The Impact of Health Care Reform on Hospitals

RISING TO THE OCCASION TO IMPROVE CARE

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Director of Infection Prevention
Sentri7

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Vice President of Clinical Affairs
Pharmacy OneSource
Agenda and Objectives

- Provide an overview of current health reform plans and key targets of value-based purchasing.
- Discuss care and cost issues related to hospital readmissions and future changes in CMS payment policies.
- Examine current and future policies regarding Healthcare Associated Infections (HAI).
- Review patient satisfaction (HCAHPS) as new measure of hospital performance.
- Outline key strategies that can assist infection preventionists, pharmacists and others in successfully aligning with new demands around value-based purchasing and health reform policies.
The Patient Protection and Affordable Care Act (H.R. 3590)

Improve Coordination of Care
- Bundled payment pilots (Target ⇒ transitions in care)
- Cost sharing for successful programs
- PCMH (patient centered medical home)
- Accountable Care Organizations (ACOs)

Promote and support primary care
- Increased payments & funding incentives, research

Improve Quality and Performance
- Rewarding Good Care: Hosp. VBP programs (2012), SNFs, HHAs and ASCs (plans due 2011)
- Patient satisfaction
- Reduce avoidable hospital readmissions
- Reduce HAC (Hospital Acquired Conditions)
HR 3590
The Patient Protection and Affordable Care Act

HCAHPS (Patient Surveys)

CORE Measures

Healthcare-Associated Infections (HAI)

- AMI, PNE, HF
- SCIP/HOP

VALUE-BASED PURCHASING TARGETS

- AMI, PNE, HF
- COPD, CABG, PTCA, etc.

Readmission Rates

Hospital Acquired Conditions (HAC)

- CAUTI, VCAI, Foreign Object Post-op,
- Air Embolism, Blood Incompatibility, Pressure Ulcer, Falls/Trauma
Value-based Purchasing (VBP)

The concept of value-based health care purchasing...

“Buyers should hold providers of health care accountable for both cost and quality of care”

Meyer, Rybowski, and Eichler, 1997
Pay-for-Performance (P4P)

- P4P is a type of value-based purchasing that provides an incentive-based reimbursement system.
- Financial incentives reward providers for the achievement of a range of payer objectives.
- Financial incentives should not be universally taken to mean “larger payment.”
The CMS Roadmap to P4P
Up to 8% of CMS payment “at risk” by 2017

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How will health care reform impact your practice?

How can you prepare for VBP?
VBP CLINICAL QUALITY & PROCESS MEASURES
CMS Value-Based Purchasing Plan

- Impacts only IPPS (Inpatient Prospective Payment System) and Acute Care hospitals
- Program begins in FY2012 with data collection & performance reporting
- In FY2013 adjusted payments start at 1% “payment risk”
- Most VBP measures will migrate from the current Hosp. Inpatient Quality Data Reporting Program to the VBP program.
- HI-QDRP data posted on “Hospital Compare” site

**VBP programs shifts measures from “pay for reporting” to “pay for performance”**
### VBP Process of Care Measures: CMS CORE Measures

<table>
<thead>
<tr>
<th>Acute Myocardial Infarction (AMI) 12 Measures (8 Rx impact)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASA @ arrival</td>
</tr>
<tr>
<td>ASA @ discharge (outpt use)</td>
</tr>
<tr>
<td>ACEI or ARB for LVSD</td>
</tr>
<tr>
<td>Smoking Cessation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Heart Failure (HF) 4 Measures (3 Rx impact)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACEI or ARB for LVSD</td>
</tr>
<tr>
<td>Smoking Cessation</td>
</tr>
</tbody>
</table>
# VBP Process of Care Measures: CMS CORE Measures

## Pneumonia (PNE)
7 CMS Measures (5 Rx impact, 4 IP impact)

<table>
<thead>
<tr>
<th>Measure</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timing of Receipt of Initial Antibiotic</td>
<td>Pneumococcal Vaccination</td>
</tr>
<tr>
<td>Antibiotic Selection (for CAP)</td>
<td>Influenza Vaccination (seasonal)</td>
</tr>
<tr>
<td>Smoking Cessation</td>
<td></td>
</tr>
</tbody>
</table>

## Surgical Care Improvement Project (SCIP)
10 Measures (7 Rx impact, 3 IP impact)

<table>
<thead>
<tr>
<th>Measure</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proph. Antibiotic w/in 1 hour incision</td>
<td>Maintenance of Beta-blocker Therapy During Perioperative Period</td>
</tr>
<tr>
<td>Prophylactic Antibiotic Selection</td>
<td>Surgery Patients with Recommended VTE Prophylaxis Ordered</td>
</tr>
<tr>
<td>Proph. Antibiotic DC within 24 Hours</td>
<td>Surgery Patients w/ Appropriate VTE Prophylaxis Within 24 Hours Prior To &amp; 24 Hours After Surgery</td>
</tr>
<tr>
<td>Cardiac Surg Patients Controlled 6am Post-operative Glucose Level</td>
<td></td>
</tr>
</tbody>
</table>
## VBP Outcomes Measures: CMS

### 30-Day Risk-Standardized Mortality Rates

<table>
<thead>
<tr>
<th>Condition</th>
<th>Mortality Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute Myocardial Infarction (AMI)</td>
<td>30-Day Mortality Rate</td>
</tr>
<tr>
<td>Heart Failure (HF)</td>
<td>30-Day Mortality Rate</td>
</tr>
<tr>
<td>Pneumonia (PN)</td>
<td>30-Day Mortality Rate</td>
</tr>
</tbody>
</table>
CMS VBP: Reporting Performance

**Rating Performance**
- Attainment
- Improvement
- Single Composite Score

**Program Funding**
- Reduction in Payment
  - 1% in 2013 growing to 2% reductions
  - Money goes into pool for redistribution

**Repayment**
- Payment based on performance
  - 2 payment models proposed
NRHS at risk: 1 to 2 % or $550,000 to $1,007,000

Potential loss based on linear model = $57,729 to $105,696

VBP Model HR 3590

(Curvilinear Scenario)

Note: this only includes Core Measures + HCAHPS

(HAIs data not included)
How is your hospital currently performing on VBP measures?

1. Connect with stakeholders at your site to obtain current performance data and plans for improvement
   - QI, PI, Administration
2. Determine where there are gaps or deficiencies in care?
3. What types of services or interventions have you or could you implement to impact these quality measures?
4. How might you market/communicate your role?
READMISSIONS
Why focus on readmissions?

2007 MedPAC Report to Congress

- 17.6% of Medicare hospitalizations in 2005 were readmitted within 30 days, accounting for $15B in Medicare spending.
- 13% of the 30-day readmissions were preventable or 76% of all readmissions!
- These preventable readmissions accounted for $13B in Medicare spending.
# Top US Hospital Readmission Rates by Condition (30-days)

<table>
<thead>
<tr>
<th>Medical Conditions</th>
<th>30-day Readmission Rate</th>
<th>% of all Readmissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heart Failure</td>
<td>26.9%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Pneumonia</td>
<td>20.1%</td>
<td>6.3%</td>
</tr>
<tr>
<td>COPD</td>
<td>22.6%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Psychoses</td>
<td>24.6%</td>
<td>3.5%</td>
</tr>
<tr>
<td>GI related problems</td>
<td>19.2%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

### Pneumonia 23% secondary cause

<table>
<thead>
<tr>
<th>Surgical Conditions</th>
<th>30-day Readmission Rate</th>
<th>% of all Readmissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiac Stent</td>
<td>14.5%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Major Hip or Knee Surgery</td>
<td>9.9%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Vascular Surgery</td>
<td>23.9%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Major Bowel Surgery</td>
<td>16.6%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Other Hip or Femur Surgery</td>
<td>17.9%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

### SSI 6.4% secondary cause

CMS Plan...
Hospital Readmissions Payment Policy

- Effective Oct. 1, 2012
- Reduces Medicare inpatient payments for hospitals with higher than expected risk-adjusted readmission rates for certain conditions.
- Medicare payment reductions are capped at
  - 1% in FFY 2013
  - 2% in FFY 2014
  - 3% in FFY 2015
- Payments would be reduced by the lower of a hospital-specific readmissions adjustment factor or a pre-determined floor.
- Reduced Medicare payments for every discharge.
Targeted MS-DRGs and Timelines

Year 1: FY2012
- Heart failure
- Myocardial infarction
- Pneumonia

Year 3: FY2014
- COPD
- CABG
- PTCA & other vascular procedures

Year 4: FY2015
- Expand to other conditions (TBD)
### Medicare Readmissions Analysis

**Estimated Impact of Proposed Payment Policy**

**EXAMPLE**

<table>
<thead>
<tr>
<th></th>
<th>Heart Attack</th>
<th>Heart Failure</th>
<th>Pneumonia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Patients</td>
<td>196</td>
<td>531</td>
<td>800</td>
</tr>
<tr>
<td>Number of Readmissions (risk-adjusted)</td>
<td>36</td>
<td>131</td>
<td>142</td>
</tr>
<tr>
<td>Risk-Adjusted Readmission Rate</td>
<td>18.4%</td>
<td>24.6%</td>
<td>17.7%</td>
</tr>
<tr>
<td>U.S. 30-day Readmission Rate</td>
<td>19.0%</td>
<td>24.5%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Statistical Relationship to U.S. Average</td>
<td>No different than U.S. National Rate</td>
<td>No different than U.S. National Rate</td>
<td>No different than U.S. National Rate</td>
</tr>
<tr>
<td>Predicted/Expected Ratio</td>
<td>0.92</td>
<td>1.00</td>
<td>0.97</td>
</tr>
<tr>
<td>Predicted/Expected Ratio - 1</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Medicare Payments</td>
<td>$752,400</td>
<td>$1,541,800</td>
<td>$2,124,000</td>
</tr>
<tr>
<td>Estimated Excess Payment</td>
<td>$0</td>
<td>$6,300</td>
<td>$0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Hospital Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Estimated Excess Payments</td>
<td>$6,300</td>
</tr>
<tr>
<td>Total Medicare DRG Payments</td>
<td>$62,131,100</td>
</tr>
<tr>
<td>Uncapped Payment Adjustment Factor</td>
<td>0.01%</td>
</tr>
<tr>
<td>Capped Payment Adjustment Factor</td>
<td>0.01%</td>
</tr>
<tr>
<td>Estimated Impact</td>
<td>($6,300)</td>
</tr>
</tbody>
</table>

**Notes:**

CMS does not provide statistical relationships for indicators with fewer than 25 cases, these are noted with the following message: "Number of Cases Too Small".

CMS calculates statistical confidence intervals for each hospital’s readmission rate. If the hospital’s readmission rate is within the U.S. average +/- the confidence interval, the rate is considered to be no different than the U.S. national rate.

The 1.0% cap is based on the U.S. Senate’s Patient Protection and Affordable Care Act, as amended on December 19, 2009.

**Data Sources:**

Hospital and national readmission rates from CMS Hospital Compare, July 9 release. Data reflects aggregate data for three years: July 1, 2005 through June 30, 2008.

DRG payments from the 2008 Medicare Claims Database (MedPAR). Data reflects claims for the October 1, 2007 through September 30, 2008 rate year.

---

### $$$ at Risk:

- **1% or $621,311**
- **2% or $1.25 million**
- **3% or $1.9 million**
When they come back...

Source: UHC Clinical Data Base FFY2008 (10/07 – 9/08)
# IHI STAAR Initiative (STate Action on Avoidable Rehospitalizations) “VITAL FEW” TARGETS

## I. Perform Enhanced Admission Assessment for Post-Hospital Needs
- Include family caregivers and community providers as full partners in completing standardized assessments, planning discharge, and predicting home-going needs.
- **Reconcile medications upon admission.**
- Initiate a standard plan of care based on the results of the assessment.

## II. Provide Effective Teaching and Enhanced Learning
- Identify all learners on admission.
- Customize the patient education process for patients, family caregivers, and providers in community settings.
- Use “Teach Back” daily in the hospital and during follow-up phone calls to assess the patient’s and family caregivers’ understanding of discharge instructions and ability to perform self-care.

## III. Conduct Real-Time Patient and Family-Centered Handoff Communication
- **Reconcile medications at discharge.**
- Provide customized, real-time critical information to the next care provider(s).

## IV. Ensure Post-Hospital Care Follow-Up
- **High-risk patients:** Prior to discharge, **schedule a face-to-face follow-up visit** (home care visit, care coordination visit, or physician office visit) to occur within 48 hours after discharge.
- **Moderate-risk patients:** Prior to discharge, schedule a **follow-up phone call within 48 hours** and schedule a physician office visit within five days.
Pharmacy’s Role in Preventing Readmissions

- Medication history and reconciliation at admission
- Early identification of medication related problems
- Prevention and detection of ADEs
- Identification of medication adherence issues
- Interventions to improve medication adherence
- Provision of medication education and patient med management tools
- Identifying errors of omission for evidenced-based use of medications for chronic conditions
- Coordination of transitions in care upon discharge
- Post-discharge follow-up to assure appropriate med use
Infection Preventionist’s Role in Preventing Readmissions: Focus on Pneumonia

Identify patients at risk for pneumonia at time of admission:

- Decreased mobility ⇒ Surgery
- Neurological impairment ⇒ Hx of CVA
- Guarded breathing ⇒ Severe abdominal pain, chest tube
- GI Issues ⇒ Enteral feeding (ie, J-Tube, NGT), NPO
- Ineffective Secretion Management ⇒ Hx of aspiration; on any soft diet to prevent aspiration. Hx of COPD or pneumonia.
Implement “Bundle” Interventions for Prevention of Non-VAP

- Incentive spirometry
- Deep breath and cough
- Turn and reposition
- Out of bed with every meal
- Head of bed elevated 30 degrees
- Oral care (consider chlorhexidine)

Measure compliance with interventions!

Consider Adding these “Bundle” Interventions for CA pneumonia
HEALTHCARE ASSOCIATED INFECTIONS
Importance of Preventing Infections: 75% of HAIs in the Acute Care Setting

- Catheter-associated urinary tract infections (34%)
- Surgical site infections (17%)
- Central line-associated bloodstream infections (14%)
- Ventilator-associated pneumonia (13%)

★ In addition, infections associated with Clostridium difficile and MRSA also contribute significantly to the overall problem.
Value Based Purchasing Follows HHS Action Plan on HAI

- CMS will incorporate the HHS Action Plan measures for infection prevention and outcomes into the Hospital Value-Based Purchasing (VBP) Plan methodology.
- CDC will provide data on measures to CMS via the NHSN
- Goals of HHS Action Plan
  - Improve regulatory oversight of hospitals and CMS oversight of the hospital accreditation program
  - Increase quality, transparency, and accountability through CMS Hospital Compare measures.
## HHS Action Plan on HAI

### 5 Year Goals

<table>
<thead>
<tr>
<th>HAI or Initiative</th>
<th>National 5-Year Prevention Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLABSI</td>
<td>At least 50% reduction in central line-associated bloodstream infections in ICU and ward-located inpatients</td>
</tr>
<tr>
<td>CLIP Adherence Percentage</td>
<td>100% adherence with central line insertion practices</td>
</tr>
<tr>
<td>CAUTI</td>
<td>Reduce the CAUTI Standardized Infection Ratio (SIR)(^1) by at least 25% from baseline in ICU and other locations</td>
</tr>
<tr>
<td>C diff 1</td>
<td>At least 30% reduction in hospitalizations with C. difficile per 1000 patient discharges</td>
</tr>
<tr>
<td>C diff 2</td>
<td>Reduce the facility-wide healthcare facility-onset C. difficile LABID event SIR by at least 30% from baseline</td>
</tr>
</tbody>
</table>

\(^1\)A standardized infection ratio (SIR) can be used as an indirect standardization method for summarizing HAI experience across any number of stratified groups of data.
## HHS Action Plan on HAI: 5-Year Goals

<table>
<thead>
<tr>
<th>HAI or Initiative</th>
<th>National 5-Year Prevention Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>MRSA 1</td>
<td>At least a 50% reduction in incidence of healthcare-associated invasive MRSA infections</td>
</tr>
<tr>
<td>SSI</td>
<td>Reduce the admission and readmission SSI Standardized Infection Ratio (SIR) by at least 25% from baseline</td>
</tr>
<tr>
<td>SCIP</td>
<td>At least 95% adherence to process measures to prevent surgical site infections</td>
</tr>
</tbody>
</table>
CMS/CDC Timelines for HAI

- Central-Line Assoc. Blood Stream Infections (CLABSI)
  - CMS mandated reporting to NHSN starts January 2011!
  - Focus on insertion procedure and checklist
- Surgical Site Infections (SSI) will initiate in 2012
HAI and MDRO Reduction

1. Optimal infection control to prevent HAIs
2. Optimal antimicrobial use to treat infections
PATIENT SATISFACTION
HCAHPS (Hospital Consumer Assessment of Healthcare Providers & Systems)

- Survey asks discharged patients 27 questions about recent hospital stay.
- Eight key topics:
  - Cleanliness of environment
  - Pain management
  - Communication about medicines
  - Discharge information
  - Communication with doctors
  - Communication with nurses
  - Responsiveness of hospital staff
  - Quietness of environment
- Administered to a random sample of adult patients across medical conditions between 48 hours and six weeks after discharge; the survey is not restricted to Medicare beneficiaries.

http://www.hcahpsonline.org

Why focus on patient satisfaction?

**Quality**

- Patient-centeredness is associated with hospitals that have safer, more effective care.
- Example: The percentage of patients who would definitely not recommend the hospital is positively correlated to statewide hospital readmission rates ($r=.30$).

**Market competitiveness**

- HCAHPS scores are public, and along with word-of-mouth recommendations, they are known to attract more patients, providers, and payers, all leading to a stronger revenue picture for hospitals.

“When patients and their families feel respected, informed, and cared for in a timely way, it is reflected in the hospital’s Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) score.”
For each participating hospital, ten HCAHPS measures are publicly reported on the Hospital Compare website, www.hospitalcompare.hhs.gov.
1. How often was your pain well controlled?
2. How often did the hospital staff do everything they could to help you with your pain?
3. How often did the hospital staff tell you what your medication was for?
4. How often did the hospital staff describe possible side effects in a way you could understand?
5. Did you receive information in writing about what symptoms or health problems to look out for?
Survey of Customers about Their Hotel Experiences

How often were the patients’ rooms and bathrooms kept clean?

These results are from patients who had overnight hospital stays from January 2009 through December 2009.

Patients reported how often their hospital room and bathroom were kept clean.

Bars below tell the percent of patients who reported that their room and bathroom were “always” clean.

How often were the patients’ rooms and bathrooms kept clean?

- **Average for all Reporting Hospitals in The United States**: 70%
- **Average for all Reporting Hospitals in Pennsylvania**: 69%
- **Hospital A**: 62%
- **Hospital B**: 62%
- **Hospital C**: 66%
Infection Prevention Ideas:
Decrease Level of Environmental Contamination

- Instituting feedback for Environmental Services with a black-light marker improved cleaning technique and reduced the frequency of MRSA and VRE contamination.
- Study also included increasing the volume of disinfectant applied to environmental surfaces and providing education for Environmental Services staff.
- Quantify, analyze, and report black-light marker “hits” after cleaning completed. (Data speaks louder than anecdotal observations)

Pharmacists...
Ideas for Improving HCAHPS

• “Meducation”: new medication instructions, target high-risk drugs or patients
• Medication Reconciliation: Assure patient gets med list, clarify discrepancies
• Pain management: identify difficult to manage patients
• Ensure pharmacists are interacting with patients
  ■ Develop pharmacy info flyer for all patients that explains value of pharmacists and services provided. Market your value!
WRAPPING UP
Global CMS VBP Initiatives Across the Continuum of Care

**Now**

- Hospital Pay for Reporting: Inpatient & Outpatient RHQDAPU & HOP QDRP

**Next**

- Hospital VBP Plan & Report to Congress
- Hospital-Acquired Conditions
- Efficiency measures: Cost per beneficiary

**Future**

- Physician Pay-for-Reporting: Effective Jan. 1, 2015
- Home Health Care Pay for Reporting
- Ambulatory Surgical Centers Pay for Reporting
- ESRD Pay for Performance
Health Care Reform Reference Sites

- Health Care Reform HR 3590 (Final version)

- CMS Pay-for-Performance Initiatives

- CMS HI-QDRP measures and related information
  - [https://www.cms.gov/HospitalQualityInits/](https://www.cms.gov/HospitalQualityInits/)

- Hospital Compares Website
  - [www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov)

- Hospital Value Index: Rankings for over 4,500 hospitals
  - [http://hospitalvalueindex.com/](http://hospitalvalueindex.com/)
Readmissions / Health Care Reform Information Sources

- Current tool kits from
  - IHI (STAAR Initiative)
    - [http://www.ihi.org/IHI/Programs/StrategicInitiatives/STateActiononAvoidableRehospitalizationsSTAAR.htm](http://www.ihi.org/IHI/Programs/StrategicInitiatives/STateActiononAvoidableRehospitalizationsSTAAR.htm)
  - CMS resources: Community Care Transitions Program (CCTP)
    - Demonstration project stages
- Published data regarding care improvements for discharge transitions
  - *(Arch Intern Med. 2006;166:565-571)*
  - *(Arch Intern Med. 2006;166:1822-8)*
Questions and Discussion