June 2016 Commitment to Care Quality Topic

Alternative Payment Models are here: Are you ready? Comprehensive Joint Replacement (CJR) Bundling

On April 1, 2016 CMS mandated that hospitals in 67 metropolitan statistical areas (MSA's) across the nation would begin mandatory bundling and link payment for lower extremity joint replacement (hips and knees) to both quality and costs.

Hospitals in these areas are accountable for the care of their patients for a 90 day episode of care, which includes the care and services that providers like skilled nursing facilities (SNF's) deliver.

This means opportunities to partner with local hospitals early in the bundled payment process.

Here is what you need to know about CJR:

- The hospitals in the following metropolitan statistical areas are included in this 5 year program: Austin, Beaumont, Corpus, Tyler, Lubbock, Temple/Killeen
- In year 2 of the program, hospitals will be able to utilize a waiver allowing them to discharge to SNFs that are 3 STARs or better, without a three night hospital stay

- Overall focus is to move the patient to the lowest cost setting in a timely manner and avoid a hospital readmission

If you are reading this and thinking, MY facility isn't in one of the cities or MSAs listed, why should I care? The reason you should care is this is the first of many mandatory bundling programs and it is the foundation for those to come. Oncology bundling programs are scheduled this summer and experts anticipate more DRGs to follow in the coming months.

SNF's can be a solution to the hospital's challenge to discharge the patient with the shortest acute care stay. But is your facility ready for these patients? While patients with joint replacements are not a new patient population to rehab and skilled nursing, under this program our hospital and physician partners will be more acutely aware of the role a skilled nursing stay can have on their patient's overall episode of care.

Health Affairs Blog stated, "Bundled payment is generally touted as a promising example of payment innovation – but the true benefit of bundling payments derives from re-engineering care delivery." Excerpt from Bundled Payment: Learning from Our Failures, article written by Tom Williams and Jill Yegian with Integrated Healthcare Association (IHA)

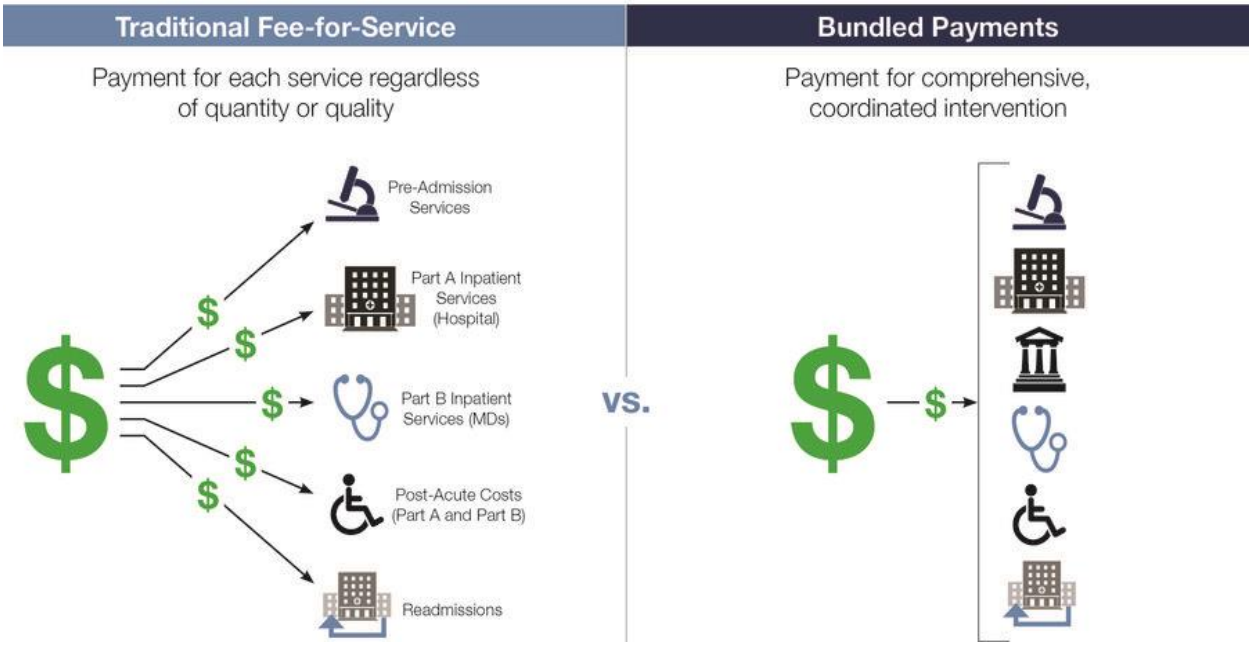
Keys to success for participating in Bundling:

- Achieve at least a 3 Star on the CMS 5 Star Report
- Partner with area Hospitals
    - Establish process for hand offs from hospital to SNF
- Partner with area Specialists e.g. CJR – Orthopedic Surgeons
    - Establish expectations regarding orders for their patients
    - Arrange follow up appointments and communicate patient's care plan to include medications and follow up x-rays to the specialist

- Develop clinical and rehabilitation competencies for the specialty care required e.g. CJR
    - Post-surgical orthopedic patients – assessments, mobility, pain management – medication and non-medication interventions, surgical site care, etc. (ensure prevention of need for readmission)
- Establish process for discharge planning and follow up communications
    - Ensure appointments are made, transportation is arranged, home evaluation for safety, needed equipment is ordered and regularly scheduled communication occurs

Facilities should evaluate their nursing and therapists skills in care for the post-op patient. SNF's may want to consider recruiting staff that have the skill set required for the particular patient population. Does your current staff have experience providing immediate post-operative care? Consideration should be given to hiring staff with acute care and in-patient rehab experience. The CJR population will most likely experience post-operative pain. The timely availability and administration of pain medication will be necessary. Specialists may have particular medications they prefer to use for their patients that should be available in the facility ER Box. In addition, the type of resident served will likely indicate the need for additional policies and procedures as well as targeted assessments to be developed and staff to be trained.

"Bundled payment provides the impetus, but the work of care redesign must follow if the promise of bundled payment is to be realized: reductions in unnecessary care, reductions in readmissions, lower risk and complication rates for patients, and improved patient function and outcomes. Tom Williams and Jill Yegian."



Making every day count will be critical:

Since the "Bundle" pot of money needs to cover all of the patients care during the episode, hospitals will be looking for SNF's that can safely care for their patients with a shorter length of stay and quality outcomes. Current CMS bundle programs are a retrospective look back at the total claims but the future is a prospective bundled payment system. With that said, it will be critical that the SNF be actively engaged in the process from hospital handoff to completion of the 90 day episode of care.

Success also depends on maintaining good relationships with the patients and family and seeking their involvement in the plan of care to achieve optimal results and outcomes. As the patient nears discharge from the SNF, staff will want to determine if the patients caretaker or next service provider, such as home health, are prepared to continue to assist the patient to reach recovery. To ensure a smooth transition, the SNF will need to ensure that any needed teaching has been performed and those providing care are comfortable with any tasks they may need to perform. Caregivers need to understand the ongoing plan of care including who to call at the SNF for any questions.

Beyond the walls of the SNF, the discharge plan or transition of care needs to be seamless.

- Keep in mind hospitals will be looking for 3, 4, and 5 Star SNF's to partner with so if your facility wants to tap into the Bundling resources that would be your first step to getting noticed.
- Take the time to assess your facilities program design for specific bundles and be prepared to share it with external stakeholders – hospitals, physicians and downstream providers such as home health partners.

Care coordination is critical! Be sure you are prepared so you are not left behind.

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