National Priorities Partnership
Convened by the National Quality Forum

COMPACT ACTION BRIEF: A Roadmap For Increasing Value In Health Care

Preventing Hospital Readmissions: A $25 Billion Opportunity

Opportunity

Preventable hospital readmissions: $25 billion in wasteful health care spending

Preventable hospital readmissions are a significant avoidable cost in the U.S. health care system, costing an estimated $25 billion annually.[2] Driven largely by poor discharge procedures and inadequate follow-up care, nearly one in every five Medicare patients discharged from the hospital is readmitted within 30 days.[3] Across all insured patients, the preventable readmission rate is 11 percent, while the rate for Medicare patients is 13.3 percent.[4,5]

Preventable Readmissions

The highest rates of preventable readmissions are patients:

- With heart failure, COPD, psychoses, intestinal problems, and/or who have had various types of surgery (cardiac, joint replacement, or bariatric procedures).[6]

continued on the back

Solutions

836,000

of the more than 7 million 30-day hospital readmissions annually could be prevented

Total hospital readmissions could be reduced by up to 12 percent by improving procedures for admitting and discharging patients, providing better follow-up care, and utilizing health information technology.

Improving Procedures

Upgrade Discharge Services With:

- Clear, detailed discharge plans tailored to patients and family members, clinicians, case managers, and payors.
- Nurse advocates to arrange timely follow-up appointments to primary care providers.[7]
- Medication reconciliation to ensure that pre- and post-discharge medication lists are consistent.
- Clinical pharmacist phone calls post-discharge to monitor medication use.[8]

continued on the back

Drivers for Change

- → Payment Reform for Providers
- → System Service Improvements
- → Quality Measurement

A number of tested policy actions have track records in reducing readmissions. These include strengthening both hospital admission and discharge requirements, creating new readmission-based quality measures, and changing payment systems, including paying for technologies and innovative models of care.

Action Steps

Payment Reform for Providers

- Reward providers with a share of net financial savings earned from reducing costly and preventable hospital readmissions.
- Create alternative payment models, such as bundled payments, to cover the entire episode of care, encouraging coordination and delivery of high-value services.
- Encourage adequate payment for proven technologies that monitor and encourage compliance in patient groups at highest risk of readmission.

continued on the back

November 2010

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Opportunity continued

- Who are taking six or more medications, who have depression and/or poor cognitive function, and/or who have been hospitalized in the previous six months.
- Who are discharged on weekends and holidays.

Patients are readmitted because:

- They have limited or no access to good post-hospital care (e.g., rehabilitation) in their communities.
- They have received inadequate information about post-discharge care.
- There is poor transmission of hospital records and discharge instructions to:
  - Primary care clinicians who manage post-discharge recovery.
  - Organizations that authorize or provide post-discharge care.
- They experience preventable medical errors and complications during the first hospital stay.

Solutions continued

Improve Follow-up Care

- Provide patients with timely access to care in the community, such as health care professional visits.

Upgrade Patient Profiling Systems

- Identify patients at high risk for readmissions and connect them to additional discharge support.[9]

Utilize Health IT

- Monitor patients in their homes using telehealth technologies to transmit clinical data to providers.
- Empower patients through telehealth systems to be better informed about their conditions and self-care measures they can take to prevent readmissions.

Drivers for Change continued

System Service Improvements

- **Upgrade Discharge Procedures:** Require that discharge procedures include scheduling initial appointments for patients with health care professionals who will provide follow-up care.
- **Reform Admission Procedures:** Require that hospital admission authorization includes:
  - The identification of a health care professional to manage post-discharge care.
  - A process for health care professionals to receive hospital records and discharge plans.

Quality Measurement

Measure that patients receive adequate continuity of care planning, including:

- Post-discharge instructions.
- Information about help they will need at home or symptoms they should watch for during their recovery.

This series was produced in collaboration with NEHI (www.nehi.net)

Notes

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Solutions

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