

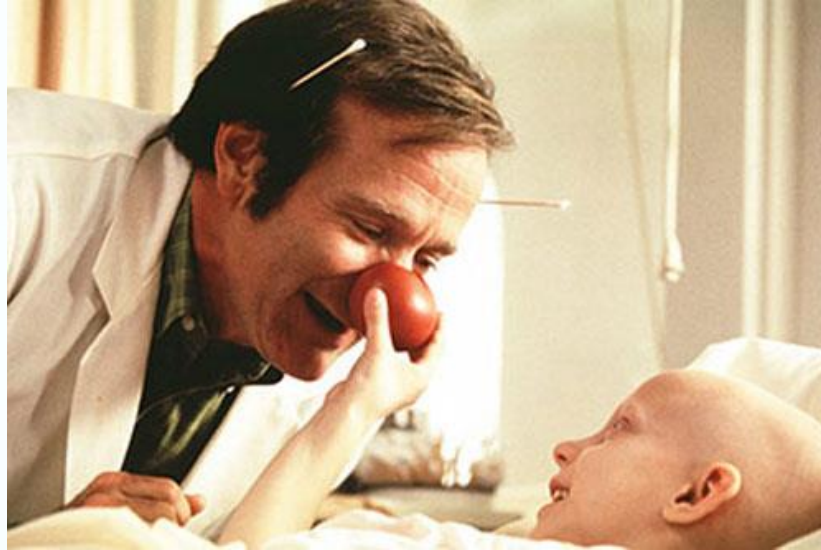
Navigating the Road of Government Penalties

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Objectives

- Explain current readmission penalties and those to be added in the future
- List other current and future penalties for the acute care setting
- Specify the difference of the new admission vs observation rules by Medicare

Patch Adams & Post Acute Care



- “Our job is improving the quality of life, not just delaying death.”
- “You treat a disease, you win, you lose. You treat a person, I guarantee you, you'll win, no matter what the outcome”

Readmission Penalties

Definition of Readmission

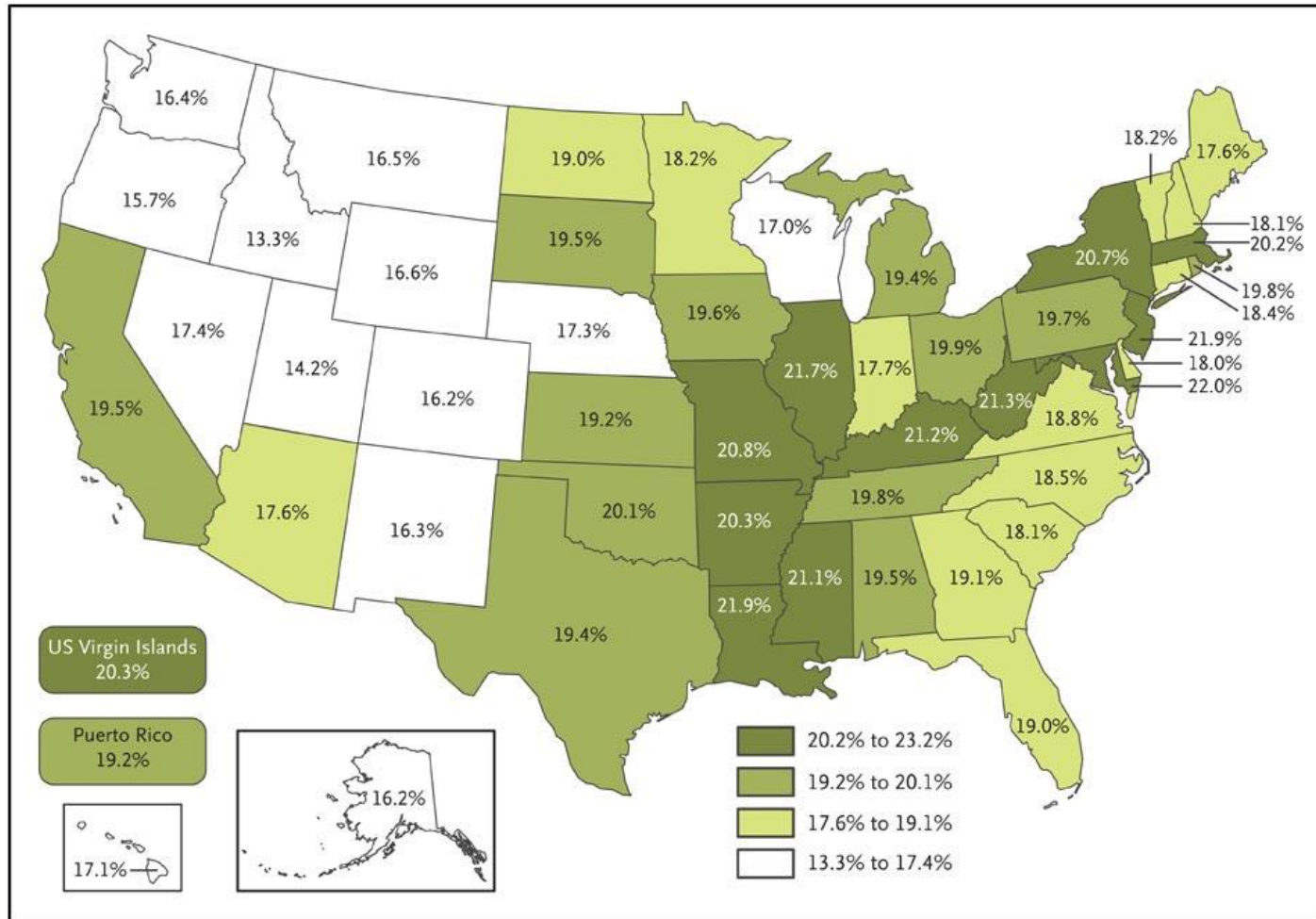
- It is a readmission to a hospital within a certain time frame such as 7, 15, 30 or even 60 days
- As a general rule when discussing within home health we are looking at 30 days

Just the facts ma' am.....

- 19.6% of Medicare fee-for service patients were readmitted within the 30 day window
- 30.4% within 90 days
- 56.1% within 1 year
- 30 day readmissions cost Medicare 15 billion dollars a year



Rates of Rehospitalization within 30 Days after Hospital Discharge



Jencks SF et al. N Engl J Med 2009;360:1418-1428

Types of Readmission

TYPE	EXAMPLE
Related & Unplanned	CHF, Pneumonia, Stroke, UTI
Related & Planned	Chemotherapy, Staged surgery
Unrelated & Planned	Unrelated Procedure, Elective
Unrelated	Trauma

Factors for Readmission

- Inadequate relay of medical and care-related information by hospital to patients and caregivers
- Poor patient compliance
- Inadequate follow-up with physician
- Insufficient use of supportive capacity of family caregivers
- Deterioration of patient's condition
- Medical errors in a hospital that may occur during the initial admission

Medicare Readmission Penalty

- Currently looks at CHF AMI and Pneumonia
- Data collected from hospital billing
- Weighted calculation made to determine penalty

Medicare Penalty

Hospital	2013	2014
West Virginia University Hospitals	-0.38%	-0.37%
Greenbrier Valley Medical Center	-0.36%	-0.57%
United Hospital Center	-0.47%	-0.14%
St Mary's Medical Center	-0.22%	-0.05%
Pleasant Valley Hospital	-0.82%	-0.34%
Charleston Area Medical Center	-0.43%	-0.44%
Monongalia County General Hospital	-0.46%	-0.14%
Thomas Memorial Hospital	0.00%	0.00%
Davis Memorial Hospital	-0.85%	-0.87%
St Francis Hospital	-0.48%	-0.08%

Medicare Penalty

Hospital	2013	2014
Stonewall Jackson Mem Hosp	-1.00%	-1.46%
Ohio Valley Medical Center	-0.24%	-0.31%
Princeton Community Hospital	-1.00%	-0.85%
Fairmont General Hospital	-0.15%	-0.27%
Logan Regional Medical Center	-1.00%	-1.48%
Wheeling Hospital	-0.46%	-1.05%
St Joseph Hospital	0.00%	-0.04%
Cabell-Huntington Hospital Inc	-0.21%	-0.09%
Camden Clark Medical Center	-0.68%	-0.50%
Beckley Arh Hospital	-0.58%	-0.54%
Raleigh General Hospital	-1.00%	-1.22%
Bluefield Regional Medical Center	-0.59%	-0.20%

Future Readmission Penalties

- In FY 2015 Medicare will add COPD and Ortho additions of total hip and knees

Hospital Acquired Condition Reduction Program

Hospital Acquired Condition Reduction Program

- Hospitals could lose 1% of all Medicare Payments
- Will start Oct 1, 2014
- Data collected over a 2 year period (Jan 2012 to Dec 2013)
- Point system using three categories

Hospital Acquired Condition Reduction Program

- Central Line Associated Infection
- Catheter Associated Infection
- Major Complications

Central Line

- Looking at Bloodstream infection present after a line is placed
- Data collected from the CDC through the National Healthcare Safety Network
- Could include Adults, Peds, Medicare and non-Medicare Patients

Catheter Associated

- Looking at Catheter infection present after a line is placed
- Data collected from the CDC through the National Healthcare Safety Network
- Could include Adults, Peds, Medicare and non-Medicare Patients

Major Complications

- Collapsed lung
- Blood Clot
- Wound opening after surgery
- Accidental Cuts or tears
- Bed Sores
- Broken Hip from Fall after a surgery
- Central Line
- Catheter Associated

Major Complications

- Only straight Medicare patients
- Collected from hospital billing

Future Penalties

- Oct 2015 Surgical site Infections
- Oct 2016 C.Diff and MRSA

Two Midnight Rule

- To reduce extended Observation stays
- If Physician feels hospital stay will exceed two midnights needs to be inpatient
- All stays less than two midnights should be billed as observation

Physician Certification

- Signed order
- Documentation of reason of stay

Example of Documentation

Recent Changes in Law

- Delays in the enforcement of the rules has caused some confusion
- On Sept 16 Medicare released a statement
- **“CMS is now offering an administrative agreement to any hospital willing to withdraw their pending appeals in exchange for timely partial payment (68% of the net allowable amount).”**