Most St. Louis area hospitals improve readmissions

MU MENTION PAGE 3

Readmission rates at Barnes-Jewish Hospital have improved, but the hospital still faces a federal penalty of more than $1 million.

Similarly, most other St. Louis-area hospitals have reduced their numbers of Medicare patients who are readmitted within a month of discharge. But those hospitals, too, will pay substantial fines over the next year.

Readmission rates at St. Anthony’s Medical Center worsened, according to the latest federal data. On a percentage basis, St. Anthony’s will face the highest readmission penalty in the St. Louis area starting in October. But the dollar amount was unavailable. The fines are assessed on some but not all of a hospital’s payments from Medicare.

The Centers for Medicare & Medicaid Services, or CMS, plans to levy about $227 million in fines nationwide in the second year of its campaign to save costs and reduce the number of patients who are readmitted to hospitals in less than 30 days.

The latest fines, disclosed Friday by Washington-based Kaiser Health News, are based on hospital data from July 2009 to June 2012. Penalizing high readmission rates is the most far-reaching step taken by Medicare to pay hospitals not simply for the number of patients they serve, but for quality of care.

While releasing the penalty rates, the CMS didn’t disclose the hospitals’ rates of readmission.

All told, 2,225 hospitals will have their Medicare payments reduced for a year starting on Oct. 1 due to high readmission rates. The worst offenders will see reductions of up to 2 percent of their reimbursements.
The penalties, which apply to readmissions for heart attack, heart failure and pneumonia, began in October 2012. And the fines are falling the hardest on hospitals that treat large numbers of poor people.

Barnes-Jewish Hospital, which has struggled with its high readmissions, will be hit with less of a penalty this year. Barnes-Jewish paid about $1.9 million — a 0.98 percent penalty — in fiscal year 2013, hospital officials said, and will pay an estimated $1.2 million — a 0.6 percent penalty — in the second round.

“Maybe it’s starting to work here,” said Dr. John Lynch, chief medical officer for Barnes-Jewish Hospital. “The good news is that we won’t be paying the maximum penalty” of 2 percent.

Some academic medical centers and safety net hospitals have complained that Medicare’s calculations do not take into account the socioeconomic factors or risk levels of patients they serve. Some patients, they say, are more likely to be readmitted because they fail to take their medications, do not go to follow-up appointments and have lower levels of health literacy.

But federal health officials contend that hospitals with substantial numbers of poor and uninsured patients, including academic medical centers that treat some of the sickest patients, can still find ways to lower their readmission rates.

Lynch said that Barnes-Jewish Hospital is taking a “double hit” for taking care of not only the underserved, but also those patients who have been referred for advanced care: patients with chronic illnesses who have run the course at other hospitals and have inherently higher readmission rates.

“The message to those providers is that for doing part of your mission, you’re going to be penalized by Medicare,” he said. “The current risk models are not accurate enough to penalize the right hospitals” with quality-of-care problems.

Lynch said that in the last several years Barnes-Jewish Hospital has made a “multimillion-dollar investment” to prevent readmissions. These programs often involve activity beyond the hospital’s walls, including the hospital’s Stay Healthy Outpatient Program in which nurse care managers, respiratory therapists and social workers are sent into the field to help work with patients in the first 60 days after their hospital discharge.

The hospital also has worked with Washington University to open a clinic for patients who are unable to see their doctor soon after discharge. In addition, the hospital’s mobile pharmacy program has enabled a growing number of patients to leave the hospital with a 30-day supply of medicine.

Among the local hospitals with the most improved readmission rates, according to CMS, were St. Luke’s Hospital, Barnes-Jewish St. Peters Hospital, St. Joseph Health Center, Christian Hospital and Mercy Hospital Jefferson.
Meanwhile, St. Anthony’s paid a 0.67 percent penalty in the first round, but that will rise to 0.95 percent in the second round.

“Quality of care is certainly our biggest priority and we are working on it very aggressively,” said Dr. David Morton, chief medical officer at St. Anthony’s. “It’s a long-term issue ... It will take a couple of years to turn the numbers back again.”

He said the latest penalties were affected by an upsurge in pneumonia cases in the community this spring as well as administrative changes at the hospital.

He said that external factors also influence a hospital’s readmissions, including a community’s resources, a patient’s access to transportation, and a patient’s ability to purchase medications, along with family support and lifestyle issues.

Morton said the hospital has instituted “transition of care” programs that pay for nurses and social workers to visit nursing homes that often refer patients to the hospital. St. Anthony’s is also applying for a federal grant to improve its heart failure readmissions.

**Dr. Karen Edison, director of the Center for Health Policy at the University of Missouri, said that on balance the federal program should help move the health industry away from a fee-for-service model in which hospitals and doctors are paid for patient volume, and toward a system where health providers are paid to keep patients healthy.**

“Anytime you implement such a large, far-reaching program, the downside is that you always have unintended consequences,” she said. “But the upside is that this policy encourages health centers and health systems to be financially incentivized to care about their patients after they leave the hospital.”

Edison said those unintended consequences may include hospitals shifting a portion of their limited resources to help improve their readmissions rates at the expense of efforts to improve quality of care for other conditions besides heart attack, heart failure and pneumonia.