

An Argument for Medicaid Funding for Recuperative Care: A Physician's Perspective

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As physicians we routinely encounter situations that highlight significant gaps in the healthcare system and leave us wishing we could do better by our patients. John was one such case.

A pleasant 43-year-old gentleman, he had come to the hospital with an infected leg wound. Like any other patient with an infection, he was treated with antibiotics and soon improved. But unlike most other patients, John was unhoused. Having battled an opiate addiction following treatment of a back injury, he had consistently faced roadblocks to sustaining a job or housing.

As with all our unhoused hospitalized patients, we were faced with the heartbreaking reality of where John would recover following his hospitalization. He was provided a list of local shelters, though none were 24-hour centers. Without other options, he left the hospital and waited in line at one of the two overnight shelters in his city. Though he was able to secure a bed for the night, John had to leave each morning with all his belongings and return after 4pm to stand in line for a bed that was never guaranteed.

With exposure to the harsh Minnesota winter and inability to walk long distances to attend his medical appointments, John's leg infection worsened, landing him back in the hospital just a few weeks later. His infection had now spread to the bone, requiring leg amputation followed by a prolonged hospital stay, extensive and prolonged rehabilitation services, an expensive prosthesis, and a wheelchair – changing John's life forever.

What could have been a simple infection treated with antibiotics, appropriate accommodations to recover, and proper follow-up care became a devastating cascade of costly events, landing squarely on Minnesota Medicaid and ultimately taxpayers. Unfortunately, John's story is not unique – he is one of around [20,000 people across the state experiencing homelessness on any given day, and 50,000 people over the course of the year](#). This population is nearly *twice as likely* to be readmitted as compared to their housed counterparts, and to require treatment for more costly, higher risk conditions.

One solution lies in a nationally recognized model called [recuperative care](#), also known as medical respite. These centers offer short-term housing following hospitalization so that people like John have the chance to recover. Over 130 such facilities exist nationally, 4 of which are in Minnesota. These facilities provide 24-hour access to a bed, refrigeration for medications, meals, transportation to medical appointments, care coordination support, and more. Multiple studies over decades have demonstrated the value of the model, finding improvements in health status and in access to primary care, housing, and employment.

Though these services sound costly at face value, [research has shown](#) that recuperative care programs save \$1.81 in hospital costs for every dollar invested, in part by reducing emergency department visits, hospital readmissions, and average length of hospital stays. This is particularly notable when considering the average cost of a day in the hospital is nearly [\\$2,900](#) compared to [\\$125-\\$325 per day](#) for recuperative care depending on services offered.

But despite recuperative care costing a mere fraction of a hospital admission, Minnesota currently has no formal state funding or federal support for these programs. But notably, support does exist elsewhere. [Eleven states](#) currently use Medicaid dollars to fund recuperative services, and Minnesota is moving in a similar direction. Last week, companion bills [SF 1951](#) and [HF 2081](#) were proposed to the Minnesota Senate and House on the very issue of Medicaid funding for recuperative care and are currently awaiting further comment from the Health and Human Services committee.

It is critical that the Minnesota legislature understands both the human and financial costs of continuing the current practice of discharging patients to the street, and the significant gains to be had in terms of cost savings and improved health outcomes if the bills do pass.

Homelessness is a complex issue that requires a multifaceted approach; expanding Medicaid funding for recuperative care services is a direct and effective way to protect our state's most vulnerable citizens and improve health and housing outcomes while reducing long-term costs.

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