



# Why do providers form partnerships, and are they successful?

Five takeaways from the 2019  
Acute/Post-Acute Partnership Survey

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**RECOMMENDED FOR**

Hospital post-acute leaders;  
Post-acute operational and  
strategic leadership

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**READING TIME**

**10 min.**

# Executive summary and table of contents

## The Acute/Post-Acute Partnership Survey

In the fall of 2019, we surveyed providers across the country to learn more about the current state of acute/post-acute partnerships.

### Survey respondent demographics



110

Total  
respondents

42%

hospitals or  
health systems

58%

post-acute  
providers

This report is part of a three-part series that describes the results of the survey and outlines key insights on how to drive better results from acute/post-acute partnerships.

- **Part one:** Why do providers form partnerships, and are they successful?
- **Part two:** How are acute and post-acute providers collaborating?
- **Part three:** What is the current state of preferred provider networks?

## Five takeaways on the success of acute/post-acute partnerships

As new value-based payment models incentivize improved quality and reduced cost across an episode, acute and post-acute providers are increasingly forming partnerships to succeed under these models. This report dives into key takeaways on what acute and post-acute providers want out of their partnerships and how successful they've been.

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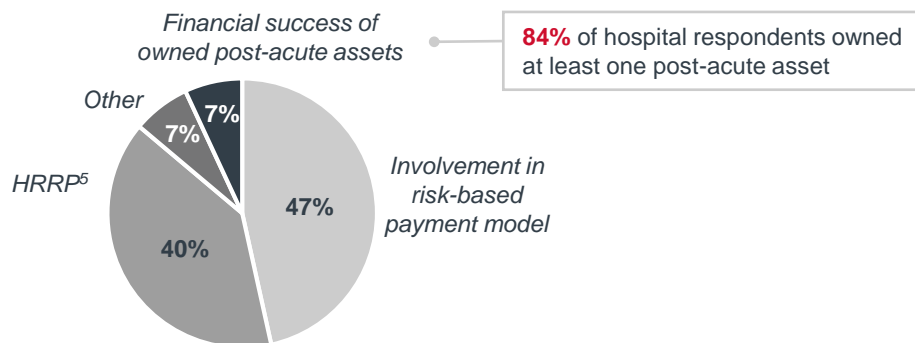
# Partnerships aim to drive outcomes that impact payment

## 1 Value-based payment motivates hospitals to form partnerships.

Involvement in a value-based payment model, including HRRP<sup>1</sup> and other risk-based payment models (ACOs<sup>2</sup>, MSSP<sup>3</sup>, bundles, etc.) is the most common reason for hospital investment in post-acute partnerships.

### Primary motivation for hospital investment in post-acute partnership

n=45



Surprisingly, **72%** of those who selected HRRP as their primary motivation were involved in other risk-based payment models, underscoring HRRP's substantial impact on acute/post-acute relationships over other programs.

## 2 Readmission rate and care transition improvement are top drivers for partnership participation.

### Top goals for partnership, by percentage of respondents selecting goal as a top-three priority

n=110

Rank	Hospitals	Post-acute providers
1	<b>Reducing readmissions (85%)</b>	Improving quality outcomes (70%)
2	Accelerating acute care throughput (50%)	<b>Reducing readmissions (65%)</b>
3	<b>Improving care transitions (46%)</b>	<b>Improving care transitions (48%)</b>
4	Reducing episodic spend (44%)	Increasing volumes (38%)
5	Improving quality in post-acute settings (41%)	Improving communication across settings (29%)

Despite these similarities, some goals differed based on the financial incentives of the specific care setting.

- ▶ **Hospitals ranked “accelerating throughput” second.** This goal aligns with reimbursement models that incentivize hospitals to turn over acute care beds and discharge high-cost, difficult-to-place patients efficiently.
- ▶ **Post-acute providers ranked “improving overall quality” first.** This goal, along with their other top three goals for post-acute providers, reflect the metrics that make post-acute providers attractive to hospital partners.

1. Hospital Readmissions Reduction Program.

2. Accountable care organizations.

3. Medicare Shared Savings Program.

Source: Post-Acute Care Collaborative interviews and analysis.

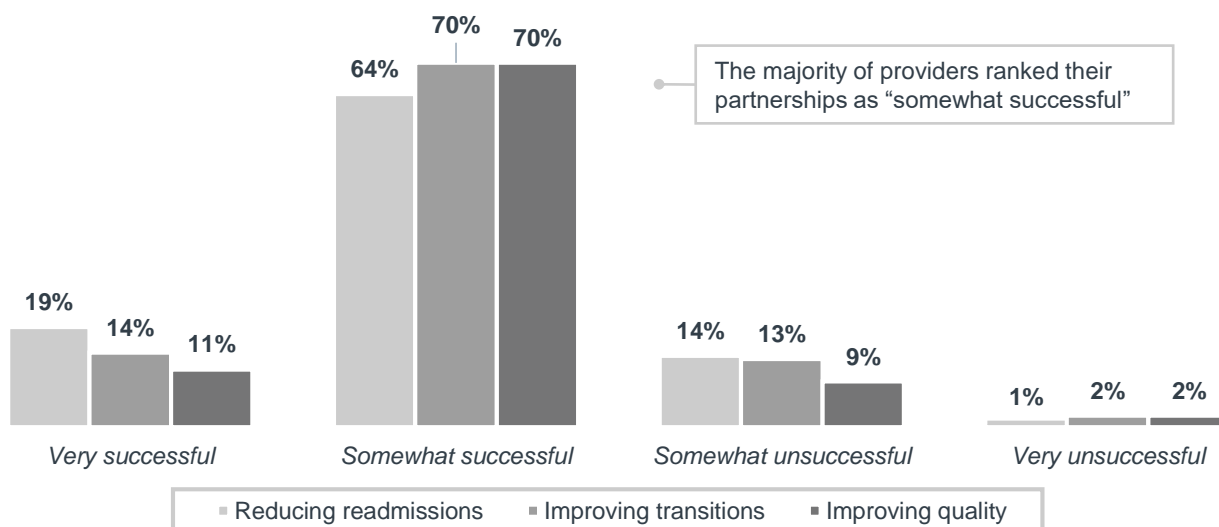
# There's plenty of room for partnership improvement

## 3 Despite shared goals, partnership efforts have only been “somewhat successful.”

Although acute and post-acute providers share common goals, most partnerships have failed to fully meet them.

### Success of hospital and post-acute partnerships in achieving select shared goals

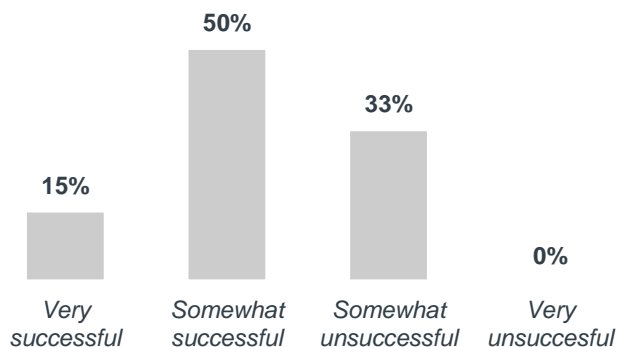
n=110



Providers not only struggled to achieve shared goals, but also acute- and post-acute-specific ones.

### Hospital success at accelerating throughput

n=46

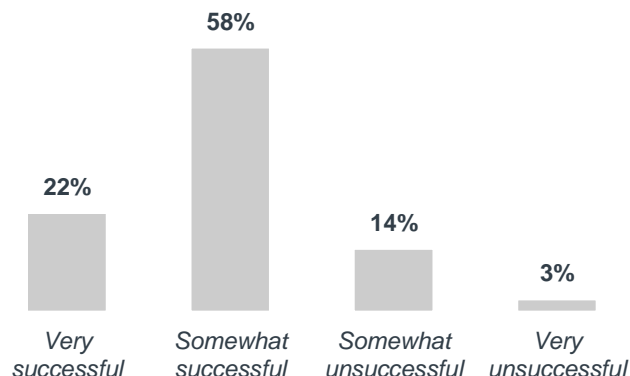


#### NEXT STEPS

Minimizing delays in care is key to accelerating hospital throughput. Use our resource suite to [Identify and Address Avoidable Days](#).

### Post-acute success at growing volumes

n=64



#### NEXT STEPS

Learn how to drive volumes through enhanced partnerships with our [Playbook for Hospital/Post-Acute Care Collaboration](#).

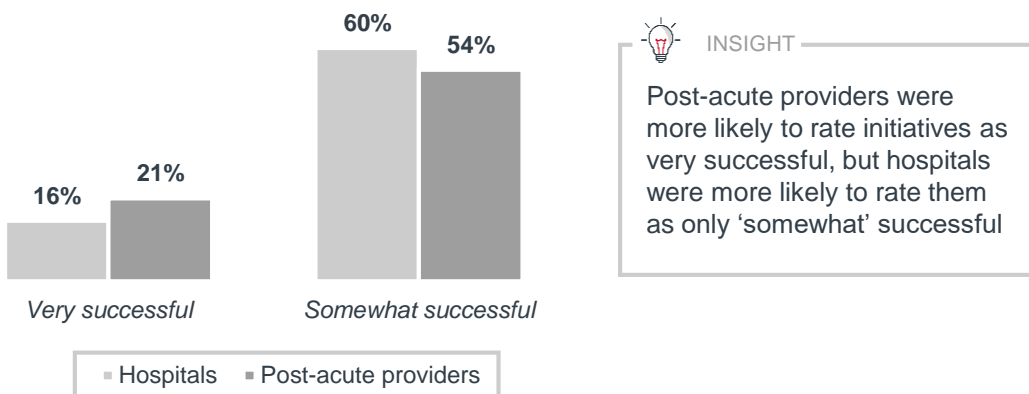
# Providers are not on the same page about success

## 4 Post-acute providers are more optimistic about partnerships than hospitals.

Across the board, post-acute providers rated partnership initiatives as more successful than their hospital counterparts.

### Overall success of hospital and post-acute partnerships<sup>1</sup>

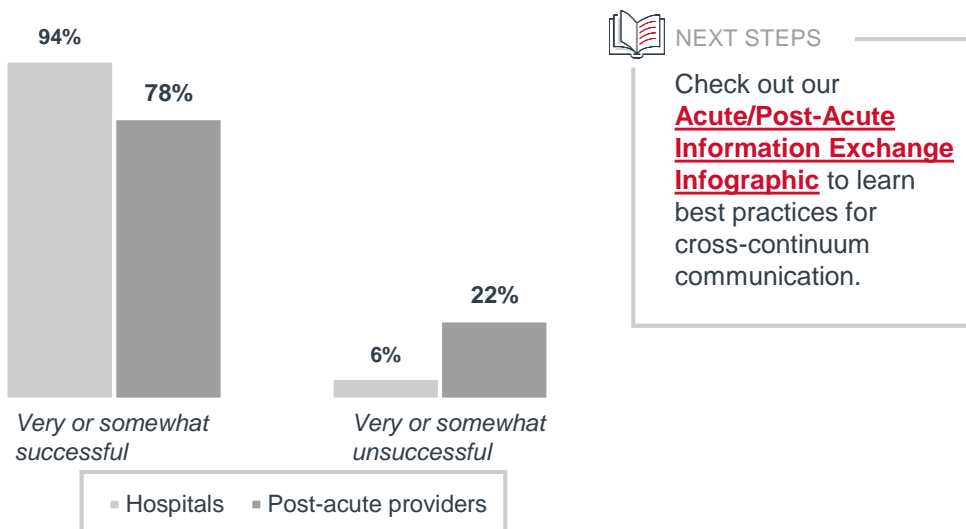
n=110



While acute and post-acute providers felt similarly about the success of their partnerships overall, they disagreed on how well their partnerships helped improve communication between providers.

### Success of hospital and post-acute partnerships at improving cross-setting communication

n=110



1. Results may not add up to 100% because respondents were given the option to select 'unsure' for each initiative.

# Differing incentives and distrust are most significant barriers

## 5 The top barriers to partnership success are misaligned incentives and lack of trust.

When asked to indicate their top barrier to success, over one-third of providers chose misaligned incentives between acute and post-acute settings

### Top challenges to effective cross-continuum collaboration

n=110

Rank	Hospitals	Post-acute providers
1	Misaligned incentives (38%)	Misaligned incentives (44%)
2	Limited availability of high quality partners (18%)	Partners have limited interest in collaboration (27%)

While reimbursement incentives may be out of the control of individual providers, strong preferred network arrangements can help align these goals by rewarding post-acute providers for improving quality and efficiency with increased volume and clinical support from hospitals.



#### NEXT STEPS

Check out our [Guide to Promoting In-Network Utilization](#) to learn how to effectively direct patients to high-performing post-acute partners.



#### NEXT STEPS

Review our infographic to learn [Two Approaches to Grow Post-Acute Outcomes Through Partnerships](#)

### Hospitals and post-acute providers play the blame game

Both acute and post-acute providers' second most common barrier was lack in belief in their partners.

- **18% of hospitals** selected 'limited availability of high-quality partners' as a top barrier
- **27% of post-acute providers** selected 'partners have limited interest in collaboration' as a top barrier

Notably, for hospitals, 'lack of interest in partnership' was the least-selected barrier, and for post-acute providers, 'inability to meet partner expectations' was the least-selected barrier. This lack of understanding across settings leads to mutual distrust, which can only be overcome by improving communication between settings.



#### NEXT STEPS

Refer to our [Playbook for Hospital/Post-Acute Collaboration](#) to learn how to build and maintain strong acute/post-acute partnerships that will help you achieve shared and provider-specific goals.

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