



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Quality Healthcare for All"*

## ***COMPLIANCE ALERT 13-14***

### ***SNFs To be Penalized for Readmissions***

**EXECUTIVE SUMMARY:** From Krieg & DeVault's *Health Care Alert*—“Skilled nursing facilities could soon share responsibility-and accompanying penalties-with hospitals for avoidable readmissions, according to the U.S. Department of Health and Human Services' (HHS) 2014 Budget Proposal.

The Affordable Care Act requires payment reductions starting in 2013 for hospitals with high rates of readmissions. MedPAC analysis indicates that nearly 14 percent of Medicare patients discharged from a hospital to a Skilled Nursing Facility (SNF) are readmitted to the hospital for conditions that could potentially have been avoided. To promote similar high-quality care in SNFs, the 2014 budget proposal reduces payments by up to three percent for SNFs with high rates of care-sensitive, preventable hospital readmissions, beginning in 2017. According to HHS, savings are estimated at \$2.2 billion over 10 years.”

**ACTION NEEDED:** Facilities should have review procedures and processes to minimize the numbers of readmissions. All readmissions should be reviewed for quality improvement.

Source: Krieg & DeVault Health Care Alert.

<http://view.exacttarget.com/?i=fe6717747465067d7d11&m=ff001276766404&ls=fde811767d67037577137676&l=fec11c7674600674&s=fe011570746600787714777d&jb=ffcf14&ju=fe38107075650678761478&r=0>