The Value of Integrating Assisted Living Into an Accountable Care Organization’s Post-Acute Care Network

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Objectives

• Understand assisted living’s emergence as a vital part of the care continuum
• Learn about the benefit of assisted living to an accountable care organization
• Review a case study – AdvocateAurora Health and Brookdale Senior Living

Definition of Accountable Care Organizations: Triple AIM

ACO’s consist of providers who are jointly held accountable for achieving measured quality improvements and reductions in the rate of spending growth. These cost and quality improvements must achieve overall per capita improvements in quality and cost and that ACO’s should have at least limited accountability for achieving these improvements while caring for a defined population of patients.

ACO’s may involve a variety of provider configurations, ranging from integrated delivery systems and primary care medical groups to hospital-based systems and virtual networks of physicians such as independent practice associations.

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<tr>
<th>CMS Triple AIM</th>
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<tr>
<td>Reduce per capita healthcare costs</td>
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<tr>
<td>Improve patient experience</td>
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<td>Improve health of population</td>
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<td>Rate of Aging Baby Boomers</td>
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<td>% of US GDP Spent on Healthcare</td>
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<td>Outcomes of Quality Measures</td>
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The Focus – Seamless and High Quality Care Throughout the Care Continuum

Accountable Care Contracts and Lives Covered Over Time

Source: Authors’ analysis of Leavitt Partners’ accountable care organization (ACO) database.
Medicare Patients are Using Fewer Skilled Nursing Services

New research from Avalere finds Medicare beneficiaries are spending fewer days in skilled nursing facilities (SNFs) since 2009 on a per capita basis.

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Hospital Referrals to Assisted Living Growing

Allscripts Hospitals – National statistics; Allscripts Assisted Living NEW Referrals by Year

Assisted Living’s Emergence as a Vital Part of the Care Continuum

Navigating bundled payments: Strategies to reduce costs and improve health care
01.19.16

New Policy Could Open Medicare Advantage Floodgates in Senior Living
4.03.18

Capital Senior Living to Pilot ACO Partnerships
03.20.18

Medicare Advantage Insurers Consider Senior Living Acquisitions
03.27.18

ACOs Bring Assisted Living Into The Fold. Rehab patients benefit from AL's social setting.
12.2016
The Benefit of Assisted Living to an Accountable Care Organization

AL the Safe Supervisory Environment

Hospital Goals:
- Reduce ALF resident admissions
- Reduce ACO member utilization

Assisted Living Solution:
- Safe, Supervisory Environment
  - Care Plan Adherence Assistance
  - Dietary Support
  - Guided Physical Activity
  - Medication Management
  - Nurse, CNA Supervision
  - Fall Monitoring

Desired Outcomes:
- Reduced readmissions and/or avoidable clinical care
- Less need for hospitalization due to create preventive care

AL the Low Cost Post Discharge Setting

Hospital Goal:
- Limit cost of patients’ post-acute episode

Assisted Living Solution:
- Low-Cost Post-Discharge Setting
  - Not part of CMS total cost calculation
  - Less costly than SNF

Desired Outcome:
- Reduced total episode cost, creating greater savings and revenues under ACO framework

The Benefit of Assisted Living to an Accountable Care Organization

AL the Geriatric Expert

Hospital Problem:
- Improper placement of older patients

Assisted Living Solution:
- Geriatric Expert
  - Protocol to assess residents’ need for hospitalization
  - Knowledge of common warning signs for seniors

Desired Outcome:
- Admissions staff properly assess, tag sensors

AL the Private Pay Post-Acute Provider

Care Model Adaptations for Transitional Assisted Living

Short-Term Residential Care Integrated Home Services

- Daily rate private pay assisted living
- Dedicated rehabilitation space
- 24/7 nursing support
- 24/7 referral availability and Medicaid waiver licensure
- Home health
- Outpatient rehabilitation
- Non-medical home care
- Visiting physicians (if applicable)

Three Financial Models for Transitional Assisted Living

Model #1: Private Pay
- Resident pays for stay

Model #2: Extern Provider Subsidy
- Hospital pays full or discounted rate

Model #3: Bundled Payment Subsidy
- Bundled payment provider absorbs AL cost to generate shared savings on SNF days
A Case Study: Advocate Aurora Health and Brookdale Senior Living

Hawthorn Lakes (Vernon Hills, IL)

![Hawthorn Lakes Graph]

Kenosha (Kenosha, WI)

![Kenosha Graph]

Post-Acute Collaboration Expectations

**Assisted Living**
- Timely Bedside Assessment / Acceptance
- Rehospitalizations Under Hospital Target
- ED Utilization Under Hospital Target
- Utilization of ACO and / or PAN Post Acute Providers
Questions