

RML Specialty Hospital ILLINOIS

OVERVIEW

After being discharged from an acute-care hospital for a serious illness or injury, many patients in the Chicago area require continuing extensive care to meet their longer-term needs. That is where post-acute care providers like RML Specialty Hospital step in. As a long-term care hospital (LTCH), RML specializes in serving patients with highly complex needs for an extended period of time, many for 25 days or longer. Founded in 1987, RML is the largest ventilator-weaning hospital in the United States along with one of the largest inpatient dialysis populations at any LTCH in the country. It is also nationally recognized for providing advanced wound care, stroke rehabilitation, and support for patients with a ventricular assist device (VAD) or recent organ transplant.

With 65 hospitals across Illinois, Indiana and Wisconsin referring patients to RML's two locations in Chicago and Hinsdale, RML plays a critical role in the region's healthcare system by serving as a pressure relief valve for acute-care hospitals—particularly during the COVID-19 pandemic. During the worst of the crisis in Spring 2020, RML worked to accept non-COVID patients out of



intensive care units (ICUs) in the area in order to help free up capacity at acute-care hospitals. It also opened the first COVID-positive ventilation venue in the nation and coordinated with researchers working with the Centers for Disease Control and Prevention to study this especially vulnerable population.

Patient-Payer Mix

RML faces a challenging patient-payer mix. Virtually all patients RML treats (95%) are transferred directly from ICUs, underscoring the medical complexity of the patients it serves. In 2020, its case mix index (CMI)—a measure that reflects the diversity, clinical complexity, and severity of the patient illnesses treated at a given facility, was 1.45—significantly higher than the regional average of 1.25 and the national average of 1.24.

Nearly 60% of the patients RML treats identify as Black or Hispanic, communities that have been historically marginalized. Approximately 30% of admitted patients are on dialysis, causing more complexity, as these patients tend to display more comorbid conditions and have longer lengths of stay. Moreover, patients being transferred on a ventilator spend an average of 25-30 days in an ICU bed before arriving at RML.

In aggregate, Medicare accounts for 50% of care at RML, significantly lower than the roughly 70% of care covered by Medicare at LTCHs nationwide. Medicaid



“Our goal is to get the patient to the next level of care as quickly as possible. Throughout the pandemic, we were a buffer to the community by serving as a pressure relief valve for high acuity patients, helping ease the burden on other healthcare settings, especially ICUs in most Chicago area acute-care hospitals.”

JIM PRISTER

President and CEO

covers approximately 50-55% of the patient population at RML's Chicago location and approximately 20% of the patient population at its Hinsdale location.

What is post-acute care?

Post-acute care is provided to a patient who is discharged from the acute-care hospital setting, but still requires services such as close medical supervision, nursing care, therapies, and other services. Medicare spending on post-acute care accounts for about \$60 billion, or 15 percent, of Medicare spending every year (MedPAC, 2021).

The AHA's nearly 5,000 member hospitals, health systems, and other health organizations includes 3,300 post-acute care providers, including free-standing post-acute hospitals and post-acute units. Post-acute care settings include long-term care hospitals (LTCHs), inpatient rehabilitation facilities (IRFs), skilled nursing facilities (SNFs) and home health agencies.

What is a long-term care hospital (LTCH)?

LTCHs are a critical part of the nation's post-acute care ecosystem that furnish extended medical and rehabilitative care to individuals with clinically complex problems. Many LTCHs offer on-site physician coverage 24 hours a day, seven days a week along with other critical services. Patients typically remain in an LTCH for an extended period of time, but it is not considered a patient's permanent place of residence.

Challenges

While working hard to provide safe, high quality care for the region's most vulnerable patients, RML has faced significant challenges in recent years.

1. Staffing – High turnover and the skyrocketing cost of labor have impacted all healthcare settings, and RML is no exception. Since mid-2020, a significant number of patient care technicians, registered nurses, and respiratory therapists—among other vital professionals—shifted employment to other organizations. To help retain and attract staff, RML invested deeply in new hiring initiatives. To support LTCHs like RML manage rising costs and workforce challenges, federal action is needed.

2. Reimbursement – During the pandemic, the Centers for Medicare & Medicaid Services (CMS) issued “site-neutral” waivers that allowed LTCHs like RML to treat patients it previously did not, including those with COVID-19. Yet, rate increases from public payers, including Medicare, have failed to keep up with inflation and rising costs, undermining LTCHs' ability to remain sustainable. Moreover, reimbursement for treating dialysis patients, one of the most medically complex and vulnerable populations, is inadequate, adding further strain as there is no additional reimbursement provided to LTCHs serving dialysis patients.

3. Prior Authorization – Insurance barriers such as prior authorization greatly impact a patient's ability to receive medically necessary care in a timely manner. Compared to Medicare beneficiaries under the Fee-for-Service system, seniors with Medicare Advantage plans exhibit a 30% lower utilization rate of LTCHs—suggesting these patients are not getting the access they need. The process to secure prior authorization can be quite lengthy, frustrating, and taxing on providers' time and resources. Most importantly, it could seriously delay patients' access to care. To protect patients, access to care must be preserved by removing or streamlining prior authorization.