

What You Need to Know About Clinical Quality Measures

Hospitals are increasingly being put under a quality microscope, as the movement toward greater transparency is making it possible for consumers and payers to know more and more about what happens within a facility's walls. From medical error reports to quality of care standards, a number of key quality indicators are being publicly reported. The trend is making it easier for consumers and others to evaluate a hospital's overall standing in the marketplace and to make critical comparisons with its competitors.

Although none of the rising transparency efforts specifically target the supply chain, materials management departments would be wise to keep close tabs on these burgeoning trends. All of the areas being looked at are definitely impacted by the supply chain's efficiency and service level.

Medicare Is a Driving Force

The growing prominence of quality scorecards is being fueled by efforts to curb the large number of medical errors reported in hospitals each year, as well as the rising costs of delivering care. As a result, the Centers for Medicare and Medicaid Services (CMS) established the 2001 Hospital Quality Incentive Demonstration Project, better known as a pay-for-performance program.

In this endeavor, CMS rewards top participating hospitals with a 1 percent to 2 percent reimbursement bonus for improved quality in five clinical areas: acute myocardial infarction (commonly known as a heart attack), heart failure, pneumonia, open heart surgery, and orthopedic implants.

To illustrate what's being evaluated, here are a few examples:

- > Percentage of heart attack patients given aspirin on arrival in the emergency department
- > Percentage of heart attack patients given a percutaneous coronary intervention

(that is, an angioplasty) within 120 minutes of arrival

- > Percentage of heart failure patients given smoking cessation advice or counseling

Clearly, supply chain logistics and efficiencies have a significant impact on time-related quality measures, where optimal patient throughput is a critically important contributing factor. Therefore, the materials management department needs to be involved in addressing any changes designed to improve quality.

Results from early pay-for-performance projects show the initiative has been a success from a quality and financial point of view. Hospitals participating in pay-for-performance projects have reported a significant increase in quality in each of the five clinical areas, and they have documented reduced costs, fewer complications, fewer readmissions, and shortened lengths of stay.

After the first year of the program alone, there were \$1.4 billion in savings, and 5,600 avoided deaths.

Not Just a Clinical Concern

All hospitals are actively involved at some level in quality control initiatives, and the materials management department should be taking part in meetings, quality improvement projects, and relevant decisions. If your department has been overlooked because these initiatives

were thought to be strictly clinical or finance department-related endeavors, it's important to speak up and make sure you're part of a process that inevitably will include you and your team.

The pressure on hospitals to improve quality of care will only grow in 2008, as the industry prepares to deal with new reimbursement rules from CMS that will take effect Oct. 1, 2008. From that date forward, the agency will no longer reimburse facilities for treating the following eight preventable conditions:

- > Object left in during surgery
- > Air embolism
- > Blood incompatibility
- > Catheter-associated urinary tract infection
- > Pressure ulcers
- > Vascular catheter-associated infection
- > Surgical site infection: Mediastinitis after coronary artery bypass graft surgery

The supply chain executive should be familiar with the publicly available hospital statistics and quality scores reported on the following web sites:

U.S. Department of Health and Human Services

www.hospitalcompare.hhs.gov

This site describes in comprehensive, but very accessible detail, what each quality measure is and why it is important to the patient.

The Joint Commission

www.qualitycheck.org

The Joint Commission has a search engine designed to allow consumers to access quality reports for any facility, including results of National Patient Safety Goals.

The Leapfrog Group

www.leapfroggroup.org/for_consumers

The organization provides information that allows consumers to compare hospitals on quality.

Additionally, various states have quality reporting score cards on the Internet, which can be found doing simple Internet searches for "hospital quality reports" and the name of the state.

- › Hospital-acquired injuries: fractures, dislocations, intracranial injury, crush-injury, burn, and other unspecified effects of external causes

Product Selection and Sourcing

Although preventing these avoidable events may be viewed as primarily a clinical concern, the materials management department plays an important part in helping a hospital to reach its quality goals. Clinically informed supply chain executives will be needed to help source and negotiate contracts for new products designed to improve quality of care and prevent avoidable events.

As an example, sponges that incorporate RFID tags were recently introduced, and they're designed to make it easier to get an accurate sponge count after an

operation. Also, catheters with anti-microbial properties that can reduce infections are available from certain suppliers. (See the front page article in this issue for more on this topic.)

It's also important that materials staff know how well their hospitals are doing in the clinical quality arena for a number of other reasons:

- › Staff should know the quality measures that their hospital is being evaluated against so they can contribute to quality improvement efforts.
- › Staff should know what information is available to consumers so they are prepared to answer any questions that may arise.
- › As consumers increasingly choose their healthcare providers—and payers reimburse those providers—according to

objective quality measures, it's critically important that all hospital staff, including those in the supply chain, understand what is being evaluated, and how they can help improve their hospitals' scores.

The Bottom Line

Measuring quality and rewarding its attainment makes good clinical sense as well as good business sense. Quality improvement is everyone's responsibility, and everyone benefits. As essential members of the hospital's leadership team, supply chain executives need to be informed and involved in the quality improvement process, and maximally contribute to achieving optimal results. ☞

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