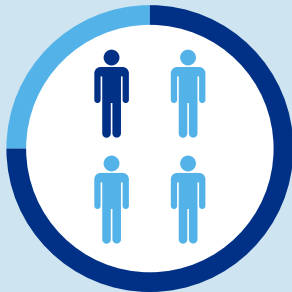


THE Value Initiative

HOSPITALS TAKE THE LEAD IN ADDRESSING AFFORDABILITY

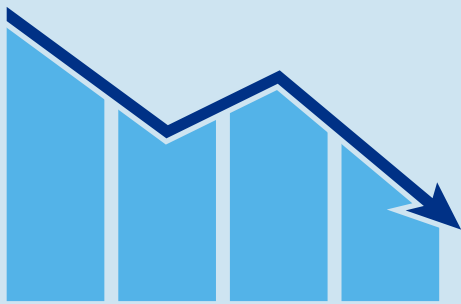
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ONE IN FOUR

Americans say the cost of health care is their biggest concern.¹

people have difficulty affording their prescription medicine.²



Hospitals and health systems have held price increases under **2%** in each of the last four years.³

HOSPITALS ARE:



Redesigning the delivery system to cut costs and improve patient and community health.

Improving the quality and outcomes of care.



Delivering high-value care for patients by embracing risk and new reimbursement models.

Implementing operational solutions to reduce costs.



Sources: 1. Monmouth University Polling Institute. Health Care is Top Concern of American Families. Accessed at https://www.monmouth.edu/polling-institute/reports/MonmouthPoll_US_020717/; 2. Peterson Kaiser Health System Tracker. What Do We Know About People with High Out-of-Pocket Spending? Accessed at: http://www.healthsystemtracker.org/chart-collection/recent-forecasted-trends-prescription-drug-spending/?_sf_s=recent+trends#item-people-taking-rx-drugs-say-can-afford-treatment-1-4-difficult-timeaffording-medicine; 3. Bureau of Labor Statistics. Producer Price Index data, 2007 - 2016, for Hospitals (NAICS Code 622).



Advancing Health in America

THE Value Initiative

HOSPITALS TAKE THE LEAD IN ADDRESSING AFFORDABILITY

www.aha.org/TheValueInitiative

The American Hospital Association (AHA) launched **The Value Initiative** to provide hospital and health system leaders with the education, resources and tools they need to advance affordable health care and promote value within their communities. Hospitals and health systems are committed to making health care more affordable, and AHA will continue to advocate for federal policy solutions that promote high-value care; advance health system transformation; enhance quality and patient safety; and promote regulatory relief. **Below are examples from our *Members in Action* series demonstrating the hospital field's work to address affordability.**



Redesigning the delivery system to cut costs and improve patient and community health:

Minneapolis-based Allina Health LifeCourse program offers terminally ill patients and their families supportive, late-life care to help navigate complexities of serious illness, such as cancer, Parkinson's disease or advanced heart failure. Care guides help patients articulate care preferences and goals using a semi-structured visit framework to facilitate discussion of a patient's medical, psychosocial and financial concerns. The guides then connect patients and their loved ones to health care services and community resources that meet their needs. Patients are able to avoid hospitalizations and emergency department visits they don't want (16 percent fewer ED visits and 27 percent fewer inpatient stays). The program yields average cost savings of \$959 per-program participant, per-month.



Improving quality and outcomes of care:

Rush University Medical Center in Chicago implemented a program to decrease the physiological stress of surgery, allowing patients to recover sooner and with fewer complications. To date, program patients have experienced an average reduction in length of stay by 2.2 days, lower readmission rates, and a decrease in surgical complications (from 30 percent to 16 percent). These improvements have resulted in an average \$5,200 cost savings per patient.



Delivering high-value care for patients by embracing risk and new reimbursement models:

Mount Sinai Health System in New York provides joint replacement patients with a single point of contact before admission through surgery preparation and recovery enabling a more coordinated, lower-stress patient experience. Program patients also utilized the emergency department less (average ED use dropped from 26 percent to 3 percent during the bundled time period) and their cost of care was lower (\$13,600 less than the regional average for joint replacement).



Implementing operational solutions to reduce costs:

Leveraging technology to reduce costs, Russell (KS) Regional Hospital, a critical access hospital, initially implemented some small solutions to reduce energy in-house. For example, they reduced steam pressure when possible, adjusted temperatures, installing occupancy sensors, and upgraded T12 to T8 lightbulbs. These improvements to lighting, energy management systems, boilers and chillers reduced energy use and is projected to save more than \$120,000 annually.

To learn more visit www.aha.org/TheValueInitiative.