



The Leadership Institute Roundtable

Healthcare Experience with Silicon Valley DNA



Dan Goldsmith
CEO



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SVP, Chief Informatics
Officer



Our Focus

Improve patient experiences to frictionless and better informed

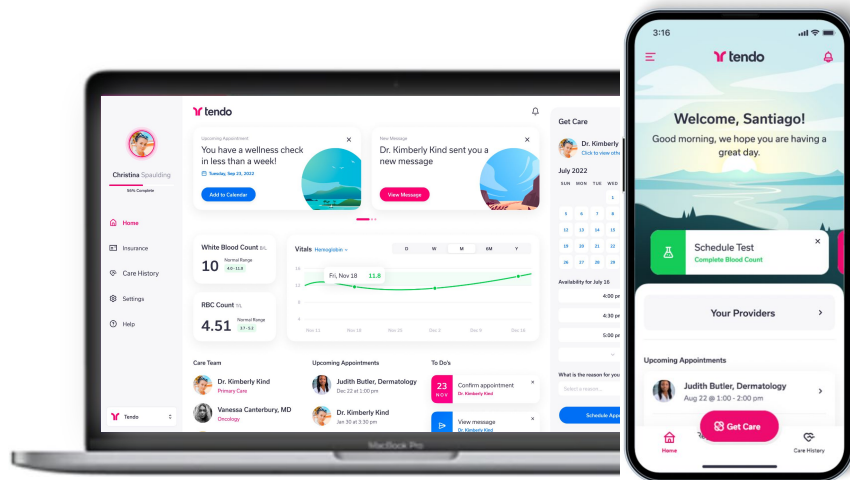
Reduce clinician burnout through streamlined workflow, rich insights, and reduced screen time

Enable healthcare systems to drive improved quality, outcomes, and economics

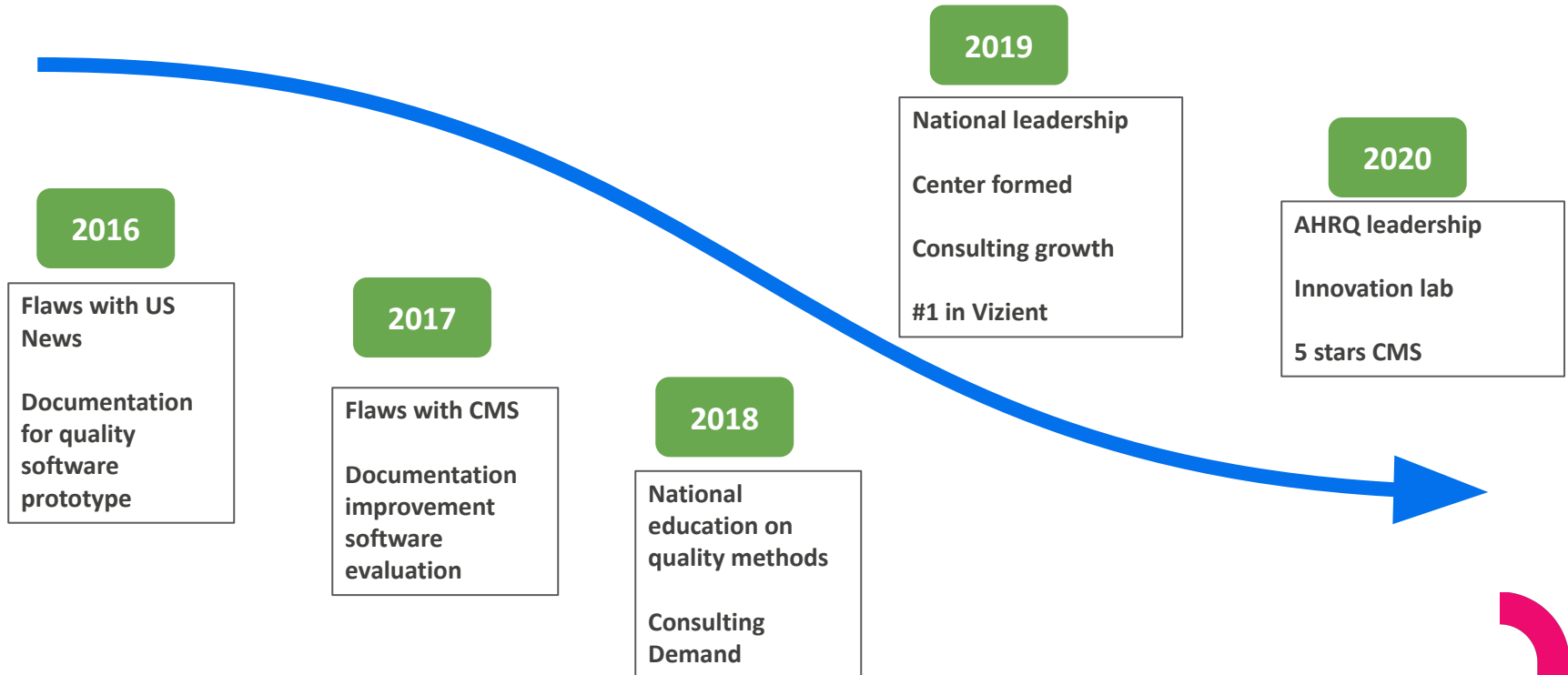
How do we get there?

Better, more connected, technology is needed, but it has to be combined with new information and insights for all stakeholders that is:

- **Accurate**
- **Transparent**
- **Reliable**
- **Useful**



The Rush Journey



2016

Quality Measurement Is a Journey

Rush University study highlights PSI limitations that spurred this summer's methodology change.



By **Ben Harder**, Managing Editor and Chief of Health Analysis Oct. 7, 2016, at 4:07 p.m.

WHEN CLINICIANS AND healthcare-improvement experts describe the pursuit of quality as a journey, their word choice reflects a central tenet: healthcare quality may never achieve perfection, but it can always be made closer to perfect.

ement, quality measurement is mid-journey. My group's work at U.S. News & Benchmark and publicly report hospital performance is evolving as we and learn more about the limitations of extant measures and methods.

TD Ameritrade Get a Strategy Gut CheckSM

ABOUT SECOND OPINION

Second Opinion is the public square where U.S. News

The Joint Commission Journal on Quality and Patient Safety

Performance Measures

The Quality Measurement Crisis: An Urgent Need for Methodological Standards and Transparency

David M. Shashian, MD; Elizabeth A. Mann, MD, MPH; Bryce J. Pransky, MD, PhD

The Joint Commission Journal on Quality and Patient Safety

Performance Measures

Consumer Rankings and Health Care: Toward Validation and Transparency

Bala Hosa, MD, MPH; Thomas A. Webb, BS; Brian D. Stein, MD, MS; Richa Gupta, MBBS, MHSA; David Ansell, MD, MPH; Omar Latief, DO

The Institute of Medicine (now known as the Health and Medicine Division) has established the critical need to improve patient safety and quality,¹ and to achieve this aim, to use data to measure and improve health care through positive feedback and change.² Section 501(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, with a goal of improving health care quality through measurement and feedback, enabled the Centers for Medicare & Medicaid Services (CMS) to develop the Hospital Inpatient Quality Reporting program, and link payment rates to measures of quality.³

The Agency Healthcare Research Quality (AHRQ; Rockville, Maryland) Patient Safety Indicators (PSIs) illustrate how measure usage can differ through stakeholder groups to become policy. In 2006, in an effort to enable Medicare to pay for quality testing of new drugs, the Centers for Medicare and Medicaid Services (CMS) required the use of quality testing of new drugs following almost a decade of development and testing of the validity of these measures.¹ Each PSI has well-described criteria for counts of eligible patients (denominators) and cases (numerators), as well as exclusion criteria. Indicator measurement also depends on understanding when events in the hospital occur; adverse events, particularly those that are preventable, are the focus of the measures. The measure preceded them. Thus, it is critical to have accurate data on conditions that are present on admission (POM). Following the lead of CMS, many other private and commercial entities now rank hospitals using PSIs, either with identical or modified methodologies. Perhaps the most well-known uses in the lay press of the PSIs are the Hospital Safety Grades (HSGs) from the Leapfrog group, which rates most hospitals (JAH, 1, 1999, 400-441).

Consumer sites have been criticized for presenting too much information, with potential inaccuracies affecting the patient's (or consumer's) ability to choose.³ Although some components of the *USAMR* ranking have been criticized as being too reliant on reputation,⁴ the patient safety score represents a quantitative, objective component of the ranking. For a ranking measure to fulfill the aims of transparency, validity, and credibility

Article-at-a-Glance

Background: Differences between the Centers for Medicare & Medicaid Services (CMS)-measured rates of safety events for Rush University Medical Center (RUMC; Chicago) and the U.S. *News & World Report* (USNWR)-determined patient safety score were evaluated in an attempt to validate the USNWR content safety score–based ranking.

Methods: The *USNWR* findings for Patient Safety Indicators (PSIs) were compared with findings derived from RUMC internal billing data, and sensitivity analyses were conducted using a simulated data set derived from the Healthcare Cost and Utilization Project (HCUP) state inpatient data sets.

Results: Disparities were found for PSLs (Pneumate Uter Rate), 9 (Pneuropathy Hemorrhage or Hematoma Rate), and 11 (Postoperative Respiratory Failure Rate)—an excess of 0.72, 0.63, and 0.26 cases/1,000 admissions, in USNWR versus RUMC, respectively. The sensitivity analysis, which included mining present on admission (POM) flags and dates, resulted in an increase of rates by 1.83 (95% confidence interval [CI] = 1.10–2.56) cases/1,000 hospitalizations, 2.72 (CI = 0.00–5.90) cases/1,000 hospitalizations, and 3.89 (CI = 1.60–6.20) cases/1,000 hospitalizations for PSL 3, 9, and 11, respectively. Regression modeling showed that each 1% increase in transfer was associated with an increase of 0.06 cases of PSL 3/1,000 admissions; each 1,000 increase in admissions was associated with an increase of 0.04 cases of PSL 9/1,000 admissions.

Conclusion: The *USNWR* data set produced inaccurate PSI rates for RUMC, and false-positive event rates were more common among high-transfer and high-volume hospitals. More transparency and validation is needed for consumer-based benchmarking methods. In response to these findings and concerns raised by others, in 2016 *USNWR* made changes to its methodology and data sources and reported them in announcing its 2016–17 Best Hospitals.

inative to health care quality. Unfortunately, the proliferation of commercial or journalistic rating organizations has often not been conducive to this goal. Health care has a measurement problem. Notwithstanding the intentions of their developers or their intended use, reports often based on problematic, idiosyncratic, or untested metrics, which may lead to erroneous or completely misleading grades for the same institution.^{2,3,4} These inaccurate ratings typically reach the public without even enough filters of external review that we demand of publications, yet their ramifications are at least as profound, if not more so. They can mislead patients in their choice of provider; undesirably harm or enhance hospital reputations; misdirect the allocation of scarce hospital resources for quality assessment and improvement; result in inappropriate payments or penalties in a reimbursement-based payment environment.⁵ Eventually, as this becomes apparent, these flawed reports can foster distrust of all quality measurement.

Complexity of Health Care Measurement

complexity, the lack of auditing, opaque methodologies, absence of enforceable standards. Designing and implementing good performance measures is a complicated undertaking that consists of many essential steps, each with a variety of choices that can affect the final results: choosing appropriate

lines or constraints to probe; specific types of measurement data source (claims data, electronic health records, etc.); data quality assurance; level of attribution; matching of patients to providers; patient and provider periods; statistical methodology, including nested case-control, management of clustered observations, and sample size; criteria for outlier determination; assessment of model performance; measure validity and reliability; patient and provider representation formats; and monitoring for unintended consequences. Lack of standardization and methodological rigor in these steps may lead to erroneous or conflicting results.

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Rush Universi
community's underst
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s that report c

January 19, 2016

Omar Lateef, DO
Chief Medical Officer and Vice President
Rush University Medical Center
Chicago, Illinois 60612

Dear Omar,

Thank you for your letter. I want to again thank your group for identifying a limitation of the MedPAR data set that was previously undocumented. After reviewing the implications of the absence of procedure dates in MedPAR, we have committed analytical resources to using a different data set, the SAF LDS, for our calculation of PSIs for the 2016-17 rankings. We believe the use of the SAF LDS will address the issue regarding procedure dates.



The U.S. News and World Report
changed methods in response to
this analysis



2018- 2019

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March 01, 2019 02:47 PM

Commentary: Four steps would help CMS fix star-rating program's unintended flaws

Dr. Bala Hota, Dr. Omar Lateef and Thomas Webb

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REPRINTS PRINT



Rush University Medical Center in Chicago.



CMS hospital star-rating system has been wrong for two years, health system finds

By Maria Castellucci | June 15, 2018

The CMS has miscalculated hospitals' star ratings since they were first released in 2016, according to leaders at Rush University Medical Center in Chicago. Rush's quality leaders found that instead of evenly weighting the eight measures in the safety-of-care group, the CMS' star-ratings formula relied heavily on one measure — PSI-90 — for the first four releases of the ratings, and in the



National Quality Task Force: *Driving Value through the Next Generation of Quality*

DRAFT RECOMMENDATIONS

October 2019

Article

AMERICAN COLLEGE OF
Medical Quality

Disagreement Between Hospital Rating Systems: Measuring the Correlation of Multiple Benchmarks and Developing a Quality Composite Rank

American Journal of Medical Quality
1-9
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DOI: 10.1177/106342691880030
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Bala Hota, MD, MPH¹, Thomas Webb, MBA¹, Avanthi Chatrathi, MPH², Elizabeth McAninch, MD¹, and Omar Lateef, DO³

Hospital Quality Star Ratings on *Hospital Compare*

Technical Expert Panel (TEP): Meeting 1
November 4, 2019



Interest in the Rush results exceeded expectations

Yale
NewHaven
Health

NewYork-
Presbyterian

UFHealth
UNIVERSITY OF FLORIDA HEALTH



Jefferson

Tufts Medical
Center

UNIVERSITY
of VIRGINIA
HEALTH SYSTEM

BARNESJEWISH
Hospital
BJC HealthCare

MedStar Health



HealthCare

UNIVERSITY OF
PENNSYLVANIA
HEALTH SYSTEM

NUHS
National University
Health System

wellforce

NYU Langone
Health



Franciscan
HEALTH



NORTON
HEALTHCARE

LIFEPOINT
HEALTH

Advisory
Board

BAPTIST HEALTH



The Joint Commission

vizient

Insights for better quality, experiences, and outcomes



2021

Tendo partnership

Productized approach

Measures that matter





University Medical

Select hospital



Address 123 A Blvd, Washington DC

Beds 432

Annual patient revenue \$5.2m

Medicare revenue \$3m

Case mix index (CMI) 2.03



Opportunities

[View more opportunities](#)


Comorbidity capture

10%

Malnutrition

+38 charts/mo

10%

Coagulopathy

+38 charts/mo

US News rank

Specialty: Gastroenterology

Current

NR

Projected

10



CMS hospital star rating

Current

☆☆

Projected

☆☆☆

Estimated FY22 CMS penalties

Readmissions

-\$0.33m

-\$0.20m

\$0.13m penalty avoidance



Tendo Score

Current score

72 /100

Attainable score

87 /100 21% ↗

Tendo Assessment

Quality-focused coding accuracy Above Peers

Revenue capture coding/case mix Below Peers



Targeted efforts in documentation could significantly improve quality performance.

Competitive Landscape



Revenue opportunity

\$3.8m

Approximate increase in additional revenue opportunity given this hospital's volume.

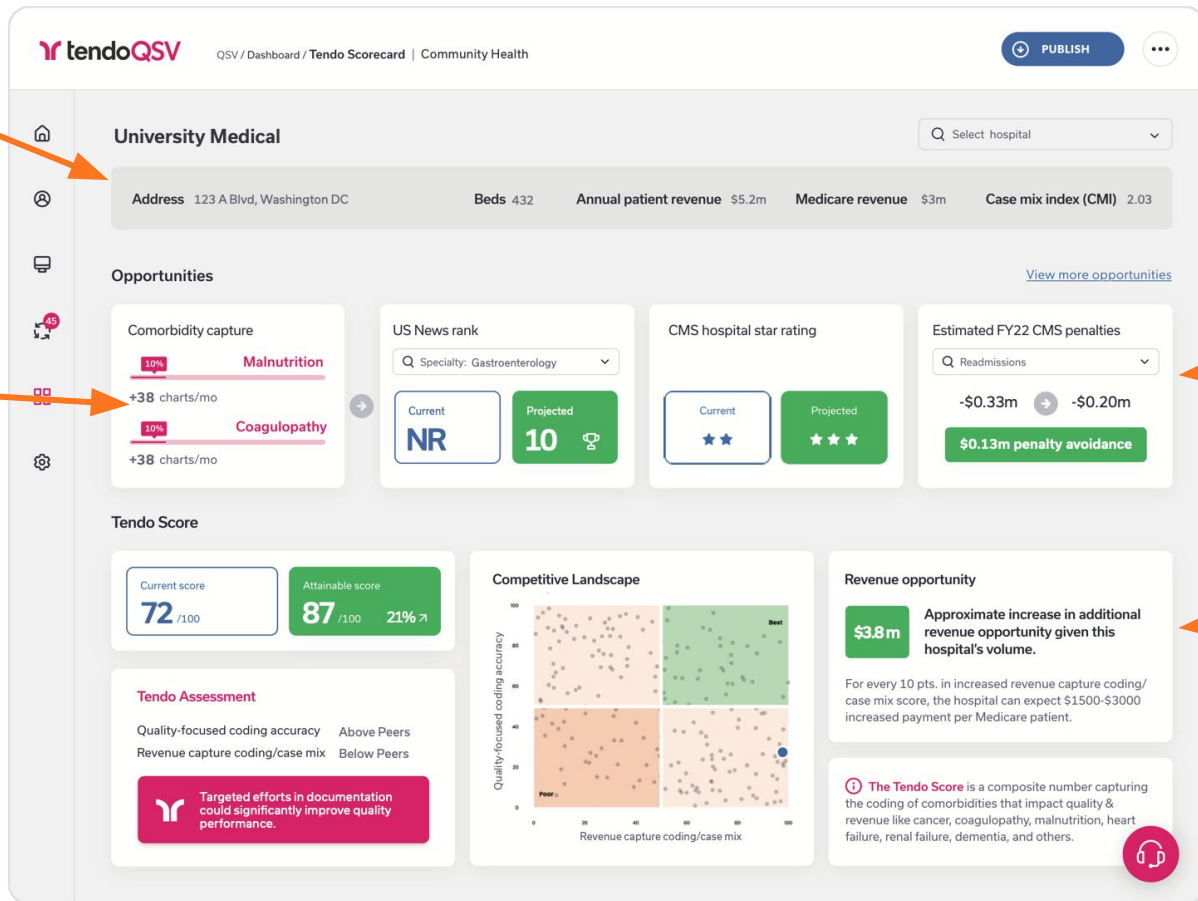
For every 10 pts. in increased revenue capture coding/case mix score, the hospital can expect \$1500-\$3000 increased payment per Medicare patient.

The Tendo Score is a composite number capturing the coding of comorbidities that impact quality & revenue like cancer, coagulopathy, malnutrition, heart failure, renal failure, dementia, and others.



Hospital
information

What If
Assumptions

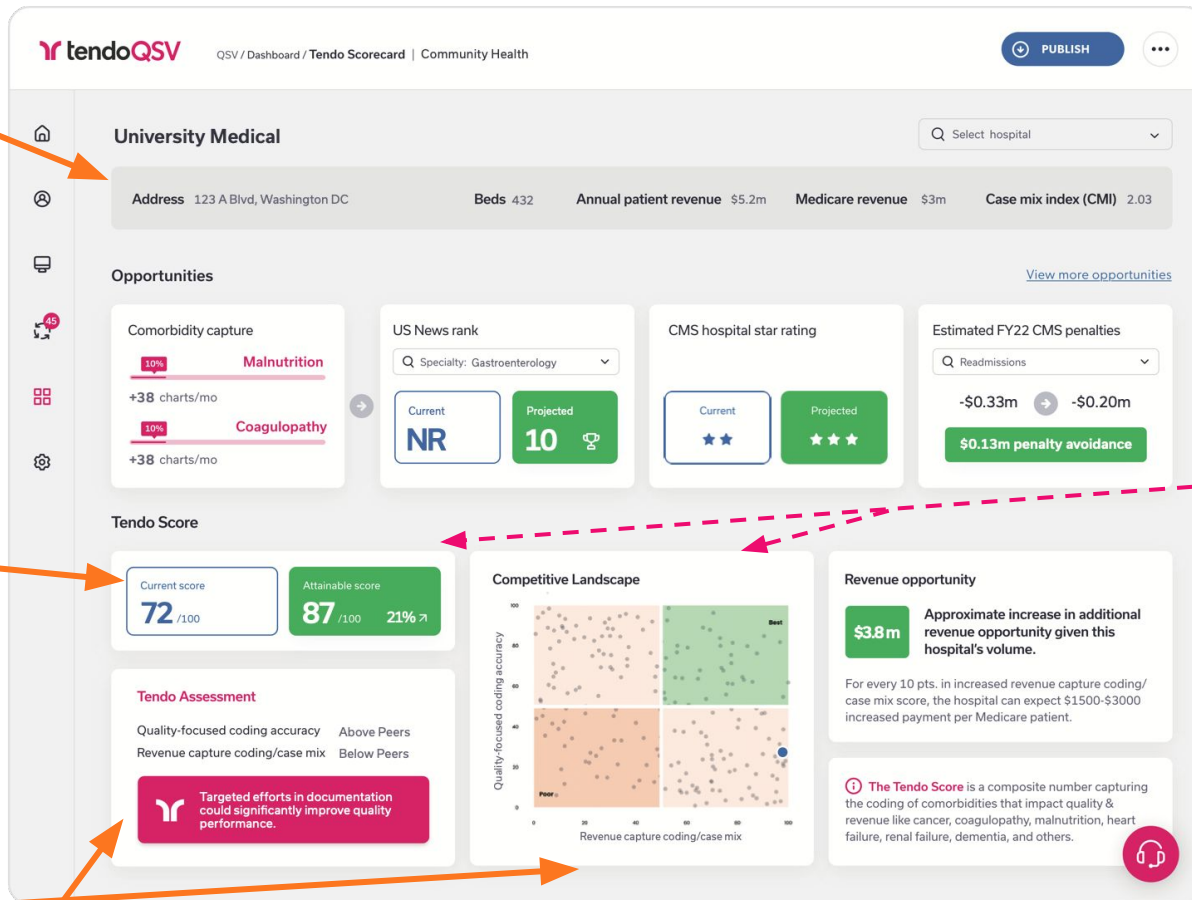


Results of better
comorbidity capture
for US News, Star
ratings, and CMS
Penalties

Results of better
comorbidity capture
for DRG based revenue

Hospital information

Tendo Score – before and after comorbidity capture improvements, rating of documentation



The Tendo Score is a composite that captures coding accuracy of multiple comorbidities that impact quality and revenue like cancer, malnutrition, heart failure, renal failure, dementia, and others

Comparison of documentation accuracy with peers

