

CHOOSING WISELY[®]: NEXT STEPS IN IMPROVING HEALTHCARE VALUEIntroducing *Choosing Wisely*[®]: Next Steps in Improving Healthcare ValueLeora I. Horwitz, MD, MHS^{1,2,3*}, Andrew L. Masica, MD⁴, Andrew D. Auerbach, MD⁵

¹Division of Healthcare Delivery Science, Department of Population Health, NYU School of Medicine, New York, New York; ²Center for Healthcare Innovation and Delivery Science, NYU Langone Medical Center, New York, New York; ³Division of General Internal Medicine and Clinical Innovation, Department of Medicine, NYU School of Medicine, New York, NY; ⁴Institute for Health Care Research and Improvement, Baylor Scott & White Health, Dallas, Texas; ⁵Division of Hospital Medicine, University of California San Francisco, San Francisco, California.

In this issue of the *Journal of Hospital Medicine*, we introduce a new recurring feature, *Choosing Wisely*[®]: *Next Steps in Improving Healthcare Value*, sponsored by the American Board of Internal Medicine Foundation. The *Choosing Wisely*[®] campaign is a collaborative initiative led by the American Board of Internal Medicine Foundation, in which specialty societies develop priority lists of activities that physicians should question doing routinely. The program has been broadly embraced by both patient and provider stakeholder groups. More than 35 specialty societies have contributed 26 published lists, including the Society of Hospital Medicine, which published 2 lists, 1 for adults and 1 for pediatrics. These included suggestions such as avoiding urinary catheters for convenience or monitoring of output, avoiding stress ulcer prophylaxis for low- to medium-risk patients, and avoiding routine daily laboratory testing in clinically stable patients. A recent study estimated that up to \$5 billion might be saved if just the primary care-related recommendations were implemented.¹

THE NEED FOR CHANGE

The *Choosing Wisely*[®] campaign has so far focused primarily on identifying individual treatments that are not beneficial and potentially harmful to patients. At the *Journal of Hospital Medicine*, we believe the discipline of hospital medicine is well-positioned to advance the broader discussion about achieving the triple aim: better healthcare, better health, and better value. Inpatient care represents only 7% of US healthcare encounters but 29% of healthcare expenditures (over \$375 billion annually).² Patients aged 65 years and over account for 41% of all hospital costs and 34% of all hospital stays. Accordingly, without a change in current utilization patterns, the aging of the baby boomer generation will have a marked impact on expenditures for hospital care. Healthcare costs are

increasingly edging out discretionary federal and municipal spending on critical services such as education and scientific research. Historically, federal discretionary spending has averaged 8.3% of gross domestic product (GDP). In 2014, it dropped to 7.2% and is projected to decline to 5.1% in 2024. By comparison, federal spending for Medicare, Medicaid, and health insurance subsidies was 2.1% in 1990³ but in 2014 is estimated at 4.8% of GDP, rising to 5.7% by 2024.⁴

In conjunction with the deleterious consequences of unchecked growth in healthcare costs on national fiscal health, hospitals are feeling intense and increasing pressure to improve quality and value. In fiscal year 2015, hospitals will be at risk for up to 5.5% of Medicare payments under the parameters of the Hospital Readmission Reduction Program (maximum penalty 3% of base diagnosis-related group [DRG] payments), Value-Based Purchasing (maximum withholding 1.5% of base DRG payments), and the Hospital Acquired Conditions Program (maximum penalty 1% of all payments). Simultaneously, long-standing subsidies are being phased out, including payments to teaching hospitals or for disproportionate share of care delivered to uninsured populations. The challenge for hospital medicine will be to take a leadership role in defining national priorities for change, organizing and guiding a pivot toward lower-intensity care settings and services, and most importantly, promoting innovation in hospital-based healthcare delivery.

EXISTING INNOVATIONS

The passage of the Affordable Care Act gave the Centers for Medicare & Medicaid Services (CMS) a platform for spurring innovation in healthcare delivery. In addition to deploying the payment penalty programs described above, the CMS Center for Medicare & Medicaid Innovation has a \$10 billion budget to test alternate models of care. Demonstration projects to date include Accountable Care Organization pilots (ACOs, encouraging hospitals to join with community clinicians to provide integrated and coordinated care), the Bundled Payment program (paying providers a lump fee for an extended episode of care rather than service volume), a Comprehensive End Stage Renal Disease Care Initiative, and a variety of other tests of novel delivery and payment models that directly involve hospital medicine.⁵ Private insurers are following suit, with an increasing proportion of hospital contracts involving shared savings or risk.

*Address for correspondence and reprint requests: Leora Horwitz, MD, NYU School of Medicine, 550 First Ave., TRB Room 607, New York, NY 10016; Telephone: (646) 501-2685; Fax: (646) 501-2706; E-mail: leora.horwitz@nyumc.org

Additional Supporting Information may be found in the online version of this article.

Received: November 3, 2014; Revised: November 20, 2014; Accepted: November 30, 2014

2014 Society of Hospital Medicine DOI 10.1002/jhm.2305

Published online in Wiley Online Library (Wileyonlinelibrary.com).

Hospitals are already responding to this new era of cost sharing and cross-continuum accountability in a variety of creative ways. The University of Utah has developed an award-winning cost accounting system that integrates highly detailed patient-level cost data with clinical information to create a value-driven outcomes tool that enables the hospital to consider costs as they relate to the results of care delivery. In this way, the hospital can justify maintaining high cost/better outcome activities, while targeting high cost/worse outcome practices for improvement.⁶ Boston Children's Hospital is leading a group of healthcare systems in the development and application of a series of Standardized Clinical Assessment and Management Plans (SCAMPs), designed to improve patient care while decreasing unnecessary utilization (particularly in cases where existing evidence or guidelines are insufficient or outdated). Unlike traditional clinical care pathways or clinical guidelines, SCAMPs are developed iteratively based on actual internal practices, especially deviations from the standard plan, and their relationship to outcomes.^{7,8}

Local innovations, however, are of limited national importance in bending the cost curve unless broadly disseminated. The last decade has brought a new degree of cross-institution collaboration to hospital care. Regional consortiums to improve care have existed for years, often prompted by CMS-funded quality improvement organizations and demonstration projects.^{9,10} CMS's Partnership for Patients program has aimed to reduce hospital-acquired conditions and readmissions by enrolling hospitals in 26 regional Hospital Engagement Networks.¹¹ Increasingly, however, hospitals are voluntarily engaging in collaboratives to improve the quality and value of their care. Over 500 US hospitals participate in the American College of Surgeons National Surgical Quality Improvement Program to improve surgical outcomes, nearly 1000 joined the Door-to-Balloon Alliance to improve percutaneous catheterization outcomes, and over 1000 joined the Hospital2Home collaborative to improve care transitions.¹²⁻¹⁴ In 2008, the Premier hospital alliance formed QUEST (Quality, Efficiency, Safety and Transparency), a collaborative of approximately 350 members committed to improving a wide range of outcomes, from cost and efficiency to safety and mortality. Most recently, the High Value Healthcare Collaborative was formed, encompassing 19 large healthcare delivery organizations and over 70 million patients, with the central objective of creating a true learning healthcare system. In principle, these boundary-spanning collaboratives should accelerate change nationally and serve as transformational agents. In practice, outcomes from these efforts have been variable, largely depending on the degree to which hospitals are able to share data, evaluate outcomes, and identify generalizable improvement interventions that can be reliably adopted.

Last, the focus of hospital care has already begun to extend beyond inpatient care. Hospitals already care for more outpatients than they do inpatients, and that trend is expected to continue. In 2012, hospitals treated 34.4 million inpatient admissions, but cared for nearly 675 million outpatient visits, only a fraction of which were emergency department visits or observation stays. From 2011 to 2012, outpatient visits to hospitals increased 2.9%, whereas inpatient admissions declined 1.2%.¹⁵ Hospitals are buying up outpatient practices, creating infusion centers to provide intravenous-based therapy to outpatients, establishing postdischarge clinics to transition their discharged patients, chartering their own visiting nurse agencies, and testing a host of other outpatient-focused activities. Combined with an enhanced focus on postacute transitions following an inpatient admission as part of the care continuum, this broadening reach of "hospital" medicine brings a host of new opportunities for innovation in care delivery and payment models.

CHOOSING WISELY®: NEXT STEPS IN IMPROVING HEALTHCARE VALUE

This series will consider a wide range of ways in which hospital medicine can help drive improvements in healthcare value, both from a conceptual standpoint (what to do and why?), as well as demonstration of practical application of these principles (how?). A companion series, *Choosing Wisely®: Things We Do For No Reason*, will focus more explicitly on services such as blood transfusions or diagnostic tests such as creatinine kinase that are commonly overutilized. Example topics of interest for Next Steps include:

- Best methodologies for improvement science in hospital settings, including Lean healthcare, behavioral economics, human factors engineering
- Strategies for reconciling system-level standardization with the delivery of personalized, patient-centered care
- Impacts of national policies on hospital-based improvement efforts: how do ACOs, bundled payments, and medical homes alter hospital practice?
- Reports on creative new ideas to help achieve value: changes in clinical workflow or care pathways, radical physical plant redesign, electronic medical record innovations, payment incentives, provider accountability and more
- Results of models that move the reach of hospital medicine "beyond the walls" as an integrated part of the care continuum.

We welcome unsolicited proposals for series topics submitted as a 500-word precis to: nextsteps@hospitalmedicine.org.

Disclosures

Choosing Wisely®: Next Steps in Improving Healthcare Value is sponsored by the American Board of

Internal Medicine Foundation. Dr. Horwitz is supported by the National Institute on Aging (K08 AG038336) and by the American Federation for Aging Research through the Paul B. Beeson Career Development Award Program. The authors report no conflicts of interest.

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