

Jonathan Rosenfeld's Nursing Homes Abuse Blog

Long-Term Care Hospitals: More Profit, Less Staff

Posted on February 19, 2010 by [Jonathan Rosenfeld](#)

There's been a lot of discussion recently regarding a New York Times [article](#) that details patient care at long-term acute care hospitals-- a relatively new type of medical facility for patients requiring long-term medical care. Although these long-term care hospitals have many similarities to traditional nursing homes, they are structured to take advantage of Medicare reimbursement rules that pay higher rates of reimbursement for treating chronically-ill patients.

The Times, article chronicles, [Select Medical Corporation](#) and [Kindred Healthcare](#), publicly traded companies that run long-term hospitals across the country. While long-term care hospitals may be more profitable than traditional facilities, the facilities are littered with problems related to patient care:

- In 2007 and 2008 Select Hospitals were cited for serious Medicare violations at a rate four times higher than regular hospitals.
- In the last three years, Medicare inspectors found 22 serious violations at 12 Select Hospitals
- More patients who [develop bed sores during their admission](#)
- More serious infections during their admissions-- In 2006, 9 out of 1,000 Medicare patients developed serious infections while during a stay at long-term hospitals compared with an infection rate of fewer than 3 out of 1,000 patients in more traditional hospital settings

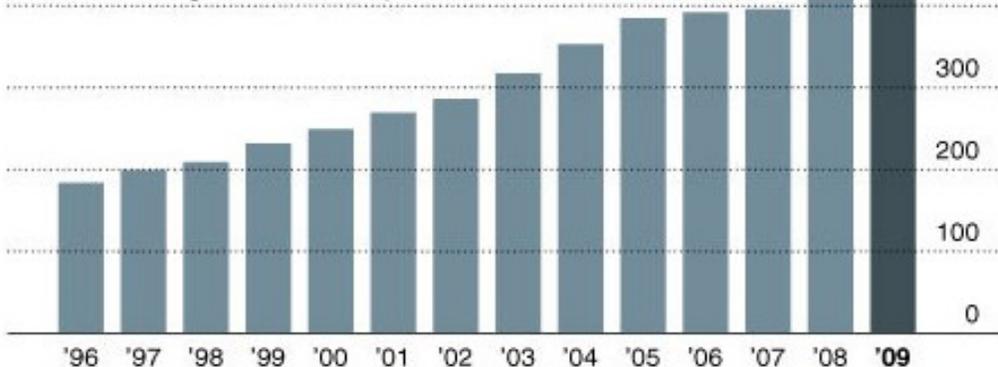
In addition to using Medicare reimbursement to their advantage, the key to long-term hospitals profitability stems from stripping staff levels to bare-bones levels. For example, unlike traditional hospitals, most Select Specialty Hospitals do not have physicians on staff. Select Medical recently advised investors that it improved margins by 'monitoring staffing levels and lowering supply costs'.

Jonathan Rosenfeld represents victims of nursing home abuse and neglect throughout the country. For more information please visit Nursing Homes Abuse Blog (www.nursinghomesabuseblog.com), Bed Sore FAQ (www.bedsorefaq.com) or call Jonathan directly at (888) 424-5757.

Mounting Problems

Long-term care hospitals specialize in treating patients with chronic or complex conditions. Their numbers have more than doubled since the mid-1990s. But the rate of serious complaints filed against such facilities is much higher than that for other hospitals.

Number of long-term care hospitals*



*Includes freestanding hospitals and facilities within existing hospitals. 2009 figure includes 50 newly licensed facilities, not all of which are open.

Recognizing the profitability of long-term care hospitals, the industry has rapidly expanded. Today there are more than 400 long-term hospitals compared with just 10 in the 1980's. Similarly, long-term hospitals are expected to bill Medicare \$4.8 billion compared with just \$400 million in reimbursements in 1993.

Rather than impose more regulations on long-term hospitals, Medicare implemented a three-year moratorium on new long-term care hospitals in 2007. The moratorium will expire in December of this year. In the meantime, let's hope this profit-drive industry receives more regulation.

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