Hospitals Face Pressure To Avert Readmissions

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After years of gently prodding hospitals to make sure discharged patients do not need to return, the federal government is now using its financial muscle to discourage readmissions.

Spurred by new financial penalties that Medicare started imposing on places with too many readmissions, hospitals are doing more outreach to make sure patients are following their discharge program.

Medicare last month began levying financial penalties against 2,217 hospitals it says have had too many readmissions. Of those hospitals, 307 will receive the maximum punishment, a 1 percent reduction in Medicare's regular payments for every patient over the next year, federal records show.

One of those is Barnes-Jewish Hospital in St. Louis, which will lose $2 million this year. Dr. John Lynch, the chief medical officer, said Barnes-Jewish could absorb that loss this year, but "over time, if the penalties accumulate, it will probably take resources away from other key patient programs."

The crackdown on readmissions is at the vanguard of the Affordable Care Act's effort to eliminate unnecessary care and curb Medicare's growing spending, which reached $556 billion this year. Hospital inpatient costs make up a quarter of that spending and are projected to grow by more than 4 percent annually in coming years, according to the Congressional Budget Office.

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