AHA Focus on Hospital Readmissions

According to a recent study, one in five hospital discharges is complicated by an adverse event within 30 days, often leading to a readmission. Readmissions are a danger to patients and costly to hospitals. For those reasons, CMS has initiated plans to penalize hospitals with higher than expected readmission rates with noticeable reduction in their payments, and private health plans are sure to follow suit.

To help hospitals learn more about these plans and about steps they can take to reduce readmission rates, the Arkansas Hospital Association (AHA) will offer two educational sessions:

- Gloria Kupferman, vice president of national information for DataGen, will present a 1.5-hour patient safety/quality workshop as part of the AHA’s 80th Annual Meeting entitled, “Readmissions – What Can and Cannot Be Prevented?,” on Thursday morning, October 7, at the Statehouse Convention Center. A copy of the October 6-8 annual meeting brochure containing registration information is available at http://www.arkhospitals.org/events/annual-meeting or by calling (501) 224-7878.

- The second opportunity is a one-day workshop on October 29, entitled “Reducing Hospital Readmissions,” to be held at the AHA’s education center. Susan Shepard, director of patient safety education for The Doctors Company, will discuss the most common areas where transition errors occur, solutions to practice improvement, identification of patients at risk for transition adverse events and enhancements to the entire system. Participants will engage in small work groups throughout the day. A copy of the program brochure is attached and also available at http://www.arkhospitals.org/events/reducing-hospital-readmissions.

Nursing contact hours will be awarded for attendance at each of the workshops.

2011 Coding Update Workshops

On October 1, 2010 the new ICD-9-CM coding updates will be implemented. The Arkansas Hospital Association (AHA) will offer its annual “2011 Update on ICD-9-CM and MS-DRG Changes” on September 22 at the AHA headquarters. Coding expert Karen Scott of Memphis will be the program facilitator.

This session will cover the new codes and procedures, changes in the FY 2010 MS-DRG Inpatient Prospective Payment System and explain how these changes will impact the coding professional. Attendees will receive hands-on practice with using the new codes and other “hot spots” in ICD-9-CM coding using actual case studies.

Also included will be a preview of ICD-10 and discussion of key areas of preparation for coding professionals. A copy of the program brochure is available at www.arkhospitals.org/events.
In addition to the ICD-9 workshop, the AHA will offer its annual CPT Coding Workshops on the following dates: December 2 – Jonesboro; December 9 – Fayetteville; and December 10 – Little Rock. The workshops, also facilitated by Karen Scott, will take the participant through the latest coding changes, explaining in detail how they will impact the physician and hospital coding professional. Participants also will discuss common CPT coding mistakes and work through case scenarios.

Mark your calendar now for the CPT workshops, and program and registration information will be available soon at www.arkhospitals.org/events.

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HIPAA Version 5010 Testing Deadline

Healthcare providers, health plans, clearinghouses and vendors should be finished with their internal testing of the Version 5010 HIPAA electronic healthcare transaction standards by the first recommended deadline for internal testing, December 31, 2010, and be ready to start testing with their external partners, beginning in January 2011, just about four months away.

Beginning January 2011, CMS’ Medicare Fee-for-Service program will be ready to test Version 5010 transaction standards with its external partners and other industry segments should be poised to follow suit. This recommended external testing start date will give the industry adequate time to ensure that their Version 5010 transactions are being conducted correctly, in preparation for mandatory Version 5010 compliance by January 1, 2012.

Hospitals should already be communicating with their external partners about Version 5010 testing plans. Incorporate your Version 5010 testing messages into your existing communication vehicles, including Web site links, customer service encounters, etc., to let everyone know when you will be ready to start testing Version 5010 transactions with them.


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Rural Community Hospital Grant Program

HHS Secretary Kathleen Sebelius last week announced the expansion of CMS’ Rural Community Hospital Demonstration through the Affordable Care Act. Up to 20 small rural hospitals in selected states will be eligible for enhanced reimbursement for inpatient services, in addition to the 10 hospitals already participating in the program.

The expansion of the Rural Community Hospital demonstration program comes on the heels of HHS’ Health Resources and Services Administration (HRSA) announcement earlier this week that more than $32 million in FY 2010 funds to increase access to healthcare for Americans living in rural areas. In accordance with section 10313 of the Affordable Care Act, CMS is extending the demonstration and expanding the list of eligible states. The demonstration will now pay participating hospitals under a cost-based methodology for inpatient hospital services furnished to Medicare beneficiaries for an additional five years.

Participating rural community hospitals must be located in one of the 20 states with the lowest population density. These States are: Alaska, Arizona, Arkansas, Colorado, Idaho, Iowa, Kansas,
Maine, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah and Wyoming.


**Web Site Highlights ACA Impact on State**

The Arkansas Center for Health Improvement has established a Web site related to the challenges and opportunities for Arkansas under the new Affordable Care Act of 2010. The new Web page, *Implications of the 2010 Patient Protection and Affordable Care Act for Arkansans*, is a frequently updated place for information including issue briefs and helpful links. To find out more and sign up for e-mail updates, go to [www.achi.net](http://www.achi.net).

**CMS To Report Hospitals’ HAC Rates**

CMS has announced that it will be publicly reporting hospitals’ unadjusted rates of the eight hospital-acquired conditions (HACs) finalized in the inpatient prospective payment system final rule as a downloadable file on the Hospital Compare site as of September 23. The hospital-specific reports will be available for download by hospitals on September 14 and will be available for hospitals to preview for only one week. CMS made the announcement during an open door forum call last week. This is as much information as is available for the moment. The American Hospital Association is working to find out more and will pass along any additional information as soon as they have it.

The eight HACs are: retained foreign object, air embolism, blood incompatibility, stage III and IV pressure ulcers, falls and trauma, vascular catheter-associated infections, catheter-associated UTIs, and manifestations of poor glycemic control. The rates will be based on Medicare-only claims with a Present on Admission code of “N” or “U.”

**NAIC Approves 2010 Medical Loss Ratio Form**

The National Association of Insurance Commissioners (NAIC) has approved final implementation of the Medical Loss Ratio (MLR) Blanks Proposal to implement a provision of the Patient Protection and Affordable Care Act (PPACA). Blanks are the actual forms submitted by insurance companies to report financial information to state regulators, who will use this information to calculate a health plan’s medical loss ratio (MLR). The MLR is the percentage of premiums spent on healthcare services and quality improvement activities. Under the PPACA, starting in 2011, health plans with an MLR of less than 85% in the large group market or 80% in the small group and individual markets will be required to provide a rebate to enrollees.

The NAIC commissioners approved amendments to the form that expand the definition of “wellness and health promotion activities” to include public health marketing campaigns performed in conjunction with state or local health departments but rejected an amendment that
would have allowed payers to count accreditation fees as a quality improvement cost. See

Validation of Hospital Outpatient Quality Data

The Centers for Medicare & Medicaid Services in late August or early September will begin
validating data submitted to Medicare’s hospital outpatient quality data reporting program. CMS
plans to validate a random sample of 7,300 cases submitted to the OPPS Clinical Warehouse.
Hospitals must supply medical documentation for sampled cases within 45 days of request to
prevent a 2% reduction in their calendar year 2011 annual payment update. For more information,
visit www.qualitynet.org.

Support for Medicare Patient Visitation CoP

In an August 27 letter to CMS director Dr. Donald Berwick, the American Hospital Association
(AHA) said it generally supports proposed changes to the Medicare conditions of participation for
patient visitation rights, noting, however, that the changes may be unnecessary as nearly all
hospitals have such policies and procedures in place.

The proposed changes require hospitals to have written policies and procedures regarding the
visitation rights of patients, including any clinically necessary or reasonable restrictions, and their
right to receive the visitors whom they designate – whether a spouse, domestic partner, family
member or friend. The letter encourages CMS to reach out to the AHA and other stakeholders
before taking supplemental implementation actions. Read the full letter at

The AHA Calendar

September 2010
     Webinar Series
14 34 Patient Safety Practices Every Healthcare Facility Should Know: Part 2 of 2 –
     Webinar Series
14 Reward and Recognition on a Limited Budget: Surface vs. Substance – Webinar 2611
14 The Arkansas Association for Healthcare Quality (AAHQ) CPHQ Review Course
14 Organized Labor Goals: How They Will Directly Impact Providers’ Strategic Plans &
     Operations – Webinar
15 Hospitals in the Social Media World – A Two-part Webinar Series: Part 2 – No More
     Piecemeal Social Media: Adding Strategy & Measurement
16 2010 Mid-Management Healthcare Leadership Series: Legal Aspects of Management
16 Physician Evaluation & Management 101 – Audioconference
16 Reducing Interpersonal Conflict in End of Life, Futility Care Cases – Webinar 2613
16 CMS Never Events: Infections Escaping Never Land – Keeping Never Events from
     Happening – Webinar 2612
22 2011 Update on ICD-9-CM and MS-DRG Changes

Information on these and all AHA educational activities is available at
www.arkhospitals.org/events.