

Acute Care Episode (ACE) Demonstration Project

Baptist Health System
San Antonio, Texas

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Baptist Health System

San Antonio, Texas

- 5 acute-care hospitals
- 1,741 licensed beds
- Accredited Chest Pain Centers
- Solucient 100 Top Hospitals®
- Regional Children's Center
- The Brain & Stroke Network
- M&S Imaging Centers
- School of Health Professions
- HealthLink Wellness Centers
- AirLIFE Air Medical Transport



Acute Care Episode (ACE) Demonstration Project

To determine whether improvements in quality of care can result from the alignment of financial incentives between hospitals and physicians in such a way that they must coordinate care on a case-by-case basis.

ACE Components

- Competitive bidding
- Shared savings (Beneficiary Incentive)
- Bundled payments for both hospitals and physicians
- 28 Cardiac and 9 Ortho DRGs
- Gainsharing opportunity

Benefits of the ACE Program

- Greater hospital/physician alignment
- Improvements in quality and efficiency
- Reduction in costs/improvement in margin
- Increased market share
- Higher patient satisfaction

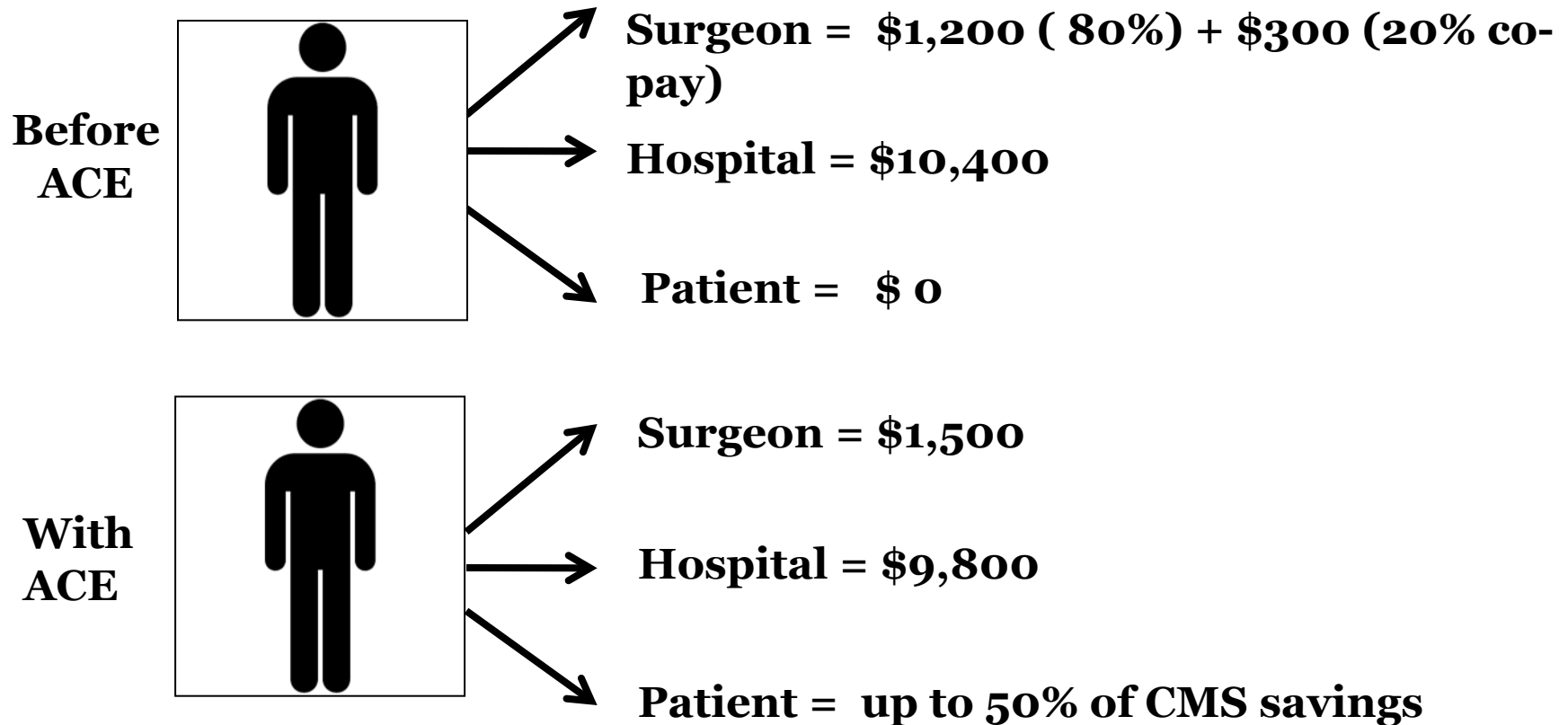
Example Gainshare Opportunity

DRG 470 - Major joint replacement or reattachment of lower extremity w/o MCC

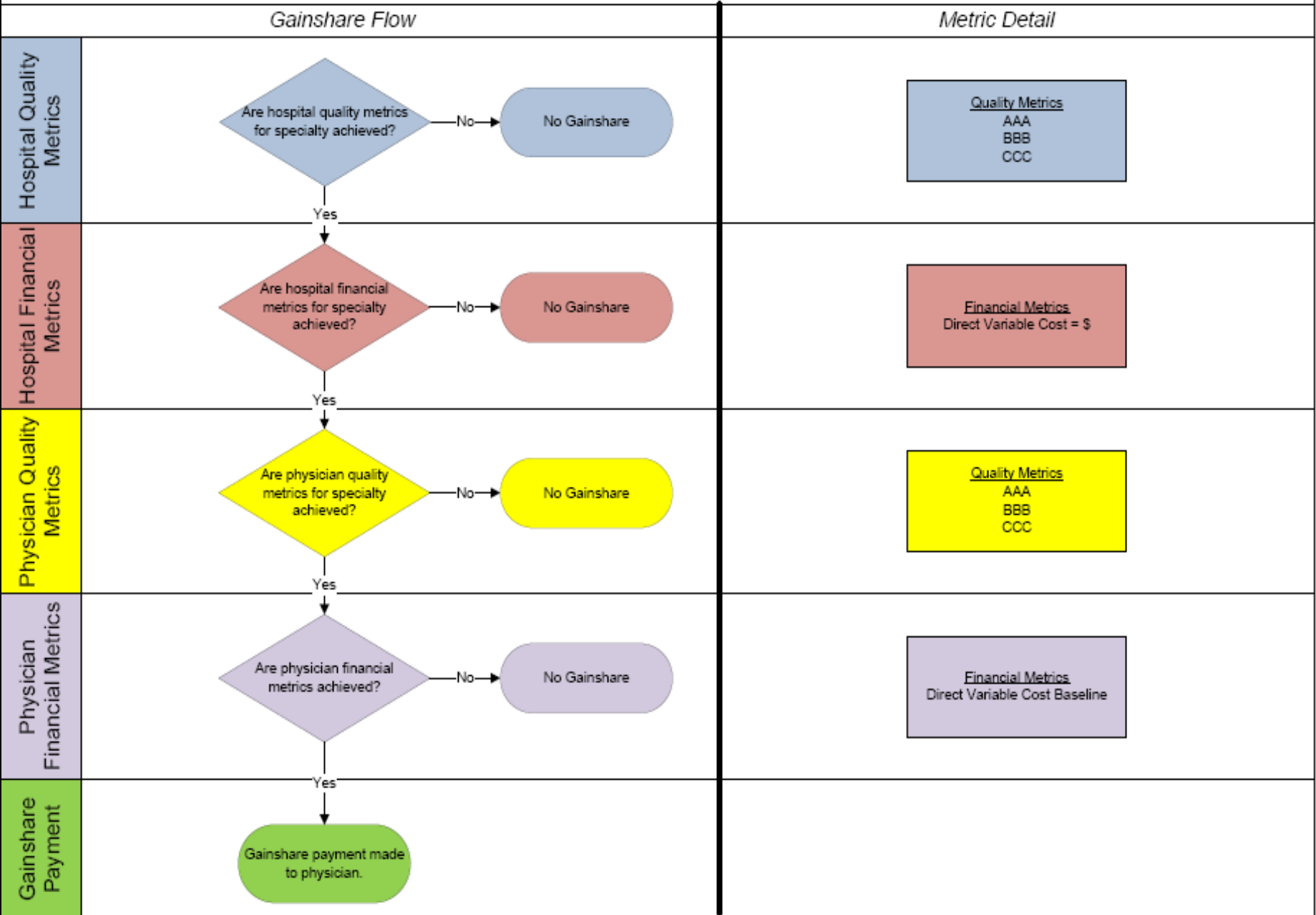
- 710 Medicare admissions
- Medicare Part B physician payment = \$1,065,000
- Gainshare opportunity (at 25%) = \$266,250
- Per case gainshare opportunity = \$375

Hypothetical DRG Payment

DRG 470 - Major joint replacement or reattachment of lower extremity w/o MCC



ACE Gainshare Process



Quality Measures for Gainshare

- A total of 22 quality metrics are tracked for orthopedic and cardiac services and are submitted quarterly to CMS.
- A subset of these metrics are used as criteria for gainshare.

Orthopedic Metrics

HIP & KNEE MEASURES

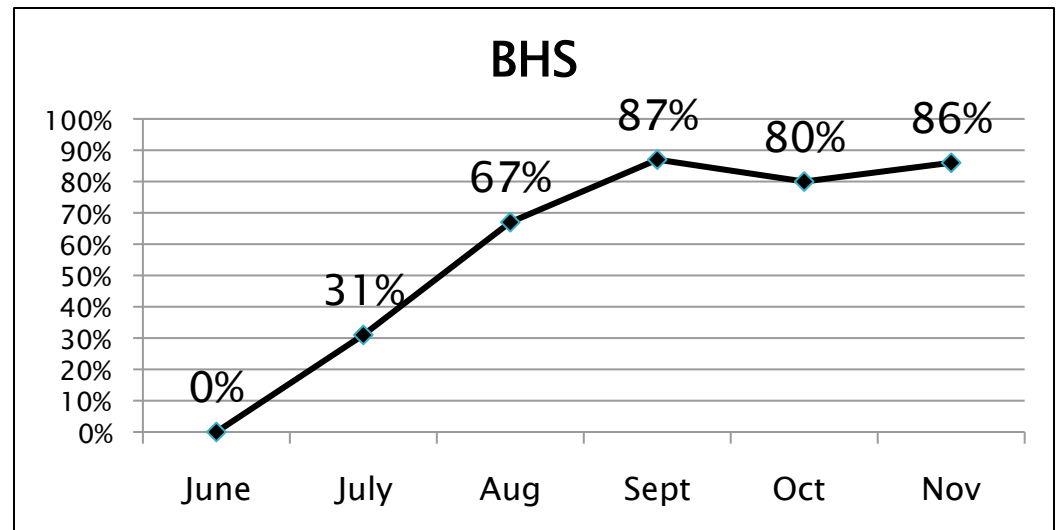
- 1* Antibiotic received within 1 hour of surgical incision
 - 2* Antibiotic selection for surgical patients
 - 3* Discontinuation of antibiotics within 24 hours after surgery end time
 - 4* Appropriate VTE prophylaxis within 24 hours prior to surgery to 24 hours after surgery end time
 - 5* Smoking cessation ordered
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Quality Improvements

	SCIP 1	SCIP 2	SCIP 3	VTE ordered	Smoking Cessation Ordered
Jun	100%	93%	92%	99%	33%
Jul	100%	100%	98%	93%	50%
Aug	100%	100%	100%	97%	0%
Sept	100%	100%	96%	100%	83%
Oct	100%	98%	96%	99%	100%
Nov	98%	100%	100%	100%	60%

Improvement in orthopedics from 91% overall score in Spring of 2009 to an overall score of 99% in November.

Order set utilization has continued to increase the first six months of the demonstration.



Our Experience To Date...

- Shift Towards Evidence-Based Medicine
- Sooner than Expected Gainshare Distributions
- Immediate Improvements in Quality Measures
- Labor Intensive to Administer Program
- Increased Leverage with Device/Implant Vendors
- Over \$1M Cost Reduction in Year 1

Contact Information

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