



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3743

Introduced 2/11/2010, by Sen. Christine Radogno

SYNOPSIS AS INTRODUCED:

New Act

Creates the Long Term Care Hospital Quality Improvement Transfer Program Act. Provides that because it is vital for the State of Illinois to find methods to improve the health care outcomes of patients served by the healthcare programs operated by the Department of Healthcare and Family Services, the Department shall establish the Long Term Care Hospital Quality Improvement Transfer Program. Provides that the program is designed to better utilize the specialized services available in the State to improve the health outcomes of the most severely injured and ill patients and to enhance the continuity and coordination of care for these patients. Contains provisions concerning how a hospital may qualify to participate in the program; hospital outcome and measurement data; exemptions; hospital duties; supplemental per diem rates; and other matters. Requires the Department to satisfy certain reporting requirements; to implement, monitor, and evaluate the program; and other matters. Permits the Department to use up to \$500,000 of funds contained in the Public Aid Recoveries Trust Fund per State fiscal year to operate the program and to expand existing contracts, issue new contracts, issue personal service contracts, or purchase other services, supplies, or equipment for the purposes the program. Effective immediately.

LRB096 20325 KTG 36190 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Long
5 Term Care Hospital Quality Improvement Transfer Program Act.

6 Section 5. Purpose of Act. The General Assembly finds that
7 it is vital for the State of Illinois to find methods to
8 improve the health care outcomes of patients served by the
9 healthcare programs operated by the Department of Healthcare
10 and Family Services. Improving a patient's health not only
11 benefits the patient's quality of life but also results in a
12 more efficient use of the resources needed to provide care.
13 Estimates show that the Long Term Care Hospital Quality
14 Improvement Transfer Program established under this Act could
15 save approximately \$10,000,000 annually. The program focuses
16 on some of the most severely injured and ill patients in the
17 State of Illinois. It is designed to better utilize the
18 specialized services available in the State to improve these
19 patients' health outcomes and to enhance the continuity and
20 coordination of care for these patients. This program serves as
21 one of the many pieces needed to reform the State of Illinois'
22 healthcare programs to better serve the people of the State of
23 Illinois.

1 Section 10. Definitions. As used in this Act:

2 (a) "CARE tool" means the Continuity and Record Evaluation
3 (CARE) tool. It is a patient assessment instrument that has
4 been developed to document the medical, cognitive, functional,
5 and discharge status of persons receiving health care services
6 in acute and post-acute care settings. The data collected is
7 able to document provider-level quality of care (patient
8 outcomes) and characterize the clinical complexity of
9 patients.

10 (b) "Department" means the Illinois Department of
11 Healthcare and Family Services.

12 (c) "Discharge" means the release of a patient from
13 hospital care for any discharge disposition other than a leave
14 of absence, even if for Medicare payment purposes the discharge
15 fits the definition of an interrupted stay.

16 (d) "FTE" means "full-time equivalent" or a person or
17 persons employed in one full-time position.

18 (e) "Hospital" means an institution, place, building, or
19 agency located in this State that is licensed as a general
20 acute hospital by the Illinois Department of Public Health
21 under the Hospital Licensing Act, whether public or private and
22 whether organized for profit or not-for-profit.

23 (f) "ICU" means intensive care unit.

24 (g) "LTC hospital" means a hospital that is designated by
25 Medicare as a long term care hospital as described in Section

1 1886(m) (d) (1) (B) (iv) (I) of the Social Security Act.

2 (h) "LTC hospital criteria" means nationally recognized
3 evidence-based evaluation criteria that have been publicly
4 tested and includes criteria specific to an LTC hospital for
5 admission, continuing stay, and discharge. The criteria cannot
6 include criteria derived or developed by or for a specific
7 hospital or group of hospitals. Criteria and tools developed by
8 hospitals or hospital associations or hospital-owned
9 organizations are not acceptable and do not meet the
10 requirements of this subsection.

11 (i) "Patient" means an individual who is admitted to a
12 hospital for an inpatient stay.

13 (j) "Program" means the Long Term Care Hospital Quality
14 Improvement Transfer Program established by this Act.

15 (k) "STAC hospital" means a hospital that is not designated
16 by Medicare as a long term care hospital as described in
17 Section 1886(m) (d) (1) (B) (iv) (I) of the Social Security Act or a
18 psychiatric hospital or a rehabilitation hospital.

19 Section 15. Qualifying Hospitals.

20 (a) Beginning on the effective date of this Act, the
21 Department shall establish the Long Term Care Hospital Quality
22 Improvement Transfer Program. Any hospital may participate in
23 the program if it meets the requirements of this Section as
24 determined by the Department.

25 (b) To participate in the program a hospital must do the

1 following:

2 (1) Operate as a LTC hospital.

3 (2) Employ one-half of an FTE (designated for case
4 management) for every 15 patients admitted to the hospital.

5 (3) Maintain on-site physician coverage 24 hours a day,
6 7 days a week.

7 (4) Maintain on-site respiratory therapy coverage 24
8 hours a day, 7 days a week.

9 (c) A hospital must also execute a program participation
10 agreement with the Department. The agreement must include:

11 (1) An attestation that the hospital complies with the
12 criteria in subsection (b) of this Section.

13 (2) A process for the hospital to report its continuing
14 compliance with subsection (b) of this Section. The
15 hospital must submit a compliance report at least annually.

16 (3) A requirement that the hospital complete and submit
17 the CARE tool (the most currently available version or an
18 equivalent tool designated and approved for use by the
19 Department) for each patient no later than 7 calendar days
20 after discharge.

21 (4) A requirement that the hospital use a patient
22 satisfaction survey specifically designed for LTC hospital
23 settings. The hospital must submit survey results data to
24 the Department at least annually.

25 (5) A requirement that the hospital accept all
26 clinically-approved patients for admission or transfer

1 from a STAC hospital. The patient must be evaluated using
2 LTC hospital criteria approved by the Department for use in
3 this program and meet the appropriate criteria.

4 (6) A requirement that the hospital report quality and
5 outcome measurement data, as described in Section 20 of
6 this Act, to the Department at least annually.

7 (7) A requirement that the hospital provide the
8 Department full access to patient data and other data
9 maintained by the hospital. Access must be in compliance
10 with State and federal law.

11 (8) A requirement that the hospital use LTC hospital
12 criteria to evaluate patients that are admitted to the
13 hospital to determine that the patient is in the most
14 appropriate setting.

15 Section 20. Quality and outcome measurement data.

16 (a) For proper evaluation and monitoring of the program,
17 each LTC hospital must provide quality and outcome measurement
18 data ("measures") as specified in subsections (c) through (h)
19 of this Section to the Department for patients treated under
20 this program. The Department may develop measures in addition
21 to the minimum measures required under this Section.

22 (b) Two sets of measures must be calculated. The first set
23 should only use data for medical assistance patients, and the
24 second set should include all patients of the LTC hospital
25 regardless of payer.

1 (c) Average LTC hospital length of stay for patients
2 discharged during the reporting period. The quotient of:

3 (1) Numerator: all patient days for discharged
4 patients during the reporting period.

5 (2) Denominator: number of patient discharges
6 associated with the days included in the numerator.

7 (d) Adverse outcomes rates: Percent of patients who expired
8 or whose condition worsens and requires treatment in a STAC
9 hospital. The quotient of:

10 (1) Numerator: sum of expirations plus discharges to a
11 STAC Hospital.

12 (2) Denominator: total discharges.

13 (e) Ventilator weaning rate: Percent of patients
14 discharged during the reporting period who have been
15 successfully weaned off invasive mechanical ventilation. The
16 quotient of:

17 (1) Numerator:

18 (A) Includes all patients who were admitted on
19 invasive mechanical ventilation (per endotracheal or
20 tracheostomy tube) and were completely weaned from
21 invasive mechanical ventilation at discharge from the
22 LTC hospital, patients admitted receiving part-time or
23 nocturnal invasive mechanical ventilation, patients
24 admitted on invasive mechanical and transitioned to
25 noninvasive ventilation at time of discharge.

26 (B) Excludes patients who have not yet been

1 discharged, patients who were not completely weaned
2 from invasive mechanical ventilation, patients that
3 were weaned for a period of time but returned to
4 ventilator support and were ventilator-dependent at
5 time of discharge, and patients who expired.

6 (2) Denominator: includes all ventilator dependent
7 patients.

8 (f) Central Line Infection Rate per 1000 central line days:
9 Number of patients discharged from a LTC hospital during the
10 reporting period that had a central line in place and developed
11 a bloodstream infection 48 hours or more after admission to the
12 LTC hospital. The quotient of:

13 (1) Numerator:

14 (A) Includes all discharged patients that had a
15 central line and developed a bloodstream infection as
16 defined by the Centers for Disease Control and
17 Prevention. The definition of central line includes
18 any device that is not peripheral, including Single,
19 Double, and Triple Lumen vascular catheters,
20 percutaneously inserted central catheter lines, and
21 Tunneled catheters such as Mediports and Groshongs.
22 Number of primary bloodstream infections in patients
23 with a central line catheter, including patients whose
24 primary blood stream infection was identified at least
25 48 hours after admission.

26 (B) Excludes patients that:

1 (i) Were admitted to the LTC hospital with a
2 bloodstream infection;

3 (ii) Had a bloodstream infection identified by
4 the LTC hospital within 48 hours of the LTCH
5 admission;

6 (iii) Were not discharged; or

7 (iv) Did not have a central line.

8 (2) Denominator: Number of central line catheter days
9 for the reporting period.

10 (A) Includes central line catheter patient days
11 for all discharges from the LTC hospital.

12 (B) Excludes patients that did not have a central
13 line and exclude patient days for patients that left
14 the facility for a leave of absence and subsequently
15 returned to the LTC hospital and therefore were not
16 discharged.

17 (g) Acquired pressure ulcers per 1000 patient days. The
18 quotient of:

19 (1) Numerator: Number of pressure ulcers that
20 developed during the LTC hospital hospitalization in
21 patients discharged from a LTC hospital during the
22 reporting period.

23 (A) Includes total number of stage 2-4 ulcers
24 identified more than 48 hours after admission to the LTC
25 hospital.

26 (B) Excludes the following:

1 (i) Ulcers in patients that have not yet been
2 discharged.

3 (ii) Pressure ulcers Stage 2 and greater
4 present at admission to the LTC hospital.

5 (iii) Stage 1 pressure ulcers.

6 (iv) Pressure ulcers that were identified
7 within the first 48 hours of admission to the LTC
8 hospital.

9 (2) Denominator: total patient days for the reporting
10 period.

11 (h) Falls with injury per 1000 patient days: Number of
12 falls among discharged LTC hospital patients discharged during
13 the reporting period, who fell during the LTC hospital stay,
14 regardless of distance fallen, that required an ancillary or
15 surgical procedure (i.e. x-ray, MRI, sutures, surgery, etc.)
16 The quotient of:

17 (1) Numerator:

18 (A) Includes the following:

19 (i) Falls with injury levels of minor,
20 moderate, major, and death in accordance with the
21 guidelines for falls with injury Fall Prevention
22 Protocol of the National Database of Nursing
23 Quality Indicators (NDNQI).

24 (ii) Assisted falls among discharged LTC
25 hospital patients (patient caught themselves,
26 staff or witness assisted falls, falls caught to

1 prevent further falling).

2 (B) Excludes the following:

3 (i) Assisted falls (patient caught themselves,
4 staff or witness assisted falls, falls caught to
5 prevent further falling) among discharged LTC
6 hospital patients that required physician exam or
7 bandage but no ancillary test or procedure.

8 (ii) Falls that required a physician exam or
9 bandage or ancillary test that was negative such as
10 x-ray.

11 (iii) Falls with no injury according to NDNQI
12 definitions.

13 (iv) Falls among the patients who have not yet
14 been discharged.

15 (2) Denominator: Number of discharged LTC hospital
16 patient days for the reporting period, with patient days
17 calculated once per 24 hour period (usually at midnight
18 excluding patient days for the period of non-LTC hospital
19 patients and LTC hospital patients who are not yet
20 discharged).

21 Section 25. Quality improvement transfer program.

22 (a) The Department may exempt the following STAC hospitals
23 from the requirements in this Section:

24 (1) A hospital operated by a county with a population
25 of 3,000,000 or more.

1 (2) A hospital operated by a State agency or a State
2 university.

3 (b) STAC hospitals may transfer patients who meet criteria
4 in the LTC hospital criteria and are medically stable for
5 discharge from the STAC hospital.

6 (c) A patient in a STAC hospital may be exempt from a
7 transfer if:

8 (1) The patients physician does not issue an order for
9 a transfer;

10 (2) The patient or the individual legally authorized to
11 make medical decisions for the patient refuses the
12 transfer; or

13 (3) The patient's care is primarily paid for by
14 Medicare or another third party. The exemption in this
15 paragraph (3) of subsection (c) does not apply to a patient
16 who has exhausted his or her Medicare benefits resulting in
17 the Department becoming the primary payer.

18 Section 30. LTC hospital duties.

19 (a) The LTC hospital must notify the Department within 5
20 calendar days if it no longer meets the requirements under
21 subsection (b) of Section 15.

22 (b) The LTC hospital may terminate the agreement under
23 subsection (c) of Section 15 with a notice to the Department
24 within 15 calendar days if the State of Illinois fails to issue
25 payment within 50 days of submission of an appropriately

1 submitted claim.

2 (c) The LTC hospital must assist the Department in creating
3 patient and family education material concerning the program.

4 (d) The LTC hospital must retain the patient's admission
5 evaluation to document that the patient meets the LTC hospital
6 criteria and is eligible to receive the LTC supplemental per
7 diem rate described in Section 35 of this Act.

8 Section 35. LTC supplemental per diem rate.

9 (a) The Department must pay a LTC supplemental per diem
10 rate calculated under this Section to LTC hospitals that meet
11 the requirements of Section 15 of this Act for patients who
12 upon admission to the LTC hospital meet LTC hospital criteria.

13 (b) The Department must not pay the LTC supplemental per
14 diem rate calculated under this Section if the LTC hospital no
15 longer meets the requirements under Section 15 or terminates
16 the agreement specified under Section 15. The Department must
17 not pay the LTC supplemental per diem rate calculated under
18 this Section if the patient does not meet the LTC hospital
19 criteria upon admission.

20 (c) After the first year of operation of the program
21 established by this Act, the Department may reduce the LTC
22 supplemental per diem rate calculated under this Section by no
23 more than 5% for a LTC hospital that does not meet benchmarks
24 or targets set by the Department. The Department may also
25 increase the LTC supplemental per diem rate calculated under

1 this Section by no more than 5% for a LTC hospital that exceeds
2 the benchmarks or targets set by the Department.

3 (d) The LTC supplemental per diem rate shall be calculated
4 using the LTC hospital's inflated cost per diem, defined in
5 subsection (f) of this Section, and subtracting the following:

6 (1) The LTC hospital's Medicaid per diem inpatient rate
7 as calculated under 89 Ill. Adm. Code 148.270(c)(4).

8 (2) The LTC hospital's disproportionate share (DSH)
9 rate as calculated under 89 Ill. Adm. Code 148.120.

10 (3) The LTC hospital's Medicaid Percentage Adjustment
11 (MPA) rate as calculated under 89 Ill. Adm. Code 148.122.

12 (4) The LTC hospital's Medicaid High Volume Adjustment
13 (MHVA) rate as calculated under 89 Ill. Adm. Code
14 148.290(d).

15 (e) LTC supplemental per diem rates are effective for 12
16 months beginning on October 1 of each year and must be updated
17 every 12 months.

18 (f) For the purposes of this Section, "inflated cost per
19 diem" means the quotient resulting from dividing the hospital's
20 inpatient Medicaid costs by the hospital's Medicaid inpatient
21 days and inflating it to the most current period using
22 methodologies consistent with the calculation of the rates
23 described in paragraphs (2), (3), and (4) of subsection (d). The
24 data is obtained from the LTC hospital's most recent cost
25 report submitted to the Department as mandated under 89 Ill.
26 Adm. Code 148.210.

1 Section 40. Duties of the Department.

2 (a) The Department is responsible for implementing,
3 monitoring, and evaluating the program. This includes but is
4 not limited to:

5 (1) Collecting data required under Section 15 and data
6 necessary to calculate the measures under Section 20 of
7 this Act.

8 (2) Setting annual benchmarks or targets for the
9 measures in Section 20 of this Act or other measures beyond
10 the minimum required under Section 20. The Department must
11 consult participating LTC hospitals when setting these
12 benchmarks and targets.

13 (3) Monitoring compliance with all requirements of
14 this Act.

15 (4) Creating patient and family education material
16 about the program for STAC hospitals to use.

17 (b) The Department must issue an annual report by posting
18 it to the Department's website. The annual report must include
19 at least the following information:

20 (1) Information on the LTC hospitals that are qualified
21 and participating in the program.

22 (2) Quality and outcome measures, as described in
23 Section 20 of this Act, for each LTC hospital.

24 (3) A calculation of the savings generated by the
25 program.

1 (4) Observations on how the program is working and any
2 suggestions to improve the program in the future.

3 (c) The Department must establish monitoring procedures
4 that ensure the LTC supplemental payment is only paid for
5 patients who upon admission meet the LTC hospital criteria. The
6 Department must notify qualified LTC hospitals of the
7 procedures and establish an appeals process as part of those
8 procedures. The Department must recoup any LTC supplemental
9 payments that are identified as being paid for patients who do
10 not meet the LTC hospital criteria.

11 (d) The Department must implement the program by October 1,
12 2010.

13 (e) The Department must execute an agreement as required
14 under subsection (c) of Section 15 no later than 45 days after
15 the effective date of this Act.

16 (f) The Department must notify Illinois hospitals which LTC
17 hospital criteria are approved for use under the program. The
18 Department may limit LTC hospital criteria to the most strict
19 criteria that meet the definitions of this Act.

20 (g) The Department must identify discharge tools that are
21 considered equivalent to the CARE tool and approved for use
22 under the program. The Department must notify LTC hospitals
23 which tools are approved for use under the program.

24 (h) The Department must notify Illinois LTC hospitals of
25 the program and inform them how to apply for qualification and
26 what the qualification requirements are as described under

1 Section 15 of this Act.

2 (i) The Department must notify Illinois STAC hospitals
3 about the operation and implementation of the program
4 established by this Act.

5 (j) The Department must work with the Comptroller to ensure
6 a process to issue payments to LTC hospitals qualified and
7 participating in the program within 50 days of submission of an
8 appropriate claim.

9 (k) The Department may use up to \$500,000 of funds
10 contained in the Public Aid Recoveries Trust Fund per State
11 fiscal year to operate the program under this Act. The
12 Department may expand existing contracts, issue new contracts,
13 issue personal service contracts, or purchase other services,
14 supplies, or equipment.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.