UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
MEDICAL CENTER
OPERATING BOARD
FOR THE UNIVERSITY
OF VIRGINIA
TRANSITIONAL CARE HOSPITAL
NOVEMBER 12, 2015
UNIVERSITY OF VIRGINIA
MEDICAL CENTER OPERATING BOARD FOR THE UNIVERSITY OF VIRGINIA
TRANSITIONAL CARE HOSPITAL
November 12, 2015
8:30 – 8:45 am
Auditorium of the Albert & Shirley Small
Special Collections Library, Harrison Institute

Committee Members:
L.D. Britt, M.D., Chair
Frank M. Conner, III
Hunter E. Craig
William H. Goodwin Jr.
Victoria D. Harker
Michael M.E. Johns, M.D.

William P. Kanto Jr., M.D.
Constance R. Kincheloe
Charles W. Moorman
Tammy S. Murphy
The Hon. Lewis F. Payne
James V. Reyes
Frank E. Genovese, Advisor

Ex Officio Members:
Teresa A. Sullivan
Dorrie K. Fontaine
Robert S. Gibson, M.D.
David S. Wilkes, M.D.

Patrick D. Hogan
Thomas C. Katsouleas
Richard P. Shannon, M.D.
Pamela M. Sutton-Wallace

AGENDA

I. OPENING REMARKS FROM THE CHAIR

II. OPERATIONS AND FINANCE REPORT (Dr. Shannon to introduce Ms. Michelle D. Hereford; Ms. Hereford to report)
   A. Discussion of Fiscal Year 2016 Year To Date Financials
   B. Operations Update

III. ANNUAL COMPLIANCE REPORT

IV. EXECUTIVE SESSION
   • Discussion of proprietary, business-related information pertaining to the operations of the Transitional Care Hospital, where disclosure at this time would adversely affect the competitive position of the Transitional Care Hospital, specifically:
     - Confidential information and data related to the adequacy and quality of professional
services, patient safety in clinical care, and patient grievances for the purpose of improving patient care at the Transitional Care Hospital; and

- Consultation with legal counsel regarding the Transitional Care Hospital compliance with relevant federal reimbursement regulations, licensure, and accreditation standards, all of which will involve proprietary business information of the Transitional Care Hospital and evaluation of the performance of specific Transitional Care Hospital personnel.

The relevant exemptions to the Virginia Freedom of Information Act authorizing the discussion and consultation described above are provided for in Section 2.2-3711(A)(1), (7), and (22) of the Code of Virginia. The meeting of the Medical Center Operating Board is further privileged under Section 8.01-581.17 of the Code of Virginia.
BOARD MEETING: November 12, 2015

COMMITTEE: Medical Center Operating Board

AGENDA ITEM: II. Operations and Finance Report

ACTION REQUIRED: None

BACKGROUND: The University of Virginia Transitional Care Hospital (TCH) prepares a periodic report, including write-offs of bad debt and indigent care, and reviews it with Executive Leadership before submitting the report to the Medical Center Operating Board (MCOB). The TCH also provides an update of significant operations of the hospital occurring since the last MCOB meeting.

Michelle Hereford joined the University of Virginia Health System in 2009. As Chief of the TCH, she oversees all operations of this long term acute care facility. Ms. Hereford has a Bachelor’s degree in Nursing and a Master’s degree in Health Administration from Virginia Commonwealth University. She has over 20 years of health care experience serving in a broad range of roles.

Finance Report

The TCH ended the period of July 1, 2015 through August 30, 2015 with an operating income figure of $111,848, compared to the budgeted operating income figure of $56,576. During this same period, inpatient discharges were 66 compared to the budget of 74. Average length of stay (ALOS) was 30.71 days, which is .55 days above the budget of 30.16. The All Payor Case Mix Index of 1.30 was slightly higher than the budgeted figure of 1.26. The Medicare Case Mix Index of 1.31 is slightly higher than the budgeted figure of 1.28. The total worked full-time equivalents (FTEs) were 131.82 which is slightly higher than the budgeted worked FTEs of 130.55.

For Fiscal Year 2015, the TCH reported 362 admissions; 241 of those admissions (67%) were from the Medical Center. The 241 Medical Center admissions represent 6,931 patient days or approximately 19 Medical Center beds per day. The reduction of 6,931 patient days equates to a .25 reduction in the Medical Center’s average length of stay. These metrics further
demonstrate the importance of long term acute care services in the continuum of care.

Clinical Operations Report

Clinical Operations includes an array of services focused on the top three discharge areas. They include Respiratory, Wound-Care, and Rehabilitation Services.

Respiratory Services continue to exceed expectations in the weaning of patients from ventilators. From July 1, 2015 to September 30, 2015, 33 patients were admitted for vent weaning/teaching. Of those patients, 26 (78.8%) achieved that goal compared to the established ventilation weaning benchmark of 60.1%.

Wound Management is the second highest Diagnostic Related Group (DRG) for patients discharged from the TCH. For the period of July 1, 2015 through August 30, 2015, 27% of the TCH patient population was admitted for complex wound care needs. The care of patients with wounds crosses all professional boundaries and much work has been done as a result of our intra-professional patient care culture. The focus in this area continues to lie in the provision of complex wound care within the continuum of care. The TCH has sought the guidance of experts in the field and recently applied for wound care certification. It anticipates a site visit from The Joint Commission (TJC) early in 2016 to validate it as a Wound Care Certified facility.

Rehabilitation Services is comprised of Physical Therapy, Occupational Therapy, and Speech Language Pathology. It continues to serve our population well and contributes to patient satisfaction as well as to clinical status improvement. These therapy services continue to be in high demand as a result of acuity levels and complicating factors, including a high proportion of morbidly obese and/or debilitated patients in need of rehabilitation therapy. Patient satisfaction with these services remains high, and our patients continue to respond well physiologically as a result of this care.

Care Management Report

The TCH has combined the Case Management program with the Clinical Liaison program to establish a Department of Care Management. This partnership strengthens communication,
knowledge, and collaboration throughout the process of selection through discharge.

New patient referrals for the period of July 1, 2015 through August 31, 2015 totaled 312. Of the 312 patients, 98 were admitted, for a conversion rate of 31%. During this period, 62% of the admissions originated from the Medical Center and 38% originated from 14 outside facilities.

For the same period, the average length of stay was 30.71 days, which exceeds the minimum Centers for Medicare and Medicaid Services (CMS) requirement of 25 days. Factors resulting in a longer length of stay include clinical conditions that are too complex to manage safely at a lower level of care, time delays associated with provision of services and consultations by other providers, services that are not provided in an outpatient setting post discharge (i.e., dialysis for acute kidney injury) and the lack of available community resources, specifically skilled nursing facilities. Factors resulting in an abbreviated length of stay include clinical conditions necessitating a return to a Short Term Acute Care Hospital, a change in the patient’s treatment goals (e.g., selecting palliative care or hospice), and faster than expected clinical improvement.

During the period from July 1, 2015 through September 30, 2015, the TCH discharged 102 patients. Of these patients, 26% transferred to the Medical Center and 74% were discharged back to community: 29% went home, 13% to an Inpatient Rehabilitation Facility, 28% to a Skilled Nursing Facility, 1% to Hospice, and 3% to other locations.

Quality, Patient Safety, and Performance Improvement Report

Quality and Patient Safety

The TCH monitors clinical outcomes and performance using external and internal benchmarking. Interdisciplinary committees and teams work together to develop and implement improvement strategies when needed and evidenced by our Quality and Patient Safety Dashboard. The TCH currently participates with the CDC’s National Healthcare Safety Network (NHSN) for device-related infection benchmarking and with the CMS Long Term Acute Care Hospital Quality Reporting Program. The TCH is in the initial phases of data abstraction and submission for the Vindicet Hospital Data System (VHDS) for additional quality outcomes benchmarking.
The TCH focuses on the implementation of the “Be Safe” Program. “Be Safe” involves staff at all levels of our organization and requires the use of a scientific methodology to eliminate preventable harm and improve care outcomes and efficiency. The TCH will continue to focus on the six metrics from Fiscal Year 2015, with the addition of Wound Improvement, as priorities for preventing harm on the journey to become the safest Long Term Acute Care Hospital in Fiscal Year 2016:

- Mortality
- Team Injuries
- Patient Fall with Injury
- Catheter-Associated Urinary Tract Infection
- Central Line Associated Blood Stream Infection
- Hospital Acquired Pressure Ulcers
- Wound Improvement

The TCH has met or exceeded most of the targets for the first quarter of Fiscal Year 2016. Such accomplishments include 23 months without a ventilator-associated pneumonia, and a ventilator wean success rate exceeding the established benchmark. The TCH continues to focus on reducing the use of invasive devices, as well as preventing any hospital-acquired condition. The performance has been strong thus far, and the data from VHDS and NHSN will be used to assess relative performance compared to other long term care hospitals across the nation.

Patient Satisfaction

The TCH continues to seek and use feedback from patients and families. This feedback is invaluable in guiding efforts to improve services and exceed patients’ expectations. The TCH exceeded the targeted goals for Fiscal Year 2015, with average scores of 4.7 to 4.8 on a 5-point scale, and has continued that trend in Fiscal Year 2016.

The TCH massage therapist has been a source of high satisfaction for long-term and mobility-impaired patients. In addition to comfort and relaxation, the evaluation of the use of medical massage in the clinical setting is under way. Such therapy is noted to reduce patients’ pain, increase ability to participate in rehabilitation therapy, and decrease anxiety which may interfere with a patient’s ability to wean off the ventilator.
The Board of Visitors authorized the President of the University to establish a Corporate Compliance Program ("Program") for the Medical Center in 1997 in order to ensure the Medical Center operates in full compliance with applicable laws. The TCH has had a similar program since its inception. The Office of Corporate Compliance and Privacy ("Office") prepares an annual project schedule based on potential organizational risks for noncompliance with Federal or State law or other regulations and in alignment with the strategic goals of the Health System. The Office reports quarterly to the Corporate Compliance Steering Committee and to the Audit, Compliance, and Risk Committee of the Board of Visitors where it seeks approval of the annual project plan, provides updates on completed projects, and informs those groups of significant compliance or privacy risks. The Office also reports annually to the MCOB.

Overview of the Program

The TCH Compliance Program incorporates the seven elements of an effective compliance program as first identified in the 1991 Federal Sentencing Guidelines: standards and procedures, oversight, education and training, monitoring and auditing, reporting, enforcement and discipline, and response and prevention. The Office of the Inspector General Compliance Program Guidance Documents, first released in 1997, are also a roadmap for the Program and include the seven elements reflected as: written policies and procedures, designation of a compliance officer and a compliance committee, conducting effective training and education, developing effective lines of communication, enforcing standards through well-publicized disciplinary guidelines, auditing and monitoring, responding to detected offenses and developing corrective action initiatives.

The Compliance Code of Conduct is a key component of the Program which defines the principles that the TCH, its clinical
staff, employees, and agents must follow. The Code is based on the mission, vision, and values of the UVA Health System and aligns with the strategic initiatives and goals of the TCH.

The annual Office project schedule is derived from risk assessment models that identify potential financial or reputational risks for the TCH, and from Federal, State, and other regulatory agencies' enforcement priorities identified in the annual Department of Health and Human Services Office of the Inspector General’s (OIG) Work Plan, industry publications, and fraud alert reports. The project schedule also includes follow-up on work performed in prior years. Projects are selected based on TCH’s areas of risk for fraud and abuse and privacy violations, with input from management and senior leadership.

Auditing and monitoring is an element of an effective compliance program. Demonstrating alignment with the Health System goal to be the safest place to receive care, the Office conducts auditing of medical records and TCH billing claims for compliance with the TCH’s commitments to maintain its patients’ right to privacy and to bill only for medically necessary services. Documentation, coding, and billing audits of the TCH inpatient claims are performed to confirm that the documentation supports the submitted claims and that the services provided are medically necessary. Varying types of privacy audits are done to assess TCH’s compliance with privacy laws and to ensure the confidentiality of our patients’ health information. The TCH is part of the Program’s privacy site audit schedule as well as scheduled compliance audits of inpatient TCH claims. Last year the Office conducted a privacy site audit at the TCH and completed an inpatient documentation, coding and billing review for the TCH. The Office includes hours for unanticipated projects to allow the Program to adapt to changing needs of the organization, such as overseeing new TCH billing compliance requirements and addressing privacy inquiries from regulatory agencies; offering guidance on policies and procedures and changes in regulations and billing rules; and preparing and delivering education in response to new compliance concerns.

Issue Affecting the Program

On October 1, 2015, the International Classification of Diseases (ICD) Ninth Revisions code sets used to report medical diagnoses and inpatient procedures was replaced by the ICD Tenth Revision (ICD-10) code sets. The transition to ICD-10 was required for everyone covered by the Health Insurance Portability and Accountability Act. The ICD-10 Executive and
Oversight Committee and Project Teams’ vision was to produce meaningful complete and accurate clinical documentation to support the Medical Center and the University Physicians Group mission of delivering innovative and superlative quality patient care, training of health professionals, and the creating and sharing of health knowledge. The transition to ICD-10 has the potential for significant financial and operational impacts for the TCH. Diagnosis codes expanded from 13,000 to 68,000 codes and procedure codes expanded from 11,000 to 87,000 codes, with the latter for use only in the United States inpatient hospital settings. It is early in the process and payer adjudication with no significant issues to report at this time.

Education is a crucial element of effective compliance programs. Educating our team members and developing trusting relationships to enhance a culture of compliance continue to be critical factors impacting the effectiveness of the Corporate Compliance Program.