

**PROFESSION**

**Coming wave of Medicaid patients will test quality at safety-net hospitals**

Hospitals that treat many low-income people struggle on patient satisfaction metrics. They may be strained further by an influx of patients under health reform.

By **KEVIN B. O'REILLY**, *amednews staff*. *Posted Aug. 6, 2012.*

Newly published research reveals a mixed picture regarding the quality of care that low-income patients can expect as health system reform moves ahead after the Supreme Court's June decision on the Affordable Care Act.

The flood of newly insured patients — about 30 million during the next decade, according to a July Congressional Budget Office estimate — probably will strain a health system that the Assn. of American Medical Colleges says will see a shortage of 160,000 physicians by 2025. The CBO estimates that 11 million of the newly insured will be covered by Medicaid, though that number could be substantially higher if more states decide to accept the federal government's plan to expand eligibility for the program.

Beyond the work force issue, there is the broader question of where these patients — and the 30 million the CBO expects to remain uncovered by the law — will seek care and what caliber of care they will get. Some experts argue that federal pay-for-performance efforts could exacerbate the financial squeeze felt by the health care organizations that traditionally have delivered care to the poor.

The 25% of hospitals with the highest proportion of Medicaid patients score nearly 6 percentage points worse on measures of patient satisfaction compared with non-safety-net hospitals, said a July 16 *Archives of Internal Medicine* study. The federal survey includes questions such as, "How often did doctors explain things in a way you could understand?" and "How often was your pain well-controlled?" The gap in performance on these metrics, which has been correlated with how well hospitals deliver guideline-based care, grew by 1.8 percentage points during the 2007 to 2010 period studied.

These differences not only say something about care quality at safety-net hospitals but also could translate into lower government pay. Under a hospital pay-for-performance plan that is part of the ACA, hospitals could lose up to 3% in Medicare pay depending on how they score in a variety of areas, with patient-satisfaction performance accounting for 30% of that total. Only 11% of the safety-net hospitals met a key benchmark for avoiding Medicare pay cuts, and they were 60% less likely to meet it than the hospitals that treated the fewest low-income patients, the study said.

"It will take a bunch of years for these safety-net hospitals to catch up on these scores," said Ashish K. Jha, MD, MPH, the study's senior author and associate professor of health policy and management at the Harvard School of Public Health in Boston. "Yes, we're only talking about 1% or 2% of Medicare holdbacks, but for a lot of safety-net hospitals, that can make a huge difference."

These hospitals also could lose as much as another 3% in Medicare pay by 2015 for high 30-day readmission rates. Rehospitalization rates and performance on patient-satisfaction metrics have been found to vary by patients' income, education, health literacy skills and illness severity. Safety-net hospitals care for patients who are sicker than those treated at other hospitals, and these patients also tend to have less trust in the health system, the *Archives* study said. Those characteristics affect how they score hospitals on patient-satisfaction surveys.

"This is not about blaming the patients. It's about understanding the real differences around things like literacy, language and reflecting the economics of it," said Mitchell H. Katz, MD, director of the Los Angeles County Dept. of Health Services, which operates four acute-care hospitals and many outpatient clinics. "If my four hospitals are providing chemotherapy and all kinds of interventions to people who don't have insurance, we don't receive revenue for it. That's not a complaint — that's just a statement."

Safety-net hospitals have long relied on federal subsidies under the Disproportionate Share Hospital program. But under the Affordable Care Act, these payments will be cut by about half during the next decade. Given those expected cuts and how factors beyond hospitals' control affect their performance on patient-satisfaction surveys, the 30% weight placed on these scores is too high, said Beth Feldpush, DrPh.

"The testing instruments they're using don't allow everybody to have an equal opportunity to score well," said Feldpush, vice president of policy and advocacy at the National Assn. of Public Hospitals and Health Systems, which represents 140 major safety-net hospitals where 36% of patients are covered by Medicaid.

A spokeswoman for the Centers for Medicare & Medicaid Services defended the federal government's approach to hospital pay-for-performance.

"We are fully committed to improving the quality of health care for all patients," the spokeswoman said. "Our efforts toward rewarding quality in our hospital payments specifically take into account how much a hospital has improved, so that we're not

penalizing hospitals that handle patients with more complicated health care needs. Through programs like the Partnership for Patients and Quality Improvement Organizations, we are giving these hospitals additional resources to invest in quality, improving care for patients while lowering costs at the same time.”

### Primary care outlook brighter

The financial strain on safety-net hospitals could translate to the ambulatory side of care. Many of these organizations also offer office-based primary and specialty care, with an average of 20 ambulatory clinics in each system, Feldpush said. About 26% of their patients are covered by Medicaid, and safety-net affiliated specialists are among the few accepting new Medicaid patients in many urban areas.

For primary care, however, many low-income patients are likely to find themselves receiving care in clinics that are doing just as well on quality metrics as private physician groups. The Dept. of Health and Human Services estimates that two-thirds of patients newly insured under the Affordable Care Act will receive care at community health centers such as federally qualified health centers and so-called look-alike clinics, which do not receive additional public health funding. About 85% of their patients are uninsured or on Medicaid.

These clinics scored just as well or better than private practices on all but one of 18 quality metrics gauging care in areas such as congestive heart failure, atrial fibrillation, asthma, depression and hypertension, said a study of more than 30,000 patient visits in August’s *American Journal of Preventive Medicine*.

“Our study was very positive in the sense that it suggested that for certain select quality measures, the federally qualified health centers seem to be providing as good or perhaps better care in certain areas, and that’s reassuring,” said L. Elizabeth Goldman, MD, MCR, assistant professor of medicine at the University of California, San Francisco School of Medicine.

Community health centers are set to receive \$11 billion over five years to expand services and undertake major renovations and construction projects under the ACA. They received an additional \$2 billion under the 2009 federal stimulus package. Expanding insurance coverage should not be the last step in health system reform, Dr. Goldman said.

“Receiving insurance alone is not adequate — that’s only one piece of access to care. And access to care and quality are also different,” said Dr. Goldman, an internist at a community health center owned by San Francisco General Hospital & Trauma Center. “If we just sort of assume that if you have a certain kind of insurance, then that means you’ll have adequate access to care, and access to appropriate care, without looking at the impact of what we do — we could be completely missing the boat.”

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#### ADDITIONAL INFORMATION:

### How safety-net hospitals fare on patient satisfaction

Surveys show that safety-net hospitals struggle to “usually” or “always” meet patient expectations in areas such as communication and pain management compared with hospitals that are lowest on the Disproportionate Share Hospital index. Low-DSH hospitals treat fewer needy patients.

Measure	Low-DSH index hospitals	Safety-net hospitals
Overall 9 or 10 rating of hospital experience	69.5%	63.9%
Communication with physicians	76%	73.8%
Communication with nurses	79.5%	78.9%
Communication about medicines	59.9%	58.7%
Adequate nursing services	62.4%	60.2%
Pain management	69.5%	67.4%
Discharge information	82.8%	80.2%
Quietness of hospital environment	55.1%	56.6%
Cleanliness of hospital environment	69.8%	68.8%

Source: “Patient Experience in Safety-Net Hospitals: Implications for Improving Care and Value-Based Purchasing,” *Archives of Internal Medicine*, July 16 ([archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3158](http://archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3158))

#### WEBLINK

“Federally qualified health centers and private practice performance on ambulatory care measures,” *American Journal of Preventive Medicine*, August ([www.ncbi.nlm.nih.gov/pubmed/22813678](http://www.ncbi.nlm.nih.gov/pubmed/22813678))

“Patient Experience in Safety-Net Hospitals: Implications for Improving Care and Value-Based Purchasing,” *Archives of Internal Medicine*, published online July 16 ([archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3158](http://archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3158))

“Patient Satisfaction and Safety-Net Hospitals: Carrots, Not Sticks, Are a Better Approach,” *Archives of Internal Medicine*, published online July 16 ([archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3175](http://archinte.jamanetwork.com/article.aspx?doi=10.1001/archinternmed.2012.3175))

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