

# HRIP HOSPITAL RATE IMPROVEMENT PROGRAM

# *A Kentucky Success Story*



Kentucky  
Hospital  
Association

*Helping Hospitals  
Serve Their Patients  
and Communities*



- HRIP allows hospitals to **be paid closer to the average commercial rate for Medicaid inpatients and outpatients.**
- HRIP brings **\$2.2 Billion in additional funding** annually to hospitals **at NO cost to the state**, because hospitals provide the state match.
- **CMS must approve continuation of HRIP annually.**
- **The HRIP Program is Value-Based** – 10% of HRIP funds must be earned by hospitals achieving specific quality measures.

# Tremendous gains in quality and patient outcomes have been made in a short time



- ▶ HRIP has provided the crucial additional resources for hospitals to invest in staff and training to improve outcomes.
- ▶ More than 1,100 hospital staff, both clinical and non-clinical, have been trained since 2022.
- ▶ HRIP's focus on key quality measures across all hospitals has produced **statewide improvements in impactful areas that align with the Medicaid quality strategy.**
- ▶ HRIP represents a tremendous collaboration between DMS and Kentucky's hospitals working through the Kentucky Hospital Association (KHA).

# Reduced Medicaid Readmissions

## ▶ Readmission reduction is important because:

- Medicaid has been found to have high readmission rates among adults.
- In 2020, the cost of a readmission was 12.4% higher than the original admission.
- Kentucky's access challenges combined with high numbers of patients with multiple chronic disease contributes to readmissions.

## ▶ Medicaid readmissions have been **reduced from a 10% baseline to 6%** in just one year (2022-2023).

# Patients are Screened and Treated for Sepsis and Other Infections are Being Prevented

- ▶ **Sepsis is the body's overwhelming and life-threatening response to infection.**
  - **If not identified and treated early, it can quickly lead to expensive ICU care, organ failure, and even death.**
  - **In 2020, KHA established a statewide [Sepsis Consortium](#) that provides expertise to help hospitals develop and implement procedures to identify and treat sepsis.**
  - **Under HRIP, 98% of ED patients are being screened for sepsis, and those screening positive are receiving timely treatment.**

- ▶ Kentucky hospitals have also **lowered rates of other types of infections** from 2022-2023.
  - This benefits the Medicaid program by avoiding longer lengths of stay in the hospital and associated costs.
  - **CAUTI** (catheter-associated urinary tract infection) **lowered by 24%**.
  - **C. Difficile** (a germ causing diarrhea and colitis) **lowered by 26%**.



# Hospitals are Lowering Use of Opioids



- ▶ In 2019, KHA established a **Statewide Opioid Stewardship (SOS) program to reduce opioid prescribing and addiction**. The SOS program receives KORE funding from CHFS for its initiatives.
- ▶ **Several SOS measures have been incorporated into HRIP:**
  - **Virtually no patients (<2%) leave the hospital with multiple opioids** after their hospital stay.
  - **87%** of patients presenting to an ED with an ankle sprain are being treated with an **alternative to an opioid for pain relief**.
  - **Virtually every new mother** with an uncomplicated vaginal delivery **does not receive opioids** at discharge for pain relief.

## Maternal Depression and Substance Use:

- About **one-half of all births in Kentucky are covered by Medicaid.**
- **Post partum depression puts women at increased risk of death, especially during the first year after diagnosis.**
- Kentucky hospitals are **screening for depression and substance use two weeks following discharge and referring to resources when indicated.**
- **Maternal Screening began in January of 2024 – more than 21,000 new mothers have been screened under HRIP during the first 8 months.**



# Efforts to Prevent Suicide

- ▶ Suicide is the **second leading cause of death** for youth and young adults in Kentucky.
- ▶ Suicide screening began in **January of 2024** – hospitals are **screening over 90%** of all emergency department patients **over the age of 11** and making referrals to behavioral health resources.
- ▶ **1 million Kentuckians have been screened for suicide in the ED under HRIP.**

## ▶ **Social Drivers of Health are Being Identified and Addressed.**

- Social Drivers of Health (SDoH), such as **lack of transportation and food insecurity, play a key role in readmissions.**
- **58,000 Medicaid inpatients were screened in 2023 and more than 63,000 were screened in 2024,** with referrals to resources.
- In many instances, **hospitals have developed initiatives to provide the resources patients need, such as food pantries and transport.**
- KHA established a **Food is Medicine program** in partnership with the **Department of Agriculture and CHFS** to address food insecurity and improve patient consumption of locally grown, healthy food.

- ▶ **Collect quality data from hospitals for DMS.**
- ▶ **Provide hospitals ongoing feedback on performance.**
- ▶ **Provide best practice resources and bring subject matter experts to assist hospitals with performance improvement.**
- ▶ **Provide and fund training for hospital staff – >1,100 trained (2022-2023)**
  - Charge Nurse Training
  - Wound Care Certification
  - Certified Health Care Environmental Services (CHEST)
  - APIC EPI Intensive training for infection prevention and control
  - Society of Infections Diseases Pharmacist (SIDP) Antimicrobial Stewardship Certificate
  - Certified Professional in Healthcare Quality (CPHQ) for quality leadership
  - Healthcare Accreditation Certified Professional – accreditation prep and compliance

# Hospitals Have Invested in Their Staff



- ▶ HRIP has allowed Kentucky hospitals **to increase staff salaries 5%** while the **U.S. average was only .12%**.
- ▶ **Investments in wages have contributed to lower hospital staff vacancies, which improves patient care:**
  - There **were 4,150 fewer total vacancies in 2023**, compared to 2022.
  - There **were 853 fewer RN vacancies in 2023**, compared to 2022.

# The HRIP Program is Crucial and Transformational for Hospitals and Patients



- ▶ **While hospitals across the country are closing and reducing services, the opposite is true in Kentucky.**
- ▶ Kentucky hospitals are now able to make **needed improvements in infrastructure, maintain and expand access to services, improve patient outcomes, and invest in their workforce in a way that simply did not exist prior to the program.**
- ▶ **Without HRIP, Kentucky hospitals would have a negative 6% operating margin and that would mean less access to patient care.**

- ▶ **Kentucky hospitals have successfully improved health outcomes in every HRIP measure saving the state scarce resources. We have seen great strides in:**
  - 30-day all cause unplanned readmissions
  - Sepsis screening and timely treatment
  - Infection Reduction
  - Reduced Opioid Prescribing
- ▶ **Kentucky hospitals have implemented three new screenings for patients and increased referrals to resources:**
  - Social Drivers of Health – food insecurity, transportation, etc.
  - Maternal Depression and substance use disorder
  - Suicide screening in the ED

- ▶ **HRIP funding enhances the health of our patients, helps the state stretch scarce resources, has preserved access to care in rural Kentucky, and saved lives in all parts of Kentucky.**
- ▶ **States across the country have scrambled to follow our lead. *It is truly a Kentucky success story in which we can all take pride.***