A Draft Proposal to Create a

Consumer Commission on the Accreditation of Hospitals

(CCAH)

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Consumer Commission on the Accreditation of Hospitals (CCAH)

I Introduction

The consumer Commission on the Accreditation of Hospitals will be a non-profit public service corporation that will accredit hospitals based on a review of their activities and their satisfactory fulfillment of the needs of the consumer. It will evaluate hospitals, publish the results for consumers and become a resource agency for consumer and community groups, union and management officials, health program administrators and the general public.

II The Need

The health care consumer has no way to evaluate hospitals and is often shocked to find the nursing units understaffed, the physical plant inadequate, and the hospital unable to provide life-saving services. On top of this, consumers may have their life savings wiped out, welfare program funds depleted or pay increased premiums for less coverage. Present accreditation and licensing agencies have failed to take an active role to protect the consumer. The Department of Health, Insurance, etc., all support and protect the provider and rarely, if ever, effectively monitor the hospitals. The "special interest" position of the hospitals has produced an environment where information is suppressed or distorted. Health care delivery problems have been ignored or denied. The consumer has had no information to make decisions where to get care. There is a need for independent review and public dissemination of information to aid the public.

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D.R.

Union and government health officials andmanagement representatives have no reliable source of informatim on which they can be assured of purchasing high quality hospital care. Most social agencies, union health and welfare programs, and consumer groups have little or superficial knowledge of the different levels of health care rendered at each hospital. Therefore their constituents cannot rely on them as a source for information when they must be admitted to a hospital.

Individual consumers also have been forced to make decisions regarding hospital admissions based on inadequate information. They depend on their physicians, or hearsay, which is often faulty and misleading. Many physicians admit patients because ambulatory care insurance is inadequate, they own or have an interest in the hospital's operation, or are otherwise influenced to admit patients unnecessarily and perform operations that are not medically indicated. In a study made ten years ago for the Teamsters' Union, 23 per cent of the Union's members and their families received inadequate care, yet 80 per cent of the Teamster respondents believed that they had received good care. The results of this study show that consumers are unable to properly evaluate the quality of hospital care. Other studies made over the years show that a large percentage of inpatients should not be there based on medical need,and studies of hospital utilization rates by type of medical insurance shows lower admission rates for prepaid group practice patients than for fee-for-service patients. All of this indicates that consumers are often admitted to hospitals unnecessarily because they lack reliable information.

The range of charges varies greatly from one hospital to another.

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There are no publications or sources of information available for consumers that compare hospital charges. On many occasions one hospital may be charging more than another hospital for the same type of service, despite the fact that the quality is poorer and the consumers needs are not met. For instance, Blue Cross reimbursement to hospitals varies from $70 to about $200 per day; and some self-pay bills can run as high as a thousand dollars per day. It is not uncommon to see a family's savings wiped out because of a two week stay in a local hospital. These variations in charges for apparently similar services only complicates the situatinn.

Todays hospital consumer needs an independent and reliable accreditation center that will make information available to large health services purchasers and individual consumers.

III Present Evaluation Activity

There are a multitude of government and quasi-public agencies that go through the motions of regulating and monitoring hospitals. Every hospital is nominally accredited or licensed by any number of agencies. Very rarely will a hospitä lose its accreditation or license to operate because of government action or accreditation agency review..

The government has a tendency to cut back professional staff wherever the budget dictates. The government agencies have failed to fulfill their role to protect the public in the past by allowing invaluable monitoring and inspection programs to become understaffed and sporadic. Government agencies also fail to take punitive action where appropriate

or make its findings known to the public. We do not forsee the government effectively assuming this role in the near future. Therefore, some other agency is needed to fill this void or the consumer will be inadequately protected.

Quasi-public agencies, non-profit organizations that are supported and directed by the special "interest groups" of the hospitals have been created to maintain standards. These agencies are in no position to independently evaluate the hospitals because of their connections and support. The Joint Commission on the Accreditation of Hospitals (JCHA) bestows the same seal of approval to a 1,000 bed hospital with a medical school affiliation, major research, and teaching programs as to a 29 bed hospital with none of these programs or affiliations. It also approves the whole hospital although some of its services are deficient or lacking. The JCHA is controlled by the American Hospital Association, American Medical Association, the American College of Surgeons and the American College of Physicians. Its reports are confidential and professional in nature. Based on the JCHA's minimum standards, almost every eligible mental and acute care hospital, has been approved for Medicare, Medicaid and Blue Cross payments. These payments amount to large proportions of all the income received by many institutions thatserve the public yet neither the JCHA nor these hospitals are accountable to the consumer. Each hospital can expect to be visited by JCHA once every two years, so that continuous monitoring is not a reality. When JCHA does visit a hospital, adequate warning is given weeks and sometimes months in advance, so that the institutions can arrange to qualify during the site visit.

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The interlocking directorates, special interest politics and professional attitudes toward protecting peers exist in New York City's Blue Cross and Blue Shield plans, the Health and Hospital Planning Council of Southern New York and other public and quasi-public agencies. The American Public Health Association recently concluded, as we have, that there is a clear conflict of interest within the peer review system that has been established.

IV The Proposal - The Consumer Commission on the Accreditation of Hospitals.

We propose the creation of a Consumer Commission on the Accreditation of Hospitals which will be completely independent from the "interest groups" in the hospital field. CCAH will evaluate and publish information regarding the hospitals' quality and availability of services and ability to meet the needs of the consumers. This information will be made available in clear and precise language that can be understood by all segments of the general population. The difference between CCAH and presently functioning review mechanisms is that CCAH's evaluations and recommendations will be written for the consumer. It is designed to overcome the failures of present review mechanisms by being directly controlled and directed by the consuming public.

V Board of Directors

In order to assure integrity, responsibility and independently prepared reports, CCAH will be a non-profit corporation with a Board of Directors composed of all segments of the community representing large consumer blocks, (unions, management, minority

groups, the aged) and the general public. This Board will be responsible for setting overall policy, hiring an Executive Director, establishing Task Forces, and monitoring CCAH progress in meeting program goals.

Consumers will sit on CCAH's board from its inception and will establish policy and guidelines for the evaluations. CCAH will formulate realistic quality guidelines which are not elitest, but practical to meet the needs of the different communities in New York. At its descretion, the Board will create and consult with a Professional Advisory Committee.

VI Task Forces

The Board will establish Task Forces to evaluate hospitals. The Task Forces will perform on-site visits and poll patients, staff and practitioners. Each Task Force evaluation will be supplemented with data prepared by health-related professionals, technicians and consumers. The total hospital environment will be reviewed including the administrative, ancillary and housekeeping services, operating and recovery rooms, ambulatory care units, emergency services, and nursing and social services, etc. The institution's responsiveness to the needs of the community will be monitored. The composition of the Board, advisory committees and other bodies at each institution will be reviewed to verify thatthey reflect the community using the service. (A draft of the hospital profile is attached).

CCAH will develop a hospital profile and on-site visit program that

will be the basis for evaluating the service. A major component of these profiles will evaluate and summarize the hospital based on criteria established by consumers. Each hospital will receive CCAH accreditation to the extent that every service that is or should be available meets the criteria.

Hospitals, therefore, may receive limited or partial accreditation. The areas of deficiency will be described in the profile summary and accreditation report. Recommendations for required actinn will be made and accompanied by a suggested time schedule for correcting each deficiency. Other hospitals will be denied accreditation, because of gross deficiencies, unethical or apathetic concern to meet the needs of the consumers or an inability or unwillingness to take action to correct deficiencies.

IX Anticipated Problems and Possible Solutions

We anticipate that many public and quasi-public health agencies will not make information available to CCAH. Legal action will be initiated where public information is being illegally withheld or delayed. In many cases, information is buried by bureaucratic regulation and administrative ineptness. In these situations, CCAH will take positive action to have the information made available to the public.

There are critical shortages of health care facilities in sections of New York due to poor distribution and circumstances particular to urban areas. Those affected most by these shortages are the poor, the aged and minority groups who have few alternatives when seeking hospital care. CCAH will be particularly sensitive to each community's need, lest it develop elitist standards and conclusions

that are technically correct but are meaningless to segments of the public which have limited access to hospitals. Community residents will be involved in the evaluation.

Many hospitals will be reluctant to have a consumer agency review their operations. Hospitals under external pressure or their own negative attitudes regarding consumer activity, many wish to deny CCAH official access. CCAH will meet with hospital representatives formally or informally, to gain access without having to use legal recourse. CCAH will make arrangements to have individuals admitted to non-cooperating institutions. These individuals will report their first-hand impressions and findings regarding service. CCAH will conduct surveys in the Emergency Room , In and Out patient services, etc. Local community agencies, unions and other consumer blocks will be organized to apply the necessary pressure to obtain approval for CCAH to perform on-site surveys.

X Effect of CCAH on Hospital Reimbursement

We expect third party payers (ie. Blue Cross, unions, Medicare, Medicaid, workman's compensation, etc.) to be influenced by CCAH and its consumer accreditation reports. Third party payers will be hard pressed to justify the continuation of reimbursement to hospitals that fail to be accredited by CCAH. Government agencies will more and more rely on CCAH as a requirement before reimbursement can be made to hospitals under its programs. Planning agencies also will have to review their present operations and approval policies to include the consumers viewpoint on expansion of bed

capacity, changes in hospital services and encroachment into residential areas for parking lots, laboratory facilities, etc.

Regionalized programs will have to consider the consumer reaction to new programs, regionalized services and new developments in medical care delivery. The dispersement of hospital data will force the hospitals to respond to the demands of consumers who are better informed and equipped to deal with the complexity of the hospital industry.

Summary

CCAH will make a profile on each hospital based on consumer derived criteria. These profiles will produce a vehicle to accredit fully, partially or not at all the services of each hospital. A report regarding the evaluation, accreditation and extent of deficiencies will be made public, sent to interested parties like Blue Cross, HEW, Social Security Administration, unions, community agencies, planning bodies and the hospitals. This wide dissemination of information will force hospitals, administrators, third party payment mechanisms, etc., to review their present policies and operations. Each will have to justify the reasons to continue the status quo to a more intelligent and better prepared public. We believe that CCAH will prove to be a great incentive for change in the hospital world.