Readmission Rates in Hospitals



Vaishali Kelkar Varsha Godakhindi Jared Lange Akhtar Rahmetulla Taryn Talley

UT DALLAS HMGT 6334, GROUP 3

Background Information

- A readmission is a subsequent hospital admission in the same or a different hospital within 30 days following an original admission. CMS to reduce payments to hospitals with excess readmissions.
- Readmissions cause \$41.3 billion annually. Medicare with largest share of total readmissions (55.9 percent)
- Factors:
 - Readmission Rates
 - Diseases Myocardial Infarction, Pneumonia, Chronic Obstructive Pulmonary
 - Disease, Hip and Knee Arthroplasty, Heart Failure.
 - Demographics
 - Geographic Location
 - Financial Impact
 - Quality Indicators

Objectives

- Descriptive Evaluate the effect patient demographics, geographic location and quality indicators have on readmission rates.
- Predictive Construct a model that predicts that predicts the hospital readmission rate experienced by healthcare providers.
- Prescriptive Recommend potential locations for new hospitals, as well as possible merger and acquisition locations, in order to increase profitability and secure a larger market share.

Data Variables

<u>Demograp</u>

hic

- Medicare Beneficiary Age Trend
- Medicare
 Beneficiary
 Average Age
- Percent of Female
 Beneficiary
 Trend
- Average
 Percent of
 Female
 Beneficiary
- Percent of Male Beneficiary Trend
- Average Percent of Male Beneficiary

Clinical

- Number of Discharges
- Excess Readmission Ratio
- Predicted Readmission Rate
- Expected Readmission Rate
- Number of Readmissions
- Trend Number of Hospital Readmissions
- Average Number of Hospital Readmissions
- Trend Hospital Readmission Rate
- Average Hospital Readmission Rate

<u>Financial</u>

- Trend of IP
 Actual Cost
 as Percent
 of Total
 Actual Cost
- ► IP Actual Cost as Percent of Total Actual Cost Average
- Trend IP Per Capita Actual Cost
- Average IPPer CapitaActual Cost

<u>Identifier</u>

- County Name
- Zip Code
- State
- Provider Number
- Hospital
 Name

Quality

- HCC Score
 Trend
- Average HCC Trend
- HVBP Total
 Performanc
 e Score
- HCAPHS
 Base Score
- HCAPHS
 Consistency
 Score

Data Description

Target Variable Independent Variable

Variables Created

Readmission Rate

Pneumonia

Average

Acute Myocardial Infarction

Trend

Chronic Obstructive Pulmonary Disease

Hip and Knee Arthroplasty

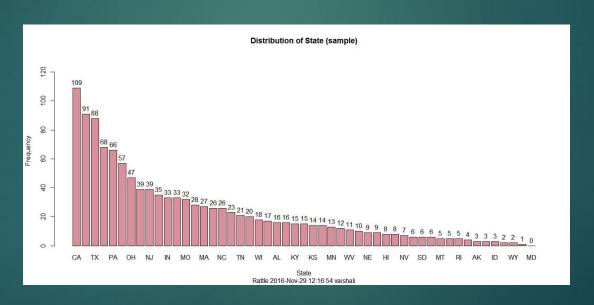
Heart Failure

Data Cleaning Process

- Eliminated all missing data and data labelled "N/A"
- Grouped into Categorical, Identifier, and Target variables
- Removed all variables that were not statistically significant based on T – scores and P - scores
- Eliminated variables that did not have a correlation that did not have a strong correlation
- Evaluated the dataset for risk using validation data

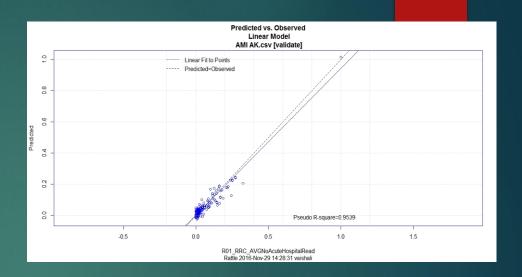
Acute Myocardial infarction

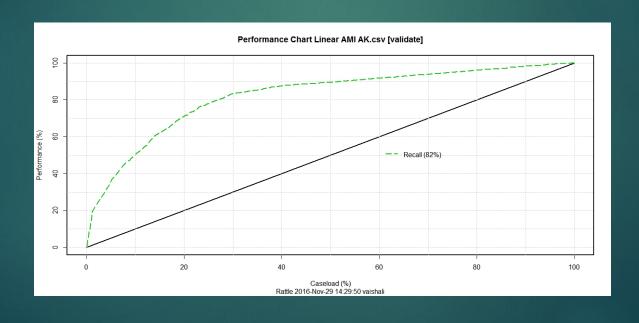
- ▶ In U.S. 785,000 new patients with MI annually.² with 51,300 readmissions; causing \$693 million (42.6% ²).
- 9% increases nurse's workload for each additional patient.¹
- ▶ 6% lower readmissions with good care in a hospital.¹

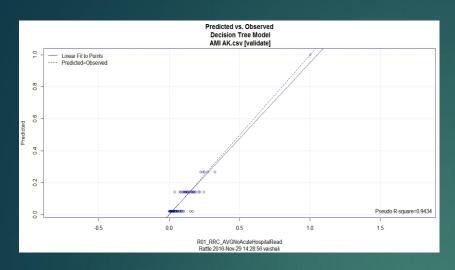


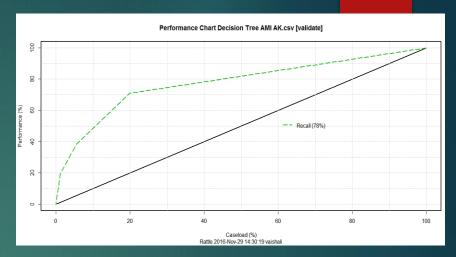
Out of 34 Variables – 8 were selected

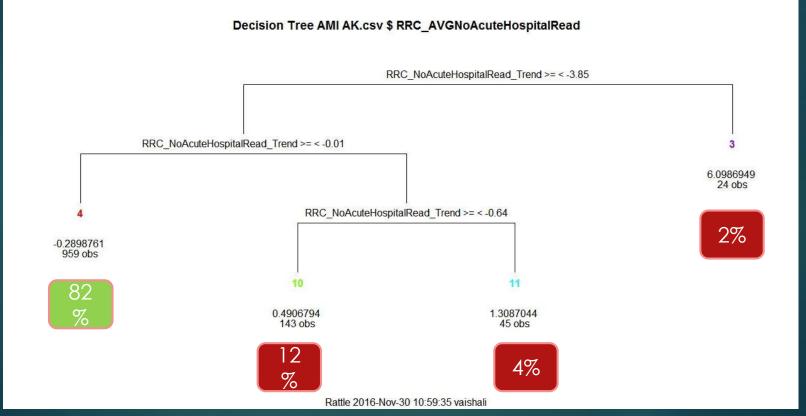
- No. of Acute Hospital Readmissions Trend
- Medicare Beneficiary Average Age
- Average HCC Score
- In Patient (IP) Actual Cost Percentage TCA
- Average IP Per Capita Actual Cost
- Average IP Per User Actual Cost
- Average Hospital Readmission Rate
- HVBP Total Performance Score *











Suggestions

- Identifying conditions contributing the most to the total number of readmissions and related costs may aid healthcare stakeholders in deciding which conditions to target to maximize quality improvement and cost-reduction efforts.
- ► For AMI- important indicators -the Trends for No. of hospital Readmission in recent years can be looked to predict