THE EFFECTS OF THE BUNDLED PAYMENTS FOR CARE IMPROVEMENT INITIATIVE ON HOSPITAL CARE OF TOTAL JOINT AND SEPSIS: A PERSPECTIVE ON ORGANIZATIONAL EFFECTIVENESS

Abstract

A steady increase in healthcare costs is a major concern for the U.S. economy as rising healthcare costs continuously outpace the general economy. According to CMS data from 2017, more than one third of national healthcare expenditures were spent on hospital care and Medicare paid about 50% ($182.7 billion) of U.S. hospital care expenditures. In 2011, CMS announced the Bundled Payments for Care Improvement (BPCI) initiative under the Affordable Care Act to contain costs and improve overall quality of care. This study investigates whether the BPCI initiative affect the hospital performance. Using the 2013 – 2017 hospital discharge data of Nevada, this study examines potential changes in length of hospital stay, total charges, mortality, complications between the BPCI participating and non-participating hospitals before and after the initiative in the cases of major joint replacement of the lower extremity (MJRL) and sepsis, respectively. The results show positive effects of the BPCI initiative on hospital care in the case of sepsis but not the case of MJRL. The BPCI initiative led to an estimated 25% increase in the probability of home discharge, 21.4% reduction in mortality, 20.8% decrease in complication, average half day decrease in length of day, and 9.2% reduction in total charge at the BPCI-participating hospitals compared to non-participating hospitals for sepsis.

Date: Friday, November 15, 2019
Time: 3:00pm
Location: BHS 131

Faculty, students, and the general public are invited.

Committee In Charge:
Dr. Jay Shen, Advisory Committee Chair
Dr. Chris Cochran, Advisory Committee Member
Dr. Josue Epane, Advisory Committee Member
Dr. Shawn McCoy, Advisory Committee Member
Dr. Ian McDonough, Graduate College Representative