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Rating Hospitals by Readmissions Is Not Simple

We've written numerous times about [hospital readmissions](#)—circumstances that prompt a hospital patient to re-enter the hospital within a short time of his or her release. Often, readmission rates are a clue about the overall quality of care provided by a facility: When patients come back too often and too soon, it can be a sign that they weren't fixed right on the first go-round. And because hospital care is notoriously expensive, readmissions can signal the cost-effectiveness of a health-care provider network.

Sometimes a patient's problems require returning for in-patient care. But sometimes readmitting someone to a hospital is less a matter of absolute need than lax oversight. As noted in a [recent report](#) by NPR, WNYC and Kaiser Health News, unnecessary hospital readmissions are associated with worse treatment and health outcomes as well as higher costs to taxpayers.

As the NPR/WNYC/Kaiser report makes clear, paying for avoidable care is undesirable if you're the government or a private insurance company. But for paid caregivers, repeat customers are a lucrative market. "Dr. Eric Coleman of the University of Colorado says for too long hospitals have benefited from a system that rewards them for excessive care. A hospital might get 15 to 25 percent of its revenue from readmissions."

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Assigning a “good” or “bad” label to a hospital depending on how many readmissions it registers isn’t that simple. One doctor writing in the [New England Journal of Medicine](#) argues that readmissions aren't the best indicator of unnecessary care — even though they're an easy target for budget-cutters. Many hospitals with the highest readmission rates, he writes, also serve the poorest areas with the biggest health problems.

"Readmissions are caused by what hospitals do, who the patients are and what's happening in the community," Dr. Ashish Jha said. "You want hospitals to fix the things they can, but you don't want to punish them for taking care of poor people, and you don't want to punish them for being located in a poor area."

Regardless of patients’ reasons for being readmitted or the facility’s motivation for accepting them, one hospital is trying to reduce the incidence. Heart failure readmission rates for Mt. Sinai Hospital in New York are among the worst in the nation, according to the report. Its hospital administrator challenges how federal data on readmissions are gathered, but says that getting readmissions down is a top priority even though they have been lucrative for Mt. Sinai.

The hospital is hoping to reduce its readmission rates through its Preventable Admissions Care Team (PACT). The program includes measures such as patients meeting with a social worker and nurse practitioner, and only occasionally with a doctor. Such “transitional care” is designed to make patients more self-sufficient and less likely to end up in the emergency room.

It seems to be working. In the program's first full year, its 500 patients notched a 40 percent drop in readmissions and a 55 percent drop in emergency room visits. For one heart failure/diabetes patient who had 20 visits to the emergency room and overnight admissions in the 12 months before joining PACT, Mt. Sinai billed Medicare almost \$140,000. In the last 12 months, as a participant in PACT, he went to the ER and had an overnight admission seven times, which cost taxpayers a little more than \$54,000.

Mt. Sinai is covering his twice-weekly PACT visits. The program will cost the hospital about \$1 million this year, and it's not clear how long Mt. Sinai can foot the bill for PACT, especially if it turns out to be less expensive just to pay the penalty.

As [we've advised](#), any patient who knows he or she is going into the hospital should conduct due diligence about the facility’s record. But be mindful that readmission rates alone are only part of the quality-of-care picture.

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