Curavi Health Acquires Post-Acute Telemedicine Provider TripleCare

By Maggie Flynn | December 4, 2018

Curavi Health, a post-acute telemedicine provider with the backing of health giant UPMC, has acquired fellow skilled nursing-focused telehealth operator TripleCare.

Terms of the acquisition, announced Tuesday and effective immediately, were not disclosed. The Chicago-based specialty investment bank Ziegler served as advisor to TripleCare in the transaction.

The combined entity of Curavi and the Long Island City, N.Y.-based TripleCare will serve almost 100 facilities across 14 states. The vast majority of the sites will be skilled nursing facilities, though the company's customers also include a long-term acute care hospital and some independent and assisted living facilities affiliated with SNFs.

UPMC, a $19 billion non-profit health care provider and insurer affiliated with the University of Pittsburgh, is
e investor in Pittsburgh-based Curavi, which currently serves more than 40 facilities in three states.

. president and CEO Alissa Meade will continue to serve as CEO of the combined company, while Mary
man, TripleCare's interim CEO, will assume a new seat on Curavi's board of directors. The combined
ny will retain all of the physicians contracted with TripleCare, for a total of 55 in the new entity. All are
ndent contractors.

he course of their combined history, Curavi and TripleCare have conducted more than 23,000 patient
tations, Meade told Skilled Nursing News.

"Nursing homes are increasingly recognizing telemedicine is a must-have solution to address [hospital] readmissions," Meade said. "We've seen material growth in the market for the past two years heading in that direction, and all of CMS' efforts to provide reimbursement for telemedicine, particularly in the post-acute continuum, will only continue to accelerate that trend."

In most cases, the nursing facilities contract with Curavi, Meade explained, which charges a consistent monthly fee for its services. Curavi has also worked directly with risk-bearing entities such as accountable care organizations, and this trend is accelerating, she added.

Meade expects that the Centers for Medicare & Medicaid Services (CMS) will expand government reimbursement coverage for telemedicine over time; under current rules traditional Medicare can only pay for telehealth in rural skilled nursing facilities, which make up about a third of the nation's more than 15,000 nursing homes.

She's not alone; several technology experts told SNN last month that CMS's proposed rule to open telehealth coverage under Medicare Advantage presents a major opportunity for the expansion of telemedicine in skilled nursing. In a mandated report to Congress, CMS itself seemed to agree, as it pointed out several areas of potential for telemedicine in nursing homes.

Even the notoriously thin operating margins of SNFs haven't been an obstacle, at least for Curavi, Meade said, because the financial gain for them is greater than the cost of Curavi's services. These include general and

specialty care, after-hours coverage, and geriatric psychiatry consultations.

In this environment, Meade and Gorman have high hopes for the combination of the two companies, which creates "the largest and most experienced telehealth provider in the post-acute space," according to Meade, with Curavi adding depth to TripleCare's services, and TripleCare broadening Curavi's footprint.

But another factor is the changing environment for SNFs — and the rising pressure they face to prevent 30-day hospital readmissions under value-based purchasing (VBP) and other new payment models.

> irly recently that the SNFs have had to really pay attention to some of the habits that they've had," n told SNN. "For instance, it didn't use to matter that if a patient was a little bit sick, you'd send them to ergency room, and they'd stay for a day or a week or whatever. But the expectation of CMS and other is that nursing homes are now penalized if they do not appropriately manage the patients in the nursing Where there used to be a habit or default to send patients to the ER, there is now a need to assess the in the building."

n by Maggie Flynn

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When she's not working, Maggie enjoys running, reading, writing and sports, in no particular order. Favorite things include murder mysteries, Lake Michigan and the Pittsburgh Penguins.

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