Kevin T Kavanagh, MD, MS, FACS
Health Watch USA

Transforming Healthcare Through Transparency

Information in this presentation is the opinion of Dr Kevin T Kavanagh.

Transparency

- **Transparency:** **Revealing to the public the cost and quality of the healthcare in their communities.**

Public Reporting

Public Reporting is Key to Transparency

- Public Reporting fosters the use of public oversight, public pressure and market forces to make change and to promote higher quality and lower cost of care.
- It does not regulate how one runs a business and does not impose criminal sanctions for bad results.

Why Do We Need Transparency ?

The Size of The Problem

- By 2020, our healthcare system will comprise 20% of our Gross National product. Much more than any other industrialized nation.
- The United States has a below average life expectancy rate, above average maternal and infant mortality rate than the average Industrialized Nation.
- The US has less hospital beds, nurses, and doctors than the average industrialized (OECD) Nation.

References: http://www.healthwatchusa.org/USA-Healthcare.htm

Size of Problem

Healthcare Associated Infections (HAI)

- 1 in 20 U.S. Hospital Patients Develops a HAI.
- 1.7 Million Infections, Nearly 100,000 Lives Lost Each Year
- Kentucky – An annual cost of almost 400 million dollars & almost 1400 Lives Lost from 23,000 HAI.

Nationally, deaths equal more than one Boeing 767 crashing every day.

Size of the Problem

HAI Burden

Public Health Issue	Deaths Per Year
HAIs	100,000
Motor Vehicle Traffic Accidents	42,031*
Breast Cancer	40,598‡
HIV / AIDS	17,489†

Types of Public Reporting Initiatives

- Value Purchasing By Insurance Companies
- Value Purchasing By Patients (Consumer Driven Healthcare)
- Public Engagement
- Full Disclosure

Value Purchasing

$$\text{Value} = \frac{\text{Quality}}{\text{Cost}}$$

Value Purchasing - Cost

- **What is Cost ??**

  1) **Cost to the hospital (fixed and non-fixed costs).**

  2) **Cost to the consumer or payer (PRICE)**
     -- **Asking or List Price**
     -- **Insurance Discount Price**

Value Purchasing - Cost

Two Types of Incentives

- Payment schedules from third-party payers (insurance discount price).
- Market competition through consumer choices.

Value Purchasing By Insurance Co.- Quality

- Risk-Adjusted Data -- High degree of comparability, since payments by insurance companies (CMS) can be driven by performance.

Value Purchasing By Insurance Co.- Quality

- Non-Risk Adjusted Value Purchasing:

  CMS has used this strategy to lower the incidence of expensive complications.
  Example: Catheter Associated Urinary Tract Infections.

  "If you want more of something, pay more for it.
  If you want less of something, pay less for it."

- Some Events should be close to zero:
  -- CLABSI (Central Line Associated Blood Stream Infections),
  -- VAP (Ventilator Associated Pneumonia),
  -- Post Surgery Chest Infections &
  -- Stage III & IV Pressure Ulcers.

Value Purchasing By Patients

Consumer Driven Healthcare

- **Pioneered by Dr. Regina Herzlinger – Chair Harvard School of Business.**
- **The Consumer has a choice of Providers and Competition lowers cost and increases quality.**
- **Two issues**
  - **Cost**
  - **Quality**

Value Purchasing By Patients

Hospital Compare

Where do you want to find a hospital?

Search Information

Location - ZIP Code or City, State

e.g. 10009 or New York, NY

Search type [?]

- (•) General
- ( ) Medical Conditions
- ( ) Surgical Procedures

Find Hospitals

Hospital Spotlight

Click on the new Patient Safety Tab during your hospital search to see new information **Hospital Acquired Conditions** and **Serious Complications and Deaths**.

In January, Medicare will report new measures for heart attack care and surgical care. Also, for the first time, we will be reporting information on central line infections from the **Centers for Disease Control's National Healthcare Safety Network**.

You can now visit **Medicare's Hospital Value Based Purchasing Program** page and learn more about future measures.

You can now get information on Mortality and Readmission Measures for approximately 150 Veterans Administration Hospitals.

Value Purchasing By Patients

2011 Hospital Compare
- -- Rates of Death
- -- Rates of CLABSI
- -- Rates of Bed Ulcers
- -- Rates of Falls
- -- Process Measures

	SAINT JOSEPH HOSPITAL	U.S. NATIONAL RATE
Objects Accidentally Left in the Body After Surgery	0.000 per 1,000 patient discharges	0.026 per 1,000 patient discharges
Air Bubble in the Bloodstream	0.000 per 1,000 patient discharges	0.003 per 1,000 patient discharges
Mismatched blood types	0.000 per 1,000 patient discharges	0.001 per 1,000 patient discharges
Severe pressure sores (bed sores)	0.316 per 1,000 patient discharges	0.135 per 1,000 patient discharges
Falls and injuries	0.568 per 1,000 patient discharges	0.564 per 1,000 patient discharges
Blood infection from a catheter in a large vein	0.063 per 1,000 patient discharges	0.367 per 1,000 patient discharges
Infection from a Urinary Catheter	0.379 per 1,000 patient discharges	0.316 per 1,000 patient discharges
Signs of Uncontrolled Blood Sugar	0.000 per 1,000 patient discharges	0.050 per 1,000 patient discharges

Value Purchasing By Patients

Consumer Driven Healthcare

- **Effectiveness of Consumer Driven Healthcare is expected to decrease with anti-competitive initiatives.**
  - **Certificate of Need**
  - **Healthcare Integration**

Value Purchasing By Patients - Cost

Consumer Driven Healthcare

- **Costs – Small differences will drive patients to other providers.**
- **Similar to the airline industry or the gasoline retail industry.**

Value Purchasing By Patients - Cost

Consumer Driven Healthcare

Facility	T & A Over 12 Asking Price	T & A Over 12 Max Discount Price
Hospital #1	XX	XX
Hospital #2	$4100.00 (Including Anesthesia)	$3,280.00 (Including Anesthesia)
Hospital #3	$7,334 - $5013	$5500 - $3760
Hospital #4	$6,427.10	$3,020.74
Out Pt. Surgery Center #1	$1,886.00	$1,508.80
Out Pt. Surgery Center #2	$1,100.00	$825.00
Out Pt. Surgery Center #3	$2,373.00	$1,186.50

Value Purchasing By Patients - Cost

Consumer Driven Healthcare

T & A Insurance Discount Price		
Facility	**Low**	**High**
Hospital #1	$3463	$4092
Hospital #2	$5351	$5981
Hospital #3	$3463	$4092
Hospital #4	$2203	$2833
Out Pt. Surgery Center #1	$2203	$2833
Out Pt. Surgery Center #2	$1574	$2203
Out Pt. Surgery Center #3	$1574	$2203

Consumer Driven Healthcare - Quality

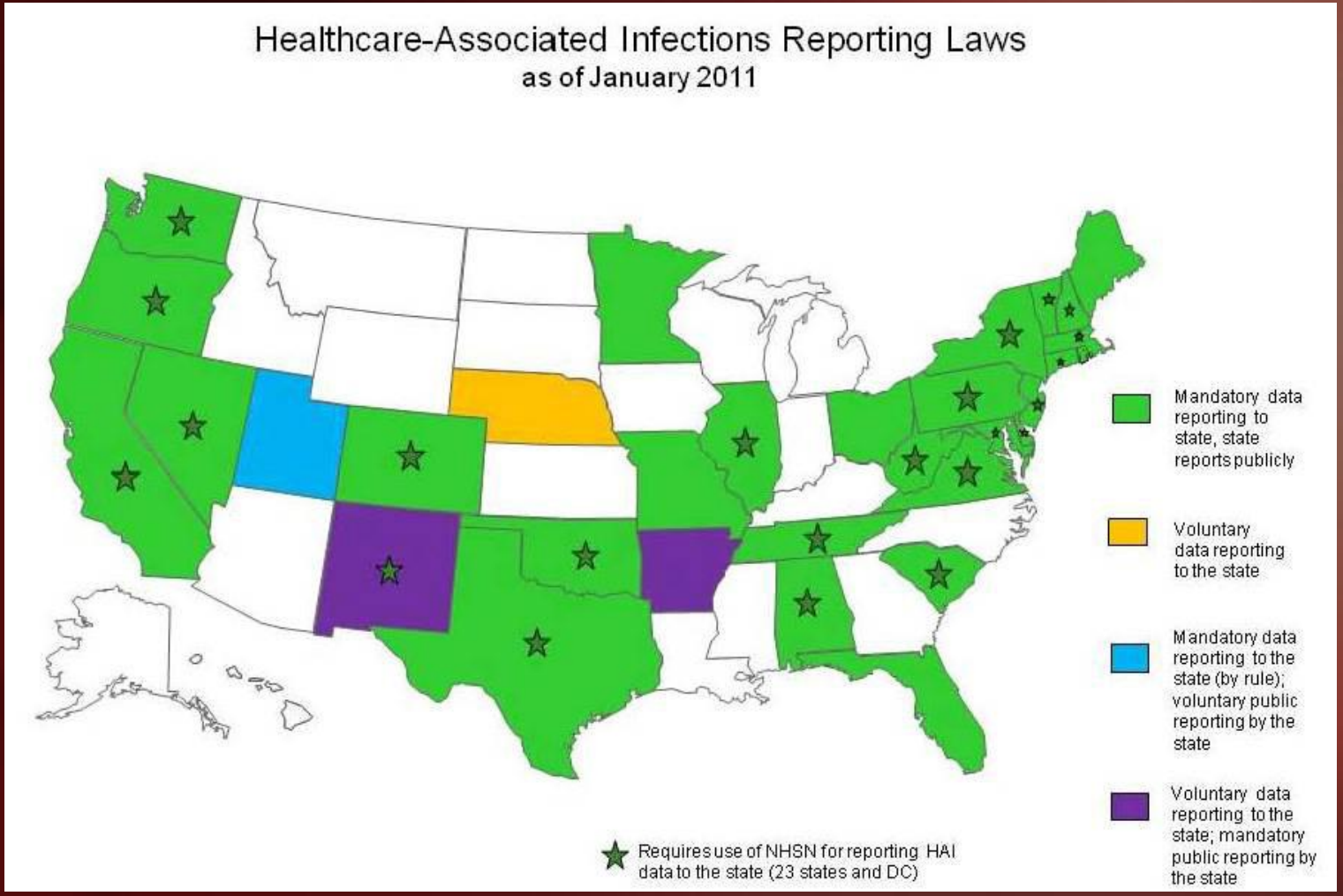
Consumer Driven Healthcare

- Quality – The measurement error in quality should be less than the observed deviation between facilities.
- Patients believe in their physician and believe that the problems lie in the other practitioners at a facility. Patients tend not to change facilities unless there are large variations in quality.

Consumer Driven Healthcare - Quality

- **Quality** – Often for “Low Hanging Fruit”. The average person, does not know what a central line is. However, they all know what a dollar is. It takes large deviations in quality for a patient to seek another provider against his doctor’s recommendations.

Public Reporting



Consumer Driven Healthcare

St. Joseph Healthcare & Norton Healthcare Publically Report

In 2009 -- Example to the right shows a greater than 50 fold increase in Central Line Blood Stream Infections (CLABSI) in a rural hospital compared to major medical centers.

Key
Significantly better than U.S. average
Near U.S. average
Significantly worse than U.S. average
No statistical comparison done

Lower is better	Saint Joseph Berea	Saint Joseph East	Saint Joseph Hospital	Saint Joseph London	Saint Joseph Martin	Saint Joseph Mount Sterling	Flaget Memorial Hospital	Kentucky	U.S.
Cath-associated urinary tract infections in ICU	3.05 in 655 cath days	1.69 in 1777 cath days	4.32 in 13662 cath days	0.0 of 1935 cath days		0.00 in 207 cath days	0.0 of 751 cath days		3.4
Cath-associated bloodstream infections in ICU	10.20 in 196 line days	0.00 in 927 line days	0.25 in 12140 line days	0.2 of 1729 line days		0.00 in 39 line days	0.0 of 83 line days		1.5
Vent-associated pneumonia in ICU	0.00 in 57 vent days	0.00 in 469 vent days	1.82 in 4404 vent days	0.0 of 1278 vent days		0.00 in 57 vent days	0.0 of 92 vent days		2.2
Surgical site infections for selected surgeries		6.3 of 2056 procedures	8.2 of 2444 procedures				7.8 of 639 procedures		
Community and hospital acquired MRSA	30.55 of 5564 patient days	5.40 of 37037 patient days	4.87 of 88566 patient days	21.3 of 29626 patient days	130.1 of 4197 patient days	19.54 of 7063 patient days	9.5 of 7566 patient days		
Community and hospital acquired c. difficile	1.44 of 5564 patient days	0.92 of 37037 patient days	0.46 of 88566 patient days		0.7 of 4197 patient days	0.42 of 7063 patient days	1.5 of 7566 patient days		

Saint Joseph Health System January 1, 2009 to December 31, 2009, comparative data January 1, 2006 to December 31, 2008

Consumer Driven Healthcare

In 2011– Marked Improvement.

Key
Significantly better than U.S. average
Near U.S. average
Significantly worse than U.S. average
No statistical comparison done

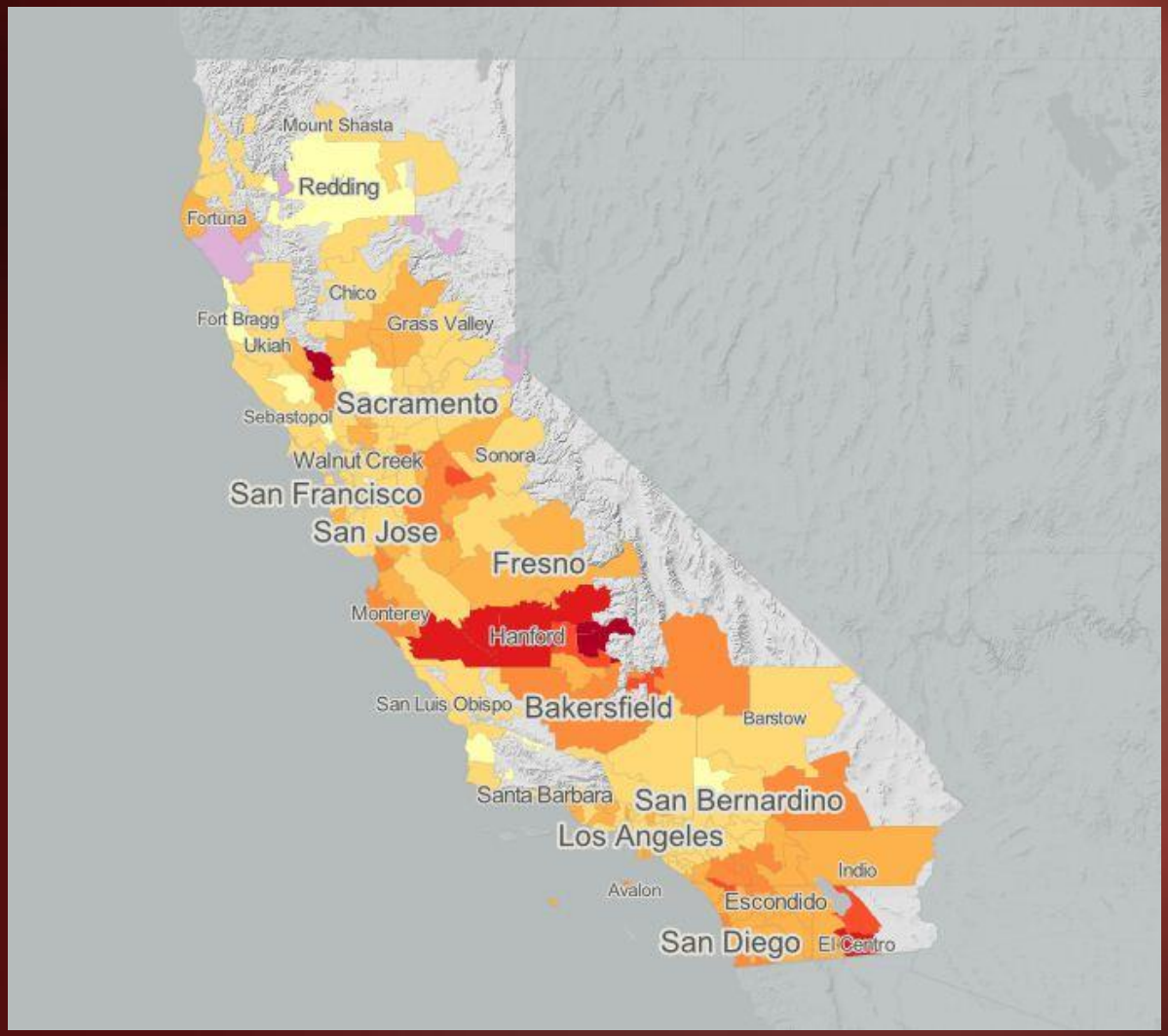
Lower is better	Saint Joseph Berea	Saint Joseph East	Saint Joseph Hospital	Saint Joseph London	Saint Joseph Martin	Saint Joseph Mount Sterling	Flaget Memorial Hospital	Kentucky	U.S.
Foreign object retained after surgery	0 of 1175 patients	2 of 10881 patients	1 of 17773 patients	0 of 8477 patients	0 of 833 patients	0 of 2185 patients	0 of 2602 patients		
Air embolism	0 of 1175 patients	0 of 10881 patients	0 of 17773 patients	0 of 8477 patients	0 of 833 patients	0 of 2185 patients	0 of 2602 patients		
Reaction to incompatible blood	0 of 1175 patients	0 of 10881 patients	0 of 17773 patients	0 of 8477 patients	0 of 833 patients	0 of 2185 patients	0 of 2602 patients		
Open skin wounds with deep tissue injury	0 of 1175 patients	0 of 10881 patients	2 of 17773 patients	2 of 8477 patients	0 of 833 patients	0 of 2185 patients	0 of 2602 patients		
Falls and trauma	0 of 1175 patients	3 of 10881 patients	10 of 17773 patients	3 of 8477 patients	0 of 833 patients	1 of 2185 patients	1 of 2602 patients		
Catheter-associated urinary tract infection	0 of 1175 patients	1 of 10881 patients	13 of 17773 patients	0 of 8477 patients	0 of 833 patients	0 of 2185 patients	2 of 2602 patients		
Vascular catheter-associated infection	0 of 1175 patients	0 of 10881 patients	2 of 17773 patients	1 of 8477 patients	0 of 833 patients	0 of 2185 patients	1 of 2602 patients		
Poor control of blood sugar	0 of 1175 patients	0 of 10881 patients	0 of 17773 patients	1 of 8477 patients	0 of 833 patients	0 of 2185 patients	0 of 2602 patients		
Selected surgical site infections		0 of 350 patients	0 of 974 patients	0 of 139 patients			0 of 10 patients		
Blood clots after hip/knee replacement	1 of 15 patients	6 of 549 patients	1 of 98 patients	1 of 126 patients			0 of 209 patients		

Saint Joseph Health System July 1, 2010 to June 30, 2011

Consumer Driven Healthcare - Utilization

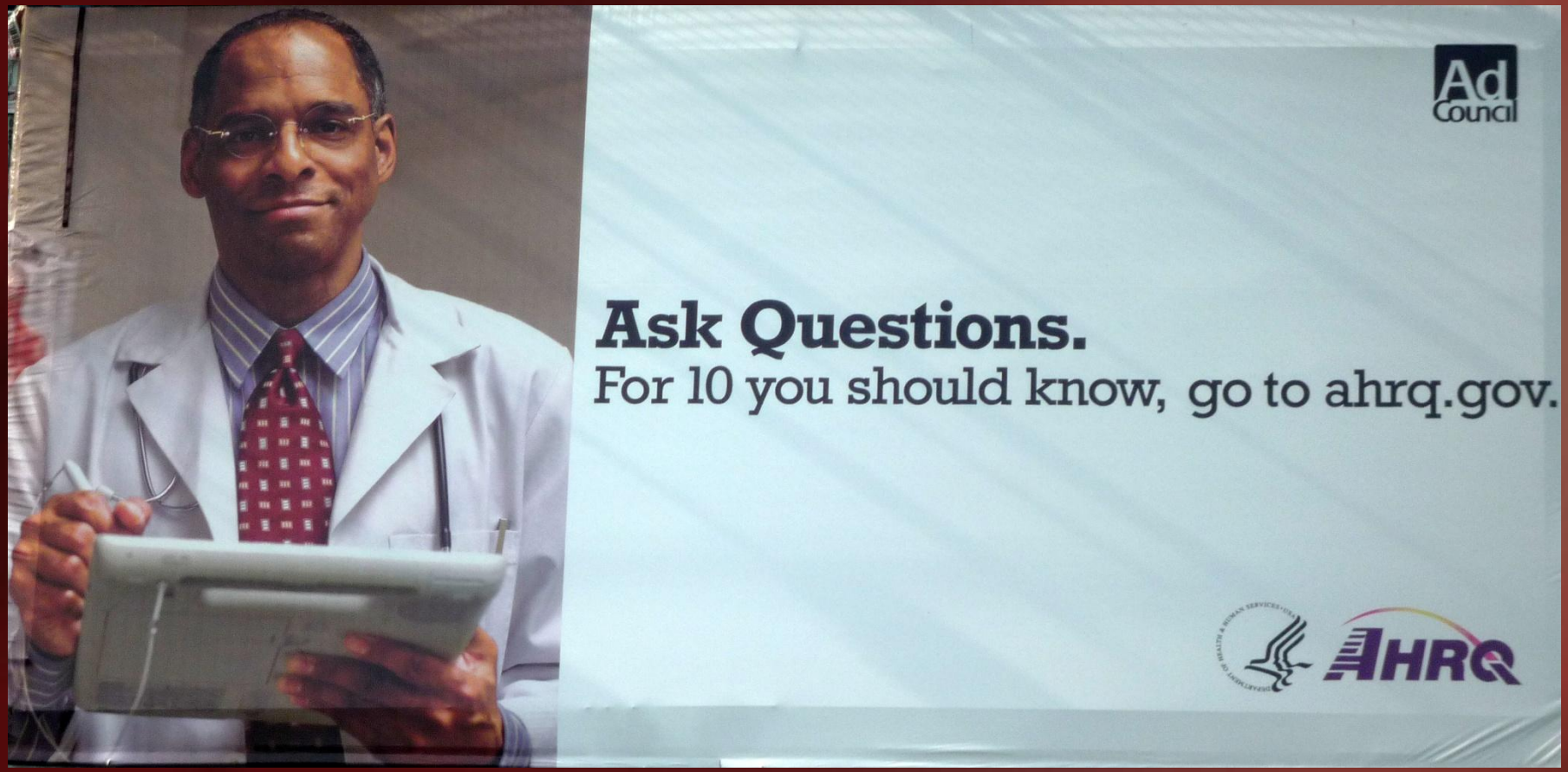
Elective Angioplasty Rates of Utilization in California

3	301-538%
7	251-300%
5	201-250%
16	151-200%
53	101-150%
109	51-100%
11	1-50%
5	Insufficient data



http://www.chcf.org/publications/2011/09/medical-variation-rates-california

Consumer Driven Healthcare - Utilization



Billboard on East 80, Somerset Kentucky.

Public Engagement

"You manage what you measure, you manage really well what you measure and publically report."

-- Paraphrased from a number of speakers.

Public Engagement

- The Community has the right to know what the Hospital Acquired Conditions (HAC) and Healthcare Associated Infection (HAI) rates are in their facilities.
- Need baselines for grants.
- Need Data to change public behavior.
  - Handwashing, cleaning of public facilities, and children visiting healthcare facilities.
  - To identify problems which have roots in both the community and the healthcare facility.

Public Engagement

Community response to an epidemic.

- Roger Wagner, Pike County, Ky, School Superintendent:

  "We need some way of reporting. Particularly our school system needs to know if this exists out there. For a parent to call me and say, 'do we have an outbreak of MRSA in Pike County?' If I can't identify it. A couple of them have called me personally. My answer is, 'Well I do not know.' Parents don't like you saying that to them, they want an answer. I can see that as being a big issue."

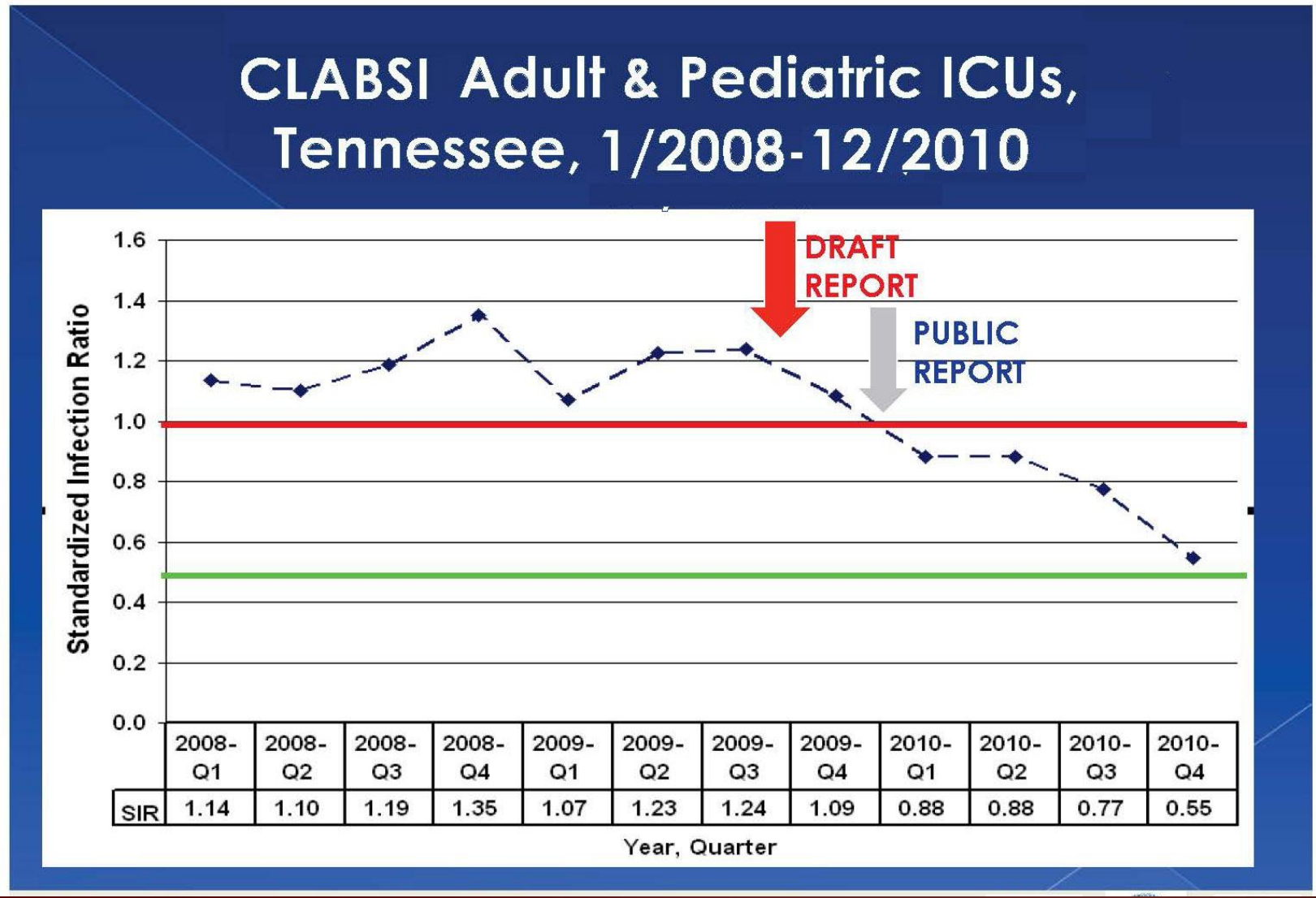
  -- Aug. 1, 2011 Education Subcommittee Meeting.

Public Engagement

Community response to an epidemic.

- For example: If MRSA – Alcohol and Ammonia are used to clean surfaces. If C. Difficile one would use Bleach. Bleach however is very hard on surfaces and the fumes may not be good for asthmatic children.

Public Engagement – CLABSI Reporting

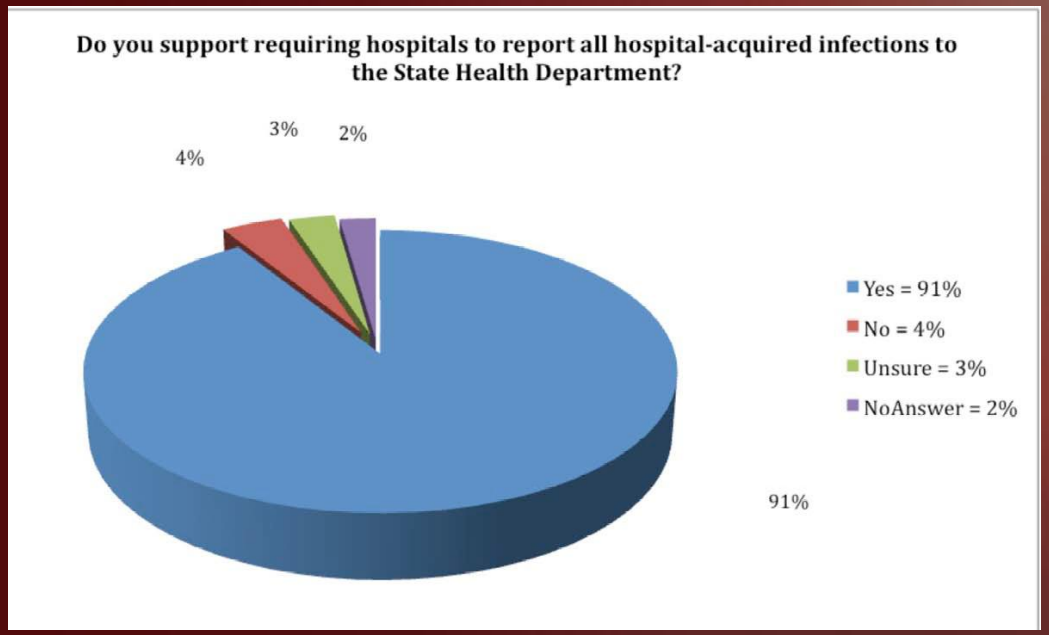


Public Engagement – CLABSI Reporting

- **CLABSI – Very expensive and deadly infections.**
- **Current Federal Mandate.**
  -- ICU's only
  -- Does not include Critical Access Hospitals

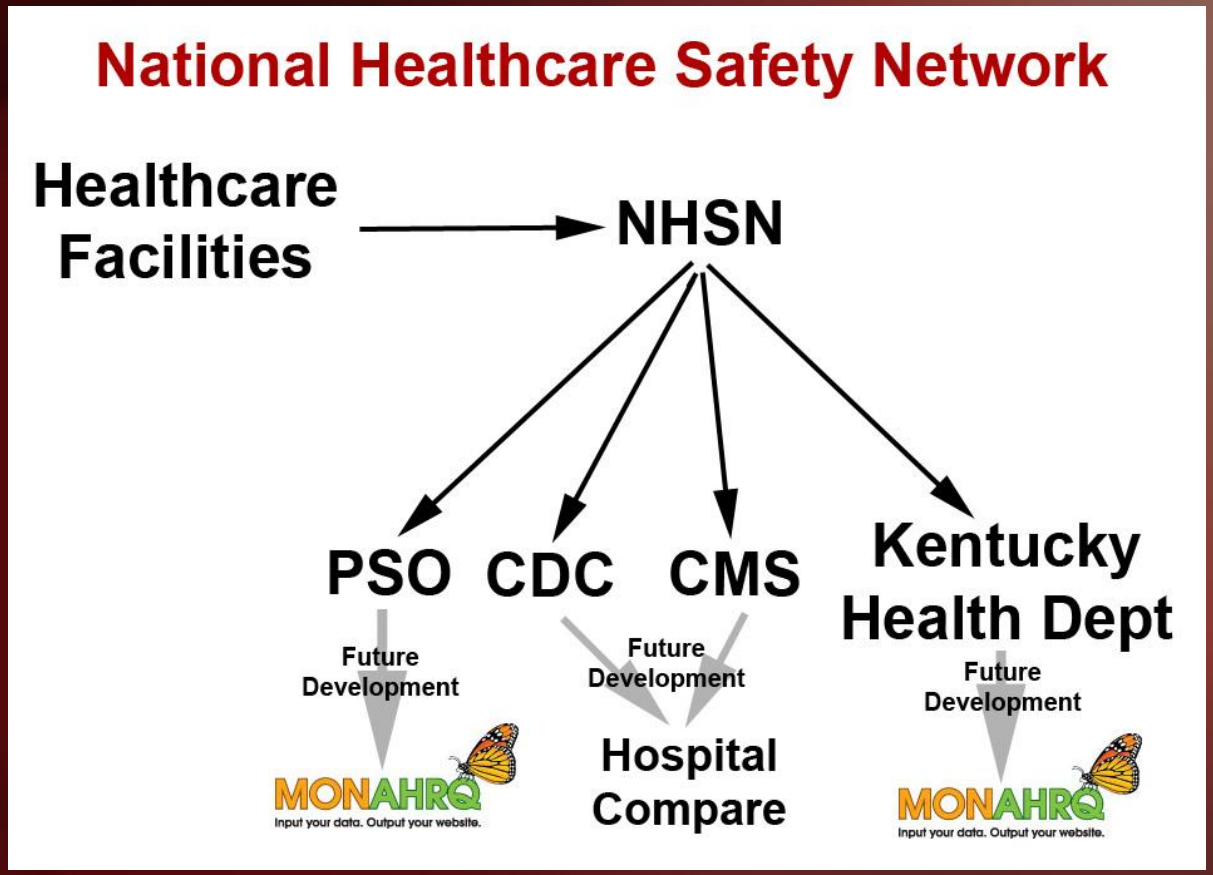
Public Engagement

- **Public Engagement is Important.**
- **Over 90% of Constituents in Kentucky Senator Harper-Angel's District wanted Hospital Acquired Infection rates reported to the Health Department.**



NHSN Reporting System

- Alignment & Uniformity in what data is submitted.
  Align with CMS reporting requirements.
- One place to submit and the required information is the same.



Public Reporting Concerns

- Public Reporting Concerns.
  - -- Report Verification
  - -- Too Burdensome
  - -- Differing Definitions of Infection
  - -- Patient Confidentiality
- Joint Commission Accreditation Survey Data is prohibited by law from being distributed by the Federal Government to the public.

Reporting Verification

- **Unless some identifiable information is reported the data cannot be verified.**

  "Trust, but verify." Ronald Reagan

- **One of the reasons given by high-functioning institutions for not wanting public reporting is that they more accurately report adverse events than lower-functioning institutions.**

Self Reporting ???? Reliable

- **December 2008 OIG Report by Levinson (OEI-06-07-0047) outlined problems with self-reporting and self-policing in facilities, including the reporting of only an estimated 0.1% of sentinel events to the Joint Commission.**
  Levinson DR. Adverse Events in Hospital: Overview of key issues. Dept. of Health and Human Services, Office of Inspector General. Dec 2008, Page 25
  http://oig.hhs.gov/oei/reports/oei-06-07-00470.pdf

- **A March 2010 Joint Commission Report stated that only 4,590 reports of sentinel events from general hospitals and 298 reports of sentinel events from emergency rooms had been received since January 1995.(63) Only 64.7% of these reports were identified by self-reporting.**
  http://www.jointcommission.org/NR/rdonlyres/377FF7E7-F565-4D61-9FD2-593CA688135B/0/SE_Stats_9_09.pdf

Self Reporting ???? Reliable

- **A recent AHRQ survey (Sorras AHRQ March 2009) found 52% of the staff in 622 surveyed facilities did not report any adverse events (sentinel or otherwise) at their institution. The report concluded that, "It is likely events were underreported," and identified this as an area for improvement.**
  Sorras J. Famolaro T, Dyer N, Nelson D, and Khanna K. Hospital Survey on Patient Safety Culture: 2009 Comparative Database Report . AHRQ Pub No 09-0030. March 2009, Page 4. http://www.ahrq.gov/qual/hospsurvey09/

- **The AMA News reported that as of 2007, approximately half of U.S. hospitals had never reported a physician to the National Practitioner Data Bank.**
  Sorrel AL. When is conduct reportable? National Practitioner Data Bank takes complaints from hospitals about physicians. American Medical News Sept 21, 2009 http://www.ama-assn.org/amednews/2009/09/21/prsa0921.htm

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Self Reporting ???? Reliable

- **A March 8, 2010, OIG Report found that in surveyed hospitals, patient diagnosis codes were inaccurate or absent for 7 of the 11 Medicare Hospital Acquired Conditions identified by physician reviewers and reviewed hospitals did not generate incident reports for 93% of the 120 events. Two, out of the three events which caused death, did not have any reports.**

Levinson DR. Adverse Events in Hospitals. Methods for Identifying Events. March 2010. Office of Inspector General. Dept. of Health and Human Services. OEI 06 08 00221, Page 15
http://oig.hhs.gov/oei/reports/oei-06-08-00221.pdf

Reporting Verification

- A patient-reporting system designed to verify facility reports and flag absent reports for audit.
  AHRQ has just awarded a large grant to the Rand Corp for development of a Consumer Reporting System.

- Recent AHRQ Report found 70% of patient reports were accurate.
  http://psnet.ahrq.gov/resource.aspx?resourceID=22236

Too Burdensome

- The healthcare industry will soon spend 20% of the USA's GNP, far more than any other OECD nation.
- "It is not a problem of not having the resources to address one of the top 10 killers in the USA. It is a problem of allocation of these resources." -- Kevin Kavanagh, MD, MS, FACS

In Lexington alone, approximately one billion dollars in Hospital construction is underway or planned.

Too Burdensome

- If reporting is burdensome, then reduce the infections and adverse events, so not so many reports will need to made.

What is an Infection?

- If the diagnosis of an infection is not standardized for reporting, it is also not standardized for treatment.
- If this exists, this is a huge problem and public reporting maybe one of the mechanisms for correction.

Data Security - Confidentiality

- I hope the healthcare industry is not using a concern over inadequate data security and confidentiality to protect patients, as an excuse to not have their Healthcare Acquired Conditions reported to the government.

Data Security - Confidentiality

- Billings systems to CMS, NHSN, and local hospital online systems have shown this to be a secure system.
- The information reported is already online.
- Computers system use secure, password encrypted transmissions and servers.

Data Security - Confidentiality

- **Any breach of confidentiality is a HIPPA violation with severe federal penalties.**
  http://www.cdc.gov/nhsn/FAQ_HIPPArules.html#A

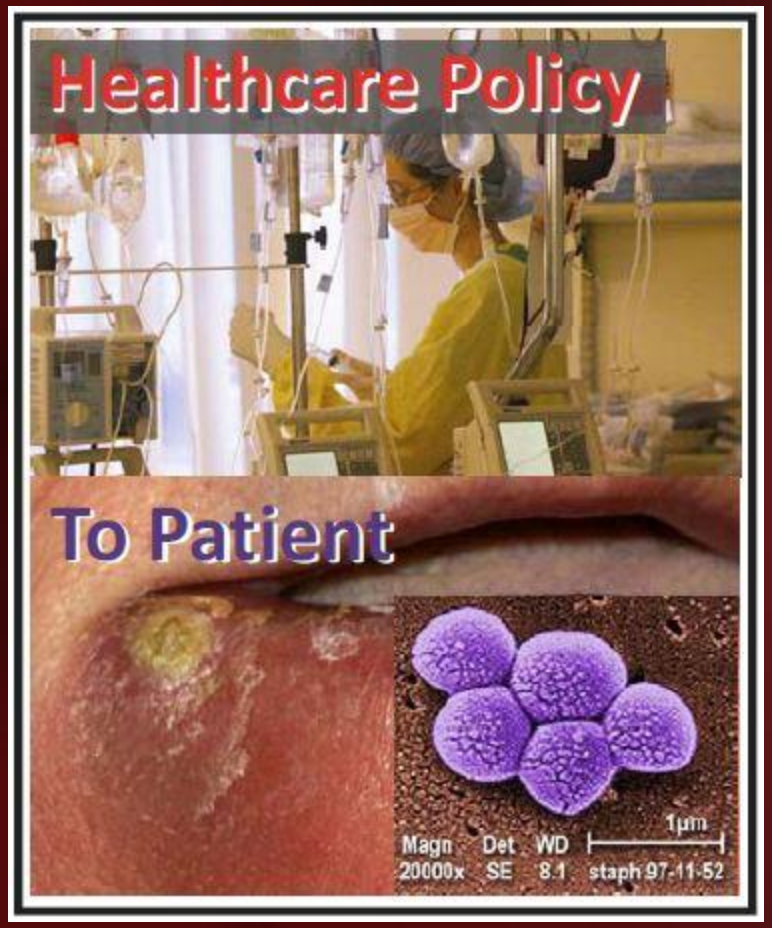
- **"All medical records and other individually identifiable health information used or disclosed by a covered entity in any form, whether electronically, on paper, or orally, are covered by the final rule."**
- **"Fines up to $250K and/or imprisonment up to 10 years for knowing misuse of individually identifiable health information."**

Comments on Transparency

- ‘Doug Leonard, President of the Indiana Hospital Association, said the industry needs to “embrace transparency. Sometimes we don't like the results of that, but I think transparency is good for us and good for the public.” Even if the data are off by 50 percent or more, Leonard said, “it really doesn't matter, because one injury or one error is wrong,” and hospitals should focus on preventing errors rather than disputing the numbers.’

  -- Courier Journal June 12, 2011

HW USA 2011 Conference



John Santa, MD, Director of the Health Ratings Center for Consumer Reports.

Maryn McKenna bestselling author of SUPERBUG: The Fatal Menace of MRSA.

Frances A. Griffin, Senior Manager of Clinical Programs, BD Medical and Faculty at the Institute for Healthcare Improvement (IHI).

Dr. Joycelyn Elders, Past US Surgeon General on Transformational Leadership.

Rosemary Gibson award winning author of "The Treatment Trap".

Keith Sinclair, MD, Bluegrass Oakwood Community Center, Somerset, KY, presenting how Oakwood used transparency to virtuality eliminate pressure ulcers.

Ben Yandell, PhD, Norton Healthcare Systems, Louisville, KY, will present on Transparency.


Thank you!