

# Health Care Quality

Kentucky hospitals believe meaningful information about the quality of health care is essential for providers and patients alike. KHA utilizes both publicly reported data and data submitted by hospitals directly to KHA to provide resources and technical assistance to member hospitals in an effort to support their quality improvement work.

## Hospital Quality Information

Kentucky hospitals are actively engaged in numerous quality and patient safety improvement efforts at the hospital level, through their affiliated health care systems, at the statewide level within KHA quality collaboratives and through federally supported programs. KHA provides support for ongoing hospital improvement efforts as well as resources and tools to help hospitals provide the highest quality care to Kentuckians.

Measuring performance and benchmark data is an important activity hospitals use to ensure the policies, best practices and tools for high quality outcomes are being implemented effectively. Measurement occurs at the hospital level, at the quality improvement collaborative level and at a national level through the Centers for Medicare and Medicaid Services (CMS) Hospital Quality Reporting Program. Kentucky hospitals support the CMS Hospital Quality Reporting Program, which began in 2003 as the CMS National Hospital Quality Initiative.

## Hospital Quality Reporting Program

Hospitals have been submitting performance data to CMS since 2004 as part of the CMS Hospital Reporting Program for heart attack, heart failure and pneumonia using uniform national measures developed by CMS and The Joint Commission and endorsed by the National Quality Forum (NQF), which has expanded significantly over recent years. The NQF is a national organization comprised of consumers, government, quality experts, researchers, health care providers and insurers to ensure consensus-based national standards for public reporting of health care performance. Kentucky's hospitals support the use of national measures for public reporting because:

- The national measures have been developed by the nation's leading researchers and experts in quality and are evidence based
- There are standardized definitions for case selection and data abstraction so that the measures are risk adjusted
- The measures have been tested for validity
- State results can be compared against national averages and other states

CMS extended the quality reporting program in October 2012 to include long-term acute care hospitals (LTACHs), inpatient rehabilitation hospitals, ambulatory surgery centers and end-stage renal disease centers. Critical access hospitals (CAHs) are not required to submit quality data to maintain their payment rate, but all of Kentucky's CAHs voluntarily submit data to CMS for relevant measures under the Medicare Beneficiary Quality Improvement Program (MBQIP).

Since the inception of the program, CMS has expanded its Hospital Inpatient Quality Reporting Program from 10 measures to 69 measures plus patient satisfaction data in 2016. The Hospital Outpatient Quality Reporting Program uses both claims data and reported data. Additionally, whereas hospitals were previously incentivized to participate in public reporting, hospitals are now reimbursed based on their performance and outcomes under three separate Medicare Quality Based Payment Reform (QBPR) initiatives.

These three distinct programs under the Medicare QBPR initiative, which impact acute care hospitals, include:

- **Hospital Value-Based Purchasing (VBP) Reform** – The Hospital VBP program, established by the Affordable Care Act, implements a pay-for-performance approach to the payment system. The Hospital VBP program is funded by a 1.75% reduction from participating hospitals' base operating diagnosis-related group (DRG) payments for Federal Fiscal Year (FFY) 2016. Resulting funds are redistributed to hospitals based on their Total Performance Scores. The Total Performance Score is based on four domains that reflect hospital quality: the clinical process of care domain, the patient experience of care domain, the outcome domain and the efficiency domain.
- **Hospital Readmissions Reduction Program** – The Affordable Care Act authorizes Medicare (beginning in 2012) to reduce payments to acute care hospitals with excess readmissions that are paid under CMS's Inpatient Prospective Payment System (IPPS). The program focuses on patients who are readmitted for selected high-cost or high-volume conditions and procedures, namely, heart attack, heart failure, pneumonia, chronic

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obstructive pulmonary disease (COPD), hip/knee replacement and coronary artery bypass graft (CABG). A hospital may receive up to a 3 percent payment penalty in 2016 based upon their performance on the measures.

- **Hospital Acquired Conditions (HAC) Reduction Program** – The Affordable Care Act authorized Medicare to reduce payments to acute hospitals that rank in the worst performing quartile (25 percent) of acute hospitals with respect to HAC quality measures. The worst performing quartile is identified by calculating a Total HAC Score, which is based on the hospital’s performance on risk-adjusted quality measures. Hospitals with a Total HAC Score above the 75th percentile of the Total HAC Score distribution may have their payments reduced to 99 percent of what would otherwise have been paid for such discharges.

The HAC program is based on the hospital’s performance on four quality measures: the Agency for Healthcare Research and Quality (AHRQ) Patient Safety Indicators (PSI) 90 Composite; the Centers for Disease Control and Prevention (CDC) National Healthcare Safety Network (NHSN) Central Line-Associated Bloodstream Infection (CLABSI); Catheter-Associated Urinary Tract Infection (CAUTI); and Surgical Site Infection (SSI) (Colon Surgery and Abdominal Hysterectomy) measures.

The collective impact of the three Medicare programs is up to six percent of a hospital’s Medicare payment.

Program	FFY 2013	FFY 2014	FFY 2015	FFY 2016	FFY 2017	FFY 2018
Value-Based Purchasing	1.00%	1.25%	1.50%	1.75%	2.00%	2.00%
Readmissions Reduction	1.00%	2.00%	3.00%	3.00%	3.00%	3.00%
Hospital Acquired Conditions	*	*	1.00%	1.00%	1.00%	1.00%
TOTAL	2.00%	3.25%	5.50%	5.75%	6.00%	6.00%

Source: Datagen Keystats

## Data Available to the Public Through Hospital Compare

CMS developed the Hospital Compare website ([www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov)) to publicly report these health care performance measures by hospital. The website displays rates for “Process of Care” measures that show how often hospitals provide some of the care that is recommended for patients being treated for a heart attack, heart failure, pneumonia or patients having surgery. Hospitals voluntarily submit data from their medical records about the treatments their patients receive for these conditions, including patients with and without Medicare.

In addition to process of care measures, or timely and effective care, CMS measures also address rates of infection, hospital readmissions and cost of care. For infection-related measures under the Medicare Hospital Inpatient Quality Reporting Program, hospitals submit data to a database supported by CMS called the National Healthcare Safety Network (NHSN). The information collected under NHSN is then published on the CMS Hospital Compare website. Readmission rates displayed on Hospital Compare reflect the 30-day all-cause readmission for patients initially admitted to the hospital for heart failure, heart attack, pneumonia, chronic obstructive pulmonary disease and total hip/knee surgery.

Acute care hospitals are also collecting and reporting patient satisfaction data. There is a standard list of 10 questions hospitals are using to measure overall patient satisfaction. These measures are reported on Hospital Compare and will contribute to a hospital’s overall performance in Value-Based Purchasing.

# Hospital Performance

## Value-Based Purchasing

A quality measure is one way to see how well a hospital is caring for its patients. The following quality measures indicate how often hospitals provide the recommended care known to achieve the best results for most adult patients being treated for a heart attack, heart failure, pneumonia, patients having surgery or children’s asthma. Hospitals following the recommended quality measures/guidelines tend to have better patient outcomes.

In some cases, following a recommended quality measure/guideline is not the best course of care to follow for a particular patient. For example, a recommended treatment to help prevent a heart attack is to take aspirin daily. However, patients who have an allergy to aspirin should not be given aspirin. In such instances, patients who should not receive the recommended care are not counted in the measures.

The measures are based on scientific evidence about treatments that are known to get the best results. Health care

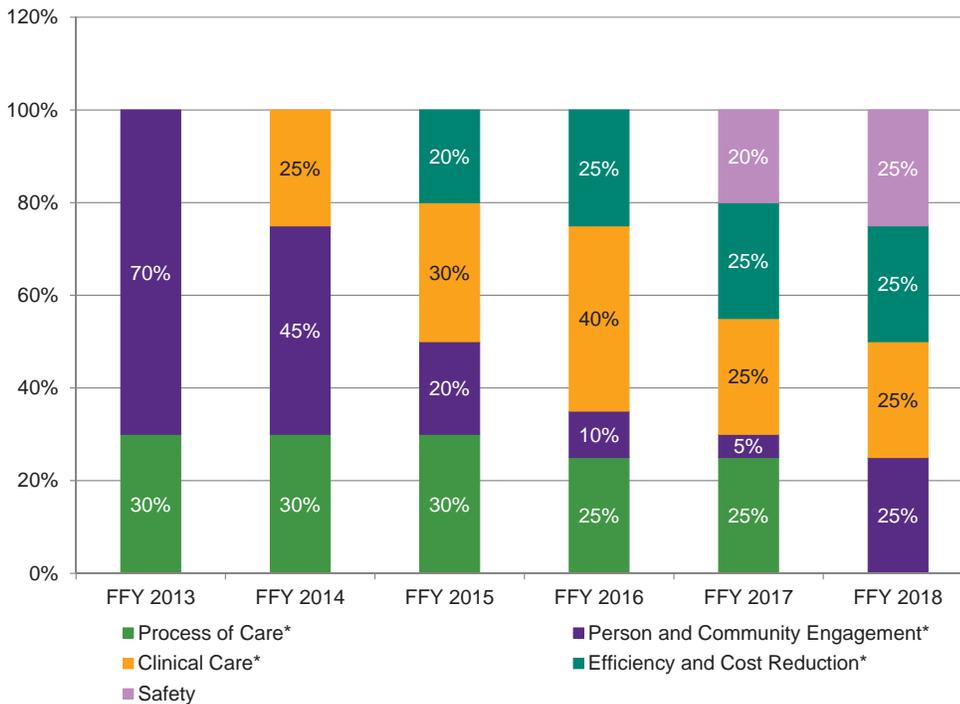
experts and researchers are continuously evaluating the evidence to make sure the guidelines and measures continue to reflect the most up-to-date information and clinical evidence. In some cases, guidelines and measures are modified to reflect new evidence.

## Value-Based Purchasing Data

As of October 2012, Medicare rewards hospitals that provide high quality care for their patients through the Hospital Value-Based Purchasing (VBP) Program. Payment is based on how well a hospital performs on heart attacks, efficient Medicare spending per beneficiary, health care-associated infections, pneumonia, preventive care, surgical care Clinical Process of Care Measures, Outcome Measures and Patient Experience of Care Measures (HCAHPS patient satisfaction survey) or on how much their performance improves relative to a baseline performance. This Hospital VBP program uses a pay-for-performance approach to the payment system that accounts for the largest share of Medicare spending, affecting payment for inpatient stays in over 3,500 hospitals across the country.

Under the Hospital VBP program, Medicare began making incentive payments to hospitals beginning in FFY 2013 based on either:

- 1) How well they perform on each measure; or
- 2) How much they improve their performance on each measure compared to their performance during a baseline period.



\* VBP measures changed for FFY 2018. Process of Care and Patient Outcomes were combined into Clinical Care. Patient Experience of Care was changed to Person and Community Engagement and Efficiency and Cost Reduction. Safety remained the same.

## Impact to Kentucky Hospitals

VBP Payback	FFY 2013	FFY 2014	FFY 2015	FFY 2016	FFY 2017
Payout Percentage	96.50%	96.40%	104.40%	96.90%	94.11%
Total impact	(\$467,500)	(\$602,200)	\$910,300	(\$716,600)	(\$1,770,100)
Eligible Hospitals	55	57	63	60	63

Source: Datagen Keystats

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## Hospital Readmissions Reduction Program

The Affordable Care Act established the Hospital Readmissions Reduction Program, which requires CMS to reduce payments to Inpatient Prospective Payment System (IPPS) hospitals with excess readmissions, effective for discharges beginning on October 1, 2012. A readmission is defined as a hospital admission within 30 days of discharge from the same or another acute care hospital. CMS has adopted readmission measures for conditions of heart failure, pneumonia, acute myocardial infarction, chronic obstructive pulmonary disease and hip/knee surgery. A hospital's readmission performance is measured against the national average. For FFY 2014, the proposed excess readmission ratios are based on discharges occurring during the 3-year period of July 1, 2010, to June 30, 2013. For FFY 2015, the excess readmission ratios were based on discharges occurring during the 3-year period of July 1, 2011, to June 30, 2014. Hospitals have been penalized at three percent since FFY 2015.

## Readmissions Data

These rates include patients readmitted to a hospital within 30 days of discharge from a previous hospital stay for heart attack, heart failure, pneumonia, chronic obstructive pulmonary disease and hip/knee surgery. Readmissions rates reflect three years' worth of data. The site also includes a composite measure as calculated by CMS: average Medicare hospital 30-day readmission rates for heart failure, heart attack, pneumonia, chronic obstructive pulmonary disease and hip/knee surgery. Hospital-specific readmissions data can also be found on Quality Net, the CMS website that hospitals use for reporting CMS quality data (web address [www.qualitynet.org](http://www.qualitynet.org)).

## Hospital-Acquired Condition Reduction Program

In October 2014, CMS began reducing Medicare payments for acute hospitals that rank in the worst performing quartile of acute hospitals with respect to hospital-acquired conditions (HACs). HACs are conditions that are either a) high cost or high volume or both, (b) result in the assignment of a case to a diagnosis-related group (DRG) that has a higher payment when present as a secondary diagnosis, and (c) could reasonably have been prevented through the application of evidence-based guidelines. In FFY 2015 and 2016 there are 14 categories of HACs. The overall impact of HAC program on Kentucky hospitals is shown below.

	FFY 2015	FFY 2016	FFY 2017
Kentucky Statewide Impact	(\$7,114,500)	(\$2,851,300)	(\$7,897,700)
Number of Penalty Hospitals	10	9	12
Percent of Hospitals Receiving Penalty	15.40%	13.80%	19.00%
Percent of Total Revenue Affected	0.13%	0.12%	0.16%

**Source:** Datagen Keystats

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# Quality Improvement Collaborative Activities

Kentucky hospitals use partnerships at the national and state levels to actively engage in learning activities, networking and quality improvement collaboratives to promote patient safety and quality. KHA provides quality improvement resources and technical assistance to member hospitals to support performance improvements, especially in areas covered by Medicare QBPR. KHA provides programs that offer resources, expertise and best practices to hospitals, in addition to the programs in which the hospitals are engaged within their facilities and health systems, in order to improve the overall health of Kentuckians.

The Kentucky At-A-Glance Health Care Quality Improvement table shows who has been working on various quality improvement initiatives, and where their focus was for the 2016-2017 year.

## Topics are:

- **Outbreaks:** Occurrence of disease outside of the parameters of what is normally expected
  - **CAUTI:** Catheter-associated urinary tract infection
  - **CLABSI:** Central line-associated bloodstream infection
  - **SSI:** Surgical site infection
  - **VAE:** Ventilator-associated event
  - **CDI:** Clostridium difficile (C. diff) infection (includes antimicrobial stewardship, the appropriate use of medications that treat infections, so as to eliminate the development of multi-drug resistant organisms (MDROs) and use resources wisely)
  - **Sepsis:** Presence of pathogens/toxins in the blood and tissues
  - **MRSA:** Methicillin-resistant Staphylococcus aureus; bacteria that is hard to treat because of antibiotic resistance
  - **CRE/other resistant organisms:** Carbapenem-resistant Enterobacteriaceae; a family of germs that are hard to treat because of antibiotic resistance
  - **Health Care Influenza Vaccinations**
  - **Adult Vaccination:** Influenza and Pneumococcal vaccinations
  - **VBP/other Medicare Quality Reporting Programs:** Value-based purchasing (system used to link Medicare's payment system to a value-based system)
  - **HAC:** Hospital-acquired condition that impacts a person's medical stay and Medicare/Medicaid reimbursement
  - **Cardiac Health:** Cardiac Prevention Program
  - **Diabetes:** Diabetes Prevention and Control Program
  - **Meaningful Use:** Using certified electronic health record technology to improve quality
  - **Behavioral Health**
  - **Readmissions and Coordination of Care**
  - **ADE:** Adverse drug event; refers to any harm or potential harm that occurs during medication use
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## Kentucky Hospital Improvement Innovation Network

The Kentucky Hospital Association has partnered with the Hospital Research and Education Trust (HRET) of the American Hospital Association (AHA) since 2012 to provide patient safety and quality improvement resources to Kentucky hospitals. This project began as part of the Partnership for Patients Hospital Engagement Network (HEN) in 2012 and continues as the Hospital Improvement Innovation Network (HIIN). The HEN program was created by the Centers for Medicare and Medicaid Services to provide targeted patient safety improvement projects in 11 areas addressing the prevention of hospital acquired conditions (HACs) and readmissions along with additional patient safety culture tools. The goal of the improvement program was to reduce HACs by 40 percent and hospital readmissions by 20 percent by the conclusion of the program. At the conclusion of 2014, preliminary Kentucky results showed 40 percent improvement in five of the 11 topic areas, including falls with serious injury, stage 3 and 4 pressure ulcers, VTE (venous thromboembolism), obstetrical adverse events and early elective deliveries. The Hospital Engagement Network, 2012-2014, was followed by HEN 2.0, which continued the efforts to reduce harm by 40 percent and preventable readmissions by 20 percent, from September 2015 through September 2016. The HIIN began in October of 2016 and continues through September 2018, with an optional additional year that would potentially continue through September 2019.

The eleven areas of focus included the prevention of:

- Surgical site infections (SSI)
- Central line-associated blood stream infections (CLABSI)
- Ventilator-associated events (VAE)
- Catheter-associated urinary tract infections (CAUTI)
- Injuries from falls and immobility
- Pressure ulcers/injury (HAPU)
- Venous thromboembolism (VTE)
- Preventable readmissions
- Adverse drug events (ADE)
- Clostridium difficile infection (CDI) along with Antimicrobial Stewardship (AMS)
- Sepsis

KHA's HIIN (K-HIIN) has 91 hospitals committed to improvement work on all 11 focus areas as applicable to their patient populations in HIIN. Each improvement area is supported with the following activities:

- Face-to-face meetings featuring presentation by focus area experts
  - Monthly coaching calls with collaborative member hospitals for networking and education
  - Regular webinars featuring presentations by experts in the field
  - Quarterly and as-needed one-on-one technical assistance and information gathering
  - Collection of baseline and monthly data on one process and one outcome measure for each focus area
  - Semi-annual feedback reports to hospital leaders
  - Evidence-based practice toolkits or “change packages” for each topic
  - Additional tools and resources on culture improvement including:
    - The Hospital Survey on Patient Safety Culture tool
    - Leadership training
    - TeamSTEPS
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## Kentucky Hospital Improvement Innovation Network

Below are the hospitals participating with K-HIIN. Please note, there are a number of other national organizations signed on with CMS to serve as a "HIIN." Many other Kentucky hospitals are participating in HIIN activities with these organizations.

ARH Our Lady of the Way Hospital	Jennie Stuart Medical Center	Saint Joseph Hospital
Baptist Health Corbin	Jewish Hospital Shelbyville	Saint Joseph London
Baptist Health La Grange	Kentucky River Medical Center	Saint Joseph Mount Sterling
Baptist Health Lexington	King's Daughters Medical Center	Spring View Hospital
Baptist Health Louisville	Livingston Hospital and Healthcare Services	St. Claire Regional Medical Center
Baptist Health Madisonville	Logan Memorial Hospital	St. Elizabeth Edgewood
Baptist Health Paducah	Manchester Memorial Hospital	St. Elizabeth Florence
Baptist Health Richmond	Marcum and Wallace Memorial Hospital	St. Elizabeth Fort Thomas
Barbourville ARH Hospital	Marshall County Hospital	St. Elizabeth Grant
Bluegrass Community Hospital	Mary Breckinridge ARH Hospital	Sts. Mary & Elizabeth Hospital
Bourbon Community Hospital	McDowell ARH Hospital	T.J. Health Columbia
Breckinridge Memorial Hospital	Meadowview Regional Medical Center	T.J. Samson Community Hospital
Caldwell County Hospital	Methodist Hospital	Taylor Regional Hospital
Carroll County Memorial Hospital	Methodist Hospital Union County	The Medical Center at Albany
Clark Regional Medical Center	Middlesboro ARH Hospital	The Medical Center at Bowling Green
Commonwealth Regional Specialty Hospital	Monroe County Medical Center	The Medical Center at Caverna
ContinueCARE Hospital at Baptist Health Corbin	Morgan County ARH Hospital	The Medical Center at Franklin
ContinueCARE Hospital at Baptist Health Madisonville	Murray-Calloway County Hospital	The Medical Center at Scottsville
Continuing Care Hospital	Norton Audubon Hospital	Trigg County Hospital
Crittenden Health Systems	Norton Brownsboro Hospital	TriStar Greenview Regional Hospital
Cumberland County Hospital	Norton Hospital	Tug Valley ARH Regional Medical Center
Ephraim McDowell Fort Logan Hospital	Norton Women's Children's Hospital	Twin Lakes Regional Medical Center
Ephraim McDowell James B. Haggin Hospital	Ohio County Hospital	VA Medical Center Lexington
Ephraim McDowell Regional Medical Center	Our Lady of Peace	Wayne County Hospital
Flaget Memorial Hospital	Owensboro Health Muhlenberg Community Hospital	
Fleming County Hospital	Owensboro Health Regional Hospital	
Frankfort Regional Medical Center	Pikeville Medical Center	
Georgetown Community Hospital	Pineville Community Hospital	
Hardin Memorial Health	Ridge Behavioral Health System	
Harrison Memorial Hospital	Robley Rex VA Medical Center	
Hazard ARH Regional Medical Center	Rockcastle Regional Hospital and Respiratory Care Center	
Highlands Regional Medical Center	Russell County Hospital	
Jackson Purchase Medical Center	Saint Joseph Berea	
	Saint Joseph East	

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