February 2017

HEALTHTECH S3
strategy solutions support

LTC NEWSLETTER

EXTENDED CARE LINK

Cheri Benander, MSN, RN, CHC, NHCE-C
Director of Compliance & LTC Consulting Services, HealthTechS3

Reducing Avoidable Hospital Admissions:

MOVING INTO PHASE TWO

Long-term care (LTC) residents often experience hospital admissions that are avoidable, expensive, disruptive, and disorientating; leaving them vulnerable to the risks related to hospital stays.[1] In addition, these admissions are both costly to federal programs and the beneficiaries themselves.

According to a report published by the HHS Office of Inspector General, one of four nursing home residents were hospitalized in 2011, costing the Medicare program $14.3 billion.[2] Septicemia and pneumonia were the most common conditions leading to these hospitalizations.[3] Research found that 45% of hospital admissions for those receiving either Medicare skilled nursing facility services or Medicaid nursing facility services could have been avoided.[4]

Wanting to improve care and reduce costs to government programs, CMS began an initiative focused on reducing avoidable hospitalizations among nursing facility residents in 2012. Their goal was to

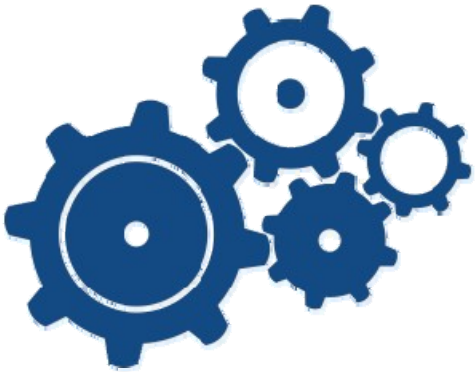
- Reduce the number of and frequency of avoidable hospital admissions and readmissions;
- Improve beneficiary health outcomes;
- Provide better transition of care for beneficiaries between inpatient hospitals and nursing facilities; and
- Promote better care at lower costs while preserving access to beneficiary care and providers.[5]

To achieve these goals, CMS partnered with seven Enhanced Care and Coordination Providers (ECCPs), who would in turn partner with nursing facilities to implement their interventions over a 4-year period. [6] These ECCPs included academic institutions,

Quality improvement organizations (QIOs), a health provider network, and a hospital association. CMS required that their interventions be evidenced based, replicable, and sustainable, and include the following;

- Hire staff who partner with nursing facility staff to improve recognition, assessment, and management of conditions that are often a cause of avoidable hospitalizations.
- Work in cooperation with existing providers, including residents' primary care providers, nursing facility staff, and families.
- Focus on quality improvement practices related to avoidable hospitalizations while working in cooperation with existing providers.
- Facilitate residents' transitions to and from inpatient hospitals and nursing facilities and facilitate timely and complete exchange of health information.
- Provide support for improved communication and coordination among hospital staff, including attending physicians, nursing facility staff, residents' primary care providers, other specialists, and pharmacy staff.
- Coordinate and improve management and monitoring of prescription drugs to reduce polypharmacy, adverse drug events, and inappropriate use of psychotropic drugs. [7]

In 2013, the ECCPs began implementing their initiatives. These initiatives weren't the only work being done to reduce hospital admissions. The Agency for Healthcare Research and Quality (AHRQ) implemented a 3-year project aimed at reducing catheter-associated urinary tract infection (CAUTI) and other healthcare-associated infections (HAIs) in nursing homes. The Affordable Care Act established the Hospital Readmissions Reduction Program, requiring CMS to reduce payments to hospitals reimbursed under the inpatient prospective payment system (IPPS) with excess readmissions. [8] Work was also being completed to align care with quality through Accountable Care Organizations and there were industry-led initiatives also being aimed at reducing hospitalizations.[9]



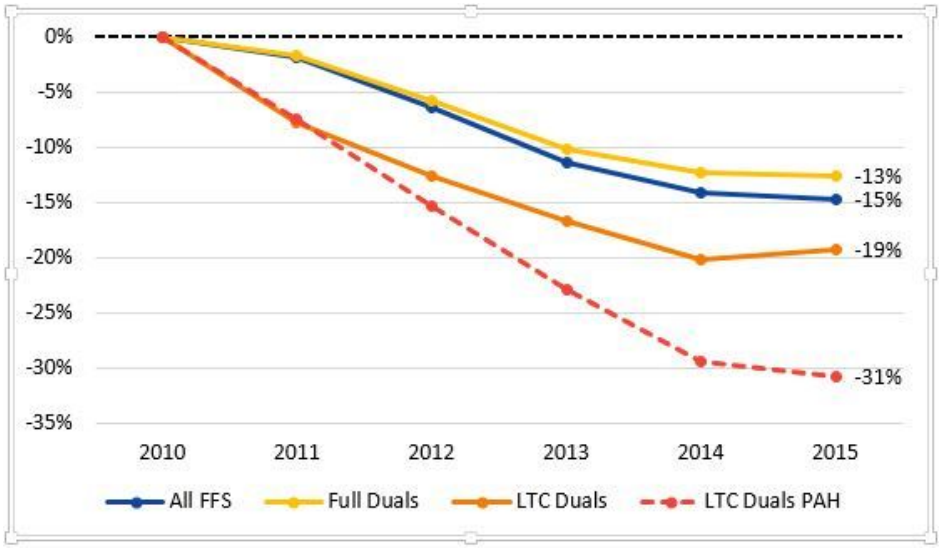
PROGRESS

Collaborative efforts have contributed to significant progress in the rates of hospitalization. Nursing home quality has improved and the number of hospital admissions and readmissions has declined. The " *Scorecard on Local Health System Performance* for 2016 found widespread reductions in the rates of short stay nursing home residents with 30-day hospital readmissions, as well as long-stay residents with hospital admissions".[10]

A CMS data brief indicates that dually eligible Medicare and Medicaid beneficiaries living in long-term care facilities accounted for 270,000 hospitalizations in 2015, with approximately one third of them caused by six avoidable conditions.[11] Those conditions included bacterial pneumonia, urinary tract infections, congestive heart failure, dehydration, chronic obstructive pulmonary disease or asthma, and skin ulcers. The overall rate of hospitalizations declined by 13% for dually eligible beneficiaries, but when evaluating the rates of those six potentially avoidable conditions, the rates dropped by 31% for those living in LTC facilities.[12] " In 2010, the rate of potentially avoidable hospitalizations for dually-eligible beneficiaries in long-term care facilities was 227 per 1,000 beneficiaries, by 2015 the rate had decreased to 157 per 1,000".[13]

Percent Change in Medicare Hospitalization rates since 2010

Brennan, N and Engelhardt, T. The CMS Blog (2017, January 17)



FFS (fee-for-ervice), LTC (long-term care facility), PAH (potentially avoidable hospitalization)

PHASE II

In 2016, CMS's moved into phase two of the initiative to reduce avoidable hospitalizations among nursing facility residents. This second, four-year phase allows those currently participating in the initiative to apply to test whether a new payment model for LTC facilities and providers, along with clinical and educational interventions that are in place will improve the quality of care by reducing hospitalizations and lowering the combined spending of Medicare and Medicaid.[14] According to CMS, "...the intent of the new payment model is to reduce the financial incentive for hospitalization and provide funding for LTC facilities to provide treatment should a beneficiary experience an acute change in condition".[15]

The initiatives implemented by CMS and others are designed to improve the quality of life and decrease the costs of providing LTC services. Evidence indicates that these initiatives have been successful. As advocates for residents and stewards of federal programs, continued participation by LTC facilities is imperative.

---

[1] CMS. (2016). Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents. Available from https://innovation.cms.gov/initiatives/rahnfr/

[2] McKnight's (2013 November, 20) Hospital admission rates show need for new nursing home quality measure, OIG and CMS say. Available from http://www.mcknights.com/news/hospital-admission-rates-show-need-for-new-nursing-home-quality-measure-oig-and-cms-say/article/321750/

[3] Indem.

[4] CMS. (2016). Initiative to Reduce Avoidable Hospitalizations Among Nursing Facility Residents: Phase Two. Available from https://innovation.cms.gov/initiatives/rahnfr-phase-two/index.html

[5] CMS Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents: Fact Sheet. Available at https://innovation.cms.gov/Files/fact-sheet/rahnfr-Fact-Sheet.pdf

[6] Indem.

[7] Gaines, J. (2016). Evaluation of the Initiative to Reduce avoidable hospitalizations month nursing facility residents: final annual report project year 3. Available from https://innovation.cms.gov/Files/reports/irahnfr-finalyrthreeevalrpt.pdf

[8] CMS. Gov (2016). Readmissions Reduction Program (HRRP). Available from https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html

[9] Brennan, N. & Engelhardt, T. (2017). Data Brief: Sharp reduction in avoidable hospitalizations among long-term care facility residents. The CMS Blog. Available from https://blog.cms.gov/2017/01/17/data-brief-sharp-reduction-in-avoidable-hospitalizations-among-long-term-care-facility-residents

[10] McKnight's (2016, July 17). Hospital admission rates among SNF residents improving across U.S. para #2. Available from http://www.mcknights.com/news/hospital-admission-rates-among-snf-residents-improving-across-us/article/509927/

[11] Ibid #9

[12] Ibid #9

[13] Ibid #9 para 7

[14] Ibid #4

[15] Ibid #4 para 7

HealthTechS3's LTC Consulting Services are intended to be educational in nature and are not intended to identify potential compliance violations. The LTC Consulting Services may include advice and recommendations, but the ultimate responsibility for decisions regarding Client's compliance program and related processes, policies and procedures, including without limitation, the decision to further investigate, consult original source materials or notify qualified healthcare regulatory counsel for specific guidance remains with Client as the owner and operator of its business.

For more information, please contact Cheri Benander:

Cell: 615-636-9042

Main: 615-309-6053

Fax: 615-370-2859

cheri.benander@healthtechs3.com

5110 Maryland Way, Suite 200 | Brentwood, TN 37027

www.healthtechs3.com

HealthTechS3 is an award-winning healthcare consulting, executive recruiting, interim executive placement, and hospital management firm based in Brentwood, Tennessee with clients across the United States. We are dedicated to the goal of improving performance, achieving compliance, reducing costs, and ultimately improving patient care. Leveraging consultants with deep healthcare industry experience, HealthTechS3 provides actionable insights and guidance that supports informed decision making and drives efficiency in operational performance.

BUILDING LEADERS | TRANSFORMING HOSPITALS | IMPROVING CARE