

Non-Profit Hospitals Are Turning to Post-Acute Providers for Rehabilitation Partnership



While hospitals understandably prioritize financial investment in acute services for program optimization, staffing and resource allocation, health leaders recognize the substantial benefits of post-acute care in improving patient outcomes, length of stay and readmission risk.

This has led to an increased number of non-profit hospitals establishing joint venture (JV) partnerships with for-profit partners to manage and elevate critical post-acute care services, including inpatient rehabilitation.

A Healthcare Financial Management Association (HFMA) report notes that non-profit hospitals face financial hurdles with their post-acute offerings. The complementary structure of for-profit partnership can benefit hospital operations, financial efficiencies and patient outcomes.²

Why More Hospitals Are Pursuing Post-Acute Joint Venture Partnerships

Delivering effective post-acute care, such as inpatient rehabilitation, can be challenging and requires access to data, resources and expertise that a national provider can deliver.

Three key benefits non-profit hospitals can experience through a strategic partnership with a for-profit provider, as noted by HFMA, include:

1 Margin Relief

For-profit partnerships can help hospitals address the financial challenges of providing post-acute care. Many hospitals struggle with low operating margins, making it difficult to allocate funds for post-acute services.



A for-profit partner can bring additional revenue, manage capital effectively and streamline post-acute care costs and delivery. This can lead to improved financial performance and better care delivery.

2 Enhanced Core Competencies

Delivering quality post-acute care requires unique management, HR, IT, quality oversight, workforce education and more. These resources – with a focus on post-acute care delivery – are not often available in an acute care setting.

A qualified partner can provide the needed resources to help enhance a hospital's core competencies by supplying specialized expertise, increasing operational efficiency, expanding market reach and improving patient satisfaction.



3 Improved Care Access for Local Communities

Hospitals in lower population communities often face the challenge of serving large patient populations across multiple counties. This can strain their resources and make it difficult to provide high-quality care.

Partnerships can help alleviate this burden by managing a portion of the hospital's specialized operations. This can improve care quality and discharge to the community rates, reduce readmissions and lower costs.



Ultimately, a JV with a trusted partner can help provide high-quality post-acute care. The JV allows the hospital to help maintain ongoing governance and provision while being relieved of significant capital demands. This can help hospitals ensure timely access to high-quality care for patients.

Choosing the Right Partner: Why Lifepoint Rehabilitation

As a leading post-acute provider, Lifepoint eases the burden of running an inpatient rehabilitation unit or hospital. Through a joint venture or contract management partnership, Lifepoint is dedicated to increasing patient access, improving clinical quality and elevating operational efficiency in a cost-effective manner.

Spanning 37 states and a network of more than 300 hospital-based rehabilitation programs nationwide, Lifepoint has a proven track record of working with some of the nation's most prestigious non-profit systems.

Contact us today to learn how Lifepoint Rehabilitation can help your hospital deliver optimal patient and hospital outcomes in your local community.

Marty Mann

SVP, Chief Development Officer

Lifepoint Health

630.904.8400 • Martin.Mann@LPNT.net

References

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2. <https://www.hfma.org/finance-and-business-strategy/partnerships-and-value/how-nonprofit-health-systems-can-benefit-from-post-acute-care-partnerships/>

