

MEMO

From: Don M. Nielsen, MD
Senior VP for Quality Leadership

Subject: AHA JCAHO UPDATE

For your information, I have attached a summary of some of the most recent significant JCAHO actions and activities:

- **NOTE: AHA QUALITY ADVISORY RE: 2006 JCAHO ACCREDITATION CONTRACT**
- JCAHO Blue Cross/Blue Shield Project
- JCAHO Board Addresses Field Data Concerns
- Hospital Data Advisory Council Established
- JCAHO and Random Announced Validation Surveys
- Organ Transplant Certification Program
- Periodic Performance Review Experience
- Environment of Care Standards – Survey Experience

Please contact me if you have any questions, concerns, or thoughts about any of the items described in this Update.

Don Nielsen, MD
Senior Vice President for Quality Leadership
American Hospital Association
One North Franklin
Chicago, Illinois 60606

Phone: 312-422-2708
Fax: 312-422-4650
E-mail: dnielsen@aha.org

**AMERICAN HOSPITAL ASSOCIATION
JCAHO UPDATE
AUGUST 2005**

NOTE: ON AUGUST 4, THE AHA ISSUED A *QUALITY ADVISORY* THAT ADDRESSED ISSUES RELATED TO THE 2006 JCAHO ACCREDITATION SURVEY CONTRACT.

THE *ADVISORY* CAN BE ACCESSED AT:

http://www.aha.org/aha/key_issues/patient_safety/advocacy/20050804qa.html

THERE IS A DEADLINE OF OCTOBER 1, 2005 FOR IMPLEMENTING ANY CHANGES CONTAINED WITHIN THE ADVISORY.

I. JCAHO BLUE CROSS/BLUE SHIELD PROJECT

Dr. Dennis O’Leary, M.D., President of the JCAHO, recently issued a “Dear Colleague” letter, dated July 11, that addressed issues concerning a data analysis project with which the Joint Commission Resources and JCAHO (as a sub-contractor) were engaged with 14 Blue Cross/Blue Shield (BC/BS) health plans that provided coverage across 29 states.

In short, the JCAHO provided the first of four reports to the respective BC/BS health plans in May. The reports contained a data analysis for respective hospitals in the 29 states concerning three ORYX measurement sets (acute myocardial infarction, congestive heart failure, and community acquired pneumonia). In addition, a second contractor, Heathshare Technology, provided data analysis on three Agency for Healthcare Research and Quality (AHRQ) patient safety indicators – post-operative septicemia, failure to rescue and decubitus ulcer.

According to a BC/BS communication to individual hospitals, data results were to be used in discussions by respective BC/BS health plans with various national accounts as well as “to align hospital reimbursement with performance, based upon efficiency, access, and effectiveness.”

No notification was provided to affected hospitals concerning this project and JCR/JCAHO participation prior to the data analysis being sent to individual hospitals. Dr. O’Leary’s letter contains an apology for “failing to provide appropriate prior notice of the release of the reports” and indicates that JCAHO will continue to “diversify its products and services” so as to “enhance the value of the Joint Commission to its customers and other stakeholders.” His letter concludes, “we (JCAHO) are committed to

a continuing dialogue with the hospital field to identify and address each issue relating to the disclosure of data analyses as it arises.”

II. JCAHO BOARD ADDRESSES FIELD DATA CONCERNS

The JCAHO Board of Commissioners discussed the issues generated by the Blue Cross/Blue Shield project (see preceding). While agreeing that much more discussion of the issue was needed, Commissioners agreed that:

1. JCAHO should continue its strategy to become an “information” company.
2. Any acquisition or use of data by the JCAHO must be in compliance with HIPAA regulations.
3. A JCAHO Board oversight committee is to be established to oversee the creation and application of a “fair and rational” process, which assures that all involved parties understand how requests for data and data analysis will be handled by the JCAHO.
4. The Board oversight committee will also establish criteria for evaluating requests from third parties for data and/or data analysis and will monitor the actual use of these data and data analyses in the field.
5. Any data analysis must be conducted in a rigorous manner to minimize any risk of undue harm occurs to the entity or entities whose data has been provided to third parties.

III. HOSPITAL DATA ADVISORY COUNCIL ESTABLISHED

A sub-group of the JCAHO Hospital Advisory Council has been established to provide advice to the JCAHO staff concerning requests for data analysis.

Craig Jones, CEO of the Oklahoma Hospital Association and chairman of the Hospital Advisory Council, will chair the sub-group. Other members of the group are: Kathy Ciccone (HANYs), Jill Fainter (HCA), Sheridan Kassirer (Partners Health Care System, Boston, Massachusetts), Robert Kiely (Middlesex Hospital, Middletown, Connecticut), Beverly Miller (Maryland Hospital Association), Nanette Todd (Marshall Medical Center, Lewisburg, Tennessee), Dorel Harms (California Hospital Association), Cathy Duquette (Hospital Association of Rhode Island), Anne Elixhauser (AHRQ), and Rhonda Anderson (JCAHO Board member).

IV. JCAHO AND RANDOM ANNOUNCED VALIDATION SURVEYS

The JCAHO continues to evaluate the effectiveness of its new accreditation survey process. One component of that evaluation is a study that is now underway to evaluate how well the triennial survey process assesses and identifies standards compliance issues, including an organization’s compliance with the Medicare Conditions of Participation.

The study will involve random announced validation surveys for selected hospitals that will be conducted within two weeks of the JCAHO triennial survey.

Beginning the week of July 25th, randomly selected hospitals who undergo a triennial survey will be contacted by JCAHO senior Accreditation and Certification Operations management to determine their willingness to participate in a validation survey within the next seven-ten business days following their survey.

Hospitals may decline to participate in the validation survey without any penalty or adverse action. Those hospitals agreeing to participate in the validation survey will not be assessed a fee for the validation survey and the findings from the validation survey will not impact the findings from the hospital's recently completed triennial survey or its accreditation status in any way.

Three surveyors (physician, nurse and life safety code specialist) will perform the validation surveys and the same survey team will be used for all validation surveys. Overall, the length of the validation survey will be approximately the same duration in surveyor days as the routine triennial survey. Surveyors will not have any information regarding the outcome of the recently completed triennial survey.

All together, thirty validation surveys will be conducted. Results will be gathered into an aggregate report that will be shared with participating hospitals at the conclusion of the evaluation.

V. ORGAN TRANSPLANT CENTER CERTIFICATION PROGRAM

The JCAHO will develop and establish an Organ Transplant Center Certification Program that is anticipated to meet the quality standards proposed by the Centers for Medicare and Medicaid Services (CMS) in February 2005.

The proposed CMS quality standards address heart, heart-lung, intestine, kidney, liver, lung and pancreas transplant programs. Currently, there are 694 organ transplant programs offered at 257 transplant centers in the United States.

The new certification program would involve pre-survey information-gathering and an onsite evaluation of compliance with relevant standards and clinical guidelines. Performance measurement results would be monitored on a regular basis.

Deeming status would be sought for the new program. Given the length of time for approval of deeming status, it is anticipated that full program implementation would not occur until late 2006. Early projections suggest that the cost per organ transplant program would be approximately \$10,500.

VI. PERIODIC PERFORMANCE REVIEW EXPERIENCE

Through June 2005, approximately 4,600 organizations have accessed the Periodic Performance Review (PPR) tool and have selected a PPR option. Within this group, 65% have selected the full PPR, 28% have selected Option 1, slightly more than 5% have selected Option 2, and almost 1.5% have selected Option 3. During 2005, a slightly higher percentage of organizations are selecting the full PPR in lieu of one of the three Options when compared to 2004.

Of the organizations selecting Option 1, 36% have opted for a conference call with JCAHO staff to discuss standards related issues. There is no discernable patter among organizations selecting Option 2 or Option 3.

VII. ENVIRONMENT OF CARE STANDARDS – SURVEY EXPERIENCE

In comparing hospitals surveyed during the first quarter of 2005 against those hospitals surveyed during the first quarter of 2004, the impact of the increased focus on the Environment of Care standards in 2005 is quite apparent.

47% of hospitals with fewer than 200 beds that were surveyed during the first quarter of 2005 received Requirements for Improvement for Life Safety compared with only 7% of hospitals with fewer than 200 beds that were surveyed during the first quarter of 2004.

Similarly, for hospitals with 200 or more beds, 88% received a Requirement for Improvement in Life Safety in the first quarter of 2005 compared with only 13% in the first quarter of 2004.

NOTE: Copyright, 2005, American Hospital Association. All rights reserved. Permission is granted to Association members and affiliates for non-commercial use.

If you have any questions, concerns or thoughts about the items described in this update or previous updates (posted on the AHA web site: www.aha.org), please contact:

**Don M. Nielsen MD
Senior Vice President for Quality Leadership
American Hospital Association
1 North Franklin
Chicago, Illinois 60606**

**Phone: (312) 422-2708
Fax: (312) 422-4650
E-mail: dnielsen@aha.org**

