



Hospital Readmissions: a Costly Prospect

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Conflicts and disclosures - none

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graph TD; A("20% Medicare patients readmitted <30 days after hospital discharge") --> B("Annual cost $17 Billion");
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20% Medicare patients
readmitted <30 days
after hospital discharge

Annual cost
\$17 Billion

Affordable Care Act (Section 3025) Readmission-Reductions Program

DRGs: CHF, AMI and Pneumonia
Readmission rates exceed calculated average



Financial penalty applied to all Medicare
admissions for subsequent year



COPD; Knee and Hip Replacement
?...and PCI and CABG?

Hospitals Face Pressure to Avert Readmissions



Joshua Lott for The New York Times

New York Times: Nov 26, 2012

Armed With Bigger Fines, Medicare To Punish 2,225 Hospitals For Excess Readmissions

TOPICS: HOSPITALS, MEDICARE, HEALTH REFORM, QUALITY

By JORDAN RAU

KHN Staff Writer

AUG 02, 2013

Medicare will levy \$227 million in fines as part of the government's campaign to reduce the number of hospital readmissions, records released Friday.



FierceHealthcare

Published on FierceHealthcare (<http://www.fiercehealthcare.com>)

Medicare slaps two-thirds of US hospitals with readmission penalties

August 5, 2013 | By Alicia Caramenico

Two-thirds of the nation's hospitals will get hit with fines in the second round of Medicare's readmission penalties, according to [data](#) released Friday by the Centers for Medicare & Medicaid Services.

For the upcoming year, 2,225 of the nation's 5,700 hospitals will receive payment reductions totaling \$227 million starting on Oct. 1. Of those hospitals, 18 hospitals will lose 2 percent of Medicare reimbursements, the top penalty, while 154 will lose 1 percent or more.

In the first round of penalties, [almost 300 hospitals received the maximum fine--a 1 percent loss of their base Medicare payments](#), *FierceHealthFinance* previously reported.



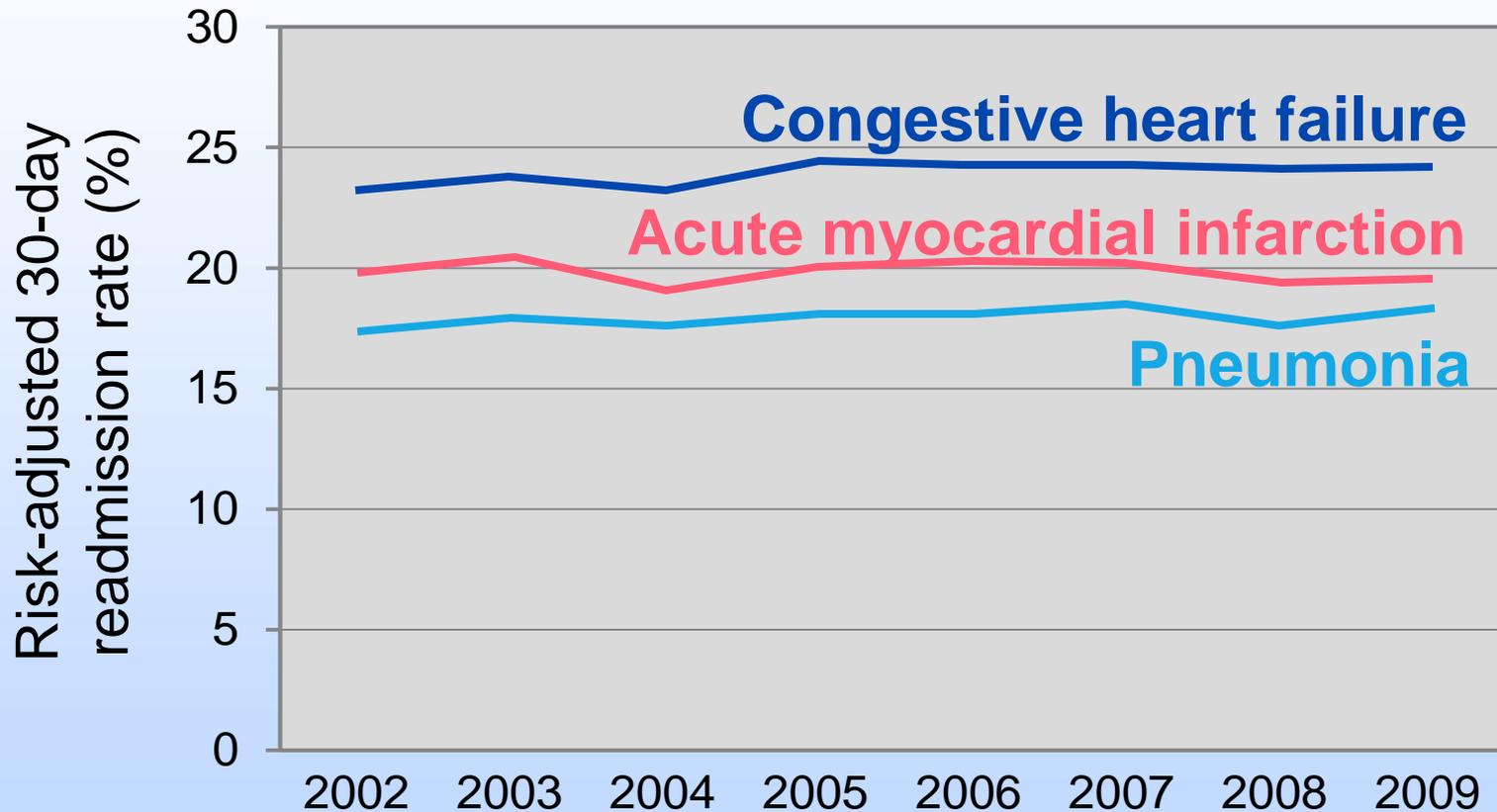
Possible causes of readmissions

- Poor initial care
- Hospital-acquired infections and complications
- Premature discharge
- Lack of medication reconciliation
- Poor communication between hospital staff and
 - patient, care givers, or community-health providers
- Lack of adequate care transition

Alternative Explanations

- The patient might just be very sick
- Surplus of comorbidities
- Unexpected event
- Poor social support
- Poverty
- Ambulatory care – access and quality
 - Poor (no penalty)
 - Excellent – identifies patient for readmission

National Trends in 30-Day Readmission Rates



Joynt KE and Jha AK: NEJM 366:15, 2012

Hospital



Patient

Community

Diagnosis and Timing of Readmission: Medicare Patients

Index Diagnosis	Readmission: Same diagnosis	0 – 3 days	0- 7 days	0-15 days
Heart failure	35%	13%	32%	61%
AMI	10%	19%	40%	68%
Pneumonia	22%	15%	34%	63%

Dharmarajan K: JAMA 2013

“Strategies that are specific to particular diseases or periods may only address a fraction of patients at risk for rehospitalization”

“Truth and Consequences”

Truth:

- <20% readmissions are preventable
- Main drivers are at patient and community level
 - Not under hospital control
- Unclear that reflects poor quality of care
- Better policies to achieve goals
- Unproven and costly strategies to combat problem

“Truth and Consequences”

Consequences:

- Divert resources away from other problems
 - Patient safety
- Lengthen hospital stay
- Penalize hospitals caring for high burden of
 - Poor patients
 - Minorities
 - Mental illness

Readmission of MI patients Olmsted County 1987-2010

3010 Incident MI
31% STEMI

19% Readmission
<30 days

43%
Related
to MI

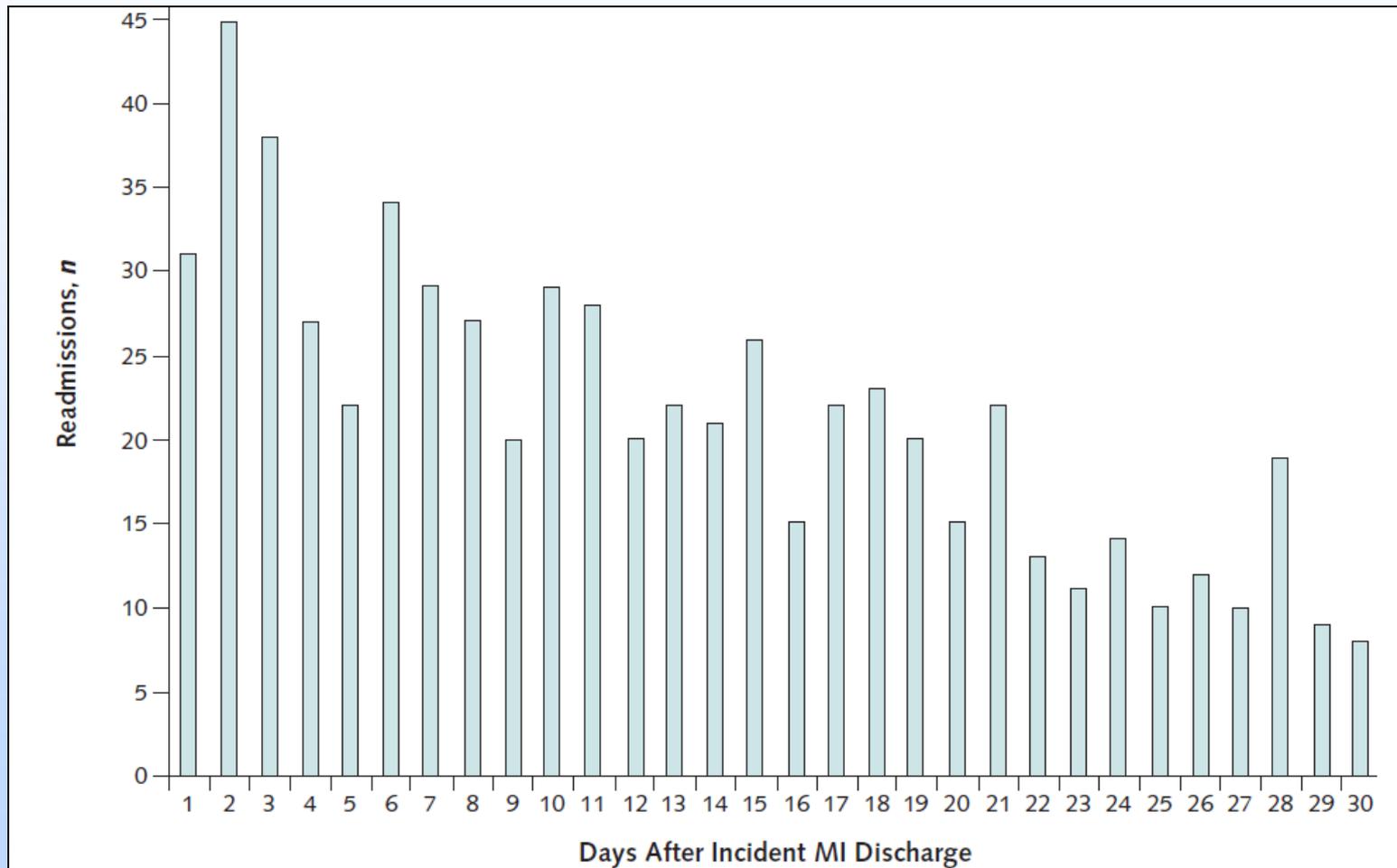
30%
Unrelated
to MI

27%
Unclear

Factors
Diabetes
COPD
Anemia
High Killip class
Longer stay
Complications of
CA/PCI

Dunlay SM: Ann Intern Med 2012

Timing of MI Readmissions Olmsted County



Dunlay SM: Ann Intern Med 2012

Readmission after PCI Mayo Clinic 1998-2008

All PCI
N=15,498



9.4% Readmission
<30 days

1-yr Mortality

38%

Risk factors
(adjusted)
“the usual suspects”

and

Medicare patients
Female
Less educated

Khawaja FJ: Arch Intern Med 2012

Potential Strategies to Reduce Readmissions

- Partner with community physicians and local hospitals
 - Advantage of health care network and EMR
- Medication reconciliation by nurses
- Early follow-up arranged prior to discharge
- Assign staff to follow-up results
- Contract with other trained groups in the community

Quality of care



Readmission



Unmeasured and/or uncontrollable
confounders



CardioSource WorldNews

A publication of the
American College
of Cardiology

30-DAY READMISSION

A Lousy Quality Metric in HF?

PLUS

STEVE NISSEN: THE PHYSICIAN
PAYMENTS SUNSHINE ACT

PEDIATRICS 2040: INTERVIEW
WITH ANTHONY C. CHANG, MD

CardioSource.org/CSWN

CLINICAL NEWS

HORUS: A
Look at Ancient
Atherosclerosis

JACC:
Diagnosing
the Young HF
Patient

**Battle of the
Sexes:** Which Has
Better Outcomes
in CAD and Stable



A Disconnect with Quality Metrics?

AHA “Get With The Guidelines” HF program

-- 149 hospitals --

Readmissions:

- Weak association with hospital ranking
- No association with 30-day mortality
- *Highest* readmission rates in hospitals with *better* compliance with CMS performance measures

High Quality Care Leading to More Readmissions

Rather than reflecting poor care, might reflect:

- ✓ Lower mortality rate
- ✓ Easy access to medical care
- ✓ Shift to ambulatory care leaving only the sickest patients to be admitted to hospital

“Revisiting Hospital Readmissions”

- How to measure shifting resources and money to ambulatory and community care?
- Will length of stay increase?
- Will ED visits be longer and more costly?
- Balancing revenue loss from penalties against cost of efforts to reduce readmissions?
- Penalizing hospitals caring for poor and uninsured?

“...it will be even more important to ensure that programstruly result in “patient protection” and higher-quality care.”

Fontanarosa PB and McNutt RA: JAMA 2013

Focus on Readmissions



Eliminating Waste in US Health Care

Annual Cost Estimates in 2011

	Mid-point estimate: \$ Billions	
	Medicare and Medicaid	Total US Health Care System
Failure of care delivery	36	128
Failure of care coordination	3	35
Overtreatment	77	192
Administrative complexity	36	248
Pricing failures	56	131
Fraud and abuse	64	177
	300	910

Berwick DM and Hackbarth AD: JAMA 2012

Conclusions

Readmission Reduction Project

- Major financial impact on thousands of hospitals
- No clear association with quality or mortality
- Hospitals at risk are probably those that need the resources and finances the most
- Risk of diverting resources from more important problems
- Not aligned with best patient outcomes
- Lots of confusion.....