







# Paul Knight

Chief Information Officer



# **ROI** of Full Implementation: Reduced READMISSIONS AND SIGNIFICANT INCREASE IN REFERRALS

### Category

Hospitalization and Hospital Readmissions Cost of Care and Return on investment (ROI) to Providers

### **Organization Name**

Lexington Health Network

# **Organization Type**

Long-term care, post-acute skilled nursing, assisted and supportive living, home health, hospice, private duty care and independent living

#### Other Partners

HealthMEDX, LLC

Referring entities, including 47 acute care institutions and 2,500 physicians

# **Organization Description**

With facilities throughout the Chicagoland area, Lexington Health System is comprised of 2,000 skilled nursing beds in 10 different post-acute, nursing and long-term care facilities. The privately held company also operates three Independent, Assisted, and Supportive Living locations with over 500 independent units, more than 150 assisted living beds, and 125 supportive beds, as well as a comprehensive network of ancillary services that includes home health, hospice and private duty nursing care. To manage this varied network of distinct long-term and post-acute (LTPAC) services, Lexington employs a workforce of more than 3,100 full- and part-time healthcare professionals.

# **Project Description**

Upon selecting the HealthMEDX Vision® platform as their EMR solution, Lexington Health opted for an implementation approach that accelerated their transition to a fully paperless electronic environment. The strategy represented a front-end investment of time and capital, but the resulting impacts paid nearly immediate dividends.

Full implementation allowed Lexington to leverage Vision in pursuit of three strategic overarching goals:

- Reduce hospital readmission rates through enhanced care coordination.
- Support the Meaningful Use efforts of referral partners with an interoperable Continuity of Care Document (CCD).



### For more information contact:

Zohra Sirat, Programs and Operations Administrator, CAST zsirat@LeadingAge.org (202) 508-9438 LeadingAge.org/CAST

3. Position themselves as the LTPAC provider of choice within their referral market.

# System Type

HealthMEDX Vision is an unified technology platform that extends across all post-acute care settings, including Skilled Nursing/Transitional Care, Continuing Care Retirement Communities (CCRCs), Home Care & Hospice and Rehabilitation Settings. By creating a single resident/patient record, the HealthMEDX Vision platform automates and integrates the clinical, financial and customer relationship management functions across all post-acute care settings, to drive both clinical quality and operational efficiencies. Components of the HealthMEDX Vision solution utilized by Lexington include:

- Clinical EMR
- Financial (A/R and billing)
- iCare mobile physician access
- Touchscreen solution for CNA documentation
- Acute-care interoperability, including Continuity of Care Document (CCD)
- Reporting and analytics

# System Embodiment

Lexington's approach to EMR configuration and implementation was designed to support two goals; improve care coordination and manage the data/messaging standards necessary for two-way exchange of a structured Continuity of Care Document (CCD) between Lexington and any of their 47 referring acute institutions. Currently all 10 Lexington Health System SNFs are fully capable of accepting XML CCDs and consuming the CCD into Vision upon admission, allowing immediate access to the CCD and details of the patients' acute encounters from within Vision.

As part of this effort, Lexington has developed an internal Quality Assurance audit process to ensure that all CCDs are accepted, processed and consumed within 15 minutes of their receipt in the HealthMEDX Vision platform.

### **Business Model**

In the relationship-driven LTPAC industry, connections mean everything. As such, Lexington's EMR transition focused on positioning themselves as a preferred post-acute partner for the 2,500 referring physicians within their service area. The goal of reducing their hospital readmission rates – a principal CMS reimbursement metric – was vital to enhancing appeal in their broader market, especially given that Illinois' 127 acute hospitals

are penalized at a rate nearly 25% higher than the national average<sup>1</sup>.

<sup>1</sup> Wang, Andrew L. "Medicare to ding 120 Illinois Hospitals over readmissions." *Crain's Chicago Business* August 12, 2014. Available online at: <a href="http://www.chicagobusiness.com/article/20140812/NEWS03/140809798/medicare-to-ding-120-illinois-hospitals-over-readmissions">http://www.chicagobusiness.com/article/20140812/NEWS03/140809798/medicare-to-ding-120-illinois-hospitals-over-readmissions</a>. Last accessed: Dec. 19, 2014.

## **Implementation Approach**

Lexington chose a full implementation approach that included the Vision platform, iCare for their credentialed referring physicians and the Touchscreen component for CNAs. Initially, Lexington identified the core clinical and financial functions to be supported by their EMR. The multi-disciplinary implementation team integrated existing forms within Vision for those processes, before digging deeper into their own operations to actively seek out unique ways of leveraging Vision's comprehensive functionality to improve workflows. All efforts were guided by Lexington's unyielding commitment to full utilization from the point of go-live – beginning with census, ADL documentation and billing operations, followed one month later by clinical, orders and physician order entry (POE).

### Advantages to the Approach

By opting for a full implementation approach, Lexington extended their EMR benefits to all corners of the organization. Physicians and nurse practitioners were empowered by all-hours, on-the-go access to the patients' full record from anywhere, with the system delivering all necessary information to guide clinical teams, automate follow-up processes and support informed care decisions.

A concurrent multi-site launch such as Lexington's requires careful planning and execution. In the long run, organizations that choose this method over a lengthy phased roll-out can avoid fragmented workflows and costly delays that occur with partial implementations. For Lexington, thoughtful collaborative planning allowed the implementation team to customize HealthMEDX Vision platform to meet their unique operational and strategic needs.

### **Outcomes**

The comprehensive implementation plan has resulted in pronounced impacts across the entire Lexington organization. The system has tightened care coordination by utilizing Vision's real-time updates to patient records and on-the-go access to the full patient chart from anywhere by physicians using the HealthMEDX iCare app. As a result, Lexington has reduced readmission rates to

9.5 percent across all of their facilities, as compared with their pre-implementation average of more than 20 percent. The new figure is well below national return to hospital (RTH) averages that range from 17.7 to 23 percent for the four most common non-elective procedures2. It has also proven to be a key differentiator in their Chicago area market, where corresponding estimates range from 14 to 25 percent.

Taking into consideration that the maximum CMS financial penalty for hospital readmissions will rise to three percent in FY 2015, their single-digit RTH rate alone is enough to draw interest from referring institutions. However, by taking the additional step of implementing CCD interoperability, Lexington Health has ensconced itself as the post-acute partner of choice in their market. Not only is it one of the few providers currently supporting Stage 2 requirements for Meaningful Use for referrers, but Lexington's paperless processes are ready to support Stage 3 in 2015, when the threshold for eligible electronic CCD transfers increases to 50 percent or more of all discharged/referred patients.

As a long-term result of enhanced care coordination, improved outcomes and subsequent marketability, Lexington is enjoying a prolonged steady growth in their referral volume. Since completing implementation in December 2013, some of their skilled nursing facilities have seen up to a 500 percent increase in referrals, representing a 50 percent jump in total share within their Chicagoland market.

### **Lessons Learned**

In choosing an enterprise-wide full implementation strategy, Lexington shortened their system adoption time and allowed the realization of operational benefits more quickly. Those direct impacts have allowed Lexington to shorten the typical ROI cycle experienced by EMR users who opt for protracted implementation.

One unexpected financial benefit was an overall reduction the total number of enterprise software programs the health system was using and maintaining. Notably, independent external products used for ADL documentation were superseded by HealthMEDX's TouchScreen solution for CNAs. In the near future Lexington will also eliminate at least one more software program when their incident reporting function is migrated into Vision's clinical platform.

### Advice to Share with Others

Enterprise-wide full implementation is unquestionably the road less-traveled when it comes to EMRs. However, forward-thinking organizations that are willing to commit to this approach can realize significant early-stage benefits. With leading-edge technology and an innovative mindset to match, LTPAC organizations are discovering new ways to leverage their EMR in pursuit of clinical, operational and financial best practices. As Lexington Health discovered, thorough planning, comprehensive product and careful implementation can markedly shorten the path to improved clinical and operational outcomes, as well as financial return on investment.

# **LeadingAge Center for Aging Services Technologies:**

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