CMS Grants Providers $122M to Improve Care, Cut Costs

Cheryl Clark, for HealthLeaders Media, May 9, 2012

The Obama administration on Tuesday announced grants worth $122.6 million to 26 health organizations around the country that have proposed ideas for improving care while saving money. The next round of funding, from a total pool of $900 million, will be announced in June.

"No one understands the limitations of our current healthcare system better than doctors and nurses," Health and Human Services Secretary Kathleen Sebelius said during a news briefing to announce the winners.

"They're the ones that see patients show up in the ER with a preventable asthma attack, or (who) lose control of their diabetes because they don't have help managing their blood sugar. They see the inefficiencies and misdirected incentives that drive up cost and get in the way of delivering the right care," she said.

But these providers have the "best ideas about how to make care work better" and the grants will enable the most promising among their ideas to be "taken off the shelf and put into action."

The projects are said to be capable of improving care for an estimated 750,000 people. At least $250 million, double the government's investment, would be saved by the last year of these three-year awards.

The largest sum, $12.8 million, goes to University Hospitals' (UH) Rainbow Babies and Children's Hospital at UH Case Medical Center in Cleveland to improve care for 65,000 children with Medicaid who frequently access care through the emergency room. These children have chronic conditions and significant behavioral issues.

The intervention will hire and train more than 50 nurses, care coordinators, and other health professionals to make referrals and provide care coordination through telemedicine and home nurse hotlines. It will also provide financial incentives to primary care physicians to reach performance quality performance targets. The doctors will offer extended hours and make extra efforts to reach these high-risk children.

The Ohio project expects to save $13.5 million in avoided care over the three year program.

The second largest sum, $10.7 million, goes to Emory University's Center for Critical Care for a telemedicine intensive care unit training and assistance program for 40 critical care professionals and 400 clinical, technical and administrative personnel. The idea is to enable more than 10,000 Medicare and Medicaid patients in rural communities who need ICU care to receive it in hospitals near their homes, but who can't now because their areas lack critical care doctors.

Center director Timothy G. Buchman, MD, said that because more than 1,000 hospital ICUs have closed, especially in rural areas, because of a lack of qualified doctors and other staff, patients in those areas "are not getting" the right care, right now. Instead, patients and families have to travel long distances to wherever an open ICU bed can be found.

To help solve that problem, Emory will bring acute care nurse practitioners and physician assistants from those communities to Emory for a six-month training program so they can provide ICU care through a telemedicine ICU service. That telemedicine service will be delivered by a new North Georgia collaborative, whose experienced ICU doctors and nurses can support those providers and their patients around the clock.

"For all Americans, it's a program that saves cost, saves money, saves time and saves lives and can be quickly adopted and replicated in other communities, and scaled to local needs," Buchman said.

The Emory program expects to save $18.4 million over the three-year program.

Sebelius said that the Centers for Medicare and Medicaid Innovation, which selected the winners, received more than 2,000 applicants, which she described as an "incredible response," with ideas ranging from better ways for patients to manage their diabetes to better ways to coordinate care for seniors with multiple chronic conditions. These first awardees, she said, had ideas that are the most likely to not only succeed, but be applied to other settings across the country.

The $900 million in grants comes from a $10 billion fund authorized under section 3021 of the Patient Protection and Affordable Care Act.

Click here for a full listening of the projects.

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