

RehabCare Settlement – Frequently Asked Questions

What is the government investigating across the rehabilitation therapy industry?

- The federal government has long been engaged in targeted investigations related to spending and utilization for Medicare Part A rehabilitative services delivered in skilled nursing facilities. Specifically, the U.S. Department of Justice (DOJ) has been engaged in a long-standing investigation of the industry officially known as “Operation Vacuum Cleaner.”

What did RehabCare agree to in its settlement?

- On January 12, RehabCare entered into a settlement agreement with the government in order to resolve the United States Department of Justice’s review of RehabCare’s business practices, mostly related to conduct which occurred prior to Kindred’s June 1, 2011 acquisition of RehabCare. As part of our agreement with the DOJ, RehabCare entered into a Corporate Integrity Agreement with the Office of Inspector General of the Department of Health and Human Services, creating a strong partnership between RehabCare and the federal government that promotes strict compliance with all regulatory requirements.

Is RehabCare’s settlement an admission of wrongdoing?

- RehabCare has been working with the DOJ for four years, and while the settlement is not an admission of wrongdoing, we are pleased to put an end to the matter.

What is a Corporate Integrity Agreement?

- A Corporate Integrity Agreement (CIA) is a document that outlines the obligations that an organization agrees to with the Department of Health and Human Services Office of Inspector General (OIG) as part of a civil settlement. A CIA is tailored to address the specific facts of the matter settled and establish a relationship between the organization and the OIG in order to track compliance with Medicare, Medicaid or other federal health program requirements.

Have other therapy companies settled with the government?

- Our settlement is the latest in a series of settlements with industry stakeholders – in fact the DOJ has collected more than \$17 billion in settlements from healthcare companies since 2009.

What else has RehabCare done to address quality?

- RehabCare has a Quality Assurance Program (QAP) in place for systemic evaluation of compliance procedures and systems in order to validate medical necessity, appropriate documentation and the highest level of billing integrity. Our RehabCare team utilizes an interdisciplinary approach to drive patient-centered care and track progress through an extensive and proprietary outcomes-based system.
- As always, our commitment is to provide medically necessary care and therapies to improve the well-being and physical abilities of each patient so that the patient may enjoy the highest quality of life possible.
- RehabCare offers a broad-range of Clinical Excellence Programs – several of which were specifically designed to prevent rehospitalizations.

How do RehabCare customers rate our services?

- We are proud of consistently high levels of customer satisfaction:
 - Over 90% of our customers rate satisfaction with our therapists a 9 or higher (*10 being the highest*)
 - 96% of our customers rate satisfaction with our timeliness of responses to questions or issues a 9 or higher
 - Over 90% of our customers rate satisfaction with our clinical outcomes a 9 or higher
 - 90% of our customers rate our ability to meet staffing expectations a 9 or higher

Because Outcomes Matter

- RehabCare is committed to helping our patients and business partners achieve the best possible outcomes, through our commitment to clinical excellence and business partnerships, we help skilled nursing facilities, assisted living facilities and independent living facilities unlock their true potential.