

Hospital Readmissions – Why This is Important

Under programs set up by the Affordable Care Act, the federal government cuts payments to hospitals that have high rates of readmissions and those with the highest numbers of infections and patient injuries.

CMS includes the following **6** condition/procedure-specific 30-day risk-standardized unplanned readmission measures in the program:

- Acute Myocardial Infarction (AMI)
- Chronic Obstructive Pulmonary Disease (COPD)
- Heart Failure (HF)
- Pneumonia
- Coronary Artery Bypass Graft (CABG) Surgery
- Elective Primary Total Hip Arthroplasty and/or Total Knee Arthroplasty (THA/TKA)

For FY 2020, CMS calculates the payment adjustment factor and component results for each hospital based on their performance during the three-year performance period of July 1, 2015 through June 30, 2018. Payment reductions are applied to all Medicare fee-for-service (FFS) base operating diagnosis-related group (DRG) payments between October 1, 2019 through September 30, 2020. The payment reduction is capped at 3% (i.e., payment adjustment factor of 0.97).

To learn more about this program:

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Readmissions-Reduction-Program>

<https://www.acep.org/administration/reimbursement/reimbursement-faqs/medicares-hospital-readmission-reduction-program-faq/#question0>

To check to see if a hospital is getting penalized, go to:

<https://khn.org/news/hospital-penalties/>