Technology for Improving Quality and Reducing Healthcare Costs in Georgia

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GENERAL BACKGROUND

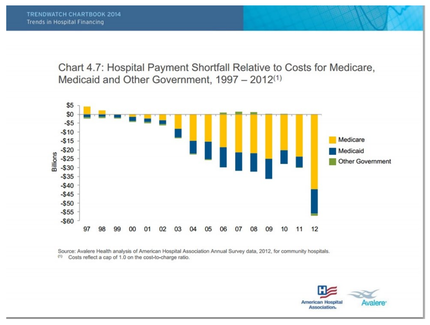
Payment in the United States healthcare industry has been traditionally based on a fee-for-service model. Fee-for-service is a payment model where healthcare services are delivered and paid for as a unit delivered as opposed to being bundled or tracked for quality/ appropriateness of the service. Recent studies have shown that fee-for-service reimbursement provides incentives for healthcare providers and organizations to provide quantity of care over quality of care. These studies link fee-for-service reimbursement to inflationary rises in healthcare costs, overutilization, and a decrease in the quality of care delivered to patients (Berenson).

The Centers for Medicare and Medicaid Services (CMS) took this data into account and has begun testing of new payment models for healthcare reimbursement. These new payment models have been used in the private sector) and include accountable care organizations (ACO's), bundled payment initiatives, patient-centered medical homes, and fines for hospital readmissions. However, as these new payment models came into place it became clear that many health organizations, especially those in Georgia, were inadequately prepared for this shift in reimbursement. Healthcare providers and public health organizations around Georgia and around the nation are looking for tangible solutions to promote healthcare quality, reduce readmissions, and improve patient compliance in order to mitigate these fines and penalties.

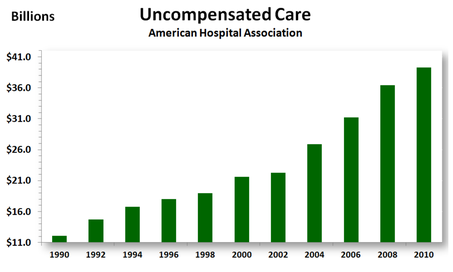
This poster will be an analysis of the current challenges faced by healthcare organizations, specifically those in Georgia, in meeting the goals of increased reduced readmissions and improving healthcare quality. The analysis of these obstacles will also contain an analysis of the current interventions and tools available to healthcare organizations as well as specific strategies which are most effective for hospitals in Georgia.

CHANGING PAYMENT MODELS

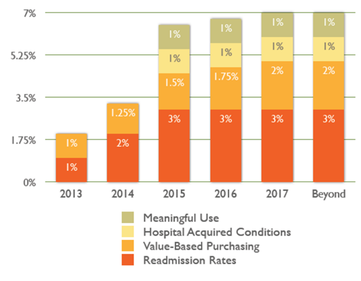
Decreasing Payments



Uncompensated Care



Increasing Medicare Penalties



Readmissions Penalties

Section 3025 of the Affordable Care Act added section 1886(q) to the Social Security Act. This section established a Hospital Readmissions Reductions Program. These penalties are currently for the conditions of acute myocardial infarction, heart failure, and pneumonia. In Fiscal Year 2015, CMS proposes to expand the applicable conditions and procedures scrutinized by the pro-

Value Based Purchasing

Another important payment incentive program for CMS is the Value Based Purchasing program. This program gives bonuses and penalties to hospitals based on their performance on twenty four quality measures. The Value-Based Purchasing payments for the 2014 federal fiscal year are determined by how hospitals scored on six sets of measures. These measures are "process" measures, "patient experience of care dimensions," and mortality, safety, and spending

OPPORTUNITIES

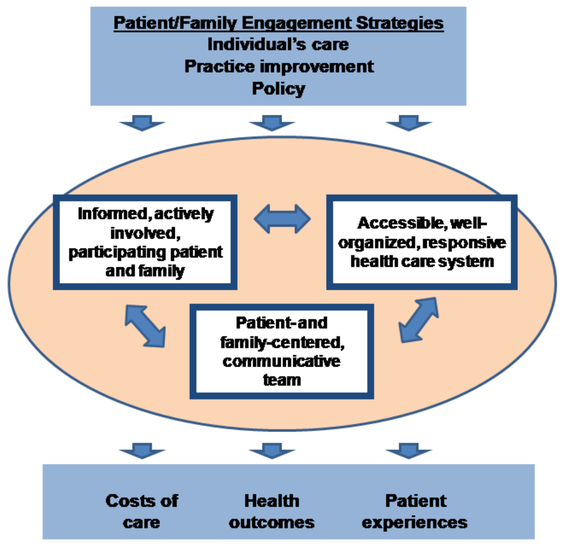
Patient Engagement

Patient engagement broadly defines the set of interventions which improve the patient's attachment and commitment to their own health. National statistics suggest that at discharge only 42% of patients are able to state their diagnosis and only 37% are able to state the purpose of their medications (Axial). Even when a patient is engaged, studies have shown that 23% of patients who embrace healthy behaviors worry that they will falter after a short period of time and 29% reported not having the knowledge to maintain their treatment regimens. (Hibbard)

Care Coordination

The AHRQ defines care coordination as "the deliberate organization of patient care activities between two or more participants (including the patient) involved in a patient's care to facilitate the appropriate delivery of health care services." Currently, care coordination is difficult to effectively implement on scale for a low cost. Care coordinators are oftentimes lack the time and capacity to follow up on each patient individually, the data to understand what a patient might require at a certain point in time, and the tools to intervene effectively on behalf of that patient. Technology can work in multiple ways to improve care coordination.

Value of Patient Engagement



CONCLUSION

Currently, hospitals around the nation are facing tremendous financial pressure. Long standing burdens such as treating the uninsured, coupled with new reimbursement penalties and fines have put many hospitals in Georgia in a dire situation. The move in healthcare payment is towards quality over quantity and hospitals are asked to lead their communities in adopting this change. Technology can be a significant factor in ensuring the viability of a healthcare organization in the future. Currently, strategies which employ technology to connect patients and caregivers have shown promise in reducing unnecessary readmissions and improving patient satisfaction. For hospitals in rural Georgia, these technologies will become a more common service offering in connecting patients with their community. For hospitals with limited resources, technologies to be invested in should show both short term and long term benefit to the hospital and the patients it serves.

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