THE CAMDEN GROUP

ideas. answers. action.

Time for a Readmission Intervention?

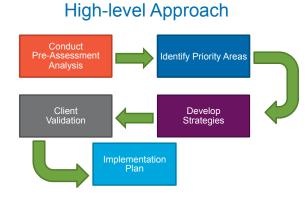
Avoidable readmissions are a key indicator of the quality and coordination of care provided by organizations. Elimination of the costly financial impact of readmission penalties requires priority area interventions and resources to drive care redesign.

Does Your Organization Need to Reduce Readmissions?

If you can answer "yes" to either of these questions, you are not alone.

- Has your organization been financially impacted by penalties associated with the Hospital Readmissions Reductions Program or experienced continued reimbursement decreases from Medicare for every patient stay?
- Have you experienced difficulty developing strategies to address targeted clinical conditions or implemented processes to improve readmissions for the current penalized conditions that have not proven sustainable?

The Camden Group's readmission reduction process will evaluate your readmission trends and operations to develop strategies customized for your organization to successfully implement targeted interventions to reduce avoidable readmissions. Our clinical and opera-



tional experts draw on relevant, practical experience to provide each organization the right resources to drive care model redesign, execution, and facilitation of change. We focus on aligning and engaging physicians, coordinating and managing clinical care across the continuum, and integrating health information technology to support the care redesign process.

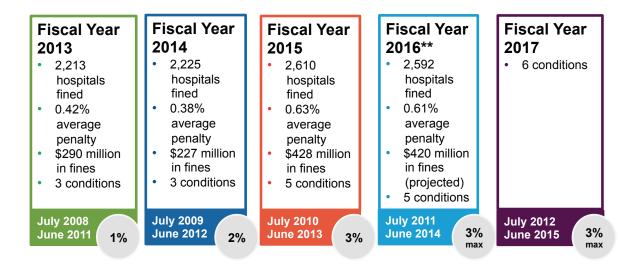
¹Penalty calculations are based on readmissions from July 2012 through June 2015 as reported by CMS.

CMS Readmission Penalty Results

Medicare's 30-day readmission penalties are affecting hospitals in every state, costing Medicare an estimated \$26 billion. Of that, \$17 billion comes from potentially avoidable readmissions. With the addition of a sixth condition included in fiscal year 2017¹, hospital fines will continue to increase. Hospitals need to implement sustainable and proactive care redesign approaches now to mitigate future financial impact and improve health outcomes.

CMS Hospital Readmissions Reduction Program

Fiscal Years 2013 to 2017*



*Source: Kaiser Health News, August 2015

** Fiscal year = Federal fiscal year from October 1 – September 30; penalty incurred by each hospital during the evaluation period will affect **all** Medicare payments for acute care stays in the upcoming fiscal year

CMS Readmission Penalties

2016 Program Takeaways

Increasing Penalties

- Over 200 hospitals received increasing penalties year over year.
- Four hospitals located in KY, LA, and TN received the maximum penalty each year.

Maximum Penalty Hospitals

• 38 hospitals received the maximum penalty.

 As in 2015, the majority of maximum penalty hospitals were specialty surgical hospitals and small community hospitals.

High Penalty Rate States

- Hospitals in every state will lose Medicare money this year (FY2016), except MD, (which is exempt from penalties through a special Medicare payment arrangement).
- The states most affected are AL, CT, FL, MA, NJ, NY, RI, SC and VA and the District of Columbia.

About The Camden Group

Since 1970, The Camden Group has been providing management and consulting services to the healthcare industry exclusively, assisting more than 2,000 healthcare organizations nationwide. Our multidisciplinary team of industry experts and clinical leaders is recognized for their thought leadership, results-oriented approach, and personalized service.

For more information about our Readmissions Solution, please contact Tere Koenig, M.D., MBA, Senior Vice President/Chief Medical Officer, at 310.320.3990 or tkoenig@thecamdengroup.com.

Los Angeles 310.320.3990 **Chicago** 312.775.1700 New York 585.512.3900

Boston 617.936.6900

Austin 512.795.5500