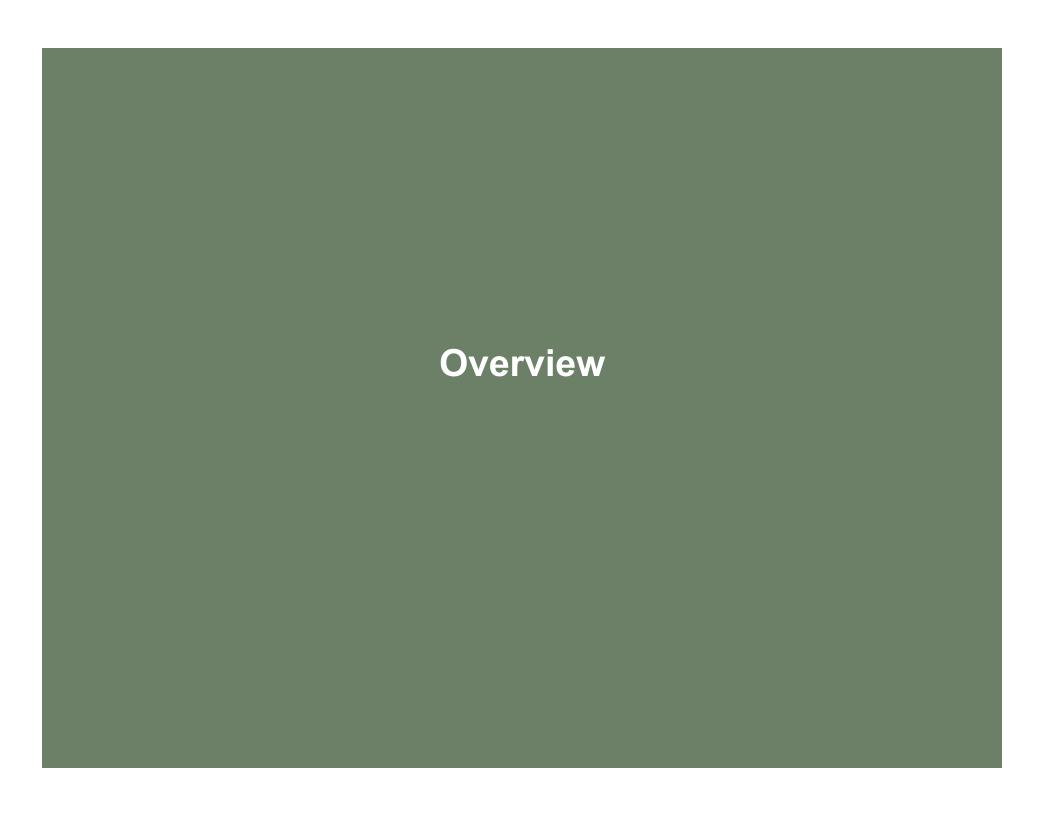


January 22, 2009

Presenter: F. Lisa Murtha, Practice Leader and Managing Director, Huron Consulting Group



#### **Overview**

Improving and sustaining quality of patient care has become a priority for healthcare providers and industry leaders due to the heightened attention of external regulators, federal and state, as well as licensing and accreditation organizations.

Nationally recognized organizations promulgate standard measures such as CMS, OIG, the Joint Commission (JC), National Quality Forum (NQF), and the Institute of Healthcare Improvement (IHI).

The trend of increased government and public scrutiny will only intensify with this increased attention on quality of care.

#### **Background**

- Since 1999 there has been an increase in the National Focus on quality as published in the Institute of Medicine (IOM) report, " *To Error is Human: Building a Safer Health System.*"
- Healthgrades, a leading health care rating organization, published a study, "Patient Safety in American Hospitals," in July 2004, concluding there were over 1 million adverse events associated with Medicare hospitalizations during 2000-2002, resulting in up to 195,000 accidental deaths per year in American hospitals.
- The Office of the Inspector General (OIG) for the Department of Health and Human Services and the Health-Care Compliance Organization (HCCA) co-sponsored a government-industry roundtable in 2007, with a focus on the long-term care industry and in 2008/2009 is conducting another roundtable with a focus on the acute-care industry. The roundtable sessions focused on the following:
  - Commitment to quality of care
  - Processes related to monitoring and improving the quality of care
  - Outcome measures/Evidence-based outcomes for quality of care
  - Challenges and Opportunities in the arena of healthcare quality

- Government, accrediting organizations and payors are increasing their focus on the quality-of-care as it relates to patient safety and outcomes.
- Organizations are reviewing quality of care data and using this information to establish standards of care. Examples of such organizations are:
  - CMS
  - Joint Commission
  - OIG
  - States
  - Agency for Healthcare Research and Quality (AHRQ)
  - The Leap Frog Group
- Medicare and Third Party Payors are providing incentives to providers who are able to accomplish Pay-for-Performance Standards.
- Significant Revenue is lost due to "Poor Quality" and the payors are no longer going to pay for substandard care and outcomes.

#### **OIG 2009 Work Plan includes:**

- Quality of Care and Patient Safety is one of the top compliance issues for hospitals organizations
- Increased focus on quality of care and outcomes
- → Hospital controls to ensure quality measures are accurate
- Review the medical necessity of care
- Review the incidents and payments for serious reportable events ("Hospital Acquired Conditions/Never Events")

#### **Hospital Acquired Conditions**



CMS identified categories of conditions along with the Center of Disease Control and Prevention based on the following:

- High risk and/or high volume conditions
- Conditions listed as a secondary diagnosis, resulting in an assignment of a DRG with a higher payment
- Conditions that could possibly be prevented when using evidenced-based guidelines
- Conditions that are identifiable based on one or more unique diagnosis code

- As of October 2008, hospitals are not getting paid for a select type of conditions which are not present on admission. Examples are as follows:
  - Pressure Ulcers
  - Air Embolism
  - Surgical Infections following CABG
  - Object left in during surgery
  - Blood incompatibility
  - Vascular catheter associated infection
  - Falls
  - Surgical site infections following certain elective procedures, including certain orthopedic surgeries, and bariatric surgery for obesity
  - Certain manifestations of poor control of blood sugar levels
  - Deep vein thrombosis or pulmonary embolism following total knew replacement and hip replacement procedures

#### **Enhancing Quality of Care and Patient Safety**

- → Quality and Patient Safety is now one of the top compliance issues hospitals are facing today
- Quality compliance risk areas have not be subjected to the same level of scrutiny as other compliance related issues

#### Organizational Goals to support a New Approach

- Establish an infrastructure to provide an environment that supports quality and patient safety across the continuum
- Establish an infrastructure with controls and processes in place to mitigate compliance risks as it relates to quality of care
- → Standardize clinical practices based on evidenced-based medicine
- → Improve efficiency and eliminate waste in hospital systems/processes
- → Align physician and hospital practices around quality of care
- Financially align physician and hospital incentives to support quality of care

#### **Assessments, Monitoring and Education/Training**

- Comprehensive Assessments
  - A baseline assessment should be conducted to identify compliance risks related to quality of care and patient safety issues
  - All Key Stakeholders should be involved in the assessment including the Medical Staff and Board of Directors
- → Monitoring
  - Identify areas of risk along with recommended Best Practices
  - Prioritize risk areas based on organizational needs
- Education and Training
  - Develop mandatory training modules to address quality, patient safety and compliance obligations

#### Conclusion

- Focus on compliance implications of quality of care and patient safety system/process failures
- Transition from the silo approach to an integrated approach of quality, patient safety, risk and compliance

#### **Questions and Answers**

→ For further information, please contact:

Lisa Murtha, Practice Leader and Managing Director Huron Consulting Group

312-479-8474 or at lmurtha@huronconsultinggroup.com



Experience. **Redefined.** \*\*