Federal Healthcare Reform
Hospital Readmissions

Issue

Nationally, about one in five seniors return unexpectedly to the hospital within 30 days of being sent home -- a statistic that has caught the eye of Obama administration, Congress and policy experts searching for ways to control costs and improve care. Some health reform proposals would reward hospitals for lowering readmissions rates or give extra funding for care coordination.

Among the many reasons for readmissions are high rates of medical errors and hospital-acquired infections and poor communication between doctors and patients. Meanwhile, experts don't agree on how many readmissions are avoidable, but say changes are needed in how healthcare is delivered and how hospitals and doctors are paid.

Incorporating measures of quality into the readmissions policy such that only hospitals with both high readmission rates and low quality performance scores are penalized has been discussed; Policy makers believe this would allow high-performing hospitals with outstanding quality not to be penalized for treating complex patients who might have higher rates of readmission.

Within our own system we have a success story. St. Joseph Health System-Humboldt County, Humboldt State University’s nursing department, and the Community Health Alliances of Humboldt-Del Norte, have developed the Care Transitions Program. Discharged patients who are not receiving home health or hospice care are assigned a coach who is a student nurse. Coaches meet the clients in the hospital and introduce them to a personal health record (PHR), which includes a medication list. The PHR is used as a tool to facilitate communication and care management with their physicians. The coaches visit the patient at home and then check in regularly in person or by phone at intervals up to six months after discharge. The coaches work with patients to review their medicines and check that they correspond with what the doctor prescribed, make sure they understand their disease and discuss how they can work with their doctor to manage their care. Special attention is given to patients at higher risk: those with chronic diseases; those with frequent readmissions who have five or more medications; and those who don’t have access to home health care. A year in, the program is working, and St. Joseph is getting inquiries from other hospitals around the country. They have cut readmission rates from 10 percent to eight percent, a 20-percent improvement.

Current Status

Proposals being considered now would direct CMS to track national and hospital-specific data on the readmission rates of Medicare participating hospitals for certain high-cost conditions that have high rates of potentially avoidable hospital readmissions. Starting in 2011, hospitals with readmission rates above a certain threshold would have payments for the original hospitalization reduced by 20% if a patient with a selected condition is re-hospitalized with a preventable readmission within seven days or by 10% if a patient with a selected condition is re-hospitalized with a preventable readmission within 15 days.

SJHS Position

SJHS is supportive of public policies seeking to reduce readmissions as long as they focus exclusively on certain types of unplanned readmissions that are related to the initial admission for which there are evidence-based approaches or actions that hospitals can take to prevent the occurrence of the readmission. Readmissions that are planned as part of the recommended course of treatment or unrelated to the original admission should be excluded.