Four Questions a Skilled Nursing Facility Should Ask Itself at This Stage of the “Health Reform Era”

Everyone has heard the quote “The more things change the more they stay the same.” For Skilled Nursing Facility (SNF) providers this couldn’t ring more true, as they have faced significant change over the last few years with RUGS IV and MDS 3.0 and there always seems to be another “hurdle to jump over.” Most SNF administrators and clinicians would agree that the hurdles appear to be getting higher and higher every day and there is little doubt that the various reform initiatives impacting SNFs will present more challenges ahead. In this environment of fast-paced change, let’s investigate some areas that will help you be a high jumper instead of just a hurdler.

SNF providers should ask themselves the following four questions and be prepared to develop a response that will position them to operate in an era that is focused on quality and aligned incentives.

1. **Do you know your readmission rates?** Most hospital readmissions occur during the early stage of a SNF stay (highest in the first weeks of a stay). In fact, 81 percent of all readmissions occur within the first 30 days. The power of having your facility’s data will help you manage and focus on areas that make you most vulnerable. You also need this information to communicate why a hospital should align or collaborate with your facility. In addition, readmission rate information will be important to monitor with the strong possibility that SNFs with high readmission rates will be penalized in the near future.

2. **Do you know the top conditions at your facility that account for avoidable 30-day readmissions? Do you know your competitors’?** Today the top five conditions that account for 78 percent of all avoidable 30-day readmissions are:
   - Congestive heart failure
   - Respiratory Infection
   - Urinary tract infection
   - Sepsis
   - Electrolyte imbalance

3. **Are you prepared to participate in a continuing care network with your local hospital or health systems?** Bundled payments, ACOs and the overall focus on quality will result in hospitals aligning themselves with post-acute providers that adhere to high quality performance. Hospitals will be assessing capacity and developing credentialing systems that combine quality, cost, satisfaction results and readmission performance. It is important that you are able to communicate your value proposition. This drives home the importance of obtaining and analyzing...
outcome data from your IT systems. Criteria for one hospital or health system may be different than another and will change over time, so keep in mind that this is just another hurdle.

4. **Do you have a transition of care program or team?** As hospitals and SNFs align themselves, the growth of these types of programs will accelerate. If you are aligned with your local hospital, expect them to develop resources that will focus on the most crucial time for the delivery of care for your resident/patient transfer. The best care transition plan will follow the patient across the continuum of care to ensure that each care setting is providing the highest quality at the lowest cost. Clinical and financial information technology should enhance the ability to assist with care transitions by tracking the patient’s progress along with the cost of care. The investment in this type of program should result in a positive return to all those willing to make this investment. In addition, transitions of care management programs are gaining more focus in the managed care world and innovative payments models are being developed in a rapid manner.

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