Quality and Health Care Reform: How Do We Proceed?

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The facts:

Health care in the United States is at a crossroads

Health care costs represent 17.6% of our gross domestic product

Therefore, creation of a new, value-driven health care system is a priority
The goal of high-value healthcare is to produce the best healthcare outcomes at the lowest cost.

Payment-reform measures include:
- bundle payments
- pay-for-performance policies and programs
- global budgets
- financial risk sharing in ACO-like constructs

### Leadership Council for Clinical Quality, Safety, & Service Goals FY 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality &amp; Safety</strong></td>
<td>Reduce Overall Quality &amp; Safety Scorecard Events by 15%</td>
</tr>
<tr>
<td></td>
<td>Improve UHC risk adjusted inpatient mortality index to 0.67</td>
</tr>
<tr>
<td></td>
<td>Achieve top decile in all Value Based Purchasing Clinical Indicators</td>
</tr>
<tr>
<td></td>
<td>Hand Hygiene Compliance &gt;= 90%</td>
</tr>
<tr>
<td><strong>Productivity &amp; Efficiency</strong></td>
<td>Achieve the UHC Top Quartile for 30 day readmission rates in Heart Failure and Knee/Hip Replacements</td>
</tr>
<tr>
<td></td>
<td>Achieve the UHC Median for 30 day readmission rates in AMI, Pneumonia, and COPD</td>
</tr>
<tr>
<td></td>
<td>Reduce Overall readmission rate by 10%</td>
</tr>
<tr>
<td><strong>Service &amp; Reputation</strong></td>
<td>Achieve top decile status for patient satisfaction HCAHPS Score (78%)</td>
</tr>
<tr>
<td><strong>Workplace of Choice</strong></td>
<td>Achieve 25% reduction in Employee Injuries</td>
</tr>
</tbody>
</table>
### Quality and Safety Scorecard

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>FY 2014 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Foreign Bodies</td>
<td>0</td>
</tr>
<tr>
<td>Wrong Site Events</td>
<td>0</td>
</tr>
<tr>
<td>Medication Events with Harm (Severity E-I)</td>
<td>Reduce 10%</td>
</tr>
<tr>
<td>Falls with Harm (Injury Level 2-4)</td>
<td>Reduce 50%</td>
</tr>
<tr>
<td>Hospital Acquired Pressure Ulcer (Stage 2 and above)</td>
<td>Reduce 10%</td>
</tr>
<tr>
<td>Central Line Blood Stream Infections</td>
<td>Reduce 10%</td>
</tr>
<tr>
<td>Ventilator Associated Events (Probable Only)</td>
<td>Reduce 25%</td>
</tr>
<tr>
<td>Hospital Acquired Surgical Site Infections</td>
<td>Reduce 15%</td>
</tr>
<tr>
<td>Hospital Acquired Clostridium Difficle Infection</td>
<td>Reduce 10%</td>
</tr>
<tr>
<td>Catheter Associated Urinary Tract Infections</td>
<td>Reduce 25%</td>
</tr>
<tr>
<td><strong>Total Potentially Avoidable Events</strong></td>
<td><strong>Reduce 15%</strong></td>
</tr>
</tbody>
</table>

### CMS Quality-Based Payment Initiatives

<table>
<thead>
<tr>
<th>Year</th>
<th>Initiative</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>The Hospital Inpatient &amp; Outpatient Quality Reporting Program</td>
<td>2% of APU</td>
</tr>
<tr>
<td></td>
<td>Inpatient Psychiatric / Rehabilitation Facilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Value Based Purchasing</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>Hospital Readmission Reduction Program</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>Hospital-Associated Conditions</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>Meaningful Use*</td>
<td>1%</td>
</tr>
</tbody>
</table>

*Medicare payments are reduced by 1% starting in 2015 with an increasing percentage point each year thereafter up to 5% in 2018.
Timeline: CMS Quality Measures

Number of Measures

<table>
<thead>
<tr>
<th>Number</th>
<th>Measurement</th>
<th>Implementation</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>OP-1</td>
<td>Median time to fibrinolysis</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-2</td>
<td>Fibrinolytic therapy received within 30 minutes</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-3</td>
<td>Median time to transfer to another facility for acute coronary intervention</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-4</td>
<td>Aspirin on arrival</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-5</td>
<td>Median time to ECG</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-6</td>
<td>Timing of antibiotic prophylactic</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-7</td>
<td>Prophylactic antibiotic selection for surgical patients</td>
<td>2008</td>
<td>A</td>
</tr>
<tr>
<td>OP-8</td>
<td>MRI lumbar spine for low back pain</td>
<td>2009</td>
<td>C</td>
</tr>
<tr>
<td>OP-9</td>
<td>Mammography follow-up rates</td>
<td>2009</td>
<td>C</td>
</tr>
<tr>
<td>OP-10</td>
<td>Abdomen CT-use of contract material</td>
<td>2009</td>
<td>C</td>
</tr>
<tr>
<td>OP-11</td>
<td>Thorax CT- use of contrast material</td>
<td>2009</td>
<td>C</td>
</tr>
<tr>
<td>OP-12</td>
<td>Providers with HIT to receive laboratory data electronically</td>
<td>2011</td>
<td>S</td>
</tr>
</tbody>
</table>
CMS Hospital Readmission Reduction Program

- Heart Failure (HF), Heart Attack (AMI), or Pneumonia (PN)
- COPD and Joint Replacements added
- Penalty for having readmission rate that is statistically higher than expected. Up to 1% of total Medicare reimbursement
  - 1% Reduced payments begin FY 2013
  - Percentage increase to 2% in FY 2014,
  - 3% in FY 2015

Value Based Purchasing (VBP) Program

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percent Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1.0</td>
</tr>
<tr>
<td>2014</td>
<td>1.25</td>
</tr>
<tr>
<td>2015</td>
<td>1.5</td>
</tr>
<tr>
<td>2016</td>
<td>1.75</td>
</tr>
<tr>
<td>2017</td>
<td>2.0</td>
</tr>
</tbody>
</table>

- Move from pay-for-reporting to pay-for-performance beginning July 1, 2011
- Hospitals will receive incentive payments based on performance for certain clinical processes (Core Measure), patient experience (HCAHPS measures), and outcome measures
- The incentive payments will be funded by a 1.25% reduction in hospitals’ base DRG payments. Up to 2% by 2017.
- The Medical Center will have nearly $1.3 million at risk as part of this program (The James is excluded).
- Better Performance = Higher Reimbursement
### Scoring – FY 2013

**Process Domain Score**

+ **HCAHPS Domain Score**

= **Total Performance Score**

#### VBP Weighting

- **Clinical Process Measures** 70%
- **HCAHPS** 30%

### Scoring – FY 2014

**Process Domain Score**

+ **HCAHPS Domain Score**

+ **Outcomes Domain Score**

= **Total Performance Score**

#### VBP Weight FY 2014

- **Process** 45%
- **HCAHPS** 30%
- **Outcome** 25%

**New Measures**
- SCIP - Postoperative Urinary Catheter Removal on POD 1,2
- AMI 30-Day Mortality Rate
- HF 30-Day Mortality Rate
- Pneumonia 30-Day Mortality Rate
Value Based Purchasing – FY 2015

- Process Domain Score
- HCAHPS Domain Score
- Outcomes Domain Score
- Efficiency Domain Score

Total Performance Score

VBP Weight FY 2015

- Outcome 30%
- Process 20%
- Efficiency 20%
- HCAHPS 30%

New Measures
- AHRQ PSI-90: Complication/ Patient Safety for Selected Indicators (composite)
- Central Line Associated Blood Stream Infection (CLABSI)
- Medicare Spending per Beneficiary

Managed Care Payors - Anthem

- Anthem annual Request for Information every May
  - Structure (patient safety program)
  - Core Measures
  - Outcomes (Cardiac Registries)
  - Patient Experience
- Reimbursement bonus of 0.5% of total if threshold achieved (approx $1.1 million for health system)
  - OSUWMC achieved bonus in 2013
### Managed Care Payors – Blue Cross/Blue Shield

<table>
<thead>
<tr>
<th>Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Center of Excellence Programs</td>
</tr>
<tr>
<td>asking for structure and outcomes of specific</td>
</tr>
<tr>
<td>procedures/patient populations</td>
</tr>
<tr>
<td>• Cardiac</td>
</tr>
<tr>
<td>• OSUWMC earned distinction in 2013</td>
</tr>
<tr>
<td>• Transplant</td>
</tr>
<tr>
<td>• OSUWMC currently has distinction in</td>
</tr>
<tr>
<td>Heart Transplant Program</td>
</tr>
<tr>
<td>• Joint Replacement</td>
</tr>
<tr>
<td>• OSUWMC will re-apply for this program</td>
</tr>
<tr>
<td>in 2014</td>
</tr>
</tbody>
</table>

### Managed Care Payors – United Healthcare

<table>
<thead>
<tr>
<th>Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>UHC initiated a Hospital Performance Based</td>
</tr>
<tr>
<td>Compensation program in 2013</td>
</tr>
<tr>
<td>A 0.5% bonus can be earned based on</td>
</tr>
<tr>
<td>improvement from a baseline period in 4</td>
</tr>
<tr>
<td>areas for their patient population</td>
</tr>
<tr>
<td>• All Cause Readmissions</td>
</tr>
<tr>
<td>• LOS</td>
</tr>
<tr>
<td>• ER to OBS/IP Escalation Rate</td>
</tr>
<tr>
<td>• Radiology Service Utilization in the ER</td>
</tr>
<tr>
<td>• OSUWMC in active discussions</td>
</tr>
</tbody>
</table>
External Reporting – Advocacy Groups

• Leapfrog
  • Initiative started by large purchasers of healthcare
  • Ensure they are receiving value for their money
  • Mission: To trigger giant LEAPS forward in the safety, quality and affordability of health care by:
    ➢ Supporting informed healthcare decisions by those who use and pay for health care
    ➢ Promoting high-value health care through incentives and rewards

Leapfrog

• Use of Computerized Physician Order Entry
• Evidence Based Hospital Referral Standards
• Maternity Care
• ICU Physician Staffing
• Follow Safe Practices
• Managing Serious Errors

Leapfrog Patient Safety Score: Employer initiatives
## Current Registries at OSUWMC

- STS: Adult Cardiac Surgery
- STS: General Thoracic Surgery
- ACC: Cath/PCI
- ACC: Implantable Cardioverter-Defibrillator
- ACC: Action (AMI and ACS)
- ACC: Transcatheter Aortic Valve Replacement
- INTERMACS: LVAD patients
- ELSO: ECMO Patients
- ACS: National Surgical Quality Improvement Program

## Current Registries at OSUWMC

- Society of Vascular Surgery (New)
- American Society of Anesthesiology (New)
- American Joint Replacement Registry (New)
- American Heart Association Get With the Guidelines: Primary Stroke Care
- Coverdell: Primary Secondary Stroke Care
- Vermont Oxford Network: High risk newborns
- eRehab: Inpatient Rehab patients
- IT Health Trac: Rehab patients 90 days post discharge
- Focus on Therapeutic Outcomes: Outpatient Rehab patients
Additional Publicly Reported Data

- US News & World Report
- Healthgrades
- Consumer Reports
- Top 100 Hospitals

“There are 700 top 100 hospitals”
Paul Keckley

Summary of Issues

- Increasing number of internal and external customers for data reporting
- Increased amount of data availability with EMR
  - Reporting structure of information was secondary focus with development of EMRs
- Conflicting information available to the public
- Reimbursement dependent on performance and accuracy of reports
- Importance of Documentation and Coding
Poor quality care is due not to a lack of effective treatment, but to inadequate health care delivery systems that fail to implement these treatments.

-Institutes of Medicine, 2001
### Value-Based Clinical Transformation

1. Double population served

2. Refine our care delivery model to deliver a continuum of care

3. Develop products and services for target markets

4. Create integrated financial payment mechanisms that are in alignments with hospital and physicians

5. Invest in data analytics

### Increasing the population served

- **Partnerships**
- **Referrals**
- **Alliances/Affiliations**
  - Hospital – Hospital
  - Acute - Physician
  - Acute – Post Acute
  - Acute – Alternative Health
  - Wellness/healthy living – targeted to employers
  - Retail health and acute sector
Primary care growth

- Grow our own
- Partner with existing practices
- Employ new models for support (NP’s)

The Traditional Primary Care Practice Model is Changing

**Past**

Single or small group practice primary care clinic no longer economically sustainable.

**Future**

- Patient Centered Medical Home
- Diabetes Care Team
  - RN (CDE)
  - Registered Dietitian (CDE)
  - Community Health Outreach Worker
- Health Coach
  - Patient Centered
  - Collaborative with physicians, staff, and other professionals to coordinate care across the continuum
  - EMR
  - Shared patient medical record
  - Shared scheduling system
  - Secure message between providers
Refine our care delivery model to deliver a broad continuum of care

- Define a relationship (build/buy/partner) with post-acute, long-term care, hospice, SNF
- Create health and wellness service line
- Coordination of acute care (reduce readmissions and LOS, employ patient navigator/extensivist concepts) – test concepts in innovation unit
- Refine the inpatient model of care
- Support innovative population management programs like “Healthy at Home Columbus”

Develop products and services for target markets

- Medicaid Advantage
- Innovation grants
- Population management
- Wellness programs to employers and municipalities
- Idea Studio
Preparing for new payment models

- Cardiac bundled payments
- Capitated payments models
- Reimbursement based on value not volume

Invest in data analytics tools

- Electronic Medical Record data analytics
- Operational systems to improve throughput
- New nurse call systems
Operational Efficiency

- What can we stop doing?
- Remove variance in process
- Grass roots ideas
  (Operational Councils)

Merge Divergent Committees into One Operations Council

Future State

- Quality and Safety
- Operational Logistics/Efficiency
- Faculty/Staff Satisfaction
- Patient Experience
- Finance
Paradigm Shift

Senior Leaders

Leaders

Managers

Faculty and Staff

Faculty and Staff

Managers

Leaders

Senior Leaders

Operations Council A

Operations Council B

Operations Council C

Operations Council D

Operations Council E

Operations Council F

Council Mission

Patient Quality & Safety
Patient Satisfaction
Faculty and Staff Satisfaction
Operational / Process standardization
Financial Responsibility
Teaching & research

Council Composition

Nurse Lead
Physician Lead
Administrative Lead
Process Improvement Facilitator
Frontline MD’s and RN’s Pharmacy, PT, OT, etc.
Case Management & Social work
The ultimate objective:

The ultimate objective for healthcare, whether it is academic or community-based, is to keep people healthy, prevent chronic illnesses that consume healthcare dollars, use medical interventions appropriately and create an economically sustainable approach to healthcare delivery.

Create the Future Now
TRANSFORMING SICK CARE TO HEALTH CARE