Maryland on the Leading Edge: Transforming Healthcare

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Maryland
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Objectives

Opportunity for Maryland to be a NATIONAL LEADER in health care

CHANGE the way we pay for and provide health care

BUILD on the great system we have and make it even better:

- *More affordable*
- *Safer*
- *A healthier Maryland*

History

- MARYLAND − only state where hospitals don't decide how much to charge for care payment
- "All-Payer" system of hospital payment
- A 40-year agreement with Medicare
- Allows Maryland to "waive" Medicare payment rules, set rates hospitals charge
- Can keep as long as we meet waiver "test"
  - Growth in Medicare spending per hospital stay less than the nation

History

40-year-old waiver “test” was out of date

Old Test		New Test
Inpatient care		All hospital care
Medicare only		All payers
Cost of care per hospital stay		Cost of care per person overall

4

Starts with Hospital Care

- Work together to slow growth in spending for hospital care
- Continue Maryland's unique way of setting hospital prices
- Change how hospitals are paid to reward the right things

Affordable

Slow growth in spending for hospital care

- Track spending in inpatient and outpatient care in Maryland
- Grow no faster than the overall economy
- Cut growth in hospital spending in half

Safer

COMPLICATIONS: patients who get infections and complications while in the hospital

Maryland rates of infection HIGHER than nation

REDUCE infections and other "hospital-acquired conditions" by 30% in 5 years

Better, SAFER care

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Safer

READMISSIONS: patients who return to the hospital within 30 days of hospital discharge

Maryland ranks poorly (almost last) – 49 of 51 states and D.C.

Bring Maryland readmission rates to NATIONAL AVERAGE in 5 years

Better, SAFER care

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All About You

Change how hospitals are paid to reward the right things

- Hospitals previously paid more to do more
- Can lead to unnecessary procedures, visits and care
- Hospitals now rewarded for helping people stay healthy, well and out of the hospital
- Nearly all hospital payments will reward health and wellness in five years

Challenges

- Never been tried or tested before
- Hospitals in serious financial condition
- New hospital spending limits tight
- Aggressive quality targets
- Will require hospitals to redefine themselves
- Will require communities to work together to keep people healthy
- Will require patients and families to truly engage in their care

“Railroad Moment”

- Railroads went out of business because they thought they were in the railroad business instead of recognizing they were in the transportation business

- Hospitals realize they are in the health care business, not the hospital business

Source: 2012 Kaufman, Hall & Associates, Inc; Jason Sussman

Readmission Reduction: Recommendations for Hospitals

1. Adopt a portfolio of strategies

Adopt a Portfolio of Strategies

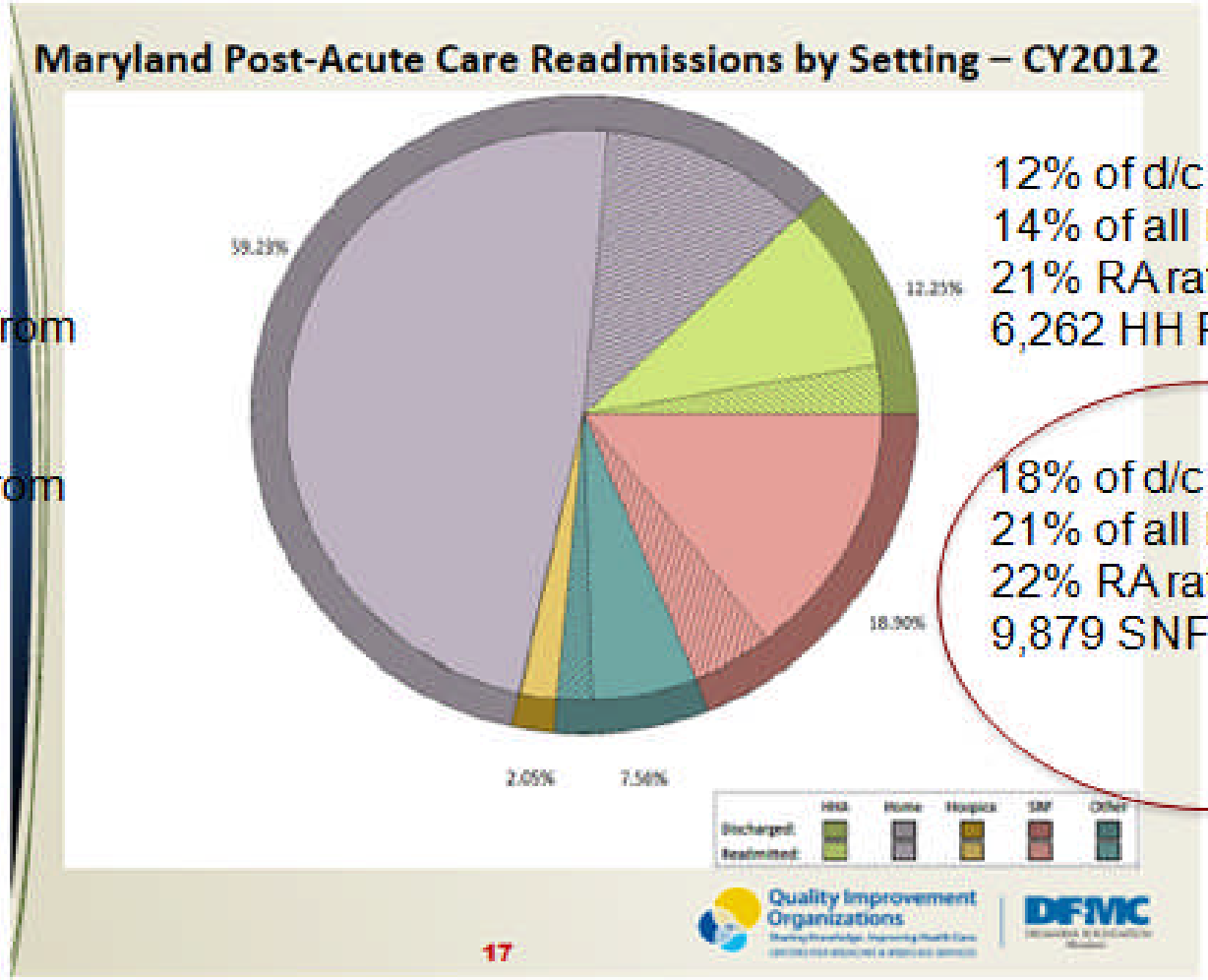
- No “silver bullet” intervention
- Opportunities are
  - numerous;
  - involve multiple departments;
  - utilize existing and new staff; and
  - require new partnerships

Readmission Reduction: Recommendations for Hospitals

1. Adopt a portfolio of strategies
2. Focus on Readmissions from Post Acute Settings

Post-acute Readmissions: Data

59% of d/c to home
55% of all RA from home
19% RA rate
25,654 RA in from home 2012



12% of d/c to HH;
14% of all RA from HH
21% RA rate
6,262 HH RA in 2012

18% of d/c to SNF;
21% of all RA from SNF
22% RA rate
9,879 SNF RA in 2012

Dr. Amy Boutwell. *Transitions: Handle with Care* Statewide Meeting. November 14, 2013.

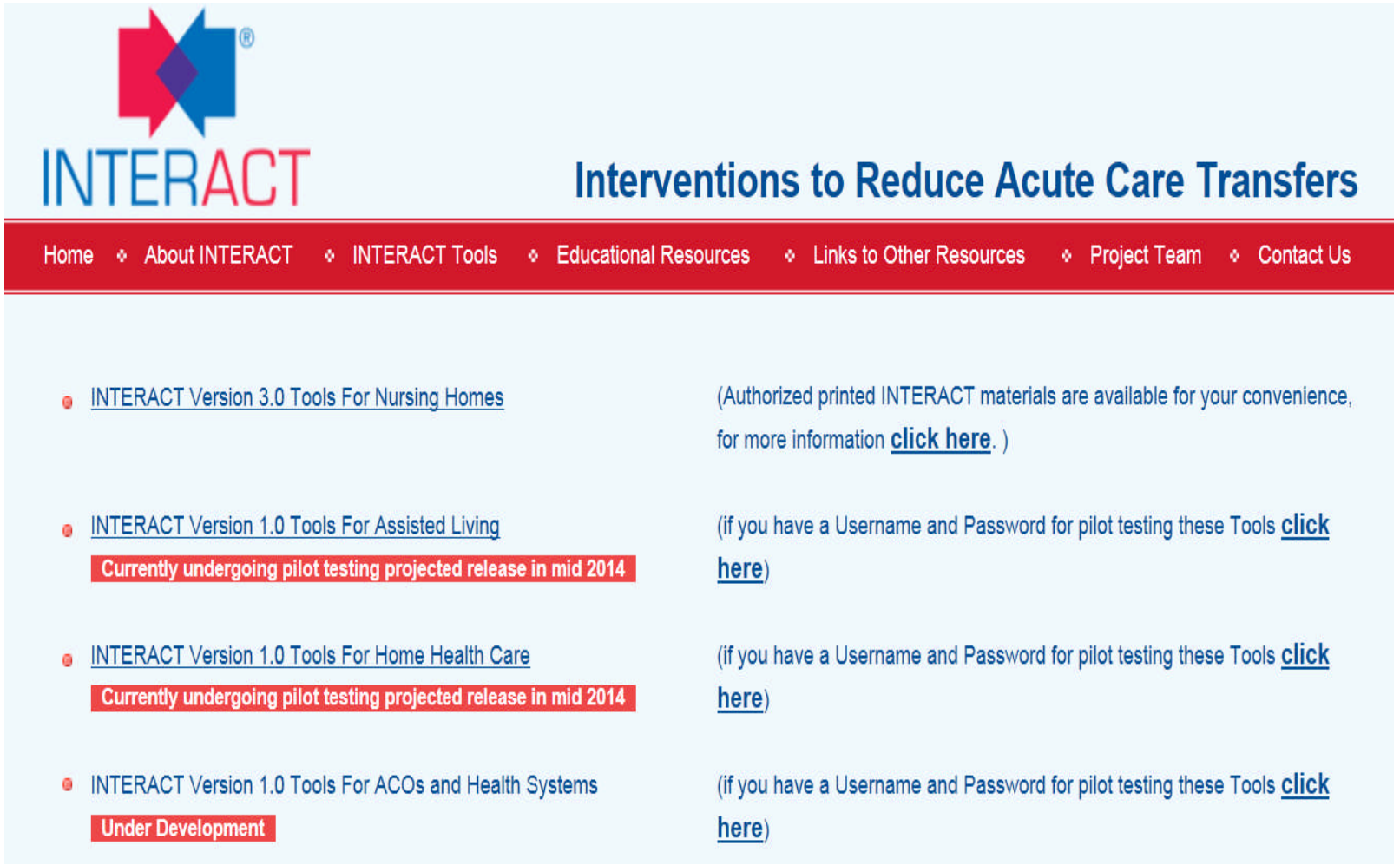
COLLABORATIVE HEALTHCARE STRATEGIES

Know the Local Providers

- What is their 30-day hospital readmission rate?
- What is their standard communication when sending a patient to the hospital, especially ED?
- Do they have an EMR? Subscribe to CRISP?
- Do they offer programs for chronic disease management? Hospice and/or palliative care services?
- What is their average length of stay? Disposition statistics?

Excerpt of Quality Criteria from a Maryland hospital's RFP to Nursing Facilities

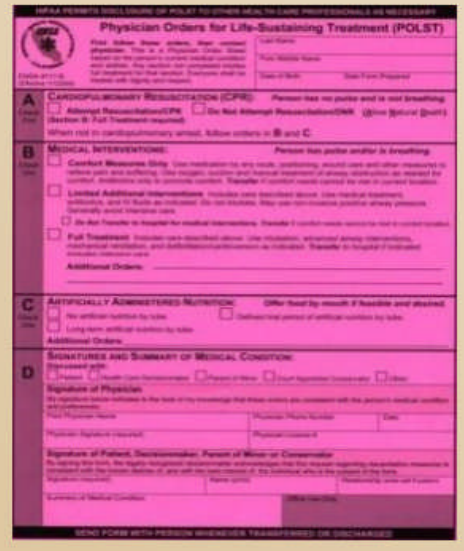
INTERACT



http://www.interact2.net

MOLST

POLST is effective in reducing unwanted hospitalization & medical intervention


Physician Orders for Life-Sustaining Treatment (POLST)

Journal of the American Geriatrics Society,
Volume 58, Issue 7, 2010. Pages: 1241–1248.

POLST CALIFORNIA

Recommendations

1. Adopt a portfolio of strategies
2. Focus on Post Acute Settings Facilities
3. Partner across the continuum

Partner Across Continuum

"Rehospitalization is a system issue and the problem does not lie with one organization or one provider, but with the community and the local health care system. Addressing this issue will require organizations and providers to work together."

- Anne-Marie Audet, VP, The Commonwealth Fund

Recommendations for Hospitals: Recap

- Readmissions
  - Adopt a portfolio of strategies
  - Focus on post acute settings
  - Partner across the continuum

Recommendations for Post Acute Facilities

- Know your readmission rates and top reasons for acute hospital transfers
- Review every acute hospital transfer as a potentially avoidable event
- Download and use the INTERACT toolkit
- Meet monthly with hospitals to identify shared opportunities for improvement
- Tell hospitals what you need from them when accepting a patient to your care

How do we Get There?

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