Performing **>34** Days

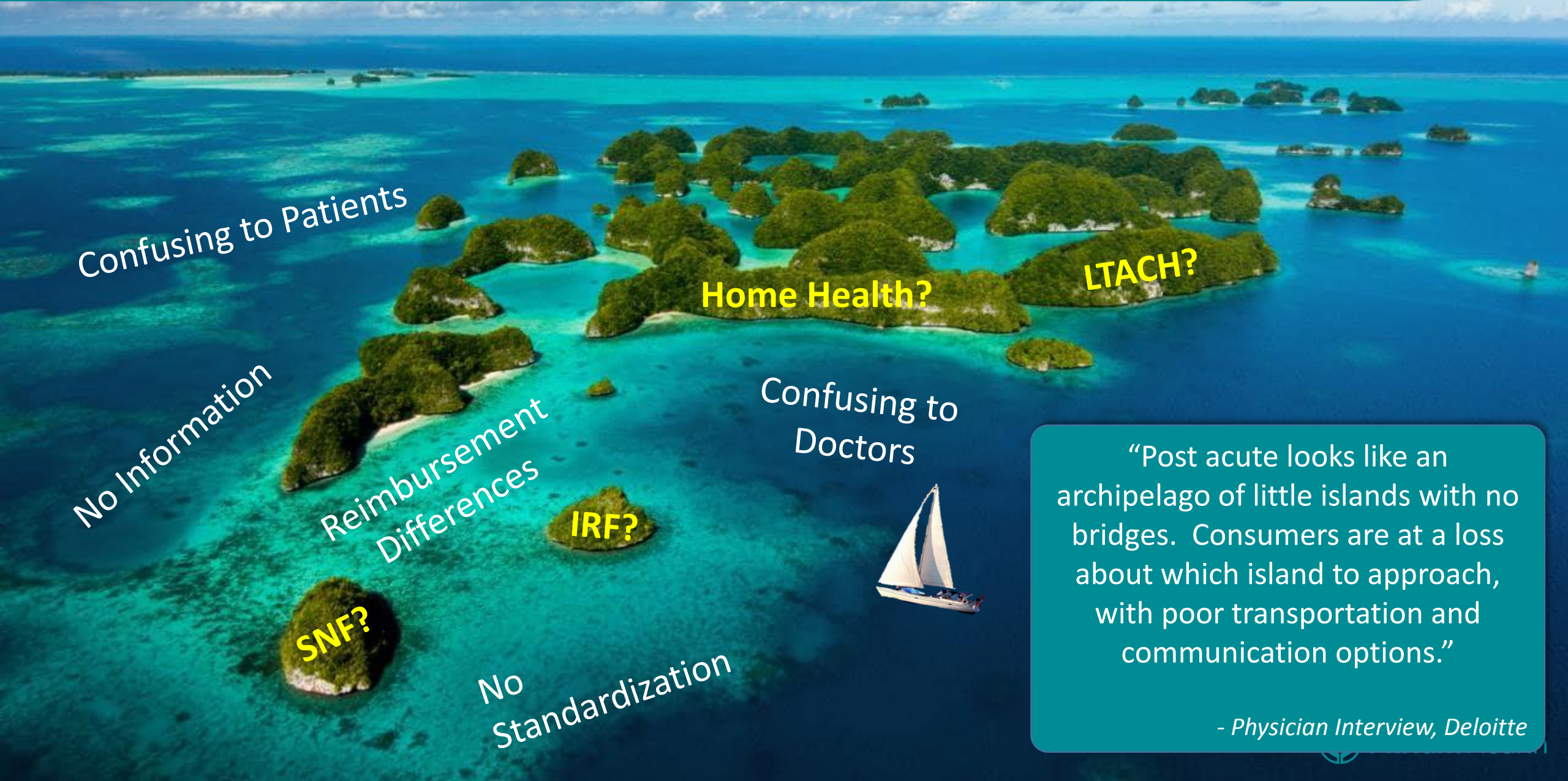
# Variation in Medicare Spending

## Variation in Adjusted Average Monthly Spending by Medicare per Beneficiary<sup>1</sup>



<sup>1</sup> Newhouse, J., & Garber, A. (2013). Geographic Variation in Medicare Spending. *NEJM*, 368(16), 1465-1468.

# What Challenges Exist Today?



Confusing to Patients

Home Health?

LTACH?

No Information

Confusing to Doctors

Reimbursement Differences

IRF?

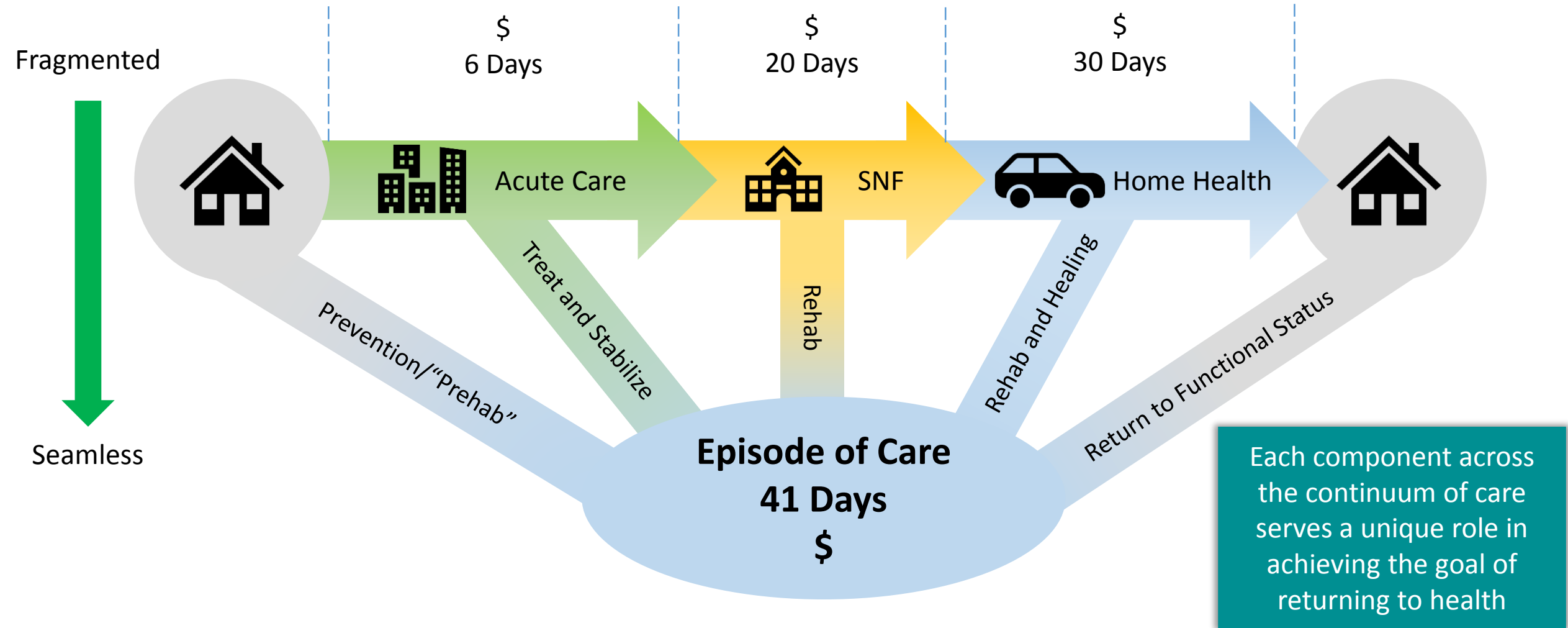
SNF?

No Standardization

“Post acute looks like an archipelago of little islands with no bridges. Consumers are at a loss about which island to approach, with poor transportation and communication options.”

- Physician Interview, Deloitte

# The Continuum of Care – Rethinking Post Acute



# Continuing Care Strategy

ACUTE → TRANSITION → CONTINUING CARE



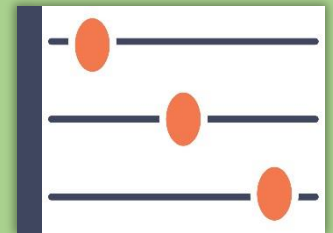
PLACEMENT



NETWORK



UTILIZATION





# Key Components of Strategic Management



1. Risk Stratification



2. Cross-Continuum Care Management

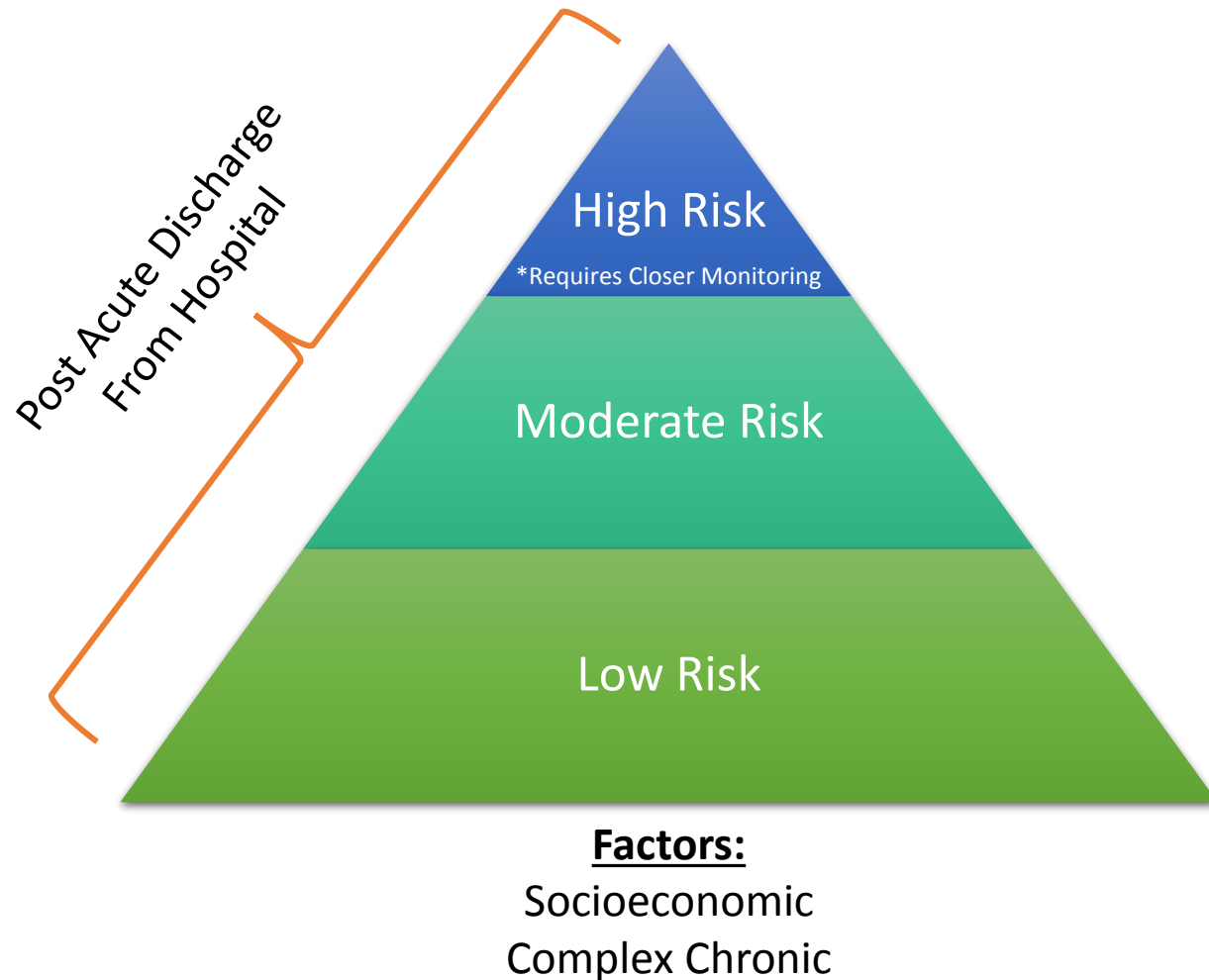


3. Network Management



4. Post Acute Service Evolution

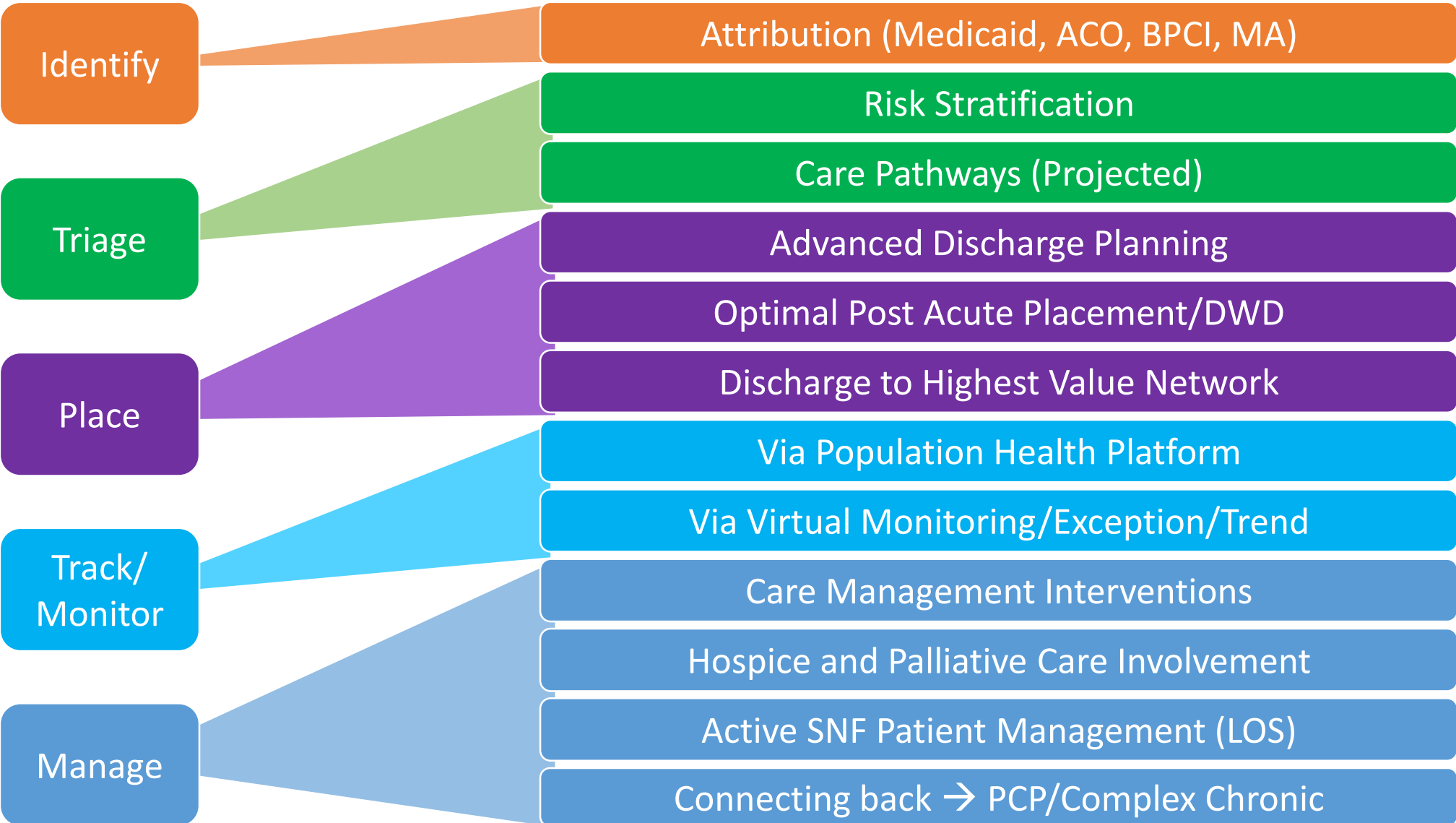
# 1. Risk Stratification – Focusing Resources Where Most Needed



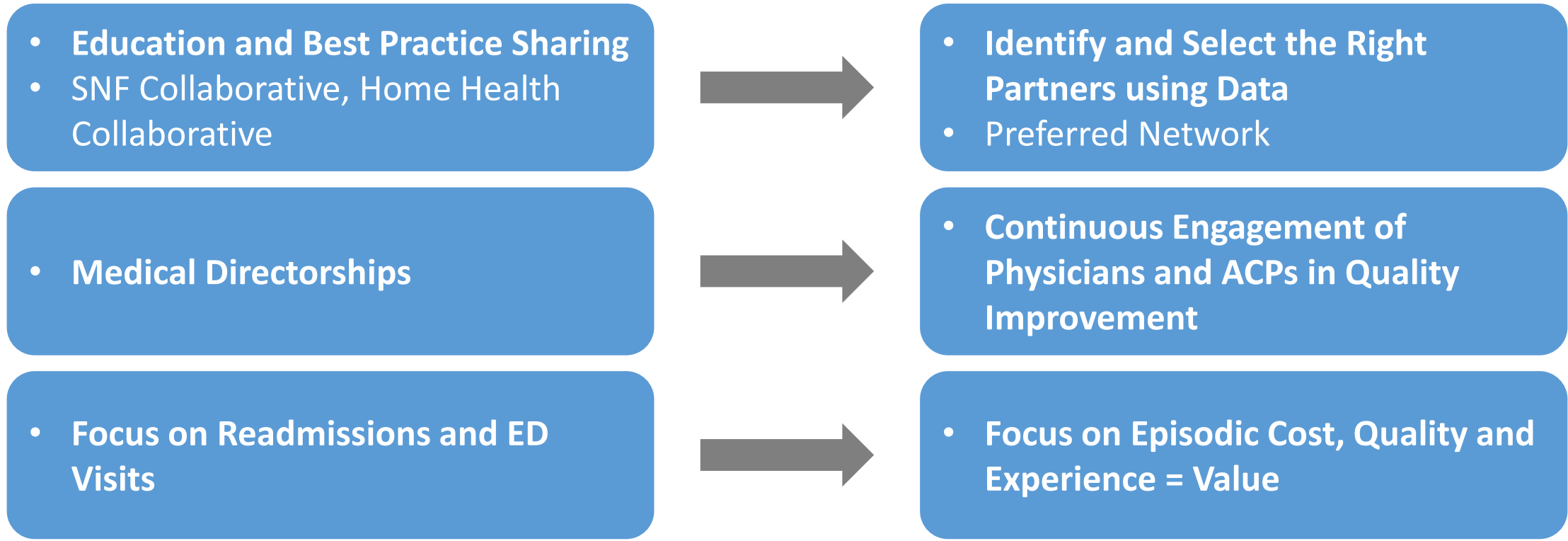
- Begins with discharge planning and assessment:  
***Right Place, Right Time, Right Cost***
- Data driven process
- Requires elevating communication, coordination, and navigation across settings
- Goal is to manage higher risk patients to proactively intervene prior to readmission or ED visit
  - e.g. flags for missed appointments, blood pressure, etc.

# 2. Cross Continuum Care Management – Connecting The Dots

Multi-Disciplinary Team



# 3. Network Management – Elevating Performance



**Options For Discharge**

**Network for Value**

# 4. Post Acute Service Evolution

## Challenges

Aging and sicker populations

Hospitals and Health Systems taking on Risk

Current PAC settings can be high cost

Aging Boomers have different expectations

## Solutions

Alternatives to Hospital Care

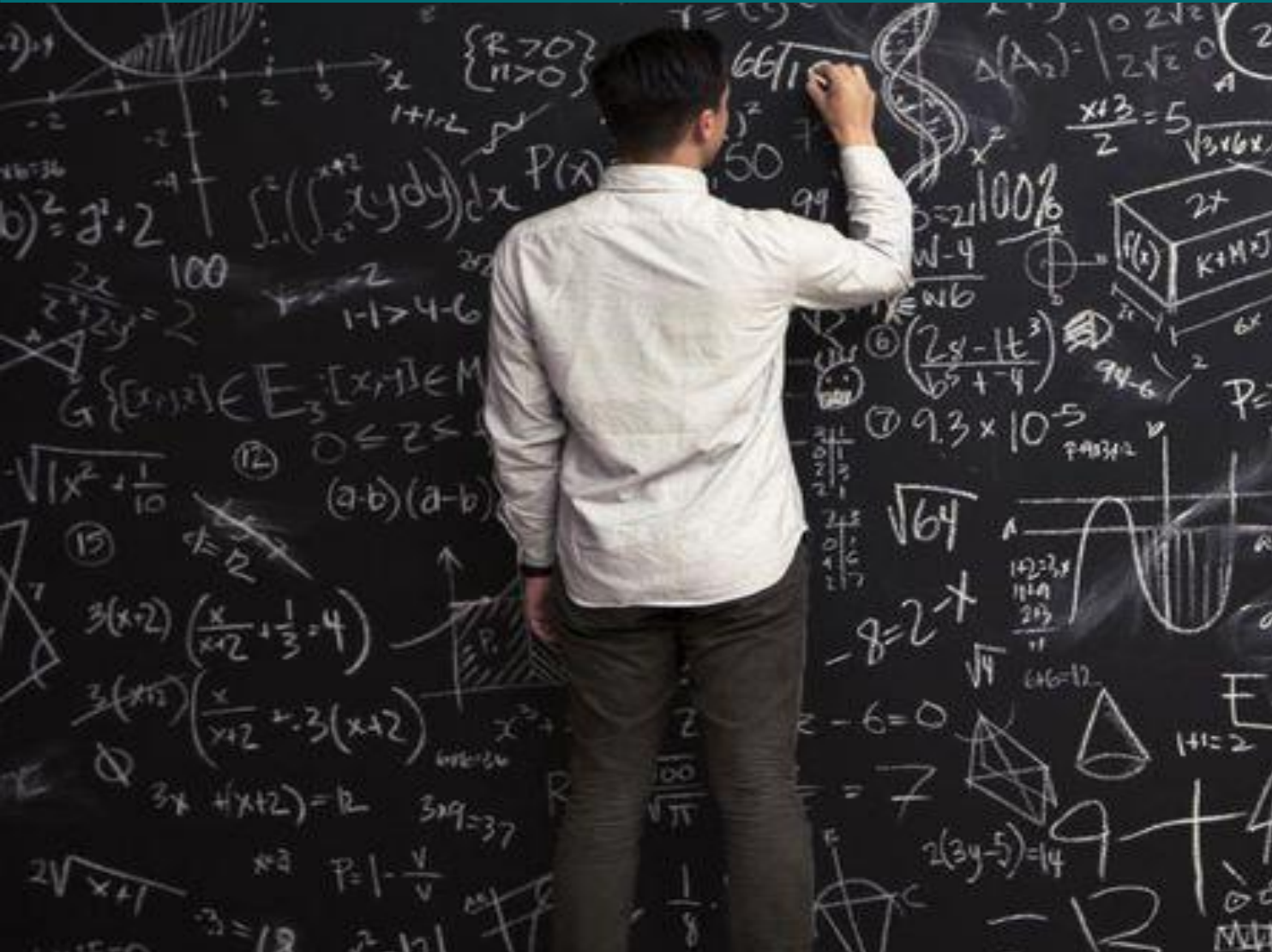
Sharing Risk with PAC Partners

Innovative PAC Options

Alternative Care Settings

# SNF Network Development

# Atrium Health Continuing Care Strategy: SNF Network



To improve outcomes and overall Medicare spend

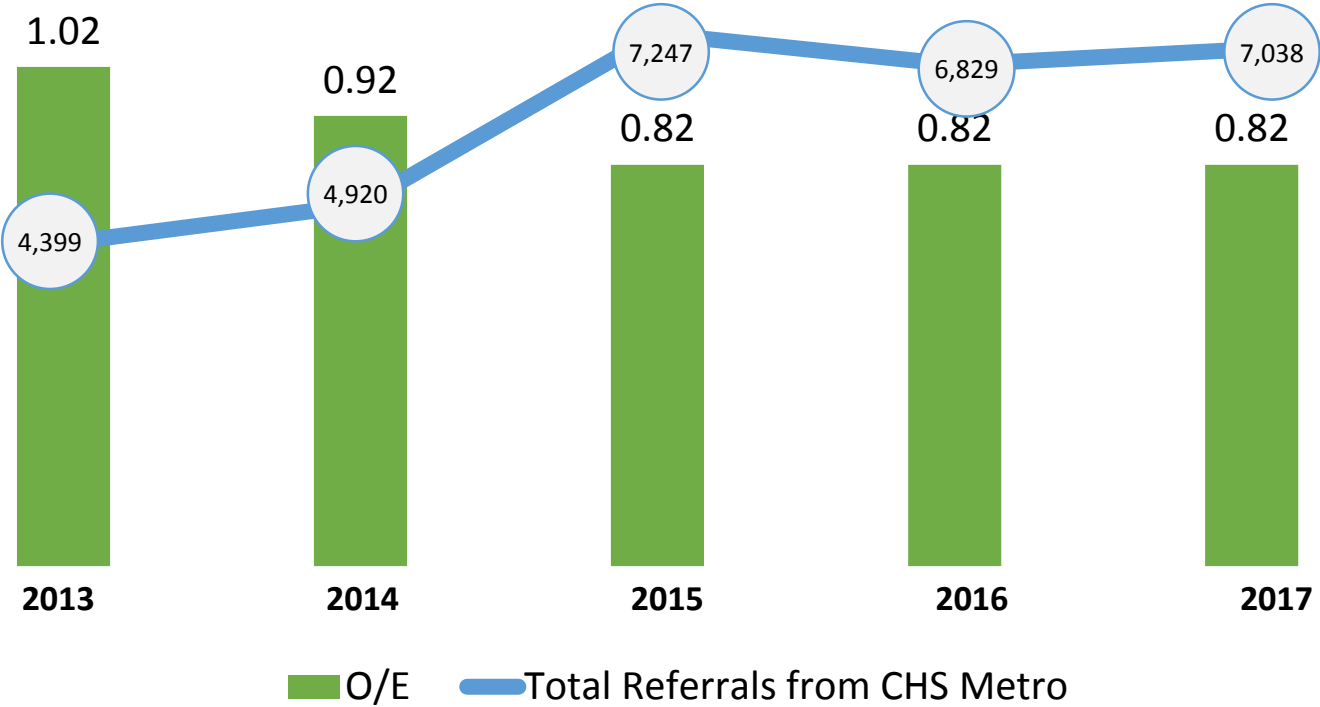
To establish the largest, best network

To focus on partnership and shared accountability

To proactively address opportunities for improvement

We want to partner with facilities that share a **Vision** and **Commitment** to **Quality**

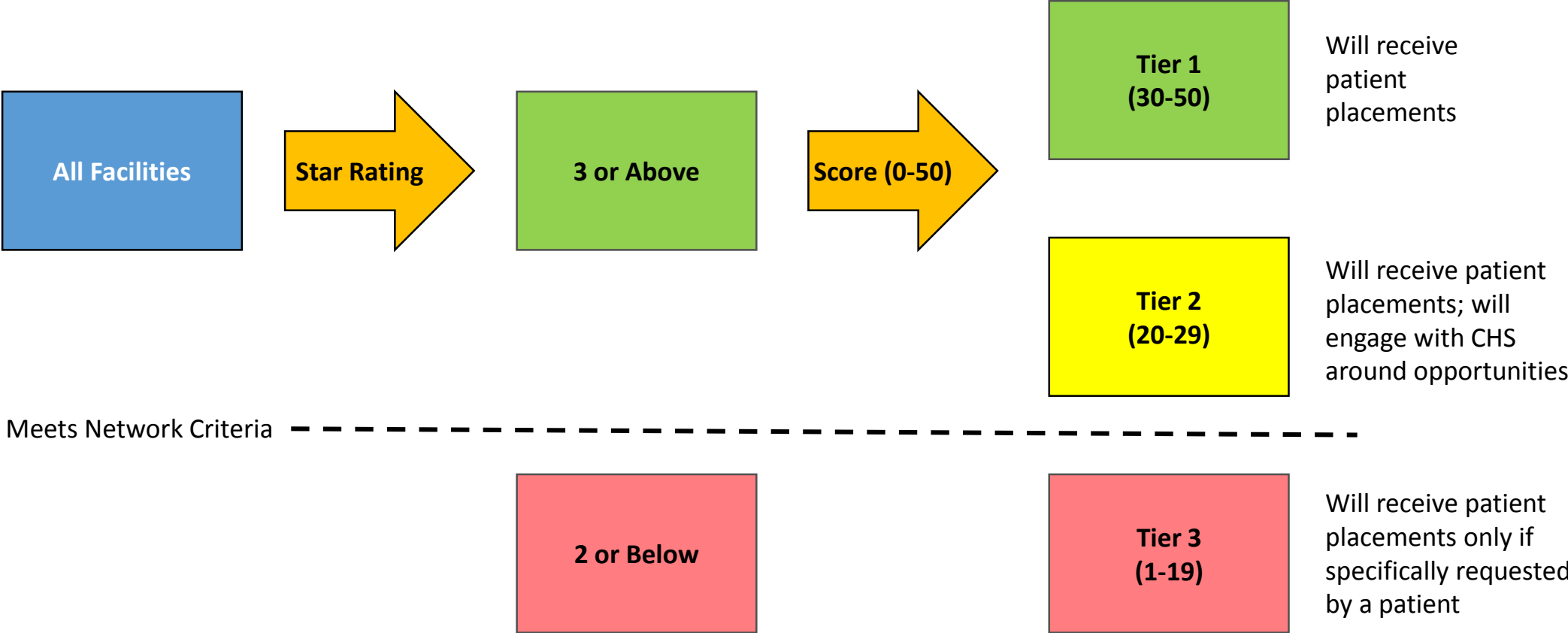
# Readmission Observed/Expected Ratio for CHS SNF Collaborative Facilities



Source: Premier



# SNF Preferred Network Design



# SNF Preferred Network Facility Performance Metrics

Metric	Source	Weight	Top Performer	Acceptable	Needs Improvement
<b>Readmission Rate O/E</b>	Premier	40%	< 0.9	< 1.1	> 1.1
<b>% Medicare/ MA Placements</b>	CHS 2017	25%	< 80.0%	< 90%	> 90.0%
<b>Market Payment Ratio</b>	CMS (2016)	35%	<1 SD Below Market Average	Market Average (+/- 1 SD)	>1 SD Higher than Market Average
<b>Weighted Score</b>			<b>30.0 – 50.0</b>	<b>20.0 – 29.9</b>	<b>0.0 – 19.9</b>

# SNF Preferred Network Management Plan

**Complete education to internal stakeholders including awareness, knowledge and scripting**

**Finalize metrics and process for monitoring compliance**

**Implement engagement steps with lower tier facilities**

**Monitor performance metrics and make adjustments**

**Monitor outcome metrics**

**Expand geographic scope**

**Evaluation of components and design beyond SNF to comprise post acute network**

