Long-Term Care Survey Alert

Trends: Keep Your Eye on These 2 CMS Efforts

CMS eyeing P4P, avoidable rehospitalization.

A CMS demonstration and project in play could have ramifications for SNFs if the Centers for Medicare & Medicaid Services finds they reduce costs and improve care.

The Nursing Home Value-Based Purchasing Demonstration is looking at the impact of payment incentives on cost and quality. In the demo, CMS is asking nursing homes in Arizona, Mississippi, New York, and Wisconsin to sign up for a shot at higher annual Medicare payments based on their performance on a number of quality measures. These include avoidable rehospitalizations, outcomes on selected MDS-based measures, survey deficiencies, and nurse staffing. The measure looking at rehospitalization rates focuses on anemia, congestive heart failure, respiratory infection, electrolyte imbalance, sepsis, and urinary tract infection, says **Kenneth Daily, LNHA,** president of Elder Care Systems Group in Fairborn, Ohio.

Nursing homes that achieve the highest scores -- or show the most improvement in their scores compared to baseline -- will be eligible for the performance payment. CMS officials anticipate that about 400 nursing facilities (100 per state) will volunteer to participate in the initiative. Half of those will go into a control group that won't receive the extra reimbursement.

Medicare savings generated by the demo -- primarily from reduced hospitalization rates -- will provide the payment pool for rewarding best-performing facilities, according to an April 2009 CMS-sponsored Open Door Forum on the demonstration. The three-year demo is expected to start in July 2009. CMS will use findings from the demo to potentially make changes to Medicare for SNFs.

In addition, CMS announced in April that it plans to roll out its Care Transitions Project to 14 communities nationwide with a goal of looking at ways to eliminate unnecessary hospital readmission. The project is set to run through the summer of 2011.

"Our data show that nearly one in five patients who leave the hospital today will be re-admitted within the next month, and that more than three-quarters of these re-admissions are potentially preventable," said CMS Acting Administrator **Charlene Frizzera.**

"This situation can be changed by approaching healthcare quality from a community-wide perspective, and focusing on how all of the members of an area's healthcare team can better work together in the best interests of their shared patient population," she said in a press statement.

A state Quality Improvement Organization will lead each care transition community in implementing the following to rein in rehospitalizations:

" hospital and community system-wide interventions;

" interventions that target specific diseases or conditions; and

" interventions that target specific reasons for admission.