



## **Time for a Reality Check on Potentially Avoidable Hospitalizations in Memphis and Shelby County**

Timely and appropriate care could have prevented more than 12,700 hospitalizations in 2009 in Shelby County, according to Healthy Memphis Common Table's (HMCT) recent TAKE CHARGE® report, "Status Report on Efforts to Understand and Create Awareness of Potentially Avoidable Hospitalizations in Memphis and Shelby County, Tennessee." Those 12,700+ hospitalizations translate to about \$87 million of avoidable medical expenses in Tennessee.

### **What is a Potentially Avoidable Hospitalization (PAH)?**

Many inpatient hospitalizations are potentially avoidable. These are hospital admissions that could have been prevented if the hospitalized patients had sought primary care earlier and been treated effectively before they became seriously ill. In contrast to an unnecessary hospitalization, a patient with a potentially avoidable hospitalization truly needs hospital care once he or she is so sick that hospitalization is the only viable option.

Because hospitalizations tend to be more costly than outpatient primary care, potentially avoidable hospitalizations are used often as markers of the efficiency of the health care system. The report details an analysis of 2009 hospital discharge data for Memphis and Shelby County and provides a summary view of the cost of PAHs as well as possible contributing factors, such as substantial racial and ethnic differences. Some key findings for Shelby County include:

- In 2009, there were 12,722 cases of PAHs.
- Of this total, 41 percent involved adult men while 59 percent involved adult women.
- Communities with poor access to primary care have a higher rate of PAHs.
- Chronic disease PAHs such as diabetes, hypertension, and congestive heart failure are 7.6 percent higher than the state average.
- When acute and chronic PAHs are combined, Shelby County's overall rate was slightly (5.5%) lower than that of Tennessee but was slightly (3.8%) higher than that of the U.S.
- The highest rate of PAHs are among African Americans and the lowest are among the Latino community, signaling high disparities in the type of care received by racial and ethnic groups.

According to Reneé Frazier, HMCT's CEO, the goal of the "Take Charge for Better Health®" PAH report is to increase transparency of local cost, equity, and quality data. This type of data requires a community-wide call to action that will lead to better health, better quality care, and more affordable health care services for all residents of Memphis and Shelby County.

### **What Can We Do as a Community?**

1. Address needed access issues for primary care in underserved communities.
2. Focus on providing increased coordinated efforts which improve health literacy community-wide.
3. Encourage local innovations in payment and health care delivery through partnerships at the community level.
4. Create more transparency of cost and quality data at the provider, insurance, and hospital level.

5. Create a more coordinated approach to tracking cost, performance measures, and quality indicators.
6. Embrace large-scale community awareness approaches which note system and personal responsibility.

### **What Does it All Mean for Our Community?**

Shelby County's high PAH rates and the implied barriers to primary care may be associated with a wide range of health care quality issues outside the hospital. Some are related to an inadequate supply of primary care providers in certain parts of our community. Others may be the demand for primary care, availability of transportation, patient willingness, and ability to engage in health promoting behaviors, and patients' compliance to prescribed treatment regimens.

1. High PAH rates are linked to problems with access to primary care. Many residents with chronic medical problems do not have adequate and timely access to effective primary care. This lack of adequate access is particularly significant for African Americans.
2. There are substantial racial and ethnic differences in the rate of PAHs, especially for chronic conditions. The acute PAH rates for African Americans and Caucasians were actually similar in 2009, but African Americans' chronic PAH rate was more than twice as high as that of Caucasians.
3. The simultaneous existence of high chronic rates and low acute rates of PAHs is puzzling. Shelby County's acute PAH rate was lower than the Tennessee and national average rates in 2009, while its chronic PAH rate was higher than both rates. Learning why we are able to keep acute rates low could help us address other problems.
4. The findings reveal an opportunity to improve. We have found as much as \$87 million worth of potentially avoidable hospitalizations, which suggests a weakness in our health care system. Our community can improve the quality of health care and health outcomes by strengthening the primary care system and improving communication and care coordination between hospitals and community primary care providers.

The results in this report were based on the hospital discharge data for 2009. However, the findings are consistent with earlier PAH studies. The results are not only relevant to the current situation in Memphis and Shelby County but also useful in guiding health care planning and public health decision making.

HMCT produced this report with the support of the Robert Wood Johnson Foundation's *Aligning Forces for Quality* (AF4Q) program to make health equity a priority in our community. AF4Q's goal is to improve the quality of health and health care in 16 communities across the country through interventions at the local level. AF4Q addresses four main areas of health care improvement: quality improvement, performance measurement and public reporting, consumer engagement, and payment reform. Embedded within each of these categories is health equity.