

Update on Medicare's hospital readmission reduction program

ISSUE: The Patient Protection and Affordable Care Act of 2010 directed CMS to develop and implement a hospital readmission reduction program, which began in fiscal year 2013. In the Commission's June 2013 report to the Congress we discussed how the hospital readmission reduction program (HRRP) could be refined.

KEY POINTS: Staff will review the current status of the HRRP and examine its impact on readmission rates and on hospital payments. We also will review some updated simulations of the Commission's proposed refinements to the HRRP.

ACTION: The Commission could discuss the success of the current readmission reduction programs and potential improvements to the payment formula component.

STAFF CONTACT: Craig Lisk and Jeff Stensland (202-220-3700)