A good idea gets a boost

By: Kris B. Mamula
Reporter-Pittsburgh Business Times
April 16, 2013

Community hospitals continue to lead the way in innovation.

Six independent hospitals in six counties and two states have signed on to participate in an experiment to reduce unnecessary hospital admissions. Pittsburgh Regional Health Initiative recruited the hospitals as part of a $10.4 million grant PRHI received last year.

Here’s how it works: Patients with chronic problems, including lung disease, congestive heart failure and coronary heart disease, are referred to a primary care center, which serves a specific area and any number of doctors, independent and employed.

The project runs through mid-2015.

At the clinic, nurses, pharmacists and others teach patients to identify the early warning signs of problems and things that can be done to keep the problem from getting worse – all the things doctors get little or no reimbursement to do. The clinics target specific – and costly – chronic problems: lung disease, congestive heart failure and coronary heart disease.

“We do things the doctors wish they could do, but we have the luxury of time and depth of staff,” said Dr. Keith Kanel, PRHI’s chief medical officer.

And it works.

Monongahela Valley Hospital reduced its 30-day readmission rate for severe lung problems by a whopping 47 percent after opening a Primary Care Resource Center in July 2012. The clinic sees around 140 patients a month in the hospital and the patients' homes. Better yet, Mon Valley shared its care protocols with other participating hospitals, said senior vice president Donna Ramusivich.

Here are the hospitals that are in the project with Mon Valley: Butler Memorial Hospital, Conemaugh Memorial Medical Center, Indiana Regional Medical Center, Sharon Regional Health System, Uniontown Hospital and Wheeling Hospital in Wheeling W.Va.

The goal is to slow, stop or reverse chronic health problems while keeping people from being admitted to the hospital unnecessarily, shifting care to outpatient and home settings from the more costly hospital setting. This is a big shift, one that turns upside down the business model that has sustained hospitals for 50 years.

So tell me again why hospitals are voluntarily agreeing to reduce revenue through fewer patient admissions?

“We see this as what’s right for patient care,” said Mon Valley President and CEO Lou Panza.

Panza’s response is typical of other hospital CEOs, Kanel said.

“It’s wonderful to behold,” Kanel said. “They’re comfortable doing different things, they’re comfortable innovating.”
The change isn’t going to be easy and experts say community hospitals are more flexible and therefore more likely to make the transition smoothly than their big, urban medical center rivals. So the pain may be short-lived.

Fee-for-service reimbursement is quickly going away and Medicare is trying out new ways of paying doctors and hospitals, including bundled payments and accountable care organizations.

Leave it to the little guys. With PRHI’s help, community hospitals will be prepared.

Kris Mamula covers health care, insurance and employee benefits for the Pittsburgh Business Times. Contact him at kmamura@bizjournals.com.