

## Special Audio Report Transcript

Headline: Officials, Health Care Providers Working To Reduce Patient Readmissions in California

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Text:

I'm Deirdre Kennedy with a report on efforts to reduce the high number of readmissions to California hospitals. This is a special report for *California Healthline*, a daily news service from the California HealthCare Foundation.

A report by the Office of Statewide Health Planning and Development found that more than one in three California hospital patients is readmitted within a year. OSHPD says the May report is the first time the state has compiled and analyzed readmission figures. Although OSHPD didn't look at causes, the report's lead author, Mary Tran, says it does point to areas where there's room for improvement in patient care.

***(Tran): "This report is special because it provides this very unique snapshot about readmissions in California specifically and it provides detail about different kinds of payers, not just Medicare. And it includes all conditions, not just a selected subset of conditions."***

Researchers followed 1.7 million patients admitted from 2005 to 2006 -- the most recent available figures. Ten percent of readmissions were within the first week, a third within a month.

Debby Rogers, vice-president of quality and emergency services with the California Hospital Association, says the report raises more questions than answers.

***(Rogers): "It's unclear... whether some of those were planned readmissions, whether those admissions were related to the initial hospital stay, or if they resulted in complications when the patients were at home, or if they couldn't get the care that they needed in the community and that's why they came back to the hospital."***

The report does not specify causes for readmission. For instance, a patient who had an appendix removed and was later readmitted after a car accident would be included. While those kinds of incidents probably account for some readmissions, the report found that the highest rates were among people with chronic illnesses, like heart failure, kidney failure, emphysema and

psychiatric conditions. Rogers says hospitals are looking at ways to follow patients more closely after discharge.

***(Rogers): "We might look at the first thirty days after discharge... and the services that the person needs initially at home, that the hospital's very involved in those first weeks after discharge, beyond those thirty days, we need to start looking at what kind of resources do we have in the community and do our patients have appropriate access."***

It's the transition between hospital and home -- when patients are left to deal with chronic conditions like congestive heart failure or mental conditions -- where patients fall through the cracks.

***(Audet): Our health care system has failed these patients.***

That's Anne-Marie Audet, vice-president of quality improvement and efficiency with the Commonwealth Fund, which is conducting a four-year, multi-state study on ways to reduce readmissions.

***(Audet): "The challenge for the health care system right now is that these are vertical -integrated delivery systems, with hospitals and physicians, most of the care in the country is by independent or small physician practices, so the challenge is how to create a system of care around those physician practices. Care transition is really at the core of health system reform."***

Audet recommends so-called "accountable care systems," particularly for the most vulnerable patients -- the poor, chronically ill or elderly.

OSHPD's report found that nearly half of California's Medicare patients and 38% of Medi-Cal beneficiaries had at least one readmission, with Medi-Cal patients averaging two-and-a-half a year. That's costing both private and public health payers billions of extra dollars.

Toby Douglas, deputy director of California's Department of Health Care Services, says the state is planning to move toward more integrated care.

***(Douglas): "Our most vulnerable populations would be in organized systems of care where they would have a medical home provider, who helps coordinate their care. ...and we believe by moving to a more organized system that aligns the right incentives that we can reduce admissions that we see in this report."***

Starting in 2012, hospitals with particularly high rates of avoidable readmissions will have their Medicare payments reduced -- though it's not clear how "avoidable" admissions will be tagged.

Patrick Johnston, president of the California Association of Health Plans, says private payers are leaning toward managed care plans.

***(Johnston): "Increasingly PPO arrangements with health insurers are looking to teams of doctors and hospitals to do the same thing. We're going to see a lot more of this, particularly as Medicare expects that bundled payments and accountable care organizations - - in other words, team work -- will be the rule of the day, rather than the lone ranger approach to providing health services."***

Both public and private insurers are looking to systems like Kaiser, Intermountain Healthcare and the Cleveland Clinic as models of coordinated care. And they're considering adopting some form of bundled payments to give providers incentives to coordinate services.

This has been a special report for *California Healthline*, a daily news service from the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please e-mail us at [CHL@CHCF.org](mailto:CHL@CHCF.org). I'm Deirdre Kennedy. Thanks for listening.