



RehabExpertise
EXECUTIVE BRIEF SERIES

10 Steps CEOs Should Take to Optimize the Value of Inpatient Rehab Units

Claire Willman
Regional Vice President
RehabCare

Marty Mann
Senior Vice President, Business Development
RehabCare

Executive Summary

This is part of a series of educational papers about enhancing rehabilitative services programs. This brief talks about maximizing the performance of the inpatient rehab unit in your hospital.

With the regulatory climate in flux and reform on the horizon, many hospital executives are questioning the business value of inpatient rehab units, and their place in the post-acute care continuum. Keep in mind that today's healthcare environment is no walk in the park for hospital CEOs. Competing priorities demand their attention, and keeping everything on track is no small feat. And, with an increasingly competitive healthcare marketplace, superior performance and operational efficiency is required, even as margins are compressed.

Most hospital executives spend a great deal of time balancing the competing demands of medical and surgical services, with less attention to other ancillary services in their facilities. One area that provides opportunity is inpatient rehab units. With a new emphasis being placed on the transition between hospital and home, rehab units focus on patients who require intensive, short-term rehabilitation care. This level of service is critical for patient recovery and essential in reducing readmissions to acute care hospitals and in avoiding possible financial penalties.

There is no question that maintaining a well-run rehab unit is complex. There are a multitude of regulatory requirements, including the three-hour rule and the 60/40 regulation, and keeping everything compliant and well-organized can be a challenge. Yet, rehab units have the potential to become high-performing centers of excellence, providing intensive rehab services to help patients recover as quickly as possible and to optimize the performance of assets that are already in place. If these assets are properly managed, the needs of the hospital and patients are met and the unit's performance increases exponentially. Excess revenues can then be reinvested back into the hospital.

The multifaceted aspects of inpatient rehab units require focused expertise. Many units today are under-performing because operational expertise and resources are difficult to develop and maintain internally. Thus, accessing external expertise from a rehab partner that knows how to keep the rehab unit compliant, operationally/clinically strong and profitable is a necessity for many. This paper outlines a number of steps that hospital executives can put in place to maximize the performance of rehab units and to competitively position their organization for success.

The Bottom Line

Given the multiple priorities that hospital executives face, one of the biggest challenges is to make sure that all areas of their facilities are high-performing. This includes leveraging assets, including inpatient rehab units, to ensure these programs provide high-quality care that is compliant as well as operationally and financially strong.

What It Means

Inpatient rehab units are an opportunity area for hospitals and an important component of the post-acute continuum. Given the complexities around rehab units, understanding these intricacies can help hospitals improve their competitive advantage in their marketplace and their bottom line.

The Takeaway

The right rehab management partner can position an inpatient rehab unit for success by keeping it on track with strategies and expertise related to growth, operations, reimbursement, compliance and clinical programming and outcomes.

The Steps to Success

The following grid summarizes ten ways to create a high-performing inpatient rehab unit. Familiarity with these details and partnering with an experienced rehab management company will position you to best serve your patients, grow market share and achieve operational and financial goals.

The multifaceted aspects of inpatient rehab units require focused expertise. Many units today are under-performing because operational expertise and resources are difficult to develop and maintain internally. Thus, accessing external expertise from a rehab partner that knows how to keep the rehab unit compliant, operationally/clinically strong and profitable is a necessity for many.

10 Steps to Maximize the Value of Inpatient Rehab Units



Steps	Considerations
OVERALL PERFORMANCE	
1 Assess the performance of your inpatient rehab unit	How does your performance compare to that of high-performing inpatient rehab units? Analyze and benchmark internal admissions and discharges, external admissions, internal costs, 60/40 compliance, CMI, FIM gains (functional improvement), CARF/Joint Commission survey results and financial performance. Ensure the availability of training and orientation for medical directors and staff and a business plan for the unit.
2 Evaluate internal and external market demand for rehabilitation services	What percent of your med/surg patients who need rehab services are discharged to your inpatient rehab unit? What diagnoses? Growing market share in an increasingly competitive environment can be challenging. Understanding internal and external opportunities and implementing strategies to capture downstream business will increase market share and stabilize unit volume.
3 Determine strategic direction for your rehab unit	Should you expand or close your rehab unit? Should you consider opening a rehab unit? Recognize the potential for profitability and growth by positioning and integrating your unit within the overall hospital portfolio of clinical services. A rehab unit provides a seamless transition for patients in need of intensive, quality rehab services and contributes to the hospital's financial performance, while boasting low readmission rates back to acute care.
OPERATIONS AND CENSUS DEVELOPMENT	
4 Ensure appropriate leadership expertise	Program directors must have expertise, beyond staffing, to optimize the performance of a rehab unit. Given the complexities of this service, program leaders need to be skilled in census development, medical staff management, staff recruitment and leadership and regulatory compliance, as well as operational and financial management. You must have a leader to bring it all together.
5 Market your rehab unit internally and externally	Maintaining optimal patient volume and case mix requires a focused, integrated and disciplined approach. This includes a team approach to internal and external referral development, as well as pre-admission screening.
OUTCOMES	
6 Measure and track outcomes	The ability to track and report outcomes is critical for quality improvement, referral development and positioning for reform initiatives. Do you capture and track functional improvement metrics? Are you able to compare outcomes to peer facilities? Do you measure hospital readmission rates? Can you demonstrate superior outcomes?
REGULATORY ISSUES	
7 Know the regulations and comply	Federal and state regulations, including adherence to the 3-hour rule and 60/40 regulation, require constant attention and oversight. Equally important is documentation competency to ensure accuracy and to reduce denial risk. Do you have a comprehensive pre- and post-admission process to reduce denials and comply with regulations that nursing, program directors and medical directors all use?
8 Become CARF accredited	CARF accreditation can help demonstrate to patients, payors and referral sources the quality of clinical care, service delivery and overall excellence of rehabilitation services. Are you "CARF ready?"
MEDICAL OVERSIGHT/STAFFING ISSUES	
9 Choose medical directors carefully, define expectations and provide education and training	A medical director who fully understands changing regulations and has peer support will positively impact the success of your rehab unit. It is important to ensure medical directors are engaged members of the team and have the tools they need to help drive program results.
10 Invest in staff education and utilize an interdisciplinary approach	Ongoing education for managers and staff is critical for the delivery of quality care, skill enhancement and leadership development. Also important is the interdisciplinary team approach within the hospital. Program directors should serve as ambassadors to integrate nursing and therapy staff, and coordinate external resources.



About RehabCare

RehabCare is the leading provider of rehabilitation services, including physical, occupational and speech-language therapies, to over 2,000 hospitals and long-term care facilities in 46 states. We are the premier provider of rehab throughout the full continuum of care, including long-term acute care hospitals, nursing and rehabilitation centers, inpatient acute rehab units, independent rehabilitation facilities and hospice and home care locations.

Our vast network enables you to access best practices and geographic market knowledge that will take your rehab department to the next level. We are a trusted industry expert, and a true strategic partner. And at RehabCare, we are passionate about recovery: working to improve patient outcomes and quality of life.

Have Questions?

To learn more about how RehabCare can optimize the performance of your rehab department, call us at:

800.545.0749, ext. 7640

Visit us at:
www.rehabcare.com