

CMS Seeks 150 Nursing Homes to Participate in New Initiative Focused on Preventing Hospitalizations

Hospitalizations of residents of skilled nursing facilities are expensive, potentially dangerous, disruptive to ongoing care, and often times preventable. The Center for Medicare and Medicaid Services (CMS) estimates that nearly 40 percent (40%) of all hospitalizations involving nursing home residents are preventable. The collective cost to CMS of these hospitalizations is estimated to be \$2.6 billion annually.

In order to reduce the number of preventable hospitalizations, on July 8, 2011, the Department of Health and Human Services (HHS) announced a new demonstration program to improve the quality of care for people in nursing homes by providing these individuals with evidence-based interventions at the nursing facilities. These interventions may include using nurse practitioners in nursing facilities, supporting transitions between hospitals and nursing facilities, and implementing best practices to prevent falls, pressure ulcers, urinary tract infections, or other events that lead to poor health outcomes and expensive hospitalizations. CMS describes this initiative as "part of the administration's ongoing efforts to provide states with flexibility and resources to better serve high-need, high-cost enrollees."

CMS is seeking to partner with 150 nursing homes in connection with this demonstration program. While it is impossible to predict the effectiveness of this initiative, we believe that the program provides participants with an opportunity to not only improve patient care, but also to gain a competitive edge in the marketplace as CMS continues to focus on developing outcome-based payment regulations. In the current economic climate, it is unlikely that CMS will be increasing reimbursements to providers any time soon. Providers must adapt innovative practice models if they want to remain profitable.

Nelson Hardiman routinely counsels providers on new practice models and implementing policies to improve patient care. Please contact us if you would like more information about how to participate in this initiative.