Illinois Blues partners with hospitals to reduce readmissions

Medical costs would drop by $150 million if hospitals could bring the state's 20% readmission rate in line with the national median.

By KEVIN B. O'REILLY, amednews staff. Posted Feb. 23, 2011.

BlueCross BlueShield of Illinois is funding a four-year statewide initiative to reduce hospital readmissions.

The health plan is contributing up to $1 million annually to the Illinois Hospital Assn. to help implement practices shown to reduce readmission rates. The state's 30-day Medicare rehospitalization rate ranks 44th among states, according to a 2009 Commonwealth Fund report card. The initiative was launched on Feb. 4.

Medical expenses would be cut by $150 million if hospitals could reduce the state's 20.3% readmission rate to the national median of 17.5%, said H. Scott Sarran, MD, vice president and chief medical officer of the Illinois Blues plan.

Similar health plan-funded initiatives are under way in California, Florida, Michigan and Texas. In Illinois, hospitals will be trained how to redesign their hospital discharge processes, improve care transitions, make better use of palliative care and standardize their measurement of rehospitalizations. The quality initiative will draw upon practices developed at Boston Medical Center and the Society of Hospital Medicine's Project Better Outcomes for Older adults through Safe Transitions, called Project BOOST.

"It is crystal clear that a lot of hospitals lack a quality infrastructure, and Project BOOST helps bring some expertise to help facilitate hospitals in developing that quality infrastructure," said Mark Williams, MD, principal investigator of Project BOOST and professor and chief of hospital medicine at Northwestern University Feinberg School of Medicine in Chicago. "Hospitals also lack expertise in how best to optimize the hospital discharge transition."

The Project BOOST tool kit gives hospitals a mechanism to identify patients at greatest risk for rehospitalization, implement the "teach-back" process to ensure that patients understand how to care for themselves, issue easy-to-understand written discharge instructions and use a patient-centered transition record to track pending tests and follow-up appointments.

Though some health plans are spending more to reduce readmissions, the federal government will begin penalizing hospitals that perform poorly in this area. Starting Oct. 1, 2012, the Centers for Medicare & Medicaid Services will cut hospitals' base pay by up to 1% if they exceed a to-be-determined estimated 30-day readmission rate for patients with heart failure, heart attack or pneumonia.

That change is helping to drive hospitals' interest in the initiative, said Maryjane A. Wurth, president of the Illinois Hospital Assn. Nearly all the state's hospitals are participating in the project, which is free to IHA members.

"Whenever there are policy decisions coming out of Washington, obviously all providers take that very seriously," Wurth said. "But the real motivation is to make sure that, ultimately, people are getting the right care at the right place, with the right outcomes at the right cost."

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