



Leading the Change

How Missouri Baptist Medical Center physicians help transform healthcare for the better

You've no doubt heard of the two-midnight rule: if a patient stays at Missouri Baptist less than two midnights, Medicare will consider the patient in observation status, equivalent financially to outpatient status. Set to begin in 2015, the rule was created to limit short inpatient stays and Medicare inpatient expenses. Though a cost-saving move for Medicare, patients are ultimately responsible for the cost of their outpatient care. As you might expect, the two-midnight rule is controversial, with criticism coming from many fronts.

What you may not know is that — for certain patients — Missouri Baptist is well-positioned to respond to the two-midnight rule. Case in point: our COPD Home Health Care program, established four years ago. Originally created to prevent 30-day readmissions for patients previously hospitalized for a COPD exacerbation, the program is now a template in our plans to reduce the number of patients being admitted under observation status.

This is an example of what it means to lead the transformation in healthcare: reengineering the delivery of care, versus waiting for change to happen to our patients and us. The reality is that — despite decreasing hospital and physician reimbursements — Medicare is demanding higher quality outcomes, greater patient satisfaction and more efficient use of resources.

I firmly believe we can do both: provide our patients with better care, while more effectively managing costs. It's no longer just a good idea — it's mandatory. And as physicians, it's our job to lead. Innovations, such as our COPD program, are a strong start. What other new ideas will help us succeed in the rapidly evolving delivery of healthcare? We must work together to seek the answers, thinking creatively and setting new precedents.

It's already happening at Missouri Baptist. In this issue of MedStaff News, you'll learn how Jeffrey Davis, MD, is transforming the Emergency Department into a more efficient, cost-effective site of care that's improving both patient and clinician satisfaction.

This is a challenging time in healthcare, but we're proving that viable solutions are possible. I look forward to working with you to continue leading the way.

Sincerely,

Mitchell Botney, MD

Chief Medical Officer



Many challenges, one solution. Leadership.

In coming issues of MedStaff News, we'll take a closer look at specific challenges that are transforming health care — and what Missouri Baptist and you can do together to address each one. Here are just a few changes to Missouri Baptist:

- Hospital value-based purchasing (VBP): Failure to hit performance targets will reduce base operating payments by 1.5% in 2014.
- Value-based payment modifier for physician groups: Starting in 2015, physician groups of 10 or more doctors will be subject to a 2% VBP penalty for failing to achieve satisfactory quality and cost performance. The penalty applies to all physicians by 2017.
- Hospital 30-day readmissions penalties: In 2014, the penalty increases up to 2%; in 2015, up to 3%.
- Hospital-acquired infection (HAI) penalties: Starting on October 1, 2014 (FY 2015), hospitals in the top quartile of national infection rates will trigger a 1% reduction of total Medicare reimbursements.
- ICD-10: Delayed, but it's coming in 2015; CMS will require more specificity in coding procedures.
- SGR formula repealed and replaced: The fee-for-service system has been maintained, but physicians are eligible to receive a 5% bonus if at least 25% of their Medicare revenue is received via an alternate payment model (APM) by 2018-2019.