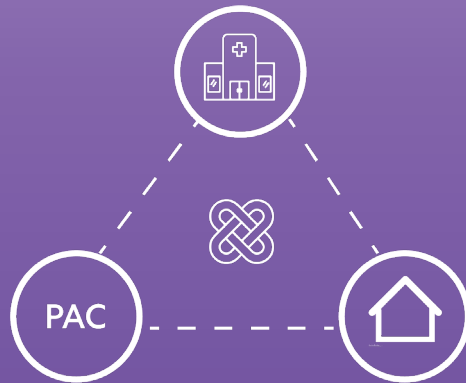


*Caregiving can never be
one size fits all.*



Falling Through The Cracks

Re-imagining Post-Acute Care

Neha Rampuria & Sabah Mohammed

Advisors: Jean Mah & Robin Guenther

Innovation Incubator - Fall 2022

Why is the post-acute care market relevant?

Research shows that post-acute care is a growing industry and accounts for almost 15% of total Medicare spending. As the Medicare population grows and ages, there will be increased demand for post-acute care services. Research also suggests that 93% of overall healthcare spending can be attributed to specialty care. The dollar opportunity associated with chronic disease and procedural episodes has drawn the interest in digital health, ambulatory surgery centers, and physician-led companies that aim to create and scale specialized care models. As a result, groups are accelerating care site shift away from traditional high-cost hospital settings.

Our hypothesis is that there will be an increased focus on the role of post-acute care facilities in reducing hospital readmissions and delivering coordinated care across health environments.

Our Goal

This innovation incubator study aims to provide an overview of the major trends and business models of innovative players emerging in the post-acute care market through qualitative interviews with subject matter experts. Perkins&Will through its advisory services, can help in driving this meaningful change.

The study serves as a point of departure towards reimagining post-acute care needs within the care continuum and advocates for a holistic approach to patient experience across various health environments- from care facilities to the patient's home.



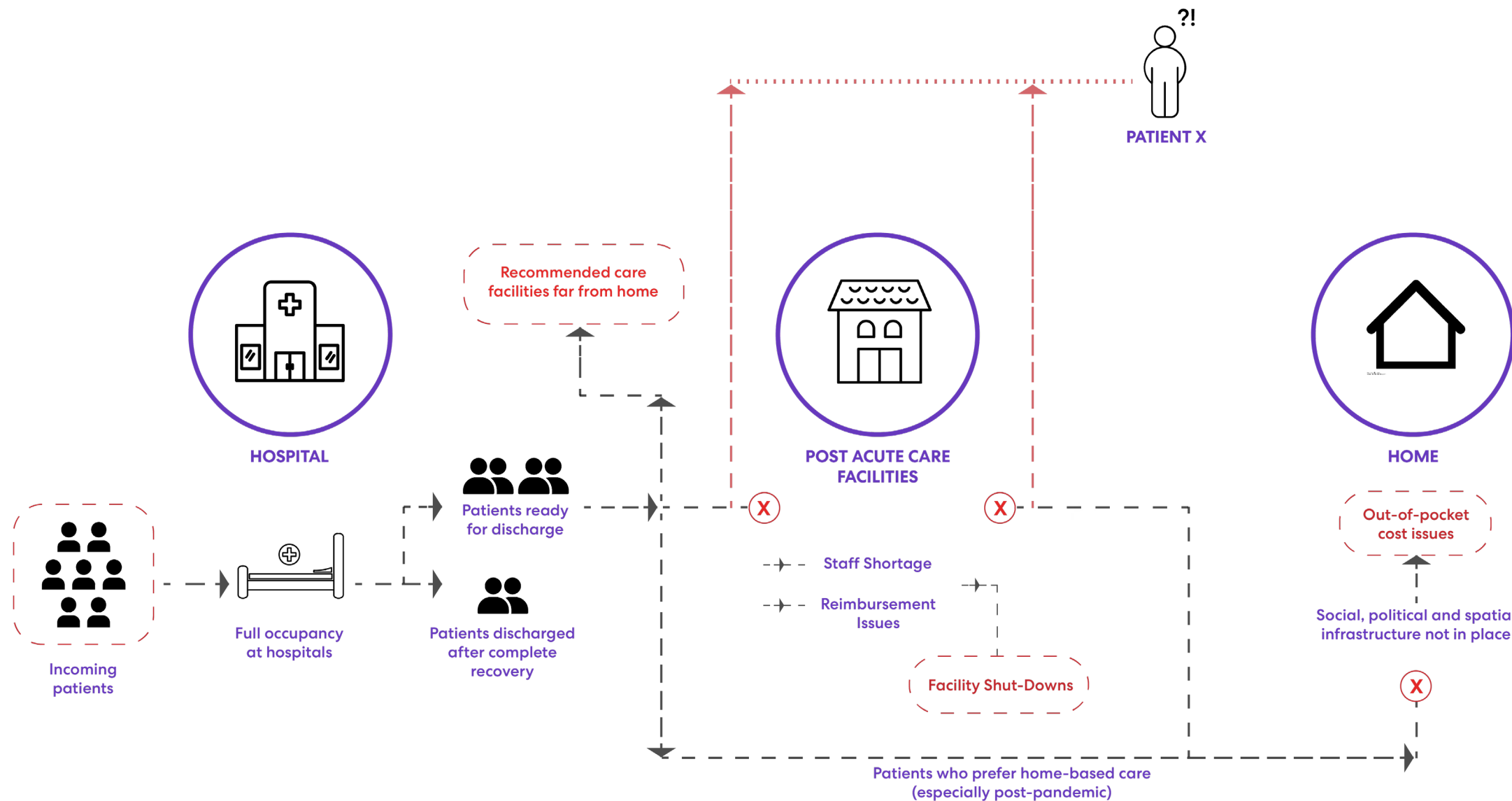
In loving memory of Robin Guenther

October 2, 1954 - May 6, 2023

Robin Guenther was a force to reckon with in the healthcare design industry. She served as an advisor on this project and guided us until the very end.

Robin was a co-creator of the E. Todd Wheeler Fellowship. She was an incredible mentor to us and so many other healthcare designers at Perkins&Will. Her passion towards healthcare and sustainability has left a indelible mark on the profession.

Her legacy of work and advocacy will live on.



Contents

Introduction	06
Current Challenges	07
Areas for Growth	16
Where do we begin?	20
Conclusion	23
References	24
Appendix	26
Acknowledgement	27

— Reimagining Post-Acute Care

Post-acute care facilities provide rehabilitation and long-term care services for patients after they receive care in a short-term acute care hospital. These facilities support patients' continued recovery and management of chronic illness, injury, or disability.



Figure: The fragmented patient experience across various care environments.

Disruption in the care continuum

Hospitals, health systems, and physician groups face threats of disruption on several fronts. Long-standing industry pressures, namely unsustainable cost and shifting consumer expectations have not abated, which has attracted the attention of non-traditional players who bring new, innovative solutions to the market. New competitors see opportunities to rebuild the delivery system from the ground up, pioneering new business models and pushing the boundaries of clinical and technological innovation. To protect market share, incumbent providers must understand how non-traditional competitors are positioned for growth.

Reimagining Post-Acute Care

WHY DOES POST-ACUTE CARE NEED REIMAGINING?

The post-acute care space is an area in dire need of innovation. Post-acute care facilities provide rehabilitation and long-term care services for patients after they receive care in a short-term acute care hospital. These facilities support patients' continued recovery and management of chronic illness, injury, or disability. Non-traditional providers are appealing to purchasers by building care models for a specific disease, or procedure, rather than taking a standard approach. These players are leveraging growing consumer expectations to establish a differentiated value proposition. This will enable them to capture significant market share in this segment.

For a successful hospital model with robust quality control of care, patient satisfaction during discharge and prevention of readmission after discharge are essential metrics. With an increased need to improve patient care and experience, hospital and healthcare systems have been focusing on pre-admission and post-admission processes but less on post-discharge patient experience. There are several instances where patients are well enough to leave the hospitals but not healthy enough to go back home. Hence, there is an increasing need for post-acute care facilities, beyond the existing rehabilitation centers, skilled nursing, long-term care facilities, and home health agencies.

"I was sitting on the Complex care committee as they were trying to find placement for individuals (patients) in the Community. These were not sick enough to be inpatient at the hospital. But then you had a community of skilled facilities that were unwilling to accept them because they were over their ability to take care of them or there was a reimbursement disconnect."

– Vickie Harris, Innovative Post Acute and LTSS Executive, President and Founder of QEC Partners

"Many hospitals are at capacity on the inpatient units and the Emergency departments. Some of these patients are readmissions due to the lack of post-acute care. The hospital or ED becomes a revolving door and a major disruption to the patient and families with an added expense to all involved. Being able to have areas that will not need acute care will allow for less expensive facilities and resources."

– Marcina Williams, Senior Medical Planner, Perkins&Will

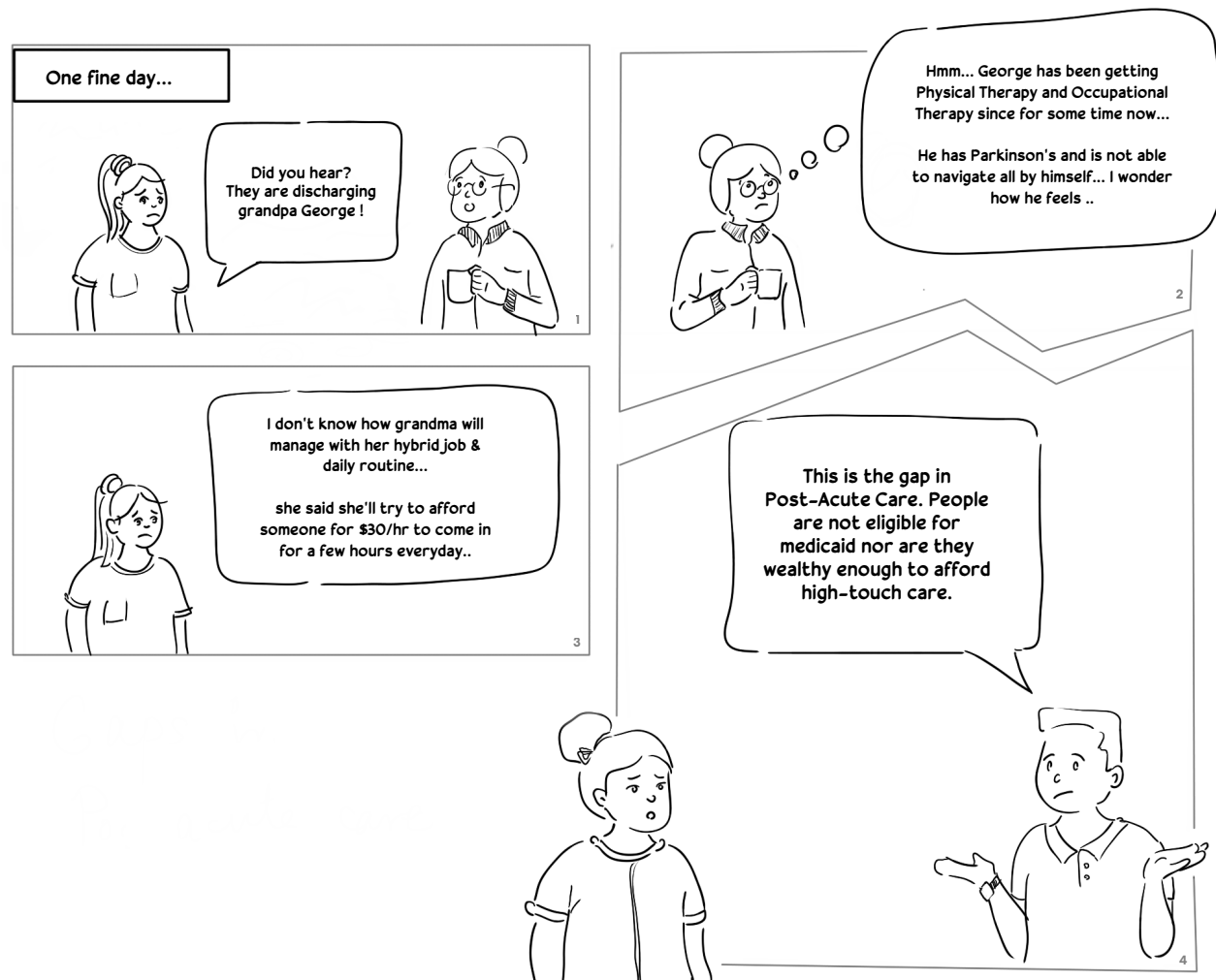
CURRENT CHALLENGES IN THE POST-ACUTE CARE MARKET

The COVID-19 pandemic brought with it its own set of challenges to patients and providers. Additionally, there is constant change happening within the healthcare environments and their operational models.

Demographically speaking, every day, there are 10,000 adults in the United States who turn 65 and become eligible for Medicare. This trend is projected to continue till 2029. The number of older adults will more than double over the next several decades to reach 88 million people and represent over 20 percent of the population by 2050. People, especially the baby boomers, are looking for more comfortable and simplified ways of transitioning from the intense hospital environments to the comfort and privacy of their homes. On the other hand, post-acute care providers are facing major challenges in maintaining the occupancy levels and covering the costs of operating their facilities.

Consequently, the need to free-up beds in acute settings during sudden surges in demand makes patient transfer to other settings necessary. However, post-acute care settings lack quality infrastructure needed to meet this demand. Additionally, readmissions from post-acute settings are becoming common and considered a "low-hanging-fruit" for improvement.

Current Challenges



PATIENT EXPERIENCE

The current patient experience is broken with decisions largely being influenced by available reimbursement options, with very little emphasis on the patient experience or care environments. Through this study, we highlight the role of each stakeholder in filling the gaps in the broken system – this involves collaboration among people (patients, staff and caregivers), place (across care environments) and process (reimbursements, caregiving and discharge protocol).

“I hear story after story about the need for an intermediate care facility like the ones you are describing. Important!”

– Ted Hitch, Senior Project Architect, Perkins&Will

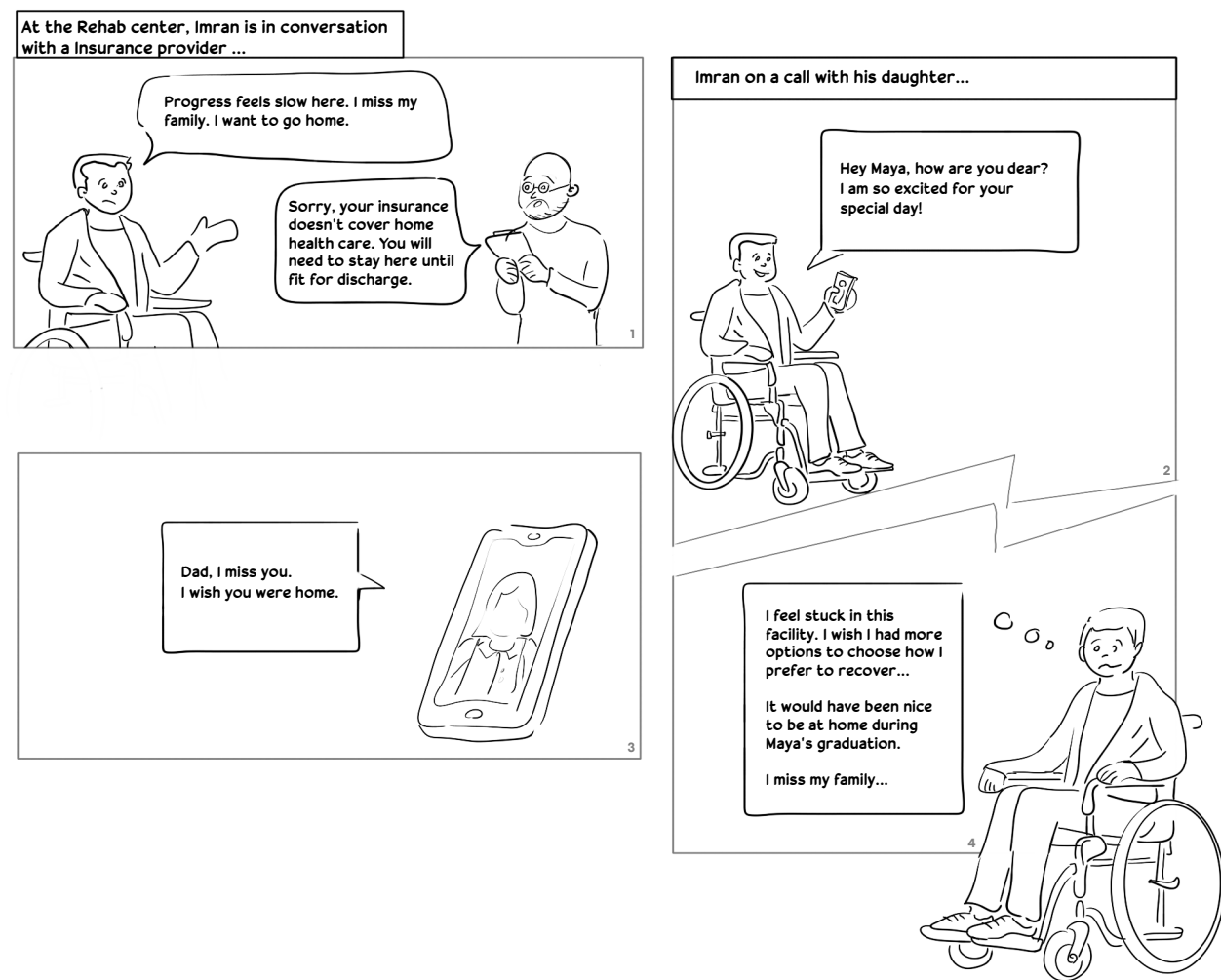
Janice

Janice is a 65-year-old retiree who underwent knee replacement surgery. She was discharged from the hospital after a week and was recommended to undergo post-acute care in a skilled nursing facility. However, due to the high demand for these facilities, she had to wait for a week before getting a spot. During her stay, she found the staff to be understaffed, resulting in delayed responses to her needs. Her physical therapy sessions were often cut short due to the therapist’s workload, and the facility’s food was not up to her standards. She felt that the facility was not adequately equipped to handle her post-surgery care, and she was anxious about the quality of care she received.

“Most patients do not want to be in a hospital and want to learn how to be independent and care for themselves. They also do not want to be exposed to many of the illnesses that they see in the hospital setting. They do not enjoy the numerous disruptions, sights, smells, and sounds from the acute care setting.”

– Marvina Williams, Senior Medical Planner, Perkins&Will

Current Challenges



Imran

Imran is a 45-year-old father of two who suffered a stroke that left him with partial paralysis. He was discharged from the hospital and recommended to undergo post-acute care in a rehabilitation hospital. The hospital provided him with a team of specialists, including physical, occupational, and speech therapists, who worked with him on his recovery plan. He was happy with the quality of care he received, but he felt that his progress was slow, and he would have preferred to recover at home, where he could be closer to his family. However, his insurance did not cover home health care, and he had to stay in the hospital until he was deemed fit for discharge.

“The current reimbursement policies are reactive and provide minimal intervention in the way of wellness and health resilience. There’s a dearth of places that might enrich social connections, provide access to nature, natural light and support circadian cycles that enable mobility which is critical to holistic health.”

– Carolyn BaRoss, Design Principal, Perkins&Will

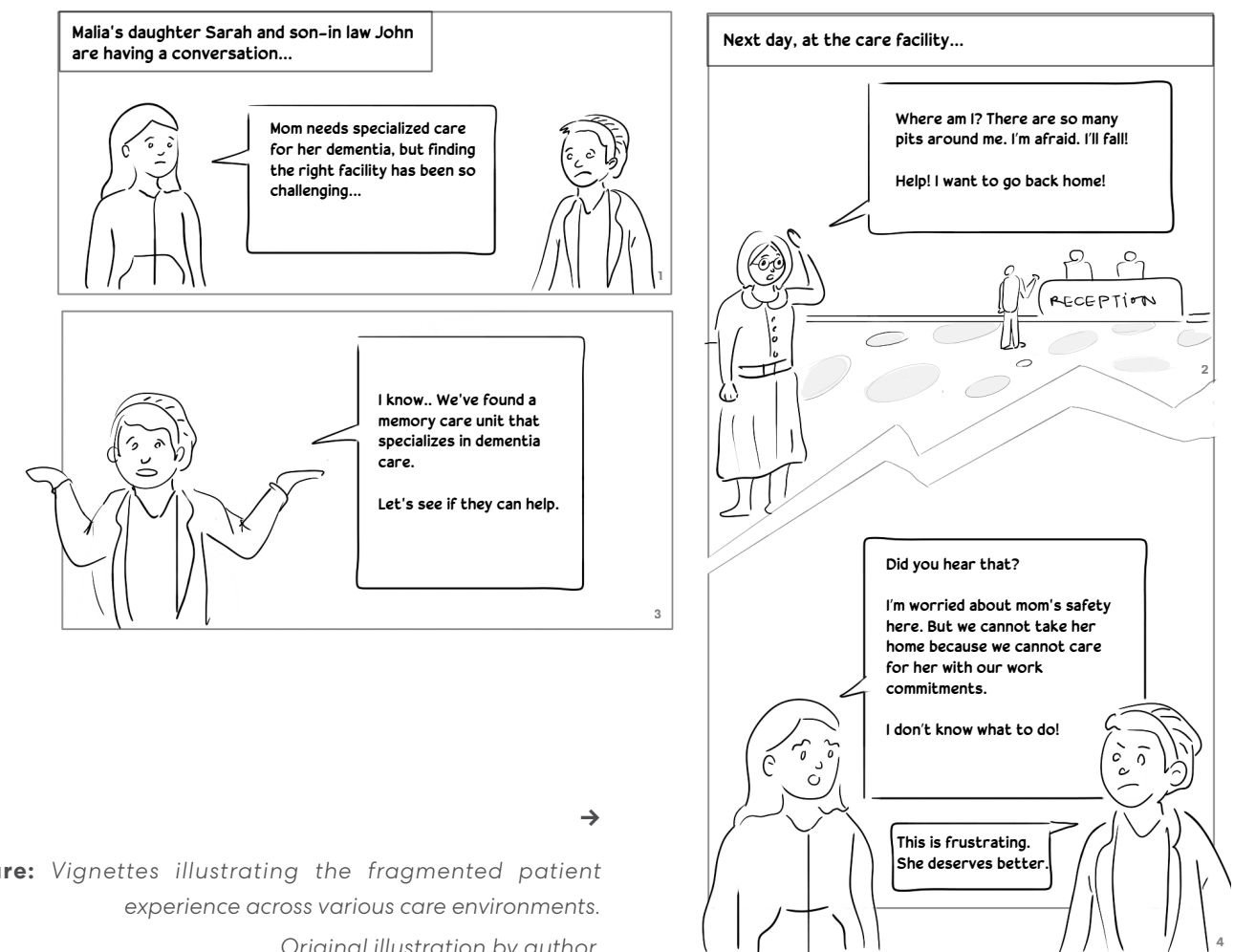


Figure: Vignettes illustrating the fragmented patient experience across various care environments. Original illustration by author.

Malia

Malia is a 75-year-old widow who has been diagnosed with dementia. Her family struggled to find a suitable post-acute care facility that could provide her with the level of care she needed. They eventually found a memory care unit in a nursing home that specialized in dementia care. However, they soon realized that the staff was not adequately trained to deal with her specific needs, and they often found her agitated and confused. They also found the facility to be poorly equipped to handle the challenges of dementia care, and they were worried about her safety. They felt that the healthcare system had let them down and that they had to take on most of the caregiving responsibilities themselves.

“As an administrator, I can tell you countless times where there’s been an issue on admission. Someone coming from the hospital who has been in a private room is brought into the nursing home into a semi-private room! We need to pay attention to consumer trends and invest in the future. Why would I lower my expectations coming out of the hospital?”

– Vickie Harris, Innovative Post Acute and LTSS Executive, President and Founder of QEC Partners

Current Challenges

The following flowchart illustrates the fragmented patient experience across various care environments. The challenges faced by each stakeholder have created the gaps within the care continuum which ultimately affects the patient's experience.

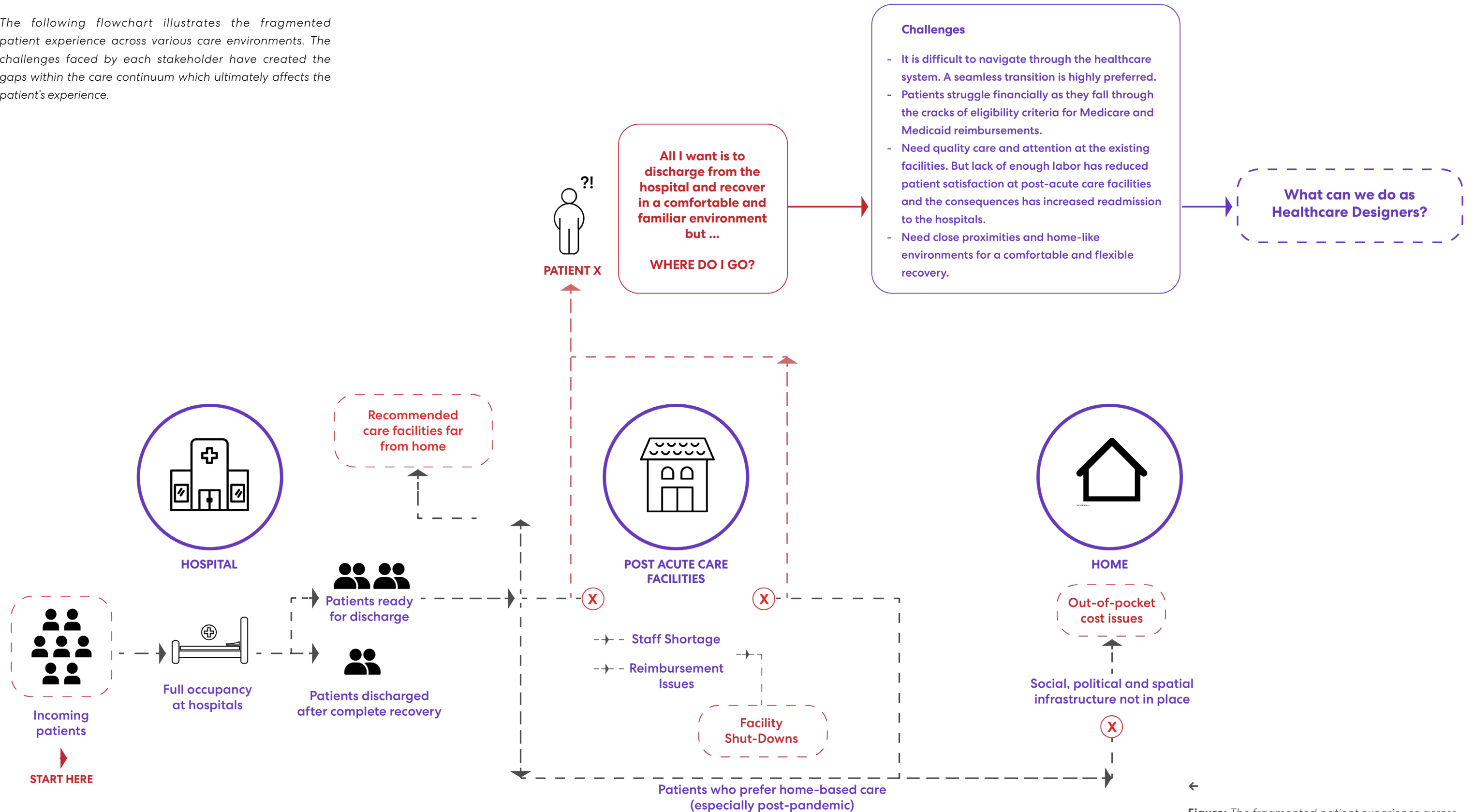


Figure: The fragmented patient experience across various care environments.

MARKET INSIGHTS

Every day in the United States, 10,000 people turn 65 and become eligible for Medicare. The number of older adults will more than double over the next several decades to reach 88 million people and represent over 20 percent of the population by 2050. The rapid pace of demographic change creates an opportunity and an imperative for both the public and private sector to harness the potential of this growing segment of society and to ensure the welfare of older Americans.

The aging of the U.S. population and the growth in the number of older adults is likely to drive significant growth in the post-acute care market in the coming years. As more individuals become eligible for Medicare and require post-acute care services, the demand for these services is expected to increase substantially. Additionally, advances in medical technology and treatment options mean that more patients are surviving serious illnesses and injuries, but often require post-acute care services to manage their recovery and transition back to their communities.

Furthermore, there is an increasing emphasis on value-based care and a move away from traditional fee-for-service reimbursement models. This shift is driving providers to focus on reducing readmissions and improving outcomes for patients, which is creating opportunities for post-acute care providers to offer innovative and high-quality care solutions.

The private sector is also recognizing the potential of the aging population and is investing in the post-acute care market. Venture capitalists and private equity firms are backing innovative companies that offer new models of care, such as home health, telemedicine, and remote monitoring. These companies are leveraging technology to improve patient outcomes and lower costs, making them attractive to payers, providers, and patients alike.

OPERATIONAL CHALLENGES

STAFFING SHORTAGES: A growing number of facilities, especially skilled nursing homes, have shut down during and post the COVID-19 pandemic. According to the American Health Care Association and the National Center for Assisted Living (AHCA/NCAL), 1000 nursing homes have closed between 2015-2022 and more than 400 facilities are predicted to shut down in 2022. Across the industry, facilities have a median operating margin of -4.8% and occupancy rates of 77%. As a result, acute care hospitals are facing challenges in discharging patients which lead to longer stays and in accommodating the new arrivals. According to CarePort, hospitals found it more difficult to place their patients in 2021, with the average number of recommendations per patient rising by 32% for those sent to skilled nursing facilities, 42% for those sent to home health agencies, and 15% for those sent to hospices.

“We were already dangling over the edge of a cliff in a crisis. We were already short of staff and having what I would call a crisis of the competency of the staff that we’re bringing aboard.”

– Vickie Harris, Innovative Post Acute and LTSS Executive, President and Founder of QEC Partners

There are staffing shortages on health aides and visiting nurses, compounded by the expense of these services. From personal experience, even when Medicare approves the need as reimbursable, the number of approved hours for home care cannot be provided because of the staffing shortage. So, patients may be on their own or dependent on friends and families who may not be equipped or able to adequately assist.”

– Carolyn BaRoss, Design Principal, Perkins&Will

According to a 2022 article in Philadelphia Inquirer, 25% of the Roxborough Memorial Hospital’s patients were stuck in the few emergency department’s open beds as they had nowhere to go. Few other patients in the facility were described by the CMO as patients who were ‘ready to go and nowhere to go’. The lack of staff in post-acute facilities has caused disruption in the healthcare delivery system. Many frontline workers have been finding less stressful jobs leading to an increase in the problem.

“Many of the staff that made it through the COVID-19 pandemic have left the industry or are looking for other jobs because they don’t feel supported.”

– Liz Cramer, Chief Post-Acute and Senior Care Strategist, CDW Healthcare

FINANCIAL CHALLENGES: Pre-pandemic, the hospitals depended heavily on elective surgeries for their revenue. With the pandemic and CMS rulemaking in effect, procedures like orthopedic surgeries, have started moving to the outpatient locations. This has had a major financial impact on not only the hospitals but also the post-acute care settings. In addition, post-acute care providers have been dealing with comparatively higher acuity patients compared to their pre-pandemic numbers. Consequently, post-acute providers face resource constraints for providing care services to these patients.

McKinsey & Company estimates approximately \$265 billion will move to care-at-home models from the traditional facility-based care. Consequently, successful development of formal and informal care networks, partnerships, and joint ventures - among providers is an important factor in the shift. With CMS winding down the post-acute reimbursement to achieve budget neutrality, the financial strength of providers is becoming challenging.

“The average consumer doesn’t understand that at all that we have for decades been leveraging the Medicare program to cross subsidize the Medicaid individuals that we have in our building. That is not a sustainable business model.”

– Vickie Harris, Innovative Post Acute and LTSS Executive, President and Founder of QEC Partners

INFRASTRUCTURAL CHALLENGES

Post-acute care facilities are facing several infrastructure issues as a result of the COVID-19 pandemic. Moreover, there is an increasing interest in care innovations based in community models and in homes that support aging in place. However, it’ll take some time to create a system that supports the hospital-at-home model. United States doesn’t yet have the social and political infrastructure to provide adequate care for the elderly at home.

As more patients need post-acute care following hospitalization, the pandemic has brought attention to the need for increased post-acute care capacity. post-acute care facilities are facing challenges in providing enough resources and personnel to handle this rising demand. Presently, these facilities are not suited to accommodate newer technologies which can help with labor shortage issues. Moreover, there is a rising need for flexibility in care facilities that respond to the variety of needs under one roof.

“We need to do better than just keep nursing home doors open—we need to make significant investments to better support our frontline caregivers and transform facilities for a growing elderly population”

– Mark Parkinson, CEO of AHCA/NCAL

Areas for Growth

With elderly patients wanting care outside the traditional hospital environment and with home-based care models operating in limited capacity, post-acute care environments will need to play the role of safe respite spaces for recovery. There is a need for an integrated service delivery system as the role of the consumer is shifting. With the rise in value-based care models, cooperation from all stakeholders is necessary to ensure an enhanced patient experience.

Personal influencing factors

Personal and cognitive fitness

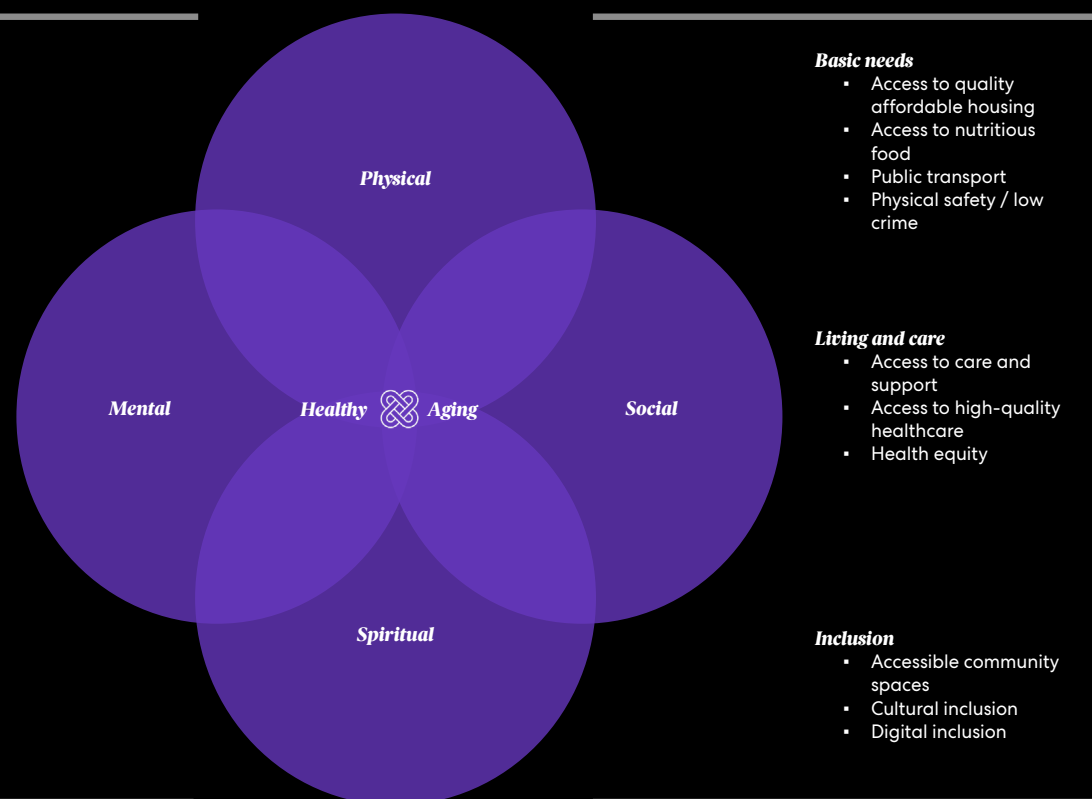
- Activity
- Sleep
- Diet
- Lifelong learning

Financial empowerment

- Employment
- Financial circumstances

Social / spiritual engagement

- Meaningful community or civic roles
- Relationships
- Religious affiliation / spiritual connection



Social influencing factors

Basic needs

- Access to quality affordable housing
- Access to nutritious food
- Public transport
- Physical safety / low crime

Living and care

- Access to care and support
- Access to high-quality healthcare
- Health equity

Inclusion

- Accessible community spaces
- Cultural inclusion
- Digital inclusion



Figure: Personal and social factors influencing healthy aging.

Adapted from McKinsey Health Institute healthy aging framework.

Reimagining Post-Acute Care

PATIENT EXPERIENCE

There are several areas of growth in the post-acute care market that can improve the patient experience. Some examples include-

TELEMEDICINE: Telemedicine allows patients to receive care remotely, without having to travel to a clinic or hospital. This can be especially helpful for patients in rural or underserved areas who may have difficulty accessing care. Telemedicine can also provide more frequent and consistent monitoring of patients, allowing for early intervention if problems arise. It is imperative to factor in the space that supports the delivery of telemedicine in the design program.

ADVANCED TECHNOLOGIES: The use of advanced technologies, such as artificial intelligence, remote monitoring, and predictive analytics, can improve the patient experience. These technologies can help providers identify potential issues before they become serious, leading to better outcomes and a more positive experience for patients. The incorporation of advanced technologies will have downstream effects on the design of the space to prevent false positive readings for events such as falls, environment associated-cortisol level increases etc.

HOME HEALTH: The growth of home health services is a major trend in post-acute care. Home health care allows patients to receive care in the comfort of their own homes, which can improve their overall experience and reduce the risk of hospital-acquired infections. Home health services can also be more convenient and less disruptive to patients' lives, allowing them to recover more quickly and with less stress. Design guidelines need to be developed to standard the environments of care at home. To leverage technology, the design of the facility would need to support remote monitoring and telemedicine capabilities. It would be important to incorporate tools like telemedicine carts, video conferencing, and remote patient monitoring devices into the design. The facility would also need to have a robust IT infrastructure to support the integration of data and the coordination of care among providers.

PATIENT ENGAGEMENT: Engaging patients in their own care can improve the patient experience and lead to better outcomes. This can be accomplished through patient education, personalized care plans, and care coordination. When patients feel like they are an active participant in their own care, they are more likely to adhere to treatment plans and have a positive experience overall.

COLLABORATIVE CARE: Collaboration among different healthcare providers, such as primary care physicians, specialists, and post-acute care providers, can also improve the patient experience. By working together, providers can ensure that patients receive coordinated and comprehensive care, which can lead to better outcomes and a more positive experience. It is imperative to factor in the space that allows for collaborative model of care in the design program.

Overall, there are many areas of growth in the post-acute care market that can improve the patient experience. Providers that focus on patient-centered care, patient engagement, and the use of advanced technologies are likely to be successful in meeting the evolving needs of patients and improving their overall experience.

“The future needs to combine policy, education, physical location, and technology to combat some dire conditions especially for the aging population. Navigating this system is challenging. It requires some knowledge of the healthcare market. To the average consumer, I cannot imagine how difficult it would be to find safe and compassionate care, especially in a Medicaid only situation. There’s a negative cycle of immobility, isolation and depression, and illness - instead of building strength and wellness for the best quality of life – however long that may be. The future of post-acute care market facilities, in my opinion, needs improvement, to integrate in a way that enables affordable, dignified, safe environments that promote healing and life-long well-being.”

– Carolyn BaRoss, Design Principal, Perkins&Will

Areas for Growth

MARKET INSIGHTS

The post-acute care market in the United States is expected to grow substantially over the next several decades. As the number of older adults continues to increase, the demand for these services is likely to remain high, creating significant opportunities for providers, innovators, and investors in this space. This growth is likely to put pressure on the existing infrastructure in several ways. One major challenge will be the shortage of healthcare professionals, particularly in rural and underserved areas. The demand for post-acute care services is expected to increase significantly, and there may not be enough trained professionals to meet this need. This could lead to longer wait times for patients to receive care and lower quality of care overall.

Another challenge will be the need for more post-acute care facilities and services. The existing infrastructure is not sufficient to meet the growing demand for these services, especially in areas where the population is rapidly aging. There may be a need to build new facilities, expand existing facilities, or implement alternative care models, such as home health, telemedicine, and remote monitoring. Additionally, the increasing emphasis on value-based care and alternative payment models may require existing post-acute care providers to change their business models and adopt new technologies and care delivery models. Providers that are slow to adapt to these changes may struggle to remain competitive in a rapidly evolving market.

Overall, the growth of the post-acute care market is likely to require significant investments in infrastructure, technology, and workforce development to ensure that patients receive high-quality care and better outcomes. The industry will need to be innovative and flexible in its approach to meet the evolving demands of patients, payers, and providers.

“Post-acute care can take many forms. Some will be in the home while others maybe an extension of the actual hospital or another facility.”

- Marvina Williams, Senior Medical Planner, Perkins&Will

OPERATIONAL OPPORTUNITIES

With the rising labor shortage in the post-acute care industry, investments in technology can significantly help in improving workflow efficiencies. With staffing challenges, interactive technologies and virtual reality can play a crucial role in improving the operation and efficiencies. Moreover, identifying the tasks that can be automated can help in reducing the staff workload.

With the growing percentage of baby boomers and the increasing outpatient specialized care programs, post-acute care providers can expand their services to include care for disorders and chronic pain. To support these programs, appropriate investments in workforce development, equipment, and infrastructure will be necessary.

INFRASTRUCTURAL OPPORTUNITIES

Investment in post-acute care infrastructure, including new facilities and renovations, can help to meet the growing demand for post-acute care services. This includes improving the quality of spaces, incorporating the latest technology and design environments to support patient-centered care and infection control.

Various design strategies can improve staff and employee satisfaction and can help with their wellness. In addition, collaborative platforms can be essential to make communication easier within the clinicians. With increasing demand for home-based care environments, designers will need to find creative solutions to provide alternative and flexible care spaces.

“As collaborators in this space, we believe that architects and medical planners are uniquely positioned to bring diverse groups of stakeholders in the room to reimagine what a successful model can look like.”

- Neha Rampuria & Sabah Mohammed, Designers, Perkins&Will

HOW MIGHT WE FILL THE GAPS?

“I think the sheer essence of talking about the problem and having work groups, sessions with clients, forums, etc. expands the awareness that we are in a post-acute care crisis, and it will take a village of organizations and systems to begin to work through the challenges and identify solutions together. P&W could begin by pulling together clients from around the country, both large and small, community and academic, etc. to start to share what each other is doing to resolve this issue. With our national and international footprint, we have the ability to get the conversation started depending on what market and region you are in. Kofi Annan once said “Knowledge is power. Information is liberating. Education is the premise of progress, in every society, in every family.” We can help be the conduit”

- Anthony Mistretta, Healthcare Operations & Strategy Planning Executive, Principal, Perkins&Will

OUR TAKE

Research shows that post-acute care is a growing industry and accounts for almost 15% of total Medicare spending. As the Medicare population grows and ages, there will be an increased demand for post-acute care services. Research also suggests that 93% of overall healthcare spending can be attributed to specialty care. The dollar opportunity associated with chronic disease and procedural episodes has drawn interest across the healthcare innovation ecosystem. As a result, this area is accelerating the care site shift away from traditional high-cost hospital settings, followed by an increased focus on post-acute care facilities that help in abating hospital readmissions and deliver coordinated care across health environments.

One such model that has garnered interest in the healthcare innovation ecosystem is the community care hub that serves as a centralized location of coordinated care and services for patients with various chronic conditions. Hubs can be staffed by a multidisciplinary team of healthcare providers

and have access to a range of services, including medical consultations, medication management, dietary counseling, and social support, and at certain locations, access to other services like a laundromat, grocery store, pharmacy, truly addressing the social determinants of health. The hubs can be co-located with services that members of the community frequently visit on a weekly basis for basic needs.

The goal of these hubs is to improve outcomes for patients with chronic conditions by providing them with more comprehensive and coordinated care. By bringing together a team of healthcare providers and offering a range of services, the hubs make it easier for patients to manage their conditions, prevent complications and ultimately readmissions to the hospital. Hubs serve as “express checkout” facilities for members in need of short-term post-acute care, creating the conditions for efficient and quality care at a single location. These models extend care beyond the walls of the traditional healthcare facility, allowing for more proactive and preventative care. Our research demonstrates that these models have financial incentives to be successful in the chronic condition space.

“Your innovation project is called ‘Falling through the cracks’ because that’s exactly what happens - people fall through the cracks. So, they are too sick to be at point A in the continuum that we have designed and labeled based on licensure and reimbursement categories. With difficulty in navigating the system outside, they end up back in our hospitals, back in our emergency rooms - when really, the failure wasn’t on the part of the hospital, the primary care provider, or the specialist to manage the chronic condition. It was the basic non-medical needs that went unmet and that exacerbated the chronic condition.”

- Vickie Harris, Innovative Post Acute and LTSS Executive, President and Founder of QEC Partners

Where do we begin?

A Perkins&Will BLOG

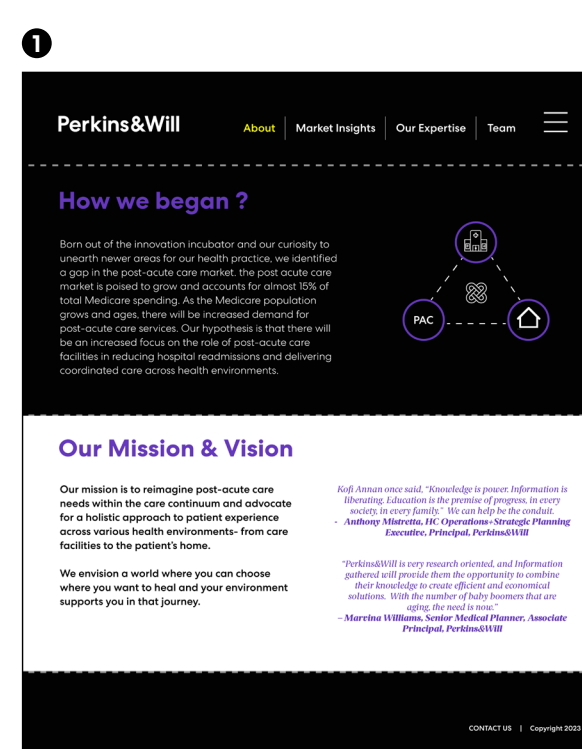
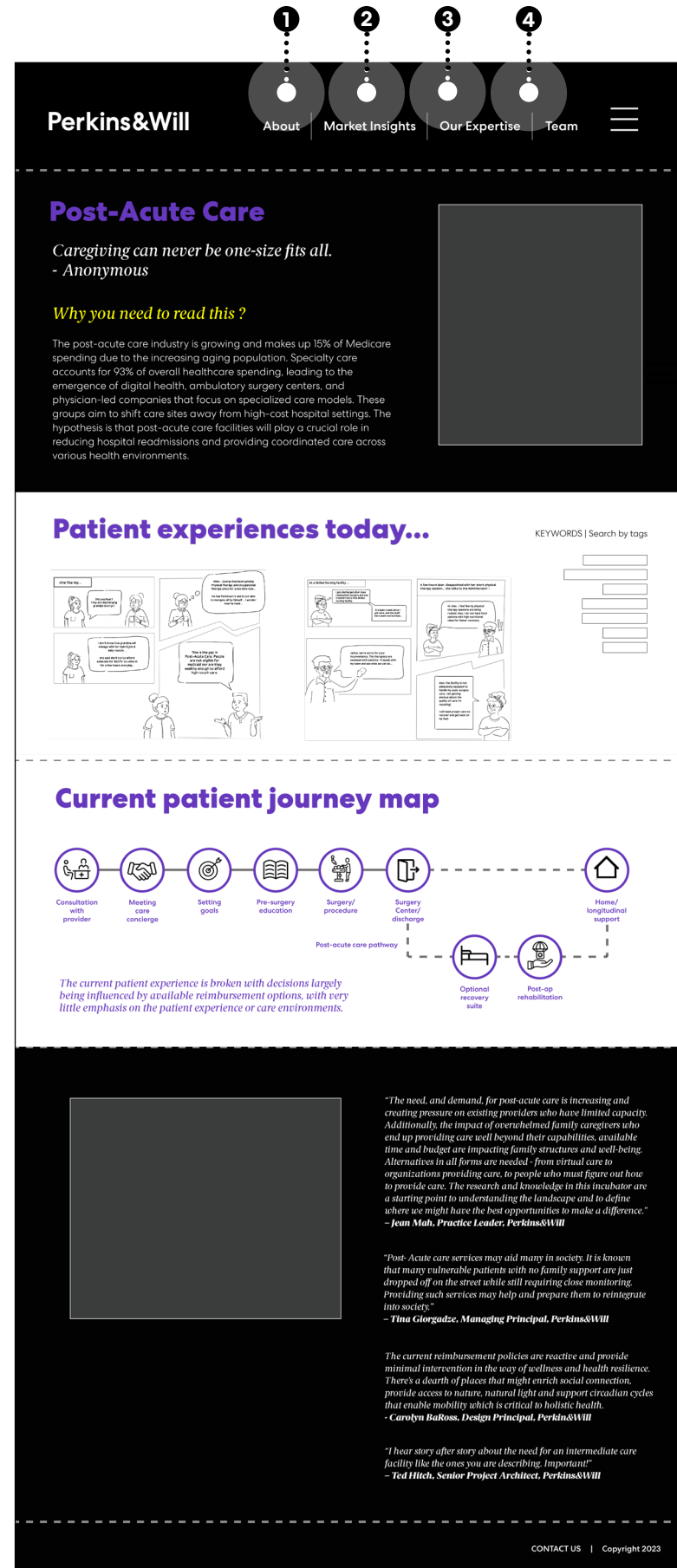
We propose creating a multi-channel platform with internal resources to grow our collective knowledge and external pages to showcase our expertise and thought leadership.

The blog will be connected to a Microsoft Teams channel with assigned leads who periodically share resources related to conferences, webinars, project opportunities and post occupancy evaluations.

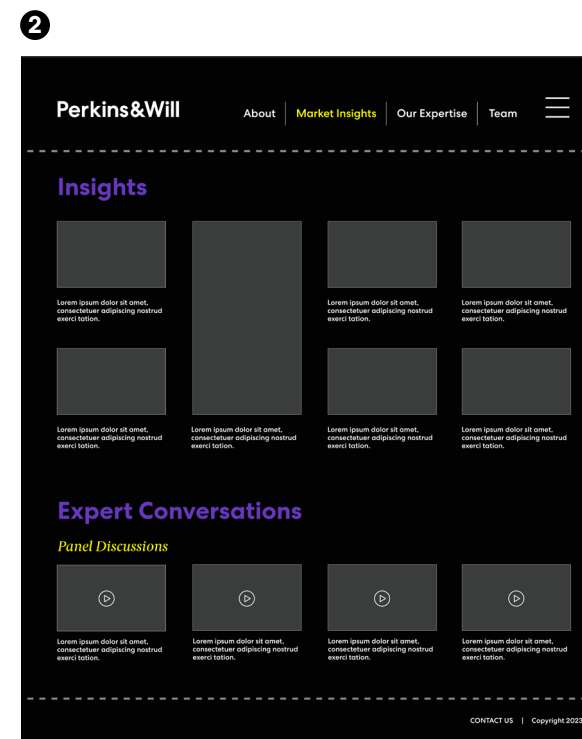
The internal resources (blog and teams channel) can help us connect with the people interested in the post-acute care sector and organize various events like panel discussions and design charrettes that will lead to the growth of our expertise and increase client engagement opportunities for the firm.



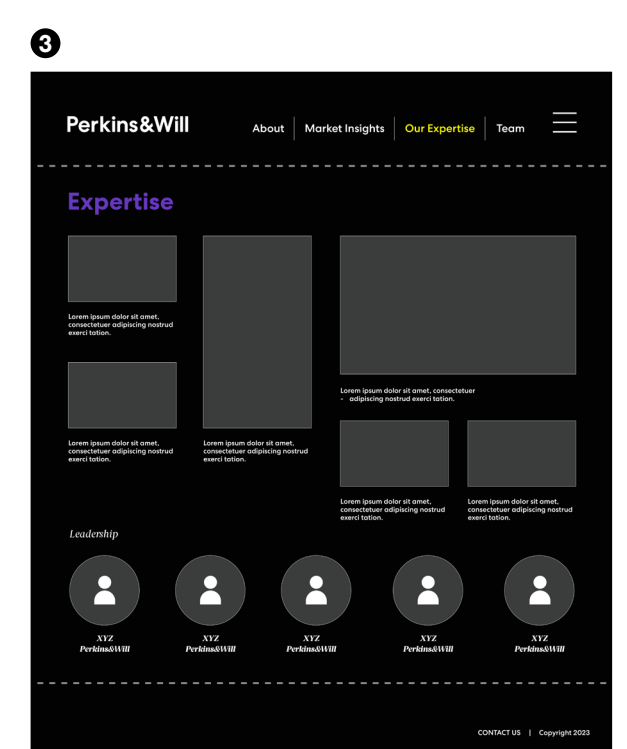
Figure: The landing page of the blog.



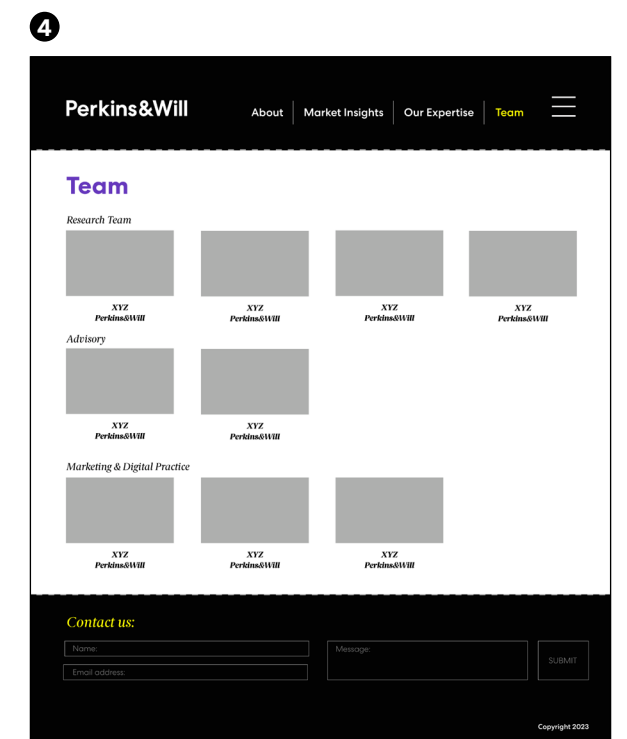
About the blog



Market Insights



Our Expertise



Team



Figure: Images above represent conceptual idea of the various pages of the blog.

Conclusion

Research shows that post-acute care is a growing industry and accounts for almost 15% of total Medicare spending. As the Medicare population grows and ages, there will be increased demand for post-acute care services. Research also suggests that 93% of overall healthcare spending can be attributed to specialty care. The dollar opportunity associated with chronic disease and procedural episodes has drawn interest in digital health, ambulatory surgery centers, and physician-led companies that aim to create and scale specialized care models.

As a result, these groups are accelerating the care site shift away from traditional high-cost hospital settings. We predict that there will be an increased focus on the role of post-acute care facilities in reducing hospital readmissions and delivering coordinated care across health environments.

Perkins&Will through its advisory services, can help in driving this meaningful change. The study serves as a point of departure towards reimagining post-acute care needs within the care continuum and advocates for a holistic approach to patient experience across various health environments- from care facilities to the patient's home.

Reimagining Post-Acute Care

“While this part of the continuum of care may not include significant or many facilities, the environment for the caregivers, patients, families, and others is even more important as each situation is likely to be different. If Perkins&Will can help develop guidelines, helpful hints, safety awareness, etc. for post-acute care, it would benefit all.”

*– Jean Mah, Global Health
Practice Leader, Perkins&Will*

“There is a definite need in the healthcare ecosystem for post-acute care. The pandemic has exponentially increased the need for innovation in this space as we lost many post-acute care and skilled nursing facilities. Hospitals end up having to hold patients who do not meet inpatient criteria because the patient has nowhere to be discharged to, if they are not well enough to care for themselves at home. This is a non-reimbursable expense that burdens healthcare systems on a daily basis. There are multiple levels in the post-acute care world and almost every sector of it is ripe for innovation and changes in models of care. As we continue to face an ever-growing aging population in the United States, the need is only going to get worse. The solution cannot be to keep people in acute care settings. However, the system needs to figure out a way to make post-acute care meaningful, reimbursable, and valued while instilling high levels of quality care.”

*– Anthony Mistretta, Healthcare Operations &
Strategy Planning Executive, Principal, Perkins&Will*

References

1. Advisory Board. (2022, April 27). How medical malls are filling empty retail spaces to meet healthcare demand. Advisory Board Daily Briefing. Retrieved from <https://www.advisory.com/Daily-Briefing/2022/04/27/medical-malls>
2. Advisory Board. (2022, January). Site of care shift: Trends for outpatient services. Advisory Board Topics. Retrieved from <https://www.advisory.com>
3. Advisory Board. (2022, July). 3 keys to successful facility planning. Advisory Board Blog. Retrieved from <https://advisory.com/blog/2022/07/facility-planning>
4. Advisory Board. (2022, November). 4 Predictions for Post-Acute Care. Retrieved from https://www.advisory.com/Topics/Post-Acute-Care/2022/11/4-predictions-for-post-acute-care?utm_source=retention_provider&utm_medium
5. Advisory Board. (n.d.). Success story: A hospital's journey to a post-acute care partnership. Retrieved from <https://chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://advisory-prod.azureedge.net/-/media/project/advisoryboard/abresearch/products/programs/pacc/success-page/hospital-post-acute-partnership-preview.pdf?rev=7252ddf71c04f10a057ecbd54013e19&hash=AD-BE307778F3CD17A201144B4EE15AC2>
6. Advisory Board. (2020). Innovative players shaping care delivery competition. Retrieved from <https://www.advisory.com/-/media/project/advisoryboard/shared/research/mic/research-reports/2020/innovative-players-shaping-care-delivery-competition.pdf?rev=56c8ca457dba4e939d1146350c5d9ee4&hash=0DB31CF-30C2014585D5706213FF1AE86>
7. Benko, L. B. (2017, May 11). Empty Malls Are Now Going to Be Medical Centers. AARP. Retrieved from <https://www.aarp.org/health/healthy-living/info-2017/empty-malls-now-medical-centers-fd.html>
8. Centers for Medicare & Medicaid Services. (n.d.). Readmissions Reduction Program. Retrieved from <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Readmissions-Reduction-Program>
9. CipherHealth. (n.d.). Patient Engagement & the Patient Experience: The Importance of Post-Discharge Follow-Up. Retrieved from <https://cipherhealth.com/blog/patient-engagement-the-patient-experience-the-importance-of-post-discharge-follow-up/>
10. Forbes Real Estate Council. (2020, December 1). Healthcare real estate will change in the pandemic, and that's a good thing. Forbes. Retrieved from <https://www.forbes.com/sites/forbesrealestatecouncil/2020/12/01/healthcare-real-estate-will-change-in-the-pandemic-and-thats-a-good-thing/?sh=1645086a52d3>
11. Gidmark, S., & Sonnier, L. (2016). The Many Facets of Transitional Care Management. Journal of the American Academy of PAs, 29(9), 1-6. doi:10.1097/O1.JAA.0000490061.18025.e7
12. GlobeNewswire. (2022, October 14). United States Post-Acute Care (PAC) Market Report 2022: A \$443.84 Billion Market by 2027 - Integration of CMMI in Payment Models Gaining Momentum. Retrieved from <https://www.globenewswire.com/en/news-release/2022/10/14/2534492/28124/en/United-States-Post-Acute-Care-PAC-Market-Report-2022-A-443-84-Billion-Market-by-2027-Integration-of-CMMI-in-Payment-Models-Gaining-Momentum.html>
13. Health Research & Educational Trust. (n.d.). Case Studies: Post-Acute Care Partnerships. Retrieved from <http://www.hpoe.org/resources/case-studies/3015>
14. Inouye, S. K., & Brown, C. J. (2021). The Need for Geriatric Palliative Care. Clinics in Geriatric Medicine, 37(4), 537-547. <https://doi.org/10.1016/j.cger.2021.06.005>
15. Joynt, K. E., & Kimball, A. B. (2013). High-Priority Future Research Needs for Noninvasive Measures of Treatment Effectiveness in Geriatric Patients. Health Affairs, 32(2), 328-334. <https://doi.org/10.1377/hlthaff.2012.1262>
16. Kindred Hospitals. (n.d.). Improving Outcomes: 2022 Trends. Retrieved from https://www.kindredhospitals.com/docs/default-source/default-document-library/hd-improving-outcomes-2022-trends.pdf?sfvrsn=77dc66e9_2
17. McKinsey & Company. (n.d.). Walking Out of the Hospital: The Continued Rise of Ambulatory Care and How to Take Advantage of It. Retrieved from <https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/walking-out-of-the-hospital-the-continued-rise-of-ambulatory-care-and-how-to-take-advantage-of-it>
18. Medicare Payment Advisory Commission. (n.d.). Post-Acute Care. Retrieved from https://www.medpac.gov/research_area/post-acute-care/
19. MiraMed Global Services. (n.d.). Distributed care: The future of medicine. Retrieved from <https://www.mirameds.com/blog/distributed-care-the-future-of-medicine.html>
20. Morse, R. (2022, December 27). Discharge Roadblocks, Patient Backlogs Have Washington Hospitals Busting at the Seams. Fierce Healthcare. Retrieved from <https://www.fiercehealthcare.com/providers/discharge-roadblocks-patient-backlogs-have-washington-hospitals-busting-seams>
21. Morse, R. (2022, September 7). Nursing Homes, SNFs Facing Pandemic Labor Challenges Force Hospitals to Delay Discharges. Fierce Healthcare. Retrieved from <https://www.fiercehealthcare.com/hospitals/nursing-homes-snfs-facing-pandemic-labor-challenges-force-hospitals-to-delay-discharges>
22. Muchiri, M. W., Jacobs, R., & Swartz, K. (2021). Why health care systems should invest in medical malls. Harvard Business Review. Retrieved from <https://hbr.org/2021/11/why-health-care-systems-should-invest-in-medical-malls>
23. No author. (n.d.). Building a Post-Acute Partnership: Mainstreet-Linked. Governance Institute. Retrieved from [https://cdn.ymaws.com/sites/www.governanceinstitute.com/resource/collection/8F6B9EF1-9531-4772-965C-3651ECC30991/Building_A-Post-Acute_Partnership_Mainstreet-linked_\(1\).pdf](https://cdn.ymaws.com/sites/www.governanceinstitute.com/resource/collection/8F6B9EF1-9531-4772-965C-3651ECC30991/Building_A-Post-Acute_Partnership_Mainstreet-linked_(1).pdf)
24. NRC Health. (2018). 2019 Healthcare consumer trends report. Retrieved from <https://chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://nrchealth.com/wp-content/uploads/2018/12/2019-Healthcare-Consumer-Trends-Report.pdf>
25. Philips. (2022, September 5). Healthcare Has Long Been a Place You Go To. What If It Came to You Instead? [Blog post]. Innovation Matters. Retrieved from <https://www.philips.com/a-w/about/news/archive/blogs/innovation-matters/2022/20220905-healthcare-has-long-been-a-place-you-go-to-what-if-it-came-to-you-instead.html>
26. Philips. (2022, September 5). Healthcare Has Long Been a Place You Go To. What If It Came to You Instead? [Blog post]. Innovation Matters. Retrieved from <https://www.philips.com/a-w/about/news/archive/blogs/innovation-matters/2022/20220905-healthcare-has-long-been-a-place-you-go-to-what-if-it-came-to-you-instead.html>
27. Trella Health. (2022). 2021 PAC Industry Trend Report. Retrieved from <https://www.trellahealth.com/wp-content/uploads/2022/03/2021-PAC-Industry-Trend-Report-1.pdf>

Appendix

NEED FOR Perkins&Will TO FOCUS ON POST-ACUTE CARE MARKET:

“Post- Acute care services may aid many in society. It is known that many vulnerable patients with no family support are just dropped off on the street while still requiring close monitoring. Providing such services may help and prepare them to reintegrate into society.”

– **Tina Giorgadze, Managing Principal, Associate Principal, Los Angeles**

“The need, and demand, for post-acute care is increasing and creating pressure on existing providers who have limited capacity. Additionally, the impact of overwhelmed family caregivers who end up providing care well beyond their capabilities, available time and budget are impacting family structures and well-being. Alternatives in all forms are needed - from virtual care to organizations providing care, to people who must figure out how to provide care. The research and knowledge in this incubator are a starting point to understanding the landscape and to define where we might have the best opportunities to make a difference.”

– **Jean Mah, Global Health Practice Leader, Los Angeles**

ADVISORY OPPORTUNITIES FOR Perkins&Will:

“One opportunity is to provide advisory services that could be introduced to healthcare institutions, non-profit organizations, or local governments to demonstrate the need and benefit of such services. There is an opportunity to create a programmatic framework for such facilities.”

– **Tina Giorgadze, Managing Principal, Associate Principal, Los Angeles**

“Perkins&Will is very research oriented, and Information gathered will provide them the opportunity to combine their knowledge to create efficient and economical solutions. With the number of baby boomers that are aging, the need is now.”

– **Marvina Williams, Senior Medical Planner, Atlanta**

“Based on the health facilities design services we provide right now, the opportunity will surely be there to help shape the program to some extent.”

– **Anonymous**

“Articles, research, white papers, competition entries, virtual projects (idea exploration) and partnering with tech companies, government agencies, developers, and clients to create the “what if” projects, but we need to be ahead of the status quo. Just as we have created new paradigms for buildings in healthcare and other sectors, we would reimagine and inspire new directions. The current state is grim, or exclusive to the wealthy. We have a wave of aging Baby Boomers who will need care and we may use this as an opportunity to redefine what’s possible to solve the issues holistically. In addition, we have a full range of market sectors with deep expertise from planning+ strategies, urban planning & landscape, transit with Nelson Nygard, education, sports & recreational, etc., along with our research labs can look to address this at the community level integral to how people need to work and heal.”

– **Carolyn BaRoss, Design Principal, New York**

“Perkins&Will can position itself in this market through experience, knowledge and willingness to learn about specialties and innovations in a collaborative engaging process with our clients.”

– **Amy Sickler, Design Principal, Atlanta**

ANTICIPATED CHALLENGES FOR Perkins&Will:

“Success in this market would depend on the scale and volume of work that comes out of this typology. Unless there is a high volume of facilities to be constructed that would make some business sense for our firm, or a great deal of design opportunities to influence for positive outcomes, it may not make that much sense to find a position for this market.”

– **Anonymous**

“The problem is that this is not just a client problem, there are serious larger economic, legal and regulatory items that need to be addressed in parallel. True transformation in post-acute care from providers and health systems cannot come to fruition without transformation in the payer, legal and regulatory sectors as well.”

– **Anthony Mistretta, Healthcare Operations & Strategy Planning Executive, Principal, Los Angeles**

ACKNOWLEDGEMENTS

We would like to express our gratitude to the Innovation Incubator committee, our advisors, the Perkins&Will Atlanta and Los Angeles Studios, survey respondents and everyone else who showed interest and contributed with their feedback.



For more information, contact:

health@perkinswill.com

Perkins&Will