

Scaling Post-Acute Care: Opportunities & Obstacles

A compilation of surveys of more than 300 hospital and health system leaders shows where healthcare organizations stand today with post-acute care, what their strategic priorities are, and where more focus is needed to successfully scale out of hospital services.



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Background

Today's healthcare leaders must simultaneously focus on shortening length of stay and avoiding readmissions. This presents a two-part problem. First, health systems need the ability to mine through the mass of data collected during acute-care stays, including labs and diagnostics testing, procedure notes, and monitoring and therapy device data, to confidently know when it is appropriate to discharge patients. Second, once patients are discharged from the hospital, clinical teams need tools to gather and efficiently analyze data from remote patient monitoring (RPM) devices, provide remote follow-up care as needed, leverage digital therapeutics (DTx) when appropriate, and identify patients who may require some form of intervention that can help avoid a readmission.

While implementing and supporting post-acute care services requires significant time, effort, and resources, it is critical to the success of hospitals and health systems as they strive to reach length of stay targets, improve capacity management, ensure better health outcomes, and reduce avoidable emergency department visits and readmissions.

New research surveying more than 300 U.S. healthcare leaders illustrates that not only do most hospital and health system leaders agree that it is important for their organizations to expand or maintain post-acute care, they are also growing their post-acute care services to best support these efforts. However, the research also reveals that many hospitals and health systems have yet to prioritize making

strategic investments in critical technologies—such as a centralized hub for operational and care management and out-of-hospital digital tools—that are crucial to scaling post-acute care initiatives successfully.

This report further explores the survey findings, including where hospitals and health systems are investing in post-acute care, what their future plans are, and where the biggest gaps between investments and scalability are occurring.

Research Methodology

This report draws on three double blinded surveys by GE HealthCare and healthcare consultancy Sage Growth Partners, which independently recruited and surveyed the U.S. research participants. The first two surveys, focused specifically on hospital-to-home trends, included 123 and 85 respondents in February and March 2023, respectively, including healthcare leaders. Undertaken in August and September, the third survey of 204 hospital and health system leaders concentrated on flexible care models as well as post-acute care trends.

The research included clinical, IT, and service line leaders at health systems, integrated delivery networks, independent acute care hospitals, critical access hospitals, as well as facilities operated by the U.S. Department of Veterans Affairs and Department of Defense.

“The confluence of digital therapeutics, the ability to monitor people in their home settings, and reimbursement models, all allow us to begin more than just dipping a toe in the water and be able to move people out of the hospital sooner.”

Key Findings:

80%

of survey respondents say their organization is moving lower acuity patients to care in their homes more quickly today than they were 10 years ago (n=204), and **70%** say care will shift out of hospitals moderately or significantly over the next 2-3 years (n=123).

89%

are expanding home health services (n=123), **88%** are offering traditional nurse-based care management outside of the acute care setting (n=123), and **87%** are expanding or maintaining remote patient monitoring initiatives (n=123).

68%

rank hospital-to-home continuity of care as highly important or extremely important to their organization's digital transformation in the next 3-5 years (n=123).

Only **32%** of survey respondents have hospital-at-home initiatives and an additional **18%** intend to establish a program in 12 months, while **26%** plan to do so within 3 years. Just **7%** say it's not on their long-term plans (n=85).

Despite the above survey findings, **only 19% of hospital leaders** currently plan to invest significantly more in out of hospital digital solutions in the next 12 months (n=85), and only **27%** rank prioritizing out of hospital digital tools that are necessary to scale post-acute programs as their organization's top priorities (n=123).

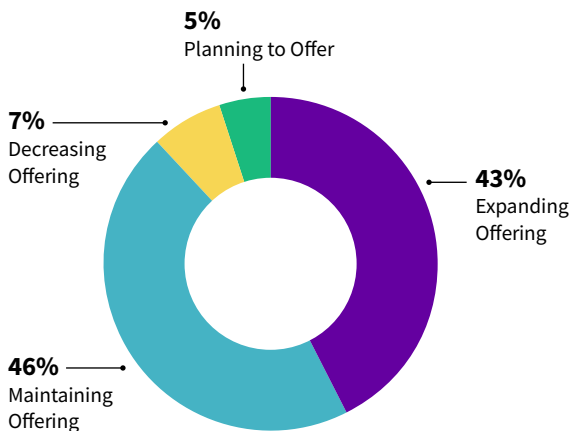
Post-Acute Care: The Current State

Over the past decade, hospitals have increasingly recognized the need—and value of—moving lower acuity patients to care in their homes more quickly. In fact, 80% of survey respondents say their organization is either doing that today or pursuing plans to do so more often than in the past (n=204).

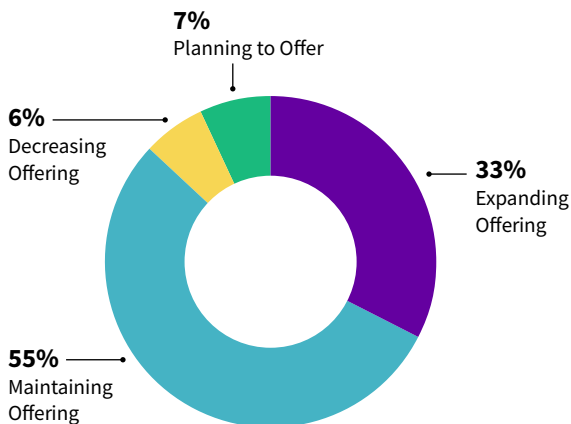
About two-thirds of hospital leaders say their organization is either expanding or maintaining key post-acute care service initiatives (n=123).

Post-Acute Services: The Growth Trajectory (n=123)

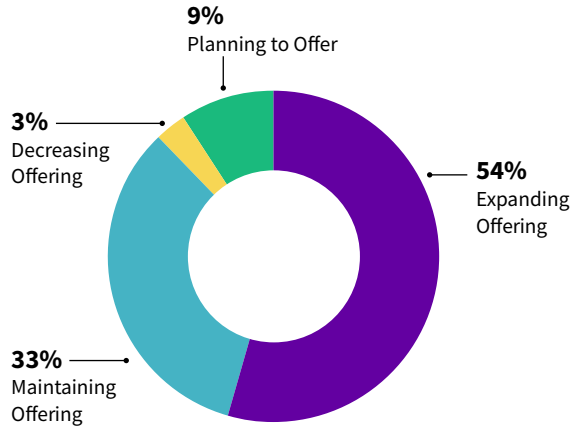
Home health services



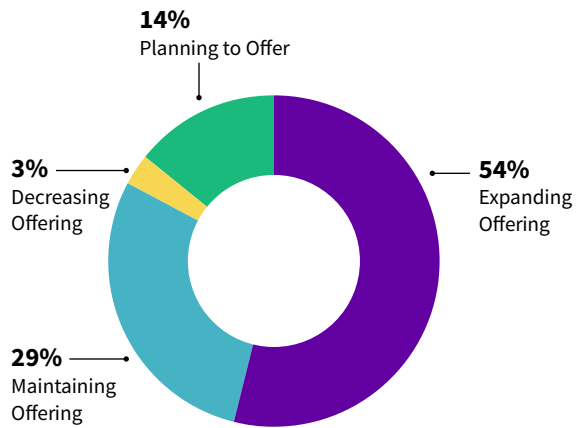
Traditional care management (nurse-based) outside acute care settings



Remote patient monitoring



Hospital-at-home virtual care



“Wireless and wearable continuous monitoring, and remote monitoring, are part of our strategic plan because we’re looking at access, and making sure the patient gets cared for in the right place. We have to think outside the box to do whatever we can in the home, versus trying to bring everybody in through an inpatient unit, which we all know requires a higher-level frontline staff.”

Elements of Post-Acute Care

Managing acute care patients out of the hospital setting is critical to safely reducing length of stay and lowering readmissions rates. Successful post-acute care can be achieved through various pathways, including timely discharge, short-term remote patient monitoring for 30-90 days, and the Hospital at Home CMS waiver program.

Hospital at home is an emerging care model that will also require many similar technologies—such as remote patient monitoring and centralized hubs for operational and care management—to fully leverage data and effectively scale programs.

Hospital at Home, also called “Acute Hospital Care at Home” by the U.S. Centers for Medicare & Medicaid Services, is a reimbursed program to hospital-based acute care management. Approximately 300 hospitals are currently participating in CMS’ program in which post-acute care measures are leveraged by hospitals and health systems to safely reduce length of stay and readmissions, and generally avoid adverse events.[1]

Among the two-thirds of healthcare leaders who participated in this survey that say their organization does not yet operate hospital at home programs, nearly half (44%) plan to establish such an initiative by 2026.



Where Hospitals Need to Invest to Scale Post-Acute Care Services

This research shows that while many hospitals and health systems are growing their post-acute care programs and are investing in point solutions to support them, many are not yet investing in technologies that can drive scalability by making data gathered in the post-acute care setting more connected, meaningful, and actionable. These technologies (further explored below) are essential because tools and entities outside the hospital are much more fragmented and not standardized across locations, service lines, or even departments within the same facility.

Overall, fewer than one-third are currently prioritizing investments in out of hospital digital tools, such as advanced remote monitoring, and data visualization dashboards that can integrate with centralized hubs to help in-hospital staff interpret findings from point solutions in post-acute settings. This research shows that addressing the ongoing challenges of staffing capacity with clinical decision support tools, data utilization, and revenue cycle management are at center stage.

Top Digital Solution Investment Priorities: Out of Hospital Digital Tools Rank Below Other Pressing Needs (n=123)

95%

Advanced technology to support clinical decisions and seamless continuum of care

75%

Revenue cycle optimization

68%

Data architecture and analytics (ingesting, harmonizing, and data visualization)

57%

Digital front door

27%

Out-of-hospital digital tools

Despite the overwhelming response that hospitals are increasing the amount of care provided outside the hospital, only 27% of survey respondents indicated that out-of-hospital digital tools are currently a top three priority for transforming the organization—while more than twice as many (57%) are prioritizing digital front doors to drive revenue by delivering a positive digital experience for patients (n=123).

Survey findings related to the impact of telehealth further illustrate the need for stronger operational structures (such as a centralized hub) and technology (such as advanced remote monitoring and clinical decision support optimized for post-acute care) to enhance and scale the use of post-acute remote care. Similar to clinical decision support tools that hospitals are currently investing in to manage increasing case load, hospitals need remote monitoring for mature post-acute care models and centralized hubs to leverage the data collected and take action at scale.

“With RPM, continuous monitoring at home, there’s a potential for hospital in the home, but it has to be visible. Hospitals need to have the right tools in place for monitoring people and data.”

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In-Hospital Centralized Hubs for Operational and Care Management: Not Yet Commonplace (n= 123)

53%

Have a centralized hub for operations

43%

Plan to implement a centralized hub for operations in 1-2 years

39%

Plan to implement a centralized hub for clinical care management in 1-2 years



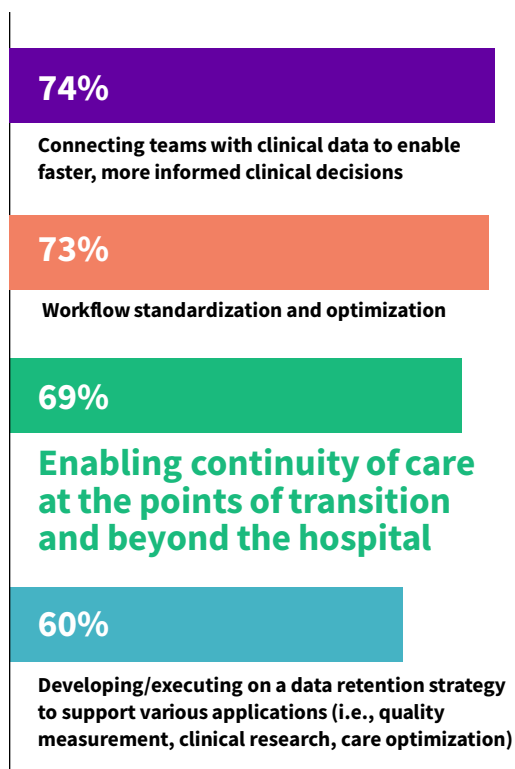
Post-Acute Care: What's Next?

While out-of-hospital digital tools currently rank lower than other hospital digital priorities, research conducted to understand how hospitals are approaching building flexible care models for our related report, [The State of Flexible Healthcare Delivery](#), indicates that could—and should—change soon.

Specifically, 68% of survey respondents say enabling continuity of care at the points of transition and beyond the hospital is a top priority (n=123). As more organizations shift in this direction, investments that enable out-of-hospital care at scale may also increase.

Top Overall Investment Priorities for the Next 3-5 Years

Survey respondents ranked the following as either highly important or extremely important to their organization's digital transformation (n=123):



Scaling different service lines and units beyond the hospital and into post-acute settings, including the home, requires leaders to measure in hospital and out-of-hospital initiatives by the same performance metrics—and establish a holistic mindset for the organization's technology strategy.

While we examined the increase in post-acute services and the need for clinical and operational centralized hubs to scale those models earlier in this report, digital therapeutics (DTx) is an emerging space for hospitals and health systems to consider as well.

DTx is generally defined as clinical interventions delivered to patients via software to treat, manage, or prevent a disease or disorder [2]. Only products and devices which have sought validation in clinical trials are included in the DTx realm [3]. A number of barriers currently impede DTx uptake, including a lack of standardization in evaluating outcomes [4]. In addition, several DTx manufacturers, such as Pear Therapeutics, Hurdle, Quil Health, and SimpleHealth, shut down entirely in 2023 [7].

The number of DTx users, meanwhile, is projected to grow exponentially to 652.4 million by 2025. If health plans begin to recognize the value of DTx more widely, the adoption curve could slope up quickly [9]. In 2023, CMS began reimbursing for DTx with codes for RPM and remote therapeutic monitoring (RTM [10], which the American Medical Association defines as services that “represent the review and monitoring of data related to signs, symptoms, and functions of a therapeutic response,” including but not limited to Software as a Medical Device (SaMD) [11].



Conclusion

Scaling post-acute care services requires significant time, investment, and resources for hospitals and health systems. But it's also a critical endeavor as organizations seek to reduce length of stay and achieve other strategic objectives.

Technology can play a critical role in helping organizations scale their out-of-hospital care management initiatives. Key technologies organizations should consider include remote patient monitoring, clinical decision support tools specifically designed for the post-acute setting, and centralized clinical and operational hubs to help staff interpret the data acquired outside the hospital.

The Case for Scaling Post-Acute Care Models

Hospital leaders recognize the need for, and value of, stronger post-acute care models for recently discharged patients. Learn more about initiatives and technologies that are enabling flexible care models, including post-acute care.

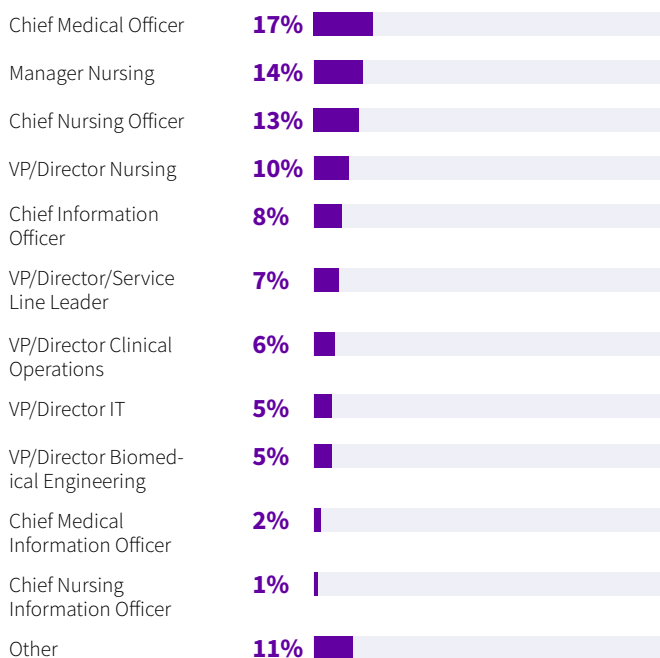
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Research Demographics

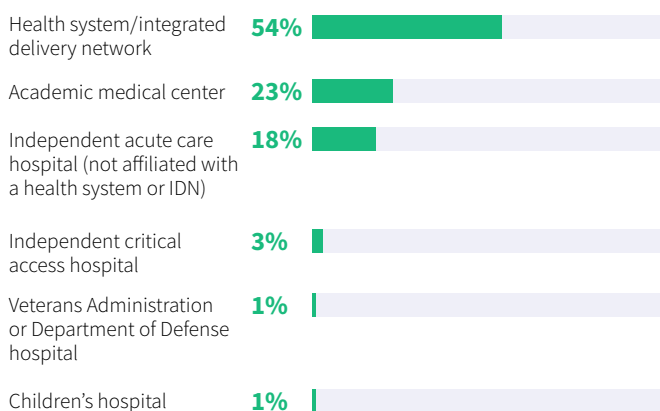
All survey respondents were recruited independently by Sage Growth Partners and all research was double blinded.

August 2023 Survey (n=204)

Respondents Title/Role

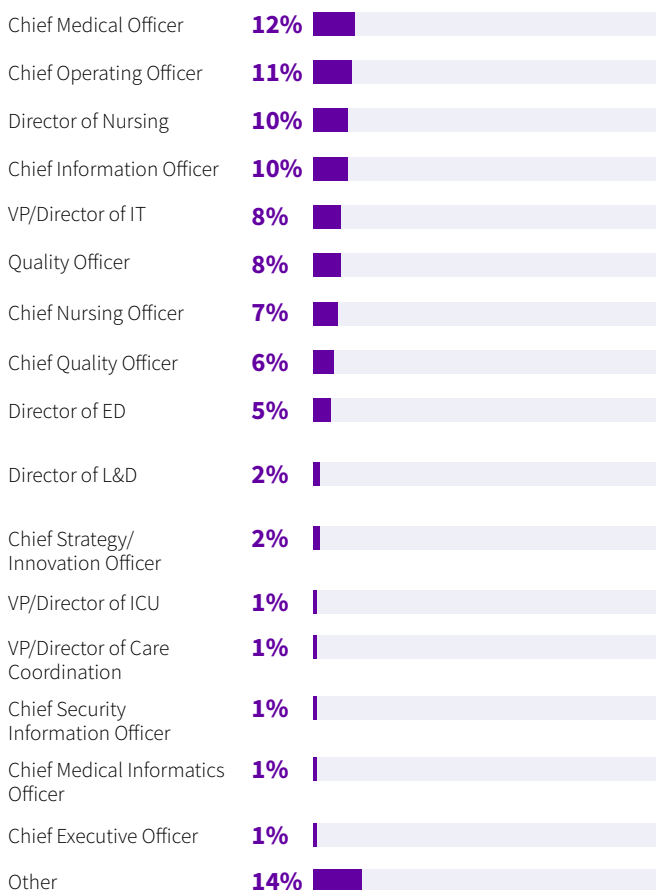


Type of Hospital or Health System

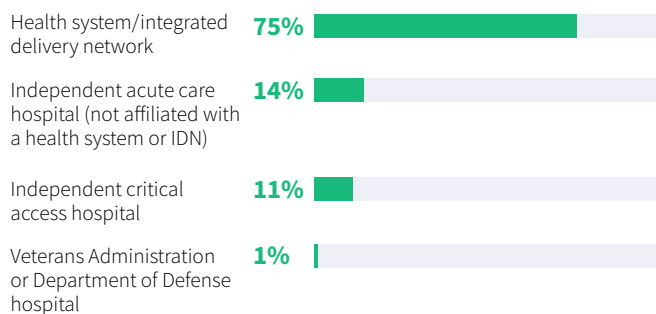


February 2023 Survey (n=123)

Respondents Title/Role

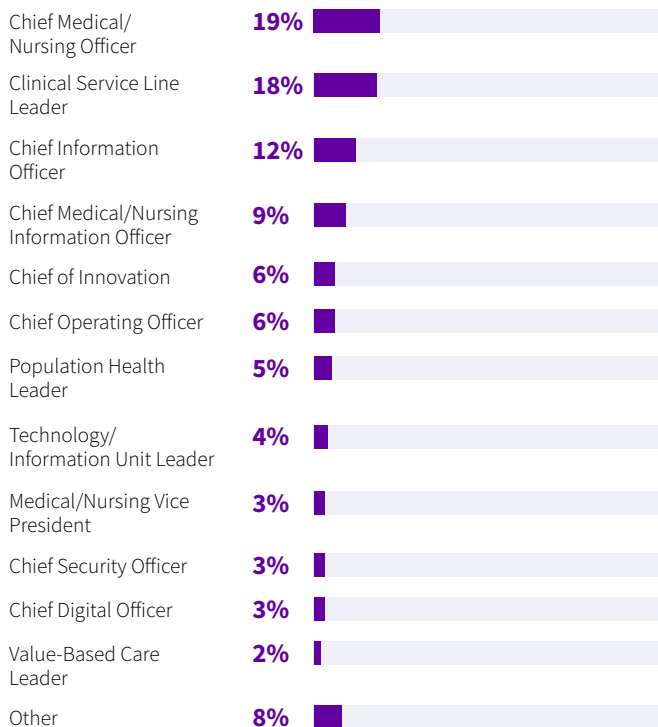


Type of Hospital or Health System

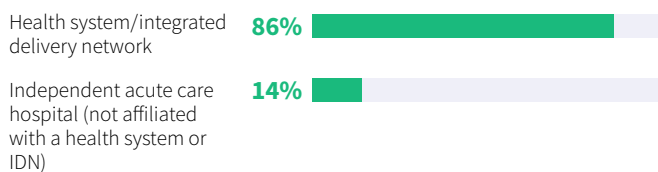


March 2023 Survey 2 (n=85)

Respondents Title/Role



Type of Hospital or Health System



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About GE HealthCare Technologies Inc.

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