

Our Early Experience with Bundles

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The Leadership Institute 3/17/2017



Why focus on Joint Replacement?

- By 80 years of age
 - 6% will have an artificial hip
 - 10% will have an artificial knee
- Growth rate
 - Hips 7.4% CAGR
 - Knees 15.7% CAGR
- Average total knee customer cost
 - \$28,184 US
 - \$6,687 Spain

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The market will ask for it

- Cleveland Clinic
 - Rush
 - Implant Companies Looking to provide service
 - Zimmer: Signature Solutions
 - Stryker: Performance Solutions
- General Electric
United Airlines

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Bundles: Reimbursement Future?

- Bundled Payment for Care Improvement (BPCI)
 - Volunteer Program Started in October 2013
 - 48 Episode Types Made Up Of DRG “Families”
 - Account for 70% of Total Medicare Spend
 - Most Volunteered for by Participants - Major Joint Replacement, Congestive Heart Failure, Simple Pneumonia, COPD & Sepsis
- Joints (CJR) First BPCI to be Mandated

CJR Bundling Program

(Comprehensive Care for Joint Replacement Model)

- 791 hospitals in 67 geographic areas April 1, 2016
- Our “System” affected: Temple, RR, Metroplex
- Temple = 1000+ episodes/year

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¹ Aiken, 2003, JAMA 290 (12)

CJR

- **Hospitals held responsible for Costs and Quality for lower extremity joint replacement (LEJR) procedures – DRGs 469 & 470 – includes fractures**
 - **Costs: All Part A and B costs** of care during stay plus Medicare costs for surgery plus **90 days post hospital discharge** w/very few exclusions
 - **Quality: RSCR, HCAHPS & Patient Reported Outcomes (PRO)**

CJR Quarter 1 Report

Readmission Lessons

Total Count of BSW HH Episodes



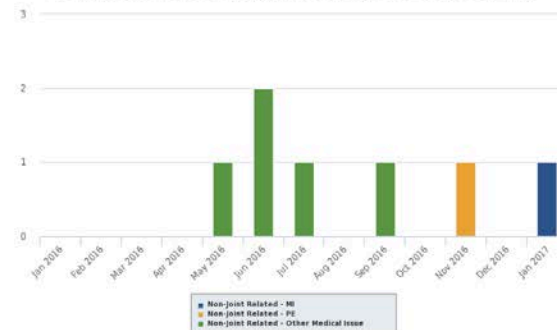
% of Readmissions (90Days) - All Patients Admitted to BSW HH



Readmission Reason - Joint Related (Direct from BSW HH)



Readmission Reason - Non-Joint Related (Direct from BSW HH)



What happened after hospitalization?

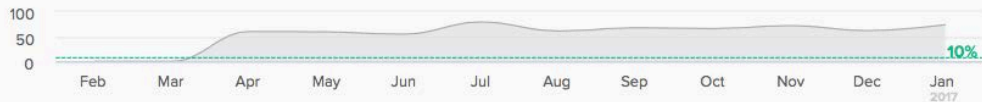
DISCHARGED WITH POST ACUTE CARE

Between 04/01/2016 to 01/31/2017

65%

Compared with the 3 month average

70%



3mo

Acute Rehab	13%	11%
Home Health Care	5%	7%
Long Term Acute Care	0%	0%
Outpatient Physical Therapy	34%	42%
Skilled Nursing Facility	12%	10%
Other	1%	0%

SKILLED NURSING

	USED	LOS	ED VISIT	READMIT
Estrella Oaks	5	61	0	0
SPJST Senior Living	5	13	4	4
Falcon Ridge	3	54	2	0
Sagebrook Health Center	3	40	0	0
HealthSouth Rehabilitation Hospital of Round Rock	3	15	12	2
Baylor Scott & White Health Hospital-Taylor	3	22	9	0
Weslayan at Scenic	3	12	3	0
San Gabriel Rehabilitation	2	11	1	0

HOME HEALTH

	USED	LOS	ED VISIT	READMIT
Baylor Scott & White Health Home Care-Georgetown	13	21	6	0
Baylor Scott & White Health Home Health Care and Hospice- Temple	1	50	1	0
Encompass Home Health and Hospice - Temple	1	18	1	0
Standards Home Health- Temple Office	1	12	0	0
Hill Country Home Health- Round Rock	1	38	0	0
Alpha Care Home Health	1	24	0	0



What are my key metrics?

HOSPITAL LENGTH OF STAY

2.6 days

geometric mean

READMISSION

16%

AT RISK

0% Facing barriers at discharge

0% No coach at class (**0%** did not attend)



Who are my patients?

0%

Have at least one family or friend relationship recorded in TAVConnect



65% Female
35% Male

0% Patients with barriers

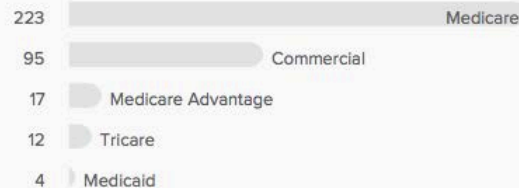
0% Barriers were solved

66% Over 65 years old

SURVEYS



PAYERS



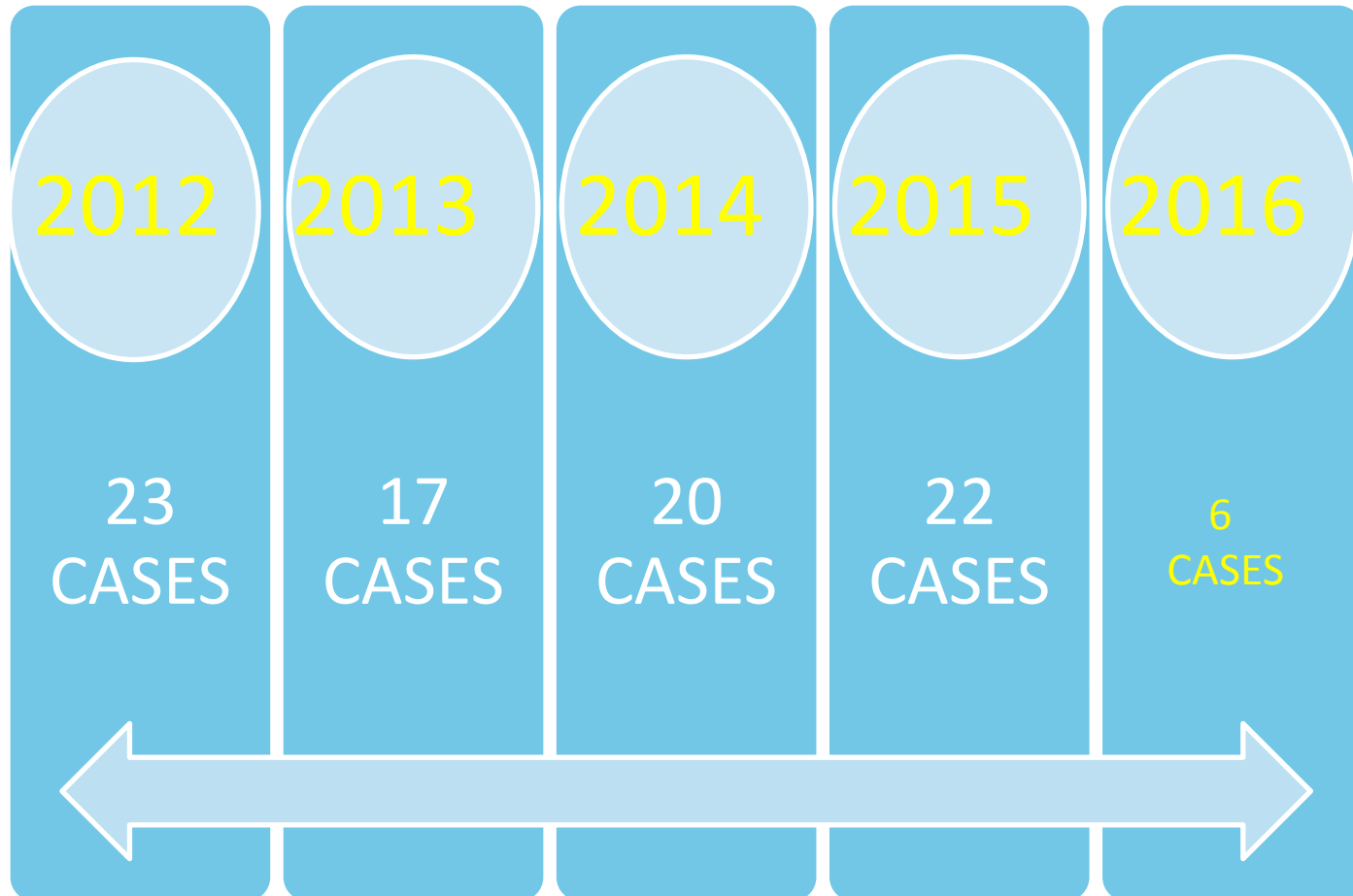
Care Coordination

	COUNT	RESCHD	COMPLETION	SUCCESSFUL	UNSUCCESSFUL	OTHER
Patient Care Conference Call	271	19	263 (97%)	248 (92%)	15 (6%)	0 (0%)
Patient Admit	90	24	90 (100%)	90 (100%)	0 (0%)	0 (0%)
Patient Discharge	86	43	79 (92%)	79 (92%)	0 (0%)	0 (0%)
Post Surgery Appointment	70	18	70 (100%)	69 (99%)	1 (1%)	0 (0%)
Patient Self Assessment	65	8	54 (83%)	54 (83%)	0 (0%)	0 (0%)
Obtain Clearance	53	5	53 (100%)	53 (100%)	0 (0%)	0 (0%)
Patient Pre-Op Appointment	50	6	50 (100%)	50 (100%)	0 (0%)	0 (0%)
Verify Appointment	50	10	50 (100%)	50 (100%)	0 (0%)	0 (0%)
90-Day Follow-Up Call	42	0	42 (100%)	42 (100%)	0 (0%)	0 (0%)
Initial PT Therapy	40	4	40 (100%)	40 (100%)	0 (0%)	0 (0%)
Patient Surgery	40	3	40 (100%)	40 (100%)	0 (0%)	0 (0%)
Inpatient Visit	40	4	40 (100%)	40 (100%)	0 (0%)	0 (0%)
24-48 Hour Follow-Up Call	37	0	37 (100%)	37 (100%)	0 (0%)	0 (0%)
60-Day Follow-Up Call	36	0	36 (100%)	36 (100%)	0 (0%)	0 (0%)
Joint Class	35	0	35 (100%)	35 (100%)	0 (0%)	0 (0%)
120-Day Follow-Up Call	35	0	35 (100%)	35 (100%)	0 (0%)	0 (0%)
30-Day Follow-Up Call	33	0	33 (100%)	33 (100%)	0 (0%)	0 (0%)
7-10 Day Follow-Up Call	32	0	32 (100%)	32 (100%)	0 (0%)	0 (0%)
Patient ED Visit	12	0	12 (100%)	12 (100%)	0 (0%)	0 (0%)
Complication	2	0	2 (100%)	2 (100%)	0 (0%)	0 (0%)



Quality Benefits:

Plummeting hip infection rates



REPORTABLES - successes

- Hip PJIs plummeted
 - Why?
 - Ortho ownership
 - Multidisciplinary teams
 - Joint coordinator
 - Attention to pre-op risk assessment
 - Etc Etc

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CJR Q1 Report

- CMS CJR data for Temple & Round Rock
- Anchor Admissions from 4/1/16-6/30/16
- Both sites meeting overall targets
 - Payments not final until reconciled by CMS
 - Small sample size

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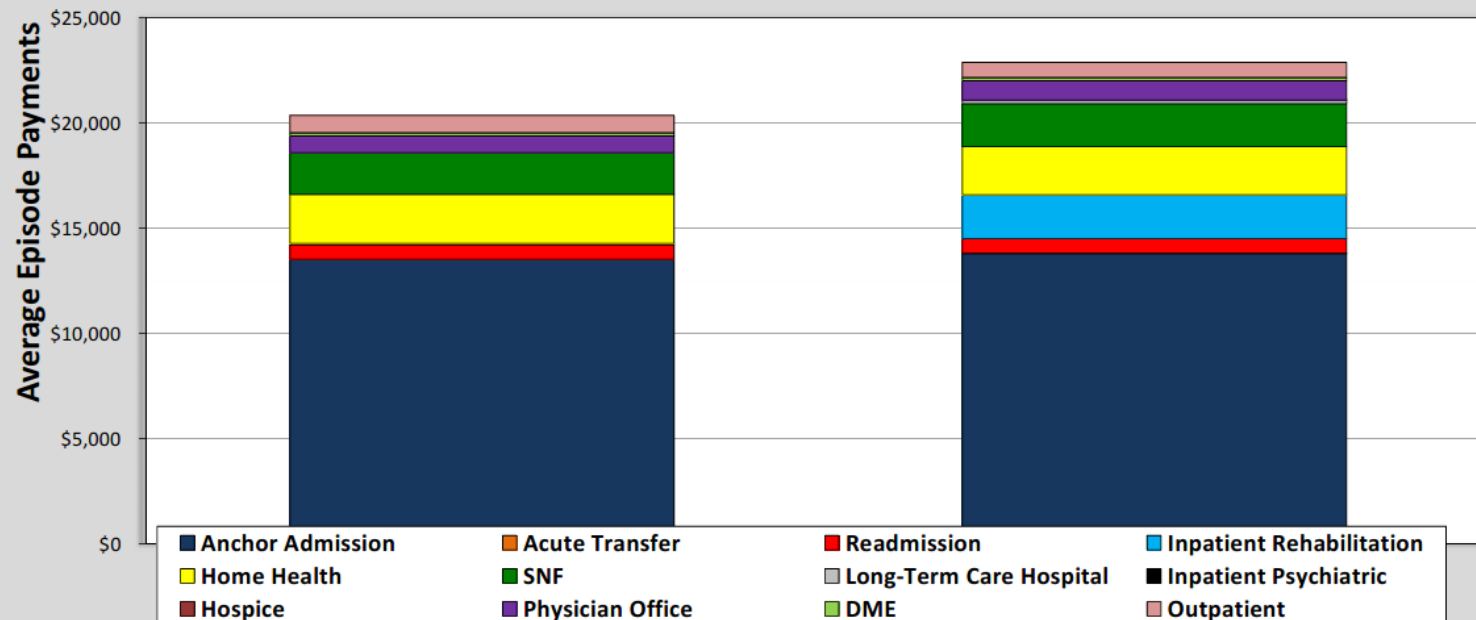
CJR - Costs

Analysis of Medicare Comprehensive Care for Joint Replacement (CJR) Episodes Scott And White Memorial Hospital

Located in a Mandatory Metropolitan Statistical Area (MSA)

DRG 470: Major Joint Replacement or Reattachment of Lower Extremity w/o MCC
Without Hip Fracture (293 total episodes)

Hospital vs. Regional Benchmark Calendar Year (CY) 2014



CJR - Quality

Medicare Comprehensive Care for Joint Replacement (CJR) Program Estimated Quality Metrics

Scott And White Memorial Hospital

Located in a Mandatory Metropolitan Statistical Area (MSA)

Overall CJR Quality Performance Summary

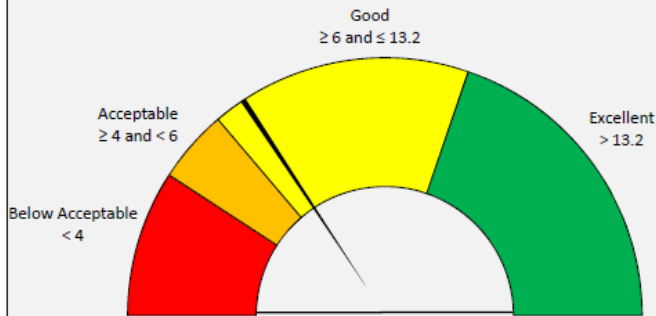
Quality Measure	Raw Score	National Percentile	Quality Performance Score	CJR Quality Category		
HCAHPS	87.1	66.2	6.20	Good		
Complications	3.7	16.0	0.00			
Voluntary Reporting of Patient Reported Outcomes*			Not available			
Quality Improvement Points*			Not available			
Composite Quality Score (proportionally weighted)**			6.89			
Payment Scenarios						
Quality Category: Year 1	Eligible for Reconciliation Payment	Eligible for Quality Incentive Payment	Effective Discount for Reconciliation Payment	Estimated Total Effective Target Price	Total Estimated Episode Spending	Estimated Reconciliation Payment***
Below Acceptable <4.0	No	No	3.0%	\$8,106,046	\$7,991,096	N/A
Acceptable ≥4.0 and <6.0	Yes	No	3.0%	\$8,106,046	\$7,991,096	\$114,950
Good ≥6.0 and ≤13.2	Yes	Yes	2.0%	\$8,189,613	\$7,991,096	\$198,517
Excellent >13.2	Yes	Yes	1.5%	\$8,231,397	\$7,991,096	\$240,301

Good
≥ 6 and ≤ 13.2

Excellent
> 13.2

Acceptable
≥ 4 and < 6

Below Acceptable
< 4



CJR - Quality

Medicare Comprehensive Care for Joint Replacement (CJR) Program Estimated Quality Metrics

Scott & White Hospital-Round Rock

Located in a Mandatory Metropolitan Statistical Area (MSA)

Overall CJR Quality Performance Summary

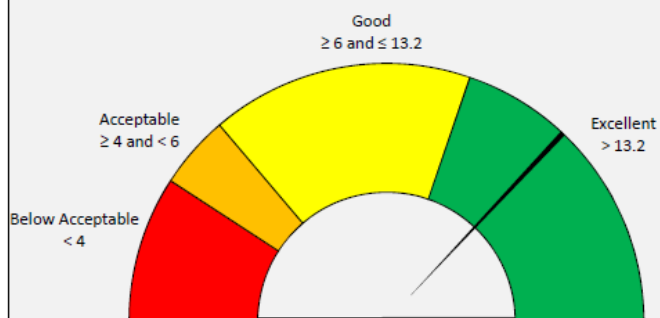
Quality Measure		Raw Score	National Percentile	Quality Performance Score	CJR Quality Category		
HCAHPS		87.6	75.9	6.80	Excellent		
Complications		2.8	68.8	7.75			
		Voluntary Reporting of Patient Reported Outcomes*		Not available			
		Quality Improvement Points*		Not available			
		Composite Quality Score (proportionally weighted)**		16.17			
		Payment Scenarios					
Quality Category: Year 1		Eligible for Reconciliation Payment	Eligible for Quality Incentive Payment	Effective Discount for Reconciliation Payment	Estimated Total Effective Target Price	Estimated Total Estimated Episode Spending	Estimated Reconciliation Payment***
Below Acceptable <4.0		No	No	3.0%	\$2,831,961	\$2,879,234	N/A
Acceptable ≥4.0 and <6.0		Yes	No	3.0%	\$2,831,961	\$2,879,234	\$0
Good ≥6.0 and ≤13.2		Yes	Yes	2.0%	\$2,861,156	\$2,879,234	\$0
Excellent >13.2		Yes	Yes	1.5%	\$2,875,754	\$2,879,234	\$0

Good
≥ 6 and ≤ 13.2

Acceptable
≥ 4 and < 6

Below Acceptable
< 4

Excellent
> 13.2



Round Rock: CJR Year 1 Quarter 1 Report

Anchor Admissions 4/1/2016-6/30/2016

	469		470		Grand Total
	Non-Fracture	Fracture	Non-Fracture	Fracture	
Episode Count	1	1	18	4	24
Target Price	\$35,866	\$51,010	\$372,240	\$152,568	\$611,684
Epi Total	\$40,628	\$59,528	\$282,381	\$109,434	\$491,972

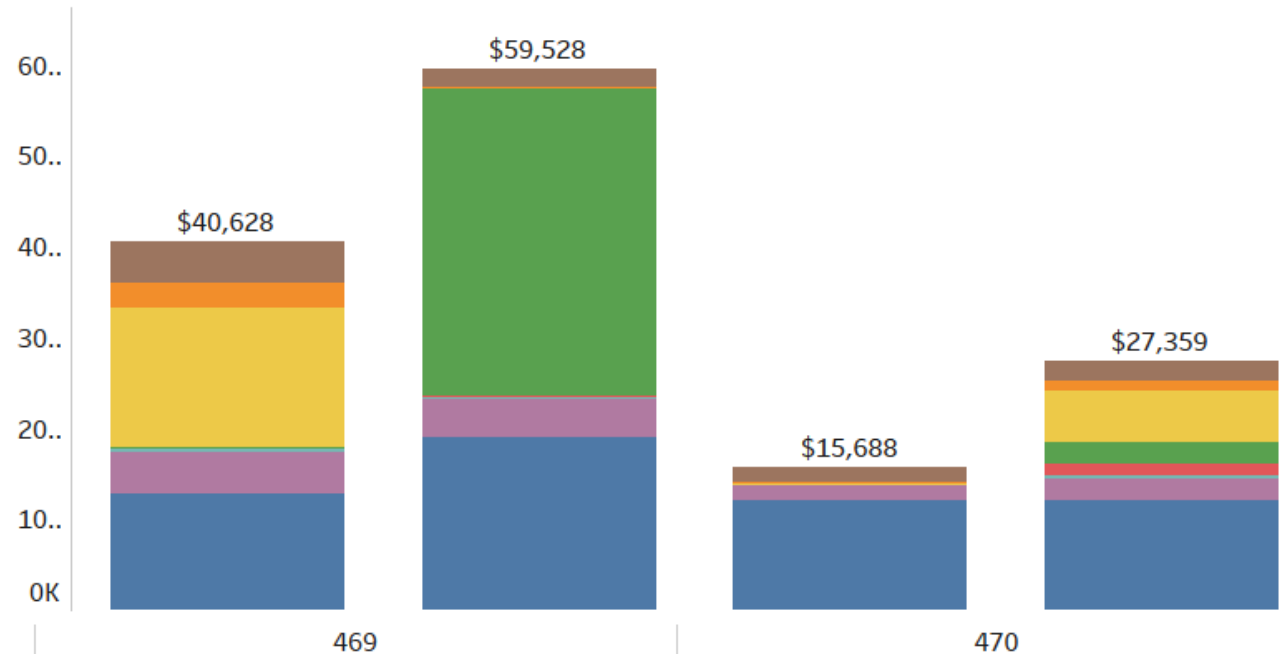
Post Acute Care Utilization

DRG	Fracture	Target Price	Avg. Episode Total	Episode Count	Has Readmit	Home Health Count	% Home Health	Inpatient Rehab Count	% Inpatient Rehab	SNF Count	% SNF
469	Non-Fracture	\$35,866	\$40,628	1	0	1	100.0%	1	100.0%	0	0.0%
	Fracture	\$51,010	\$59,528	1	0	0	0.0%	0	0.0%	1	100.0%
470	Non-Fracture	\$20,680	\$15,688	18	1	1	5.6%	0	0.0%	0	0.0%
	Fracture	\$38,142	\$27,359	4	1	2	50.0%	1	25.0%	1	25.0%

Episode Payments by Care Location

Data Source: CMS CJR Quarterly Claims Files, uploaded 10/31/2016.
NOT FOR DISTRIBUTION.

- Avg. Other Payments
- Avg. Home Health
- Avg. IRF
- Avg. SNF
- Avg. Readmission
- Avg. Anesthesiologist
- Avg. Physician
- Avg. Anchor Admission



	469		470	
	Non-Fracture	Fracture	Non-Fracture	Fracture
Target Price	\$35,866	\$51,010	\$20,680	\$38,142
Avg. Episode Total	\$40,628	\$59,528	\$15,688	\$27,359

Temple Memorial: CJR Year 1 Quarter 1 Report

Anchor Admissions 4/1/2016-6/30/2016

	469		470		Grand Total
	Non-Fracture	Fracture	Non-Fracture	Fracture	
Episode Count	2	2	72	4	80
Target Price	70,258	99,922	1,457,712	149,424	1,777,316
Episode Total	42,581	94,637	1,437,242	189,696	1,764,156

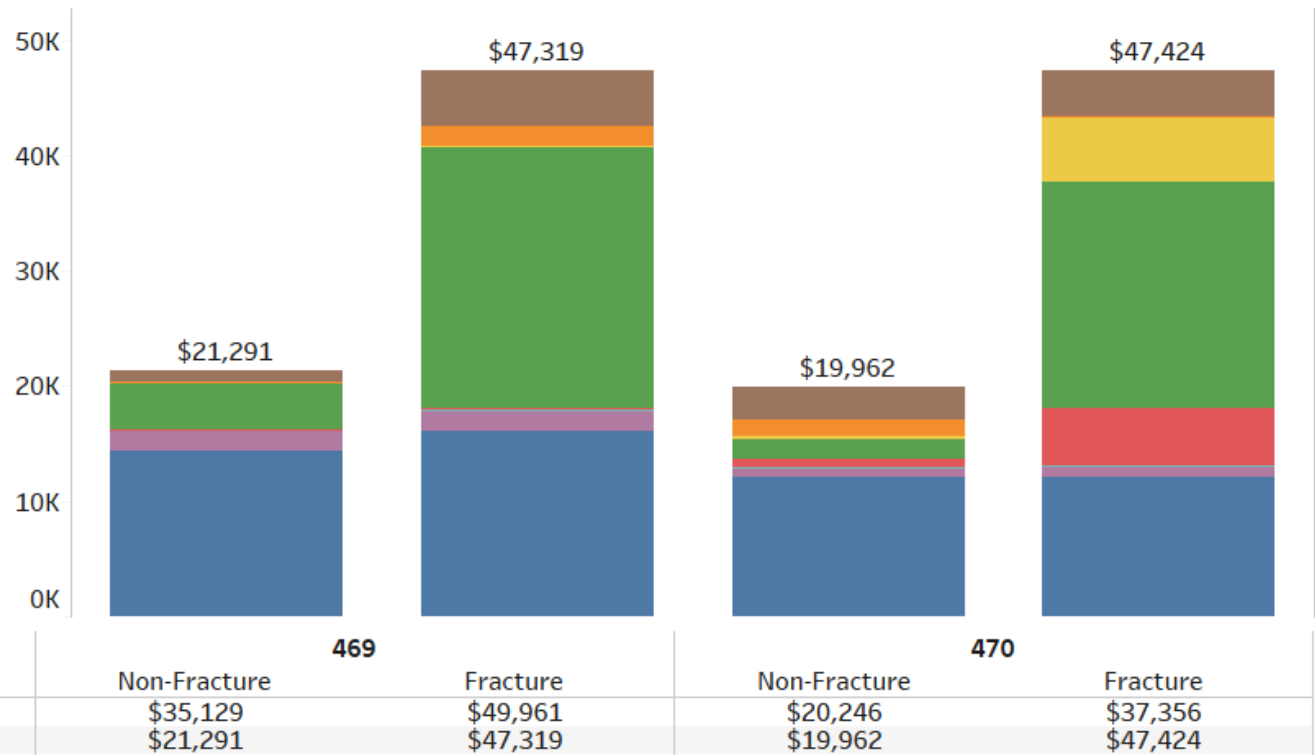
Post Acute Care Utilization

DRG	Fracture	Target Price	Avg Episode Total	Episode Count	Sum of Has Readmit	Home Health Count	% Home Health	Inpatient Rehab Count	% Inpatient Rehab	SNF Count	% SNF
469	Non-Fracture	\$35,129	\$21,291	2	0	0	0.0%	0	0.0%	1	50.0%
	Fracture	\$49,961	\$47,319	2	0	1	50.0%	0	0.0%	2	100.0%
470	Non-Fracture	\$20,246	\$19,962	72	4	32	44.4%	2	2.8%	15	20.8%
	Fracture	\$37,356	\$47,424	4	1	0	0.0%	1	25.0%	3	75.0%

Episode Payments by Care Location

Data Source: CMS CJR Quarterly Claims Files, uploaded 10/31/2016.
NOT FOR DISTRIBUTION.

- Avg. Epi Other
- Avg. Home Health
- Avg. IRF
- Avg. SNF
- Avg. Readmission
- Avg. Anesthesiologist
- Avg. Physician
- Avg. Epi Anchor



What has worked

- Nurse Coordinators
- Risk Screening Standardization
- Increasing patient interactions between post-operative days 30-90

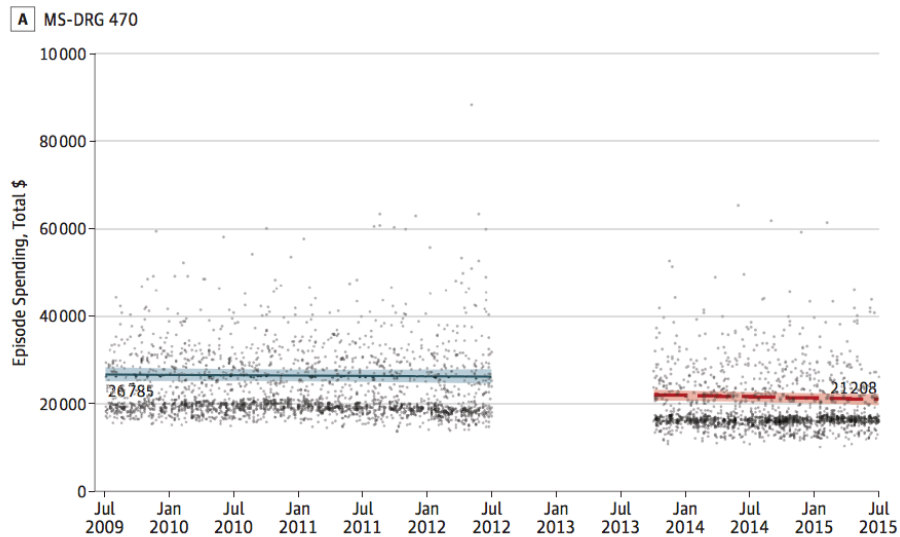
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CJR Cost Breakdown

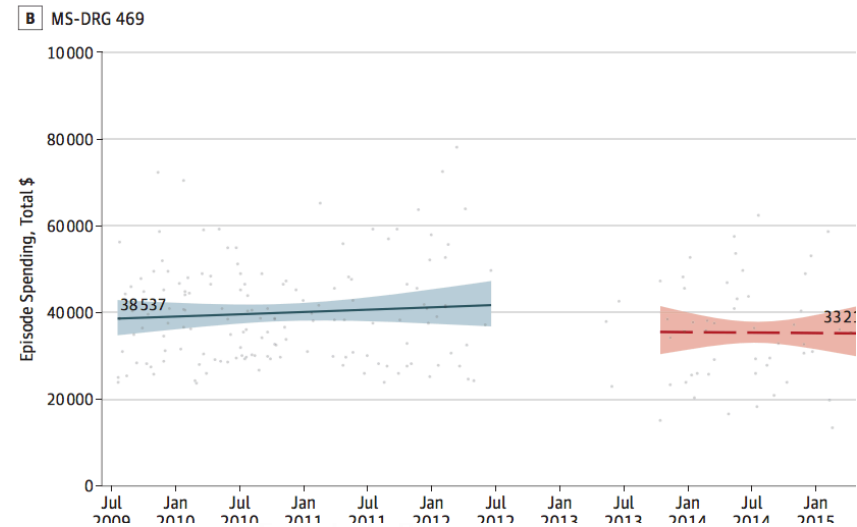
• Inpatient hospital stay:	\$13,193	
• Skilled nursing facility:	\$5,034	
• Inpatient rehabilitation facility:	\$1,568	39%
• Home health agency:	\$2,123	
• Physician:	\$1,675	
• Hospital readmissions:	\$1,155	
• Outpatient:	\$604	
• Durable medical equipment:	\$122	

Baptist Health System: BPCI Cost Results

DRG 470

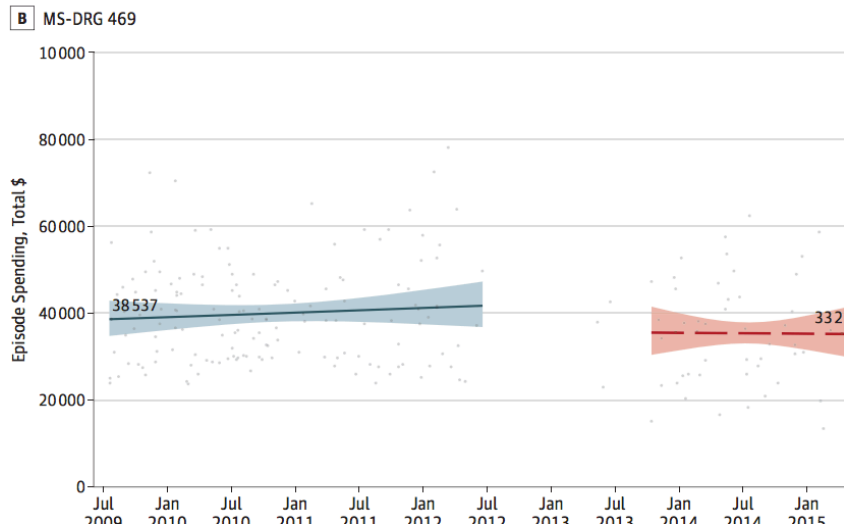


DRG 469

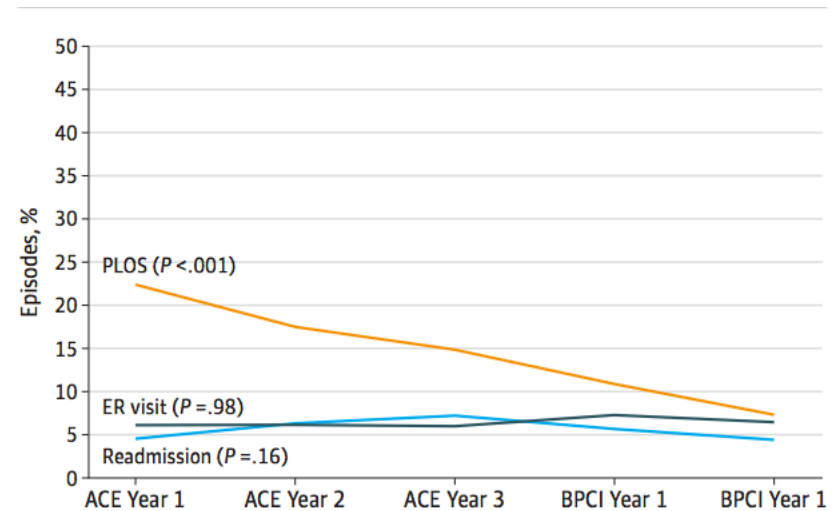


Baptist Health System: Cost and Quality Results

DRG 469



Quality

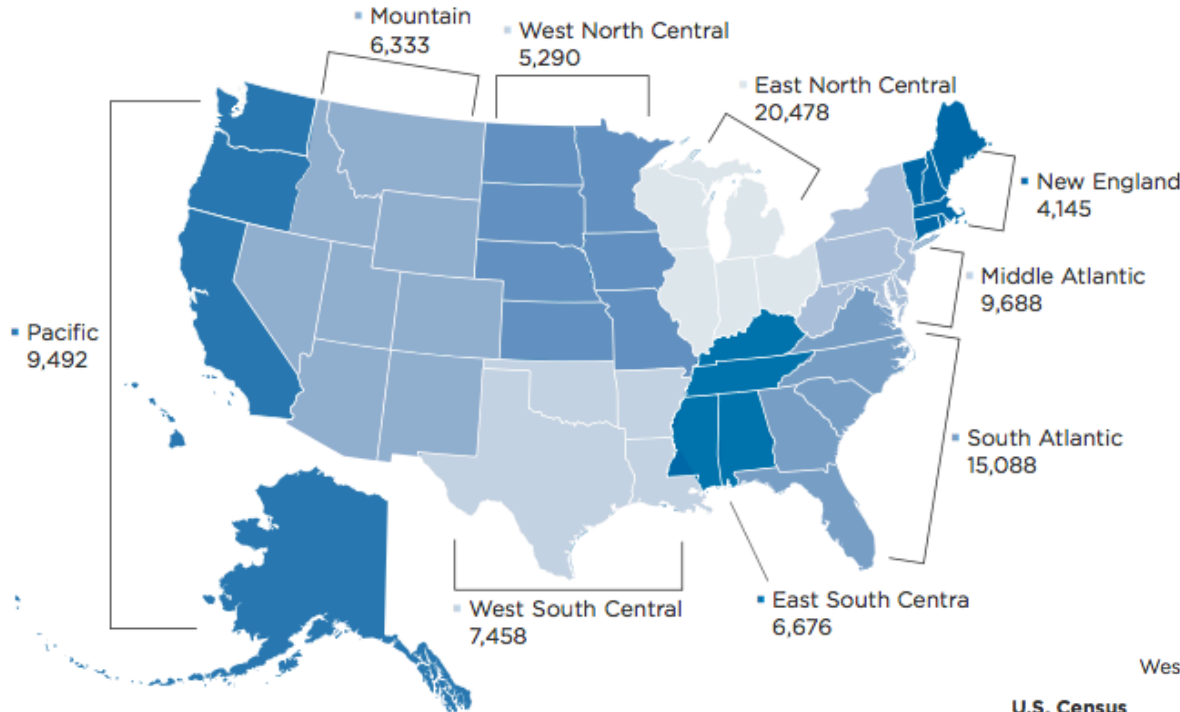


What do we do now?

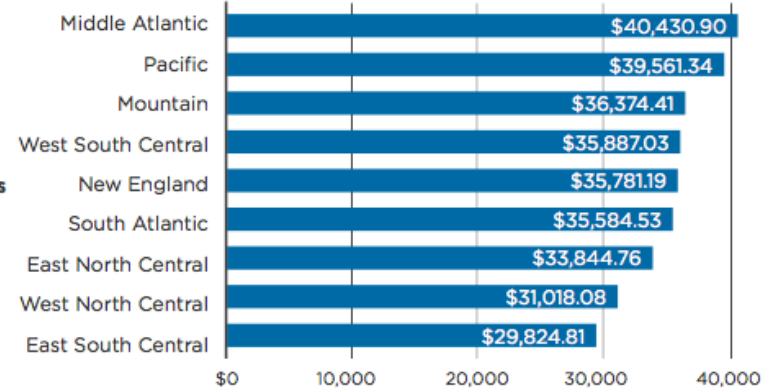
- Wait to hear from Washington on BPCI's future
- Extend learning to:
 - Surgical Hip Femur Fracture Treatment 7/1/17
 - AMI, CABG (DFW)
 - Other total joint sites
- Create commercial opportunities
 - Scott & White Health Plan
 - Other commercials
 - Employers

Commercial Bundle Cost

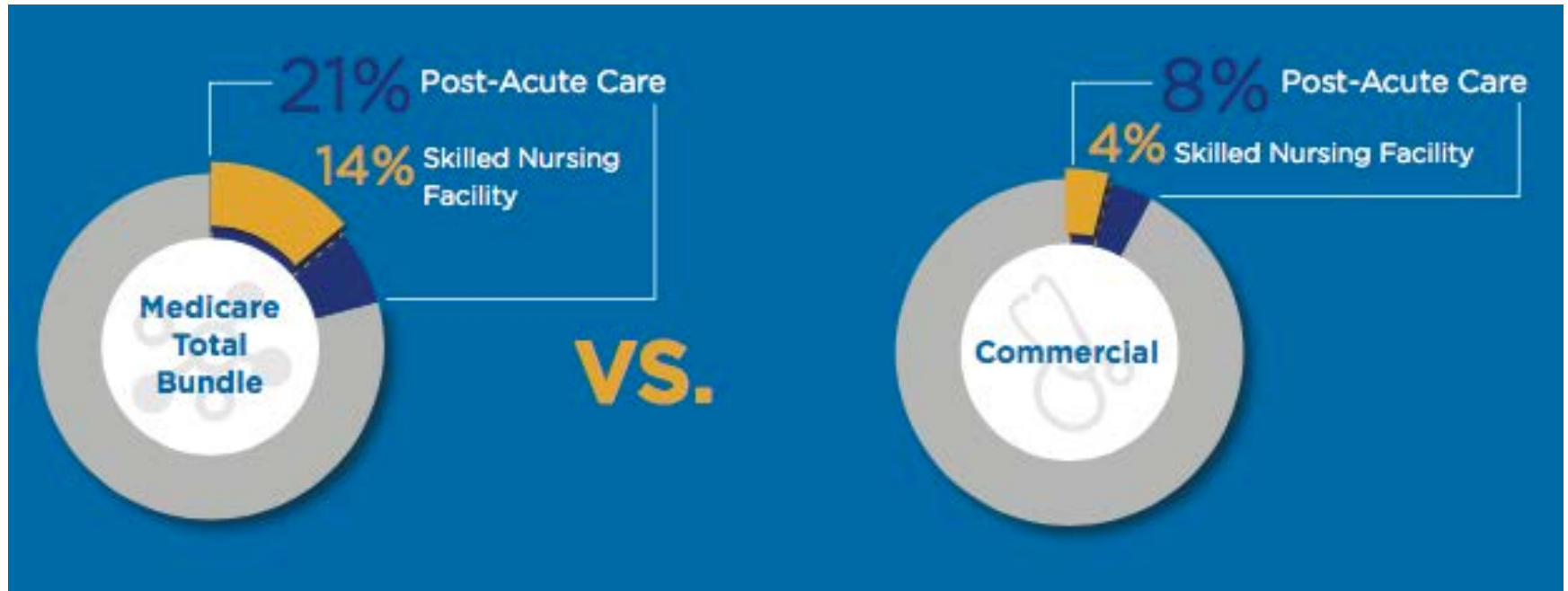
Total Cases: 84,648



U.S. Census
Division



Commercial vs Medicare



Implant Cost per Case



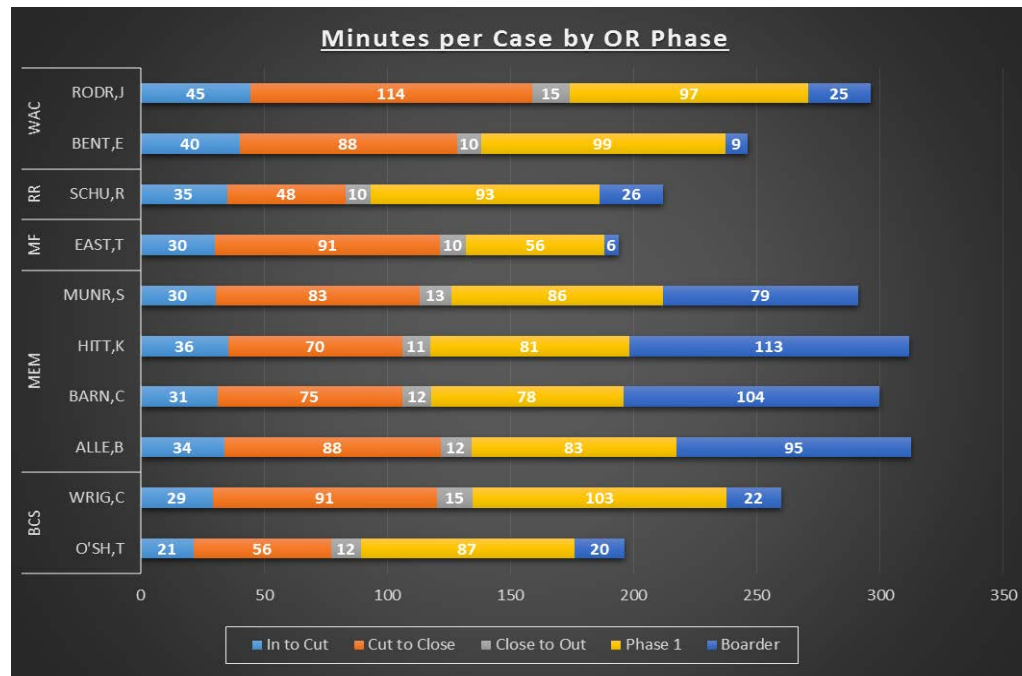
Data Source: MIDAS Detail Charges (HB)
 Timeframe: DOS Mar – Nov 2016
 Procedure: DRG 470 Total Knees
 Surgeon: > 4 Cases

LOS, Age and Readmit

	Case Cnt	LOS	Avg Pt Age	30d Readmit
MEM	438	2.54	67.46	2.74%
HITT,K	216	2.48	69.14	2.31%
BARN,C	108	2.34	66.04	2.78%
ALLE,B	73	2.86	63.89	5.48%
MUNR,S	41	2.78	68.72	
WAC	164	2.85	66.77	4.27%
BENT,E	129	2.71	66.09	3.10%
RODR,J	35	3.40	69.27	8.57%
BCS	131	2.56	67.68	5.34%
WRIG,C	87	2.47	68.05	8.05%
O'SH,T	44	2.75	66.96	
RR	69	1.59	65.55	2.90%
SCHU,R	69	1.59	65.55	2.90%
MF	20	1.95	70.70	10.00%
EAST,T	20	1.95	70.70	10.00%
Grand Total	822	2.51	67.28	3.65%

Data Source: MIDAS
 Timeframe: DOS Mar – Nov 2016
 Procedure: DRG 470 Total Knees
 Surgeons: > 10 Cases

OR Time per Case



Data Source: EPIC OTime and MIDAS
 Timeframe: DOC Mar – Nov 2016
 Procedure: DRG 470 Total Knees
 Surgeons: > 10 Cases



QUESTIONS

March 2017