

Thousands of hospitals are penalized for excessive readmissions each year

How can you help ensure your hospital won't be one of them?

The high cost of hospital readmissions

High rates of hospital readmissions have long concerned healthcare providers and payers with one in five Medicare patients returning to the hospital within 30 days.¹ These hospital readmissions not only impact health outcomes, they're also costly, accounting for more than \$17 billion in avoidable Medicare expenditures annually.²

To remedy the problem, the Centers for Medicare and Medicaid Services (CMS) enacted the Hospital Readmissions Reduction Program (HRRP) in 2012. Modified slightly over the years, it currently penalizes hospitals by withholding up to 3% of regular reimbursements if they have a higher-than-expected number of readmissions within 30 days of discharge for six conditions:

• Chronic lung disease

• Heart failure

• Hip and knee replacements

- Coronary artery bypass graft surgery
- Pneumonia

• Heart attacks

Although hospital readmissions initially declined under HRRP, the readmission rates soon plateaued. In 2017, Medicare reduced reimbursements for 2,597 hospitals, forcing hospitals to explore new ways to manage readmission risk in the future.³

Hidden causes of readmissions

While hospital readmissions were once associated with quality of care, the HRRP's lack of progress has revealed what may be an even bigger problem: hospitals cannot control patients once they are released.

Recent studies show that social determinants of health (SDOH)—the conditions in which people are born, grow, live, work and age—account for as much as 50% of health care outcomes.⁴ The correlation of these factors to health can play out in many ways. For example:



Patients who don't have family members nearby may not have transportation to their follow-up medical appointments or assistance with their daily living needs.



Patients with low health literacy or conditions such as memory loss or dementia may not be capable of taking their medication as prescribed or following care regimens on their own.



Patients who live in a high-crime neighborhood may not be able to exercise outdoors.



Patients in low-income areas may not have access to foods that meet their dietary needs.

The data is clear: SDOH are direct risk factors for a large number of negative healthcare outcomes. But how can healthcare organizations address these issues that are outside the hospital's walls?

Predicting readmissions

The first step in resolving SDOH issues is identifying who is at risk, something clinical data won't necessarily reveal. Using a massive repository of reliable public records data and applying proprietary analytics, LexisNexis[®] Health Care has developed a powerful and accurate indicator of readmission risk validated against hospital readmission records.

The LexisNexis Socioeconomic Health Score - Readmission Risk Score represents the probability of being readmitted between 0 and 100, 100 being the highest possible risk of readmission. It also provides a categorical ranking of 1 through 5, 5 being the highest risk category. Because it's built on data at the individual level, the Socioeconomic Health Score - Readmission Risk Score is highly personalized to the patient.



RISK OF READMISSION

In a recent test, LexisNexis combined hundreds of SDOH data attributes and created a predictive model to forecast the probability an individual would be readmitted to the hospital within 30 days. The model performed as well or better than clinical data models.

Taking action based on risk scores

With Socioeconomic Health Score - Readmission Risk Score, healthcare professionals can identify their most at-risk patients based on their socioeconomic needs. By understanding each individual's level of risk, providers can effectively prioritize resources. They can work the list of patients requiring discharge and follow-up care based on patients' predicted risk rather than other measures such as discharge time or unit location. This method improves staff productivity and patient outcomes. Providers can also improve treatments and discharge planning.

With more informed risk stratification, providers can direct their attention to high-risk patients, customizing care, prioritizing outreach and allocating resources accordingly.

Optimizing outcomes

The return on investment in using Socioeconomic Health Score - Readmission Risk Score to prompt action affects four areas:

- **1. Reimbursements** A reduction in the HRRP penalties of 3% can translate to significant Medicare savings. Additionally, with MACRA, performance metrics related to readmissions can be selected that would impact potential reimbursements.
- 2. Incentives Reduced readmissions can drive STAR ratings for specific quality metrics tied to hospitalizations. Improving STAR ratings raises Medicare reimbursements. It can also impact value-based contracts and expectations from payers for overall populations.

- **3. Efficiency** With the ability to identify high-risk patients, providers can direct resources where they are likely to have the greatest impact.
- **4. Quality of Care** Restoring health is the goal. Lower readmissions are a win for the patient as well as the hospital.



Socioeconomic Health Score - Readmission Risk Score can be a valuable tool in reducing preventable readmission rates. It delivers actionable intelligence, giving providers a more holistic view of the patients and presenting opportunities to intervene for better outcomes.

When Socioeconomic Health Score - Readmission Risk Score is used to prompt action, providers have the ability to slow growth in healthcare spending and promote faster recovery for patients during and after their hospitalizations.

For more information call 866.396.7703 or visit risk.lexisnexis.com/healthcare



Health Care

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Our healthcare solutions combine proprietary analytics, science and technology with the industry's leading sources of provider, member, claims and public records information to improve cost savings, health outcomes, data quality, compliance and exposure to fraud, waste and abuse.

¹ https://khn.org/news/under-trump-hospitals-face-same-penalties-embraced-by-obama/

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² https://healthitanalytics.com/news/preventable-hospital-readmissions-fall-dramatically-across-us

³ https://www.advisory.com/daily-briefing/2017/08/07/hospital-penalties

⁴ https://www.lexisnexis.com/risk/downloads/assets/social-determinants-healthcare-pov.pdf