The Leadership Institute

Phoenix, AZ

April 5, 2017

Adventist Health

"Being a Star Player in the Quality March: A Medicaid Demonstration Project"

Presented by:

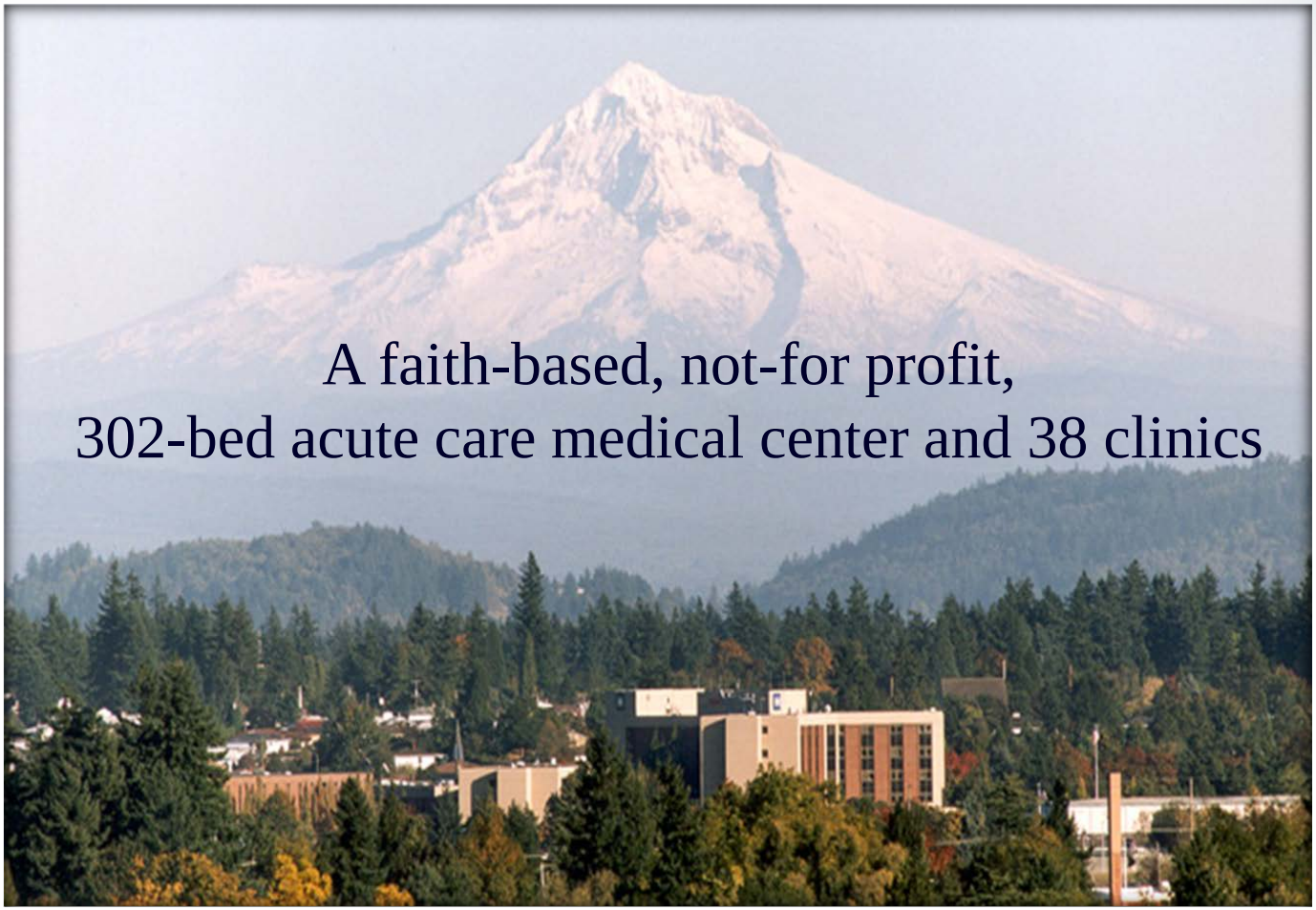
Carolyn Kozik, MSN, RN

Executive Director of Organizational Quality

ADVENTIST HEALTH - PORTLAND

Adventist Medical Center

Adventist Health Medical Group



MARKET CONTEXT:
MEDICAID SERVICES IN OREGON

- Administered by the Oregon Health Authority (OHA)
- Providers organized into 16 regional risk bearing Coordinated Care Organizations (CCO's)
- Annually, OHA establishes budgets, quality and utilization goals for CCO's
- 2 CCO's (Healthshare and Family Care) in Portland competing for membership.
- Portland area hospital systems are hypercompetitive: Legacy, Providence, Kaiser, Adventist Health, OHSU

Oregon Health Authority

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

HOSPITAL TRANSFORMATION PERFORMANCE PROGRAM

Program Description

- CMS incentive program for DRG hospitals
- Allows OHA to make payments to participating DRG hospitals for implementing and reporting on health system reform initiatives to improve quality and access of care for Medicaid population
- Measures developed by OHA-led Hospital Performance Metrics Advisory Committee
- Approved through June 30, 2016
- Funded by Oregon's Medicaid hospital provider tax

Hospital metrics committee

Authority

In 2013, Oregon House Bill 2216, Section 1, established the nine-member hospital performance metrics advisory committee appointed by the Director of the Oregon Health Authority.

Membership

The members of the committee include:

- Four members who represent hospitals;
- Three individuals with expertise in measuring health outcomes; and
- Two representatives of coordinated care organizations.

Domains and Measures

Focus Area	Domains	Measures
Hospital focus	1. Readmissions	1. Hospital-Wide All-Cause Readmission
	2 . Medication Safety	2. Hypoglycemia in inpatients receiving insulin
		3. Excessive anticoagulation with Warfarin
		4. Adverse Drug Events due to opioids
	3. Patient Experience	5. HCAHPS, Staff always explained medicines (NQF 0166)
		6. HCAHPS, Staff gave patient discharge information (NQF 0166)
	4. Healthcare-Associated Infections	7. CLABSI in all tracked units (adapted from NQF 0139)
		8. CAUTI in all tracked units (adapted from NQF 00754)
Hospital-CCO Coordination focus	6. Emergency Department (ED) visit information	9. Hospitals sharing ED visit information with primary care providers and other hospitals to reduce unnecessary ED visits
	7. Behavioral Health	10. Follow-up after hospitalization for mental illness (adapted from NQF 0576)
		11. Screening for alcohol and drug misuse, brief intervention, and referral to treatment (SBIRT) in the Emergency Department

Oregon Health Authority

Data & Reporting Requirements

- Year 1 (Baseline Year)
  - Hospital receives funding upon OHA review and acceptance of baseline data submission for each measure.
- Year 2 (Performance Year)
  - Hospital receives funding for each measure on which it achieves an absolute benchmark or demonstrates improvement over its own baseline (improvement target)

Phase 1: Floor Allocation (1)

- Each hospital eligible to earn $500,000 floor in each year
- Must achieve at least 75% of the measures to earn floor payment

Example 1: Phase 1 Floor Allocation

- Assuming all 28 participating hospitals meet at least 75% of measures

Total HTPP available funds/year	$133.0 million
Floor payment = 28 hospitals * $500,000	$14.0 million
Remaining to earn in Phase 2 allocation (payment per measure achieved) (Total – floor)	$119.0 million

Year 1:

"Submit Baseline numbers"

so….11 Quality Measures Submitted!

$7.1 Million

YEAR 2 (Oct 2014 - Sept, 2015)
"Improve over baseline"

Phase 2: Allocation per Measure Achieved

- **Step 1**: Determine hospital performance against each measure
- **Step 2**: Calculate amount each measure is worth ("base amount")
- **Step 3**: Allocate base amount to hospitals according to hospital size (adjustment factor)

Phase 2, Step 2: Calculate Amount Each Measure Is Worth (1)

- Per CMS, payment is split across the domains, 75% hospital-focused and 25% hospital-CCO collaboration focused. Given the short timeframe of the program, this allows hospitals to build capacity in terms of collaboration with CCOs

Year One	
75%	Data submission on Hospital-focused domains and measures – 4 domains (18.75% each)
25%	Data submission on Hospital-CCO focused domains and measures – 2 domains (12.50% each)
Year Two	
75%	Performance on Hospital-focused domains and measures – 4 domains (18.75% each)
25%	Performance on Hospital-CCO focused domains and measures – 2 domains (12.50% each)

YEAR 2: Achieve Benchmarks or 3% Improvement Targets

Phase 2, Step 2: Calculate Amount Each Measure Is Worth (2)

Domains	Measures	Share of Funds	
		YR 1	YR 2
Readmissions	1. Hospital-Wide All-Cause Readmission	18.75%	18.75%
Medication Safety	2. Hypoglycemia in inpatients receiving insulin	6.25%	6.25%
	3. Excessive anticoagulation with Warfarin	6.25%	6.25%
	4. Adverse Drug Events due to opioids	6.25%	6.25%
Patient Experience	5. HCAHPS, Staff always explained medicines (NQF 0166)	9.38%	9.38%
	6. HCAHPS, Staff gave patient discharge information (NQF 0166)	9.38%	9.38%
Healthcare-Associated Infections	7. CLABSI in all tracked units (modified NQF 0139)	9.38%	9.38%
	8. CAUTI in all tracked units (modified NQF 00754)	9.38%	9.38%
ED visit information	9. Hospitals share ED visit information with primary care providers and other hospitals to reduce unnecessary ED visits	12.50%	12.50%
Behavioral Health	10. Follow-up after hospitalization for mental illness (modified NQF 0576)	6.25%	6.25%
	11. Screening for alcohol and drug misuse, brief intervention, and referral to treatment (SBIRT) in the Emergency Department	6.25%	6.25%

Phase 2, Step 3: Adjust Base Amount by Hospital Size

- After base amount is calculated, it is adjusted and allocated to hospitals achieving the measure based on **hospital size:**
  - 50% based on hospital's share of total Medicaid discharges
  - 50% based on hospital's share of total Medicaid inpatient days

Phase 2 Payment Example: Sharing ED Visit Info (2)

- Assume 3 hospitals are successful on this measure.

ED Visit Info Measure								$15,375,000
Hosp	# Disch	% Disch	# Days	% Days	Adjustment Factor (% discharges*0.5) + (% days*0.5)		Amount Earned for Measure (Total Available for Measure* Adjustment Factor)	
A	2,500	20.00%	8,000	21.05%	(20.00%*.5)+ (21.05%*.5) =	0.21	$15,375,000 *0.21 =	$3,228,750
B	5,000	40.00%	10,000	26.32%	(40.00%*.5)+ (26.32%*.5) =	0.33	$15,375,000 *0.33 =	$5,073,750
C	5,000	40.00%	20,000	52.63%	(40.00%*.5)+ (52.63%*.5) =	0.46	$15,375,000 *0.46 =	$7,072,500
Total	**12,500**	**100.00%**	**38,000**	**100.00%**		**1**		**$15,375,000**

BARRIERS TO BE OVERCOME

- Constant Change
  - No improvement target set at onset
  - Measurement details frequently changed
  - Inclusion/exclusion changed
- Some measures were new
  - No “infrastructure” present to capture/calculate the measure
- Competing priorities
  - VPB
  - Corporate initiatives

STRATEGY AND HIGH RELIABILITY

"Power of Teams"

Emphasis on improvement for the ***patient***, not just financial gains

Leadership by Executive Director, Organizational Quality

Champions / Quality Coaches and teams for each of the 11 measures

Two executive sponsors: CFO, then CNO (added 1 FTE added for EDIE)

Rounding every 1-2 weeks when goal was not met (included CFO)

Visual management of progress via AMC HTPP Dashboard

Accountability:

Goals tied to 90 day plans / leader evaluation / merit pay
Dept Head status meetings with "one up" for progress
Dept Head / President's Council updates on metrics
Governing Board updates

A FEW DUPLICATES OF VALUE BASED PURCHASING

Domains	Measures	Share of Funds	
		YR 1	YR 2
Readmissions	1. Hospital-Wide All-Cause Readmission	18.75%	18.75%
Medication Safety	2. Hypoglycemia in inpatients receiving insulin	6.25%	6.25%
	3. Excessive anticoagulation with Warfarin	6.25%	6.25%
	4. Adverse Drug Events due to opioids	6.25%	6.25%
Patient Experience	5. HCAHPS, Staff always explained medicines (NQF 0166)	9.38%	9.38%
	6. HCAHPS, Staff gave patient discharge information (NQF 0166)	9.38%	9.38%
Healthcare-Associated Infections	7. CLABSI in all tracked units (modified NQF 0139)	9.38%	9.38%
	8. CAUTI in all tracked units (modified NQF 00754)	9.38%	9.38%
ED visit information	9. Hospitals share ED visit information with primary care providers and other hospitals to reduce unnecessary ED visits	12.50%	12.50%
Behavioral Health	10. Follow-up after hospitalization for mental illness (modified NQF 0576)	6.25%	6.25%
	11. Screening for alcohol and drug misuse, brief intervention, and referral to treatment (SBIRT) in the Emergency Department	6.25%	6.25%

TRANSITIONS OF CARE AS CRITICAL STRATEGY

Domains	Measures	Share of Funds	
		YR 1	YR 2
Readmissions	1. Hospital-Wide All-Cause Readmission	18.75%	18.75%
Medication Safety	2. Hypoglycemia in inpatients receiving insulin	6.25%	6.25%
	3. Excessive anticoagulation with Warfarin	6.25%	6.25%
	4. Adverse Drug Events due to opioids	6.25%	6.25%
Patient Experience	5. HCAHPS, Staff always explained medicines (NQF 0166)	9.38%	9.38%
	6. HCAHPS, Staff gave patient discharge information (NQF 0166)	9.38%	9.38%
Healthcare-Associated Infections	7. CLABSI in all tracked units (modified NQF 0139)	9.38%	9.38%
	8. CAUTI in all tracked units (modified NQF 00754)	9.38%	9.38%
ED visit information	9. Hospitals share ED visit information with primary care providers and other hospitals to reduce unnecessary ED visits	12.50%	12.50%
Behavioral Health	10. Follow-up after hospitalization for mental illness (modified NQF 0576)	6.25%	6.25%
	11. Screening for alcohol and drug misuse, brief intervention, and referral to treatment (SBIRT) in the Emergency Department	6.25%	6.25%

Greatest Breakthrough:
Preventing Readmissions

Predictive Risk Tool in EMR

Discharge Phone Calls

Hospitalists & Case Mgmt collaboration

Discharge Process RPIW:
(Rapid Process Improvement Workout)

Post-discharge care mgmt.
Quick Access after Discharge
Transitional calls
Transitional visits

Preventing Readmissions from AMC (Statewide) :

Reduced from 13.2% to 12.5%. (Statewide)

This indicator alone was worth $12 million!

Phase 2, Step 2: Calculate Amount Each Measure Is Worth (2)

Domains	Measures	Share of Funds	
		YR 1	YR 2
Readmissions	1. Hospital-Wide All-Cause Readmission	18.75%	18.75%
Medication Safety	2. Hypoglycemia in inpatients receiving insulin	6.25%	6.25%
	3. Excessive anticoagulation with Warfarin	6.25%	6.25%
	4. Adverse Drug Events due to opioids	6.25%	6.25%
Patient Experience	5. HCAHPS, Staff always explained medicines (NQF 0166)	9.38%	9.38%
	6. HCAHPS, Staff gave patient discharge information (NQF 0166)	9.38%	9.38%
Healthcare-Associated Infections	7. CLABSI in all tracked units (modified NQF 0139)	9.38%	9.38%
	8. CAUTI in all tracked units (modified NQF 00754)	9.38%	9.38%
ED visit information	9. Hospitals share ED visit information with primary care providers and other hospitals to reduce unnecessary ED visits	12.50%	12.50%
Behavioral Health	10. Follow-up after hospitalization for mental illness (modified NQF 0576)	6.25%	6.25%
	11. Screening for alcohol and drug misuse, brief intervention, and referral to treatment (SBIRT) in the Emergency Department	6.25%	6.25%


Oregon Health Authority
1701
Date: June 30, 2016
Pay to the Order of: Adventist Health
$ 22,348,818.00
Twenty-Two Million, Three-Hundred Forty-Eight Thousand, Eight-Hundred Eighteen Dollars
Memo: HTTP Performance
Oregon Health Authority

What went well? Patient care was improved!

10 of 11 benchmarks or improvement targets met

Adventist's $22M formula

Portland hospital lands windfall from Oregon quality-focused incentive program by developing team-focused internal strategy

Carolyn Kozik, executive director for organizational quality at Adventist Medical Center, said the Southeast Portland hospital outshined other hospitals in state quality ratings by stepping up its efforts. "We decided we were going to be passionate about patient care, even more than we already were."

PORTLAND BUSINESS JOURNAL

CATHY CHENEY

WINNERS OF OREGON'S QUALITY POOL

Oregon hospitals paid into a $150 million quality pool and received payments based on their size and the number of quality measures they met.

Hospital	Number of measures met	Total dollar amount earned
Adventist	10	$22.3M

NEXT?

Year 3: Oct, 2015- Sept, 2016

- Same 11 measures continued with 3% improvement over Year 2.
  - *Adventist Health-Portland met 8 of 11 measures*
- Payment reduced by 50% for hospitals; increased 50% to CCO

Year 4: 2017

- Same 11 measures continued; added 2 new components
  - *Added measure for reducing frequent utilizers in the ED*
  - *Added drug and alcohol screening with ED nurse/MD or Social Worker intervention*
- Payment as in Year 3. (continued 50% reduction from Year 2)
- Additional 3% improvement over Year 3

Lessons Learned

It takes a BIG, coordinated team!

- Clinics were a vital part of the transitions of care
- Leader to oversee both hospital and clinic quality/performance improvement was vital
- Clinical champions / quality coaches duo model was imperative

Cycle of change (PDCA & "high functioning" LEAN) strategies are critically necessary

- Rapid cycle workouts with concentrated time moved progress along
- Meaningful feedback to those doing the work was critical

Leadership/Key Champions must stay highly engaged

- Turnover and orientation can lose momentum
- Accountability at all levels critical –***bedside to board room***

If it's a pilot with the government, "it" will change!

Focus needed to be on the patient

- ***"Perfect care, every patient, every time!"***

2 Probing Questions

- How can you engage your clinics/CCOs to participate with the hospital(s) in these future potential Medicaid quality mandates to achieve “heathcare without walls” results?

- How would you organize your team to meet quality submission and outcome objectives, especially when you have competing priorities?

- Example
  - Effectively manage frequent ED utilizers, “keeping them out” of the ED
  - Increase your ED volume for additional revenue

Thank You!

Contact Information

Carolyn Kozik, MSN, RN

Executive Director of Organizational Quality

10123 Market Street

Portland, Oregon

503-251-6189

carolyn.kozik@ah.org