

Background

- The United States, as a healthcare system, spends the most out of any other country when it comes healthcare (\$13,493 per capita)
- As a result, models have been formulated to diminish cost and improve overall population health
- Value Based Care is a model defined as designed care that focuses on Quality, Performance, and Patient Experience.
- This model has started to gain traction and has been used as a selling point to improve overall healthcare by the private sector.
- This, however, does not seem to be the case as the Federal Trade Commission (FTC) and other federal entities have had to halt mergers and acquisitions stating that these mergers “threaten to raise prices and reduce incentives to invest in quality and innovative care that would benefit patients”.

Project Goals

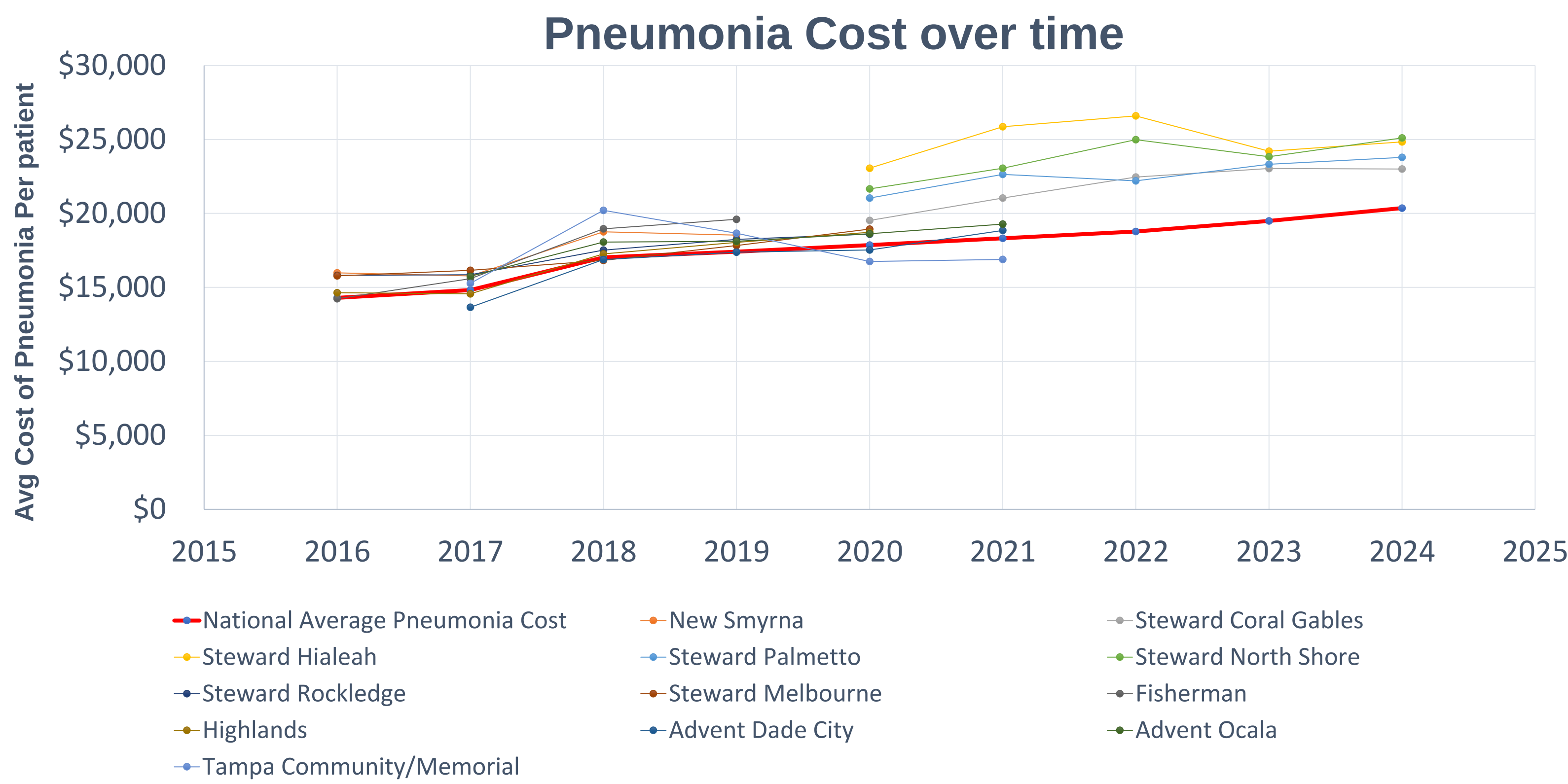
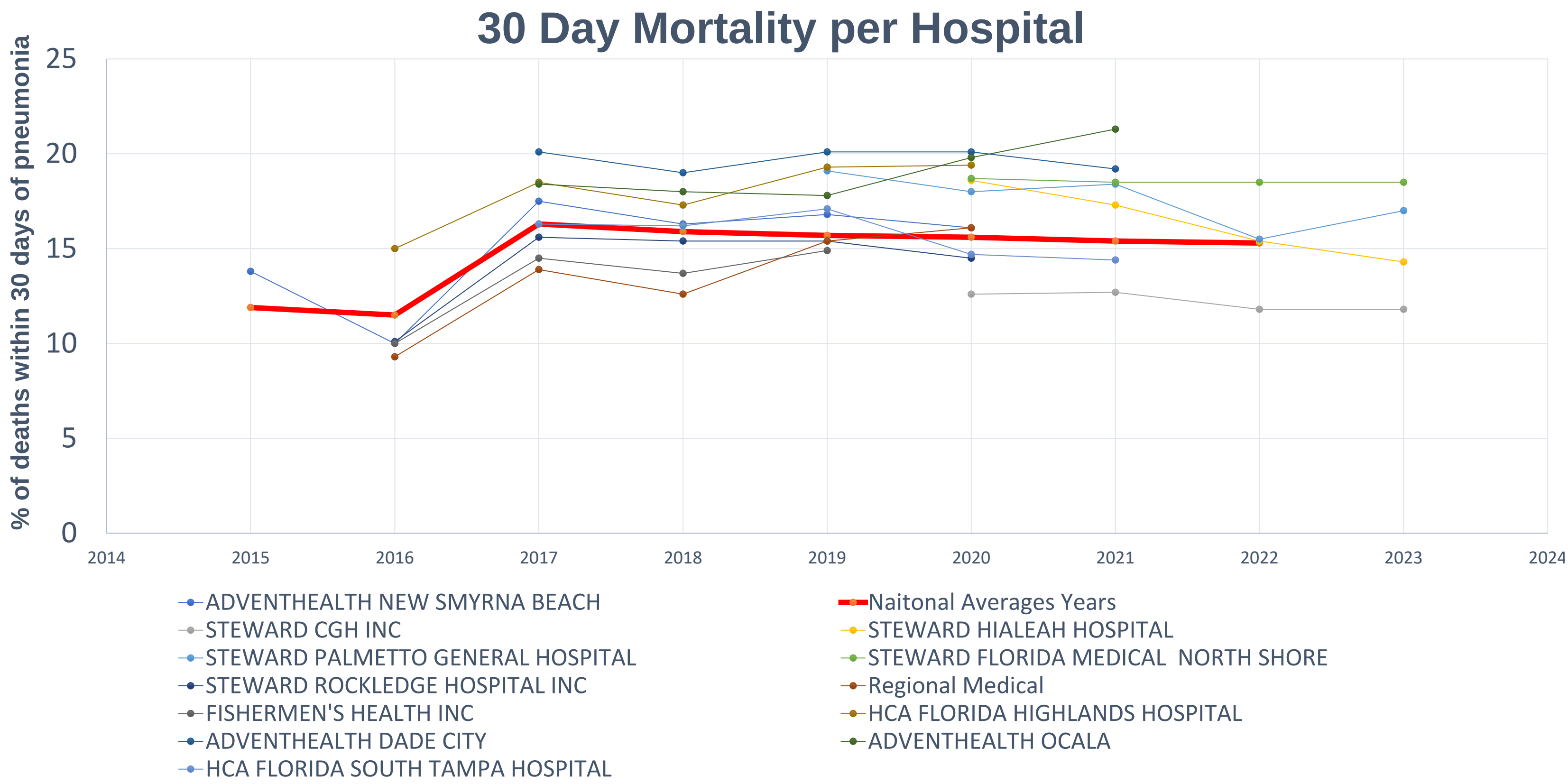
- Collect data from Center of Medicare and Medicaid services (CMS) database on hospitals undergoing mergers and acquisitions in Florida. Furthermore, analyze the impact they have on the patients they serve using the Value Based Care model.
- Facilitate an open discussion within our communities and with our elected officials on the best approach regarding this topic.

Methods

- Identify, using the CMS database, mergers and acquisitions within the state of Florida from 2015 to 2023.
- Variables used include 30-day inpatient pneumonia mortality, pressure ulcers, and serious complications as measures of quality.
- Determine the overall cost of these measures by using average cost of pneumonia, total inpatient revenue and Medicaid charges.
- National averages used were obtained from CMS, for each quality and the cost as a benchmark.
- Application of the value equation (Value = Quality/Cost) was used to determine the overall impact that these mergers/acquisitions have had over time.

Results

- 13 hospitals were identified, and an analysis was done by looking at one year prior to the merger/acquisition and three years post .
- Due to the limited data, we focused our analyses on 30-day inpatient pneumonia mortality and its cost over time.
- Collected data indicated the rates of mortality caused by inpatient pneumonia remained the same while the overall cost to the payer increased over time.



Conclusions

- The data collected indicated that over time the rates of deaths from inpatient pneumonia remained relatively the same while the cost increased leading to further burden on the community within the State of Florida.
- Applying the equation Value = Quality/Cost, if quality remains unchanged and cost begins to increase the overall value these acquisitions have on the community diminishes over time.
- This further supports the FTC’s involvement of mergers/acquisitions of hospital systems throughout the United States.
- Constraints in our research include the limited access to CMS data regarding serious complications and pressure ulcer complications that prevented us from further investigating other key factors that can be used to appraise the hospital performance.
- As physicians it is our role to educate our patients, community, and elected officials on the impact this is having on our population. Creating an open discussion will allow for better understanding and for better implementation of the Value Based Care model into our communities.