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## interrelated metrics provide perspectives on hospital readmission rates

Systems designed by the Centers for Medicare & Medicaid Services to adjust Medicare payments for a variety of performance measures are becoming more common, and their impact on revenue is growing. As more measures are introduced to evaluate hospital operations, some overlap is occurring, creating an opportunity to see how the different metrics are potentially interrelated.

For the purpose of this analysis, rates of hospital-wide 30-day readmissions for the period of July 1, 2012, through June 30, 2013, were paired with

HCAHPS patient survey results from Jan. 1, 2013, through Dec. 31, 2013, as well as the most recent available Medicare Cost Report data for each acute care hospital nationwide. Hospitals with no 30-day readmission data were excluded. Facilities were ranked by their hospitalwide 30-day readmission rate and grouped into the highest 5 percent, highest 25 percent, lowest 5 percent, and lowest 25 percent performers. Values for percentages of discharges for Medicare and Medicaid and survey scores were obtained for each percentile as a group median.

### HCAHPS MEASURES RELATIVE TO 30-DAY READMISSION RATE

Rate of Readmission	Nurses Always Communicated Well	Physicians Always Communicated Well	Staff Always Explained Medicines	Patients Always Received Discharge Instructions	Patient Always Understood Care
All Hospitals	78%	81%	63%	86%	50%
Lowest 5%	79%	81%	64%	87%	53%
Lowest 25%	79%	81%	64%	87%	52%
Highest 25%	77%	79%	61%	84%	48%
Highest 5%	75%	78%	59%	83%	46%

### HOSPITAL CHARACTERISTICS RELATIVE TO 30-DAY READMISSION RATE

Rate of Readmission	Median 30-Day Readmission Rate	Not-for-Profit	Positive Net Income	Percentage Medicare Discharges—Median	Percentage Medicaid Discharges—Median
All Hospitals	15.5	81%	70%	40%	9%
Lowest 5%	13.9	81%	85%	37%	8%
Lowest 25%	14.6	81%	77%	38%	9%
Highest 25%	16.6	78%	66%	39%	10%
Highest 5%	17.8	82%	66%	35%	12%

## DATA TRENDS

On reviewing readmission percentile and overall medians for HCAHPS data, we found that facilities ranked in the lowest 5 percent and lowest 25 percent readmission categories tend to have lower HCAHPS scores. The implication is that hospitals that perform better in patient survey questions related to patient communications also have better readmission rates. The greatest disparity between top and bottom performers was in the extent that patients always understood their care, suggesting that improved patient communications can contribute to reduced readmissions.

A review of several operational metrics with respect to these groups found that hospitals with lower rates of readmission also tend to be the most profitable and treat fewer Medicaid patients. This observation hints at a potential disadvantage

under Medicare's new payment mechanisms for those hospitals treating a greater proportion of Medicaid patients.

Over time, the number and scope of these measures can be expected to continue to grow. Hospital operators should find ways to integrate these metrics with one another as well as other financial and operational data to seek opportunities within their institution. For example, hospitals struggling with 30-day readmissions may find patient communication survey benchmarks such as those highlighted here useful in evaluating their own performance. ■

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