FILED ON: 01/20/2011

HOUSE No. 02381

The Commonwealth of Massachusetts

PRESENTED BY:

Joyce A. Spiliotis

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to reduce preventable hospital readmissions

 \Box .

PETITION OF:

| Nаме: | DISTRICT/ADDRESS: |
|----------------------|-------------------|
| Joyce A. Spiliotis | 12th Essex |
| Christine E. Canavan | 10th Plymouth |

HOUSE No. 02381

By Ms. Spiliotis of Peabody, a petition (accompanied by bill, House, No. 2381) of Joyce A. Spiliotis and Christine E. Canavan for legislation to reduce preventable hospital readmissions. Public Health.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act to reduce preventable hospital readmissions

 \Box .

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Section 1.
- 2 Chapter 118G of the General Laws as appearing in the 2008 Official Edition, is hereby amended
- by inserting after section 41 the following section: Section 42. Reduction of preventable hospital
- 4 readmissions
- 5 As used in this section, the following words shall have the following meanings:
- 6 "Potentially Preventable Readmission" (PPR) shall mean a readmission to a hospital that follows
- 7 a prior discharge from a hospital within 14 days, and that is clinically-related to the prior hospital
- 8 admission.
- 9 "Observed rate of Readmission" shall meant the number of admissions in each hospital that were
- 10 actually followed by at least one PPR divided by the total number of admissions.

- 11 "Expected Rate of Readmission" shall mean a risk adjusted rate for each hospital that accounts
- 12 for the severity of illness, and age of patients at the time of discharge preceding the readmission.
- 13 "Excess Rate of Readmission" shall mean the difference between the observed rates of
- 14 potentially preventable readmissions and the expected rate of potentially preventable
- 15 readmissions for each hospital.

16

- 17 Section 2. Potentially Preventable Readmission criteria.
- 18 1) A hospital readmission is a return hospitalization following a prior discharge that meets all
- 19 of the following criteria:
- 20 a. The readmission could reasonably have been prevented by the provision of appropriate
- 21 care consistent with accepted standards in the prior discharge or during the post discharge
- 22 follow-up period.
- 23 b. The readmission is for a condition or procedure related to the care during the prior
- 24 hospitalization or the care during the period immediately following the prior discharge and
- 25 including, but not limited to:
- i. The same or closely related condition or procedure as the prior discharge.
- 27 ii. An infection or other complication of care.
- 28 iii. A condition or procedure indicative of a failed surgical intervention.
- 29 iv. An acute decompensation of a coexisting chronic disease.

- 30 c. The readmission is back to the same or to any other hospital.
- 31 2) Readmissions, for the purposes of determining potentially preventable readmissions,
- 32 excludes the following circumstances:
- 33 a. The original discharge was a patient initiated discharge and was Against Medical Advice
- 34 (AMA) and the circumstances of such discharge and readmission are documented in the patient's
- 35 medical record.
- 36 b. The original discharge was for the purpose of securing treatment of a major or metastatic
- 37 malignancy, multiple trauma, burns, neonatal and obstetrical admissions.
- 38 c. The readmission was a planned readmission or one that occurred on or after 15 days
- 39 following an initial admission.
- 40 (b) The division shall develop a methodology to calculate the expected rate of potentially
- 41 preventable readmissions for each hospital, and calculate the excess rate of readmission.
- 42 (c) The division shall measure the observed rate of readmission, and on a regular and ongoing
- 43 basis; publish on its website the rates of potentially preventable hospital readmission rates for
- 44 each hospital licensed in the commonwealth using the definitions and criteria set for in this
- 45 section. The division shall calculate and publish, both by individual hospital and statewide, the
- 46 observed rate of readmission, the expected rate of readmission and the excess rate of readmission
- 47 for each hospital. In compiling the data necessary for the calculation, the division shall, to the
- 48 maximum extent feasible, utilize existing data collected from hospitals and carriers.
- 49 (d) The division shall convene an advisory committee to develop a standardized methodology to
- 50 be applied to payments to hospitals that report excess readmissions and make recommendations

- 51 for a consistent methodology to be adopted across all payers to reduce hospital payments for
- 52 those hospitals with excess readmissions. The advisory committee shall consist of the
- commissioner of the division of health care finance and policy, who shall serve as chair; the
- 54 commissioner of the group insurance commission, or designee; the director of the office of
- 55 Medicaid, or designee; the commissioner of the department of public health, or designee; the
- 56 executive director of the commonwealth connector, or designee; one member representing the
- 57 Massachusetts association of health plans, one member representing the Massachusetts hospital
- 58 association, one member representing the Massachusetts medical society, one members with
- 59 expertise in hospital billing and payment, and one member with expertise in hospital
- 60 reimbursement.
- 61 The advisory committee shall convene no later than January 1, 2012 and shall develop its
- 62 recommendation by no later than April 1, 2012, which shall include a plan to implement the
- 63 recommended methodologies in all state programs including the state Medicaid program, the
- 64 health safety net care pool, and the commonwealth care program.