

News Clips Report - PHC4

Research Brief - 3/29/06

Date	HeadLine	Outlet
03/29/2006	Infections Take Heavy Toll on Patients, Profit	Washington Post, The
03/29/2006	Hospital-acquired infections (chart)	Pittsburgh Post-Gazette
03/29/2006	Report: Costs soar with hospital infections	Pittsburgh Post-Gazette
03/29/2006	Germ facts may go public	Pittsburgh Tribune-Review
03/29/2006	Insurers pay 7 times more for patients with hospital infections	Associated Press (AP) - Harrisburg Bureau
03/29/2006	Hospital infections' costs get attention	Philadelphia Inquirer, The
03/29/2006	Hospital infections' costs get attention	Philadelphia Inquirer, The
03/29/2006	Report: Pa. hospital patients acquire more infections than thought	Scranton Times, The
03/29/2006	State hospital group disputes infection data	Patriot-News, The
03/29/2006	Details from report on hospital-borne infections	phillyburbs.com
03/29/2006	Number, Impact of Hospital-Acquired Infections Rise as Data Submission Improves; Add'l. Insurance Pay	U.S. Newswire
03/29/2006	Pa. hospital infections drive up costs, risks	Arizona Republic - Online

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Infections Take Heavy Toll on Patients, Profit

HAP cited.

Washington Post, The

Washington, DC

Ceci Connolly

03/29/2006

Pennsylvania patients who contracted an infection during a hospital stay in 2004 rang up charges that were seven times higher than patients who did not develop an infection, complications that cost insurers and individuals an extra \$614 million, according to a state analysis being released today.

Patients with hospital-acquired infections spent many more days in the hospital, underwent more extensive procedures and were seven times more likely to die, deaths that many experts say were largely preventable. Though the findings were from a single state, industry analysts said the problem of hospital-acquired infections is universal.

"When people check into the hospital, they hope and expect to leave better off than when they arrive," said House Energy and Commerce Committee Chairman Joe Barton (R-Tex.). "But some of the millions of Americans who pick up infections each year are lucky to check out, and a few never do."

Doctors, nurses and patients' relatives have long known the risks of contracting an infection while in a hospital. But there has been little quantifiable data available on the cost of those infections, from a financial or a medical perspective. The average hospital payment for a Pennsylvania patient who did not have an infection was \$8,078, compared with \$60,678 for patients who did, according to the report by the Pennsylvania Health Care Cost Containment Council.

Pennsylvania is the first state to require hospital reporting of infections; five other states have similar laws but have not yet collected or published results.

In a hearing scheduled for today, Barton said he will press for more public accountability. "We don't know which hospitals are safe and successful any more than we know how much they charge," he said. "Consumers should have the right to find out just how well their hospitals perform."

In Pennsylvania, for instance, the 180 hospitals that reported infection data billed for an additional \$2.3 billion. They actually collected \$614 million for those cases because most insurance companies have negotiated discounts.

Hospital representatives, stressing that they are dedicated to reducing medical errors such as preventable infections, said the council's analysis fails to account for the fact that some patients arrive older, sicker or possibly with a preexisting infection. The council's report "is not a comparison of like patients," said Paula Bussard, a senior vice president at the Hospital & Healthsystem Association of Pennsylvania.

But some physicians said the medical profession for too long has accepted a certain number of infections as inevitable. When chief of medicine Richard Shannon discovered that more than half of the patients in Allegheny General Hospital's intensive care unit who developed a bloodstream infection from an intravenous tube died, he said, he set a goal of zero infections.

By standardizing procedures and investigating every single infection within 24 hours, Allegheny cut the annual number of infections from 49 to three and reduced related deaths from 19 to one. Shannon had similar success in slashing infections related to ventilators from 45 to eight.

"To those that argue that their patients are sicker, I say then all the more reason to perfect your processes, as no critically ill patient gets better with a superimposed hospital-acquired infection," he stated in written testimony prepared for the House hearing.

"We have enough data to know it's possible to be infection-free even in a challenging environment like an intensive care ward," said Paul O'Neill, the former Treasury secretary who has become a leading proponent of health-care reforms. "We shouldn't be accepting this as a necessary phenomenon of getting medical care."

On the surface, the financial incentives appear skewed toward treating more complex cases, such as those involving an infection, because most insurers pay more for the additional medicines, equipment, specialists and days in the hospital.

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But Shannon found that although the hospital bills more for those cases, its profit falls or vanishes entirely.

For the 54 cases his staff handled involving an intravenous tube known as a central line, the average payment was \$64,894, yet the average costs were \$91,733.

"Not only were we harming patients, but look at what this is doing to the bottom line," he said in an interview. He speculated that most hospitals do not realize it is possible to virtually eliminate infections and they "don't understand the economic imperative to do so."

The federal government has teamed up with 1,300 hospitals nationwide to voluntarily report on the Internet steps they are taking to reduce errors, said Mark B. McClellan, administrator of the Centers for Medicare and Medicaid Services. The goal is to let consumers know how often hospitals follow proven techniques, such as giving patients a prophylactic antibiotic within one hour of surgery, he said.

Nancy Foster, who oversees quality initiatives at the American Hospital Association, said anecdotal reports suggest the voluntary program is "driving down rates of infections." But only one hospital in the District -- Georgetown University Hospital -- participates in the effort, and the CMS Web site does not include any information on numbers of infections.

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Report: Costs soar with hospital infections

HAP cited.

Pittsburgh Post-Gazette

Pittsburgh, PA

Christopher Snowbeck

03/29/2006

When patients acquire infections during the course of a stay in a hospital, insurance companies wind up paying more than seven times as much for their care as for patients who don't get an infection.

That finding from a report being released today by the Pennsylvania Health Care Cost Containment Council goes the furthest toward putting a price tag on the long-standing problem with infections in state hospitals. But the report was immediately criticized by hospital officials, who acknowledged the severity of the problem but called the new study "unscientific" and "of little use to patients or health-care providers."

Related Coverage:

Highmark, UPMC team up to improve access to expensive cancer treatments

Last summer, the council released a groundbreaking report that found more than 11,000 patients in Pennsylvania hospitals acquired infections during hospital stays in the previous year. The new report tracked what insurance companies paid hospitals for the treatment of 1,119 of those infected patients -- those with pneumonia, surgical site, urinary tract or bloodstream infections.

The council found that the average payment for patients with these infections was \$60,678, compared with \$8,078 for patients without the infections. The additional \$52,600 per patient added up to an extra \$58.8 million for the hospitals, the council found.

The report looked only at payments from commercial insurers. It excluded payments from the Medicare and Medicaid programs, which pay for a large share of the care provided in hospitals. But by applying the ratios from the commercial population to the government health plans, the council estimated that additional total payments from all insurers for hospital-acquired infection cases during 2004 was \$613.7 million.

Previous attempts to put a dollar figure on the infection problem relied on what hospitals charged insurance companies for the care provided, but were criticized as overstating the problem since hospitals typically receive from health plans only a fraction of the amount they charge.

"This is the first report in the country that will actually identify real payments," said Marc P. Volavka, the council's executive director.

"Here's your take-home message: If you go to the hospital and get an infection, you are seven times more likely to die than someone who doesn't, and whoever is paying the bill is going to pay, on average, more than seven times more for the privilege of getting the infection," Mr. Volavka said.

But the Hospital & Healthsystem Association of Pennsylvania strongly questioned the council's math.

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Chart: Hospital-acquired infections

The council wrongly attributed all of the increased payments to infections, rather than identifying costs due to the underlying disease, said Carolyn F. Scanlan, the hospital association president, in a statement. The council's report should have compared costs among those patients with the same diagnosis, or among those who received the same sort of care, she said.

"Comparing large groups of low-risk, short-stay, low-cost patients to those who are among the sickest patients is not sound statistics," Ms. Scanlan said. "Patients who require a ventilator or a central line ... are far sicker and will always be significantly more costly to treat, even if they do not contract an infection."

Dr. Richard Shannon, the chairman of medicine at Allegheny General Hospital, said the council's numbers, nonetheless, shed light on how infections multiply the cost of care, even if the factor by which costs increase can vary.

Allegheny General, which has been lauded for its efforts to eliminate hospital-acquired infections, has worked to eliminate from its intensive care units bloodstream infections and ventilator-associated pneumonia -- two of the infections studied in the new report. Their work has shown that insurers wind up paying anywhere from twice to 10 times as much for the care of patients within the same diagnosis group depending on whether they come down with an infection, Dr. Shannon said.

In addition to causing financial harm to health plans, hospital-acquired infections harm hospitals, too.

"Even though the payments are greater, the costs of care are so much greater that the margin is negative" and hospitals lose money, Dr. Shannon said. "That is in the overwhelming majority of cases that we've examined."

The work at Allegheny General suggests that as much as 90 percent of the infections being tracked by the council could be prevented in a year's time if hospitals paid better attention to hygiene and standardized how intensive care unit patients receive care, Dr. Shannon said.

Both Dr. Shannon and Mr. Volavka will be testifying about the infection issue today before the House Subcommittee on Oversight and Investigations in Washington, D.C. In his prepared comments, Mr. Volavka will stress that hospital-acquired infections are not inevitable and can be prevented with low-tech interventions such as hand washing, using gloves and properly sterilizing equipment.

Beyond calculating the price tag for infections during 2004, the council's report being released today shows that Pennsylvania hospitals reported 13,711 infections in the first nine months of 2005 -- an increase over the 11,668 reported in all of 2004. Mr. Volavka said the increase represented an improvement in reporting rates, not necessarily an increase in the actual number of infections.

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**Germ facts may go public
HAP cited.
Pittsburgh Tribune-Review
Pittsburgh, PA
Luis Fabregas
03/29/2006**

A group representing Pennsylvania hospitals is considering a plan that would tell the public how many patients pick up infections at specific hospitals, the group's top executive said Tuesday.

The disclosure of the plan by the Hospital and Healthsystem Association of Pennsylvania followed the group's scathing assessment of a new state report that said the problem of deadly germs is larger and costlier than originally estimated.

The report from the Pennsylvania Health Care Cost Containment Council said hospitals reported 13,711 infections during the first nine months of 2005, compared to 11,688 for all of 2004.

The council said those infections were associated with an additional 1,456 deaths, 227,000 extra hospital days and an added \$52,600 in costs for treatment of every patient with an infection.

The hospital association, which has criticized the council's earlier reports, called the numbers exaggerated and scientifically flawed.

Carolyn Scanlan, president and chief executive officer of the association, said numbers in the new report appear larger because hospitals in July began reporting seven additional categories of infections.

And she said the numbers don't show if a patient's extra hospital days were completely due to an infection, or the disease that brought them to the hospital in the first place.

"We shouldn't be collecting data for the sake of collecting data," said Scanlan, whose association represents more than 100 hospitals. "We should be collecting data to turn into information that we can use to correct problems."

Council officials attributed the jump in infections to better reporting from hospitals as well as the increased requirements.

Council president Marc Volavka said insurance payments to cover hospitalizations for hospital-acquired infections are mammoth.

"Third-party insurers, their purchaser clients and public-sector programs must be scratching their heads about what they are paying for," Volavka said.

Scanlan said the association has talked with officials with the federal Centers for Disease Control and Prevention about a plan for hospitals to release infection data on their own. She said hospitals could make infection data available on their Web sites.

"Hospitals aren't trying to hide anything," she said. "Hospitals are interested in releasing what they consider valid and accurate data."

There is no time frame for the plan, she said.

Council officials said they could not comment about the plan because they had not heard about it.

Neither had Dr. Rick Shannon, chair of medicine at Allegheny General Hospital on the North Side.

"I'm not sure how it would work," said Shannon, who has led efforts to cut some types of infections at the hospital. "It seems to be duplicative."

Shannon said infections such as ventilator-associated pneumonias at Allegheny General have doubled the cost of caring for patients.

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"No one gets better because of an infection," Shannon said. "While I wouldn't say people die directly as a result of the infection, no one got better as a result of one."

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Research Brief - 3/29/06

Insurers pay 7 times more for patients with hospital infections

HAP cited.

Associated Press (AP) - Harrisburg Bureau

Harrisburg, PA

Marc Levy

03/29/2006

Associated Press

HARRISBURG, Pa. - A patient who contracts an infection while in a Pennsylvania hospital costs insurers seven times as much as one who does not, according to a state report being released Wednesday.

The report, by the Pennsylvania Health Care Cost Containment Council, also showed an increasing number of in-hospital infections, a difference the council attributed to more complete reporting.

However, a state hospital association questioned the methods the council used to compile the information, and worried that it could be misleading.

The report comes amid increasing scrutiny nationally over hospital-borne infections, as governments look for ways to cut the cost of health care and improve the quality of hospital treatment.

The council described its report as the most accurate to date of what insurers paid hospitals for treatment of patients with hospital-borne infections.

"The payments are astronomical. The cost to the health care system is astronomical," Marc P. Volavka, the council's executive director, said in a telephone interview. "And purchasers must be scratching their heads, wondering, 'What in the world are we paying for?'"

Volavka and others were scheduled to testify Wednesday in Washington at a House subcommittee hearing on whether Congress should set national standards for hospital-infection reporting.

Six states now require infection reporting, but many more are contemplating it. The rush to determine the extent of the problem comes as the cost of health care is rising by double-digit percentages each year.

In addition, patients who contract infections in the hospital are much more likely to die.

Under a new requirement in 2004, Pennsylvania hospitals began reporting how many patients contract infections during their stays. In 2004, 173 general hospitals reported 11,668 infections, the council said.

Insurers provided payment data to the council for 1,119 of those 11,668 patients, which showed that an average hospitalization for a patient with a hospital-acquired infection cost \$60,678, versus \$8,078 for an infection-free stay, the council said.

Using that data, the council estimated that insurance payments for the 11,668 infections would have totaled an additional \$613.7 million.

The council has not studied infection data for each patient admitted to a Pennsylvania hospital - it will begin doing that this year - and Volavka said hospitals may not be reporting every infection.

For the first nine months of 2005, hospitals reported 13,711 infections - more than for all of 2004. Volavka attributed the increase to hospitals submitting more complete reports on a wider pool of patients, not a rising infection rate.

A state hospital association, The Hospital & Healthsystem Association of Pennsylvania, said eliminating hospital-borne infections is a major public health challenge that its members take seriously. But it also said the council's data could be misleading, and called for it to release its research methodology.

"No one is helped by research that is scientifically unsupportable," Carolyn F. Scanlan, the association's president and chief executive, said in a statement.

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ON THE NET

Pennsylvania Health Care Cost Containment Council: <http://www.phc4.org>

The Hospital & Healthsystem Association of Pennsylvania: <http://www.haponline.org>

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Research Brief - 3/29/06

Hospital infections' costs get attention
DVHC of HAP cited.
Philadelphia Inquirer, The
Philadelphia, PA
Josh Goldstein
03/29/2006

Before a federal hearing, a Pa. agency cited death risks and a national \$25 billion. A hospital council disputed the analysis.

By Josh Goldstein
Inquirer Staff Writer

Patients who got infections in a hospital last year were more than five times as likely to die as those who did not and boosted the nation's health costs by an estimated \$25 billion, according to a Pennsylvania agency.

Across the state, hospital-acquired infections added \$1.2 billion to the cost of care in 2005, according to an analysis by the Pennsylvania Health Care Cost Containment Council.

"It is not a fact that people must get hospital-acquired infections," said the agency's executive director, Marc P. Volavka. "The goal ought to be the prevention of every single hospital-acquired infection."

Hospital representatives question the council's methodology and motives.

The agency "seems more interested in headlines than producing scientifically valid reports on this critical issue," said Andrew Wigglesworth, president of the Delaware Valley Healthcare Council, which represents local hospitals.

He said all the region's hospitals already were part of an effort by his group and by health insurer Independence Blue Cross to reduce infection rates.

The issue has arisen in Pennsylvania because it is one of only six states that publicly report hospital infections. These outbreaks kill an estimated 90,000 people annually nationwide, and are thought to represent one of the largest categories of preventable deaths.

The research by Volavka's agency suggests that at least in dollars, the cost from infections is far greater than federal health officials have suggested.

Volavka is scheduled to discuss his findings today before a U.S. House committee that is looking at the problem as 30 more states consider disclosure of hospital infections.

The public wants this information, said infections researcher Maryanne McGuckin of the University of Pennsylvania.

Last week, at the annual conference of the Society for Healthcare Epidemiology of America in Chicago, McGuckin presented a paper showing that infection rates would influence 93 percent of consumers on where to go for care.

"We have to get away from the methodology issue and deal with the problem," she said. "Hospitals always respond in this way: 'We have sicker patients than you do.' Well, fine. If you have sicker patients, then they have to be more vigilant, more diligent."

And she said a key place to start is simply hand-washing - by doctors, nurses and other health-care workers as well as patients and visitors.

"If you increase hand hygiene, you decrease infection rates," she said.

Yesterday, Volavka challenged those who dispute the validity of his agency's findings to put up or shut up. All the state's hospitals should release verifiable data on their infection rates, he said.

But he doesn't expect that to happen.

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"Everybody who goes into a hospital is at risk because the hospitals don't have the process and systems in place to prevent infections," Volavka said.

He said hospital leaders wanted to obscure the fact that 11,668 Pennsylvania patients got infections in hospitals in 2004 and that 13,711 cases were reported in the first nine months of 2005. The rise is due to better disclosure, Volavka said.

The average payment by commercial insurers in 2005 was \$60,678 for infected patients, compared with \$8,078 for those without infections.

Hospitals here and across the nation have instituted successful infection-prevention programs.

In a recent three-month period, the Hospital of the University of Pennsylvania's surgical trauma unit had no infections, said P.J. Brennan, chief medical officer of the University of Pennsylvania Health System.

At Allegheny General Hospital in Pittsburgh, a three-year effort to improve the rate from two types of procedures reduced infections from 94 to 11 a year. Doing so saved the hospital \$2.2 million, not counting the money insurers did not spend treating the infected patients.

"We estimate we saved 47 lives," said Richard P. Shannon, chairman of Allegheny General's department of medicine.

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**Hospital infections' costs get attention
DVHC of HAP cited.
Times-Leader pick-up of Inq. article.
Philadelphia Inquirer, The
Philadelphia, PA
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03/29/2006**

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News Clips Report - PHC4

Research Brief - 3/29/06

**Report: Pa. hospital patients acquire more infections than thought
HAP cited.**

**Scranton Times, The
Scranton, PA**

Jeff Sonderman

03/29/2006

Patients in Pennsylvania hospitals acquire thousands more infections each year than previously estimated, according to a state report due to be released today.

In the first nine months of 2005, 13,711 patients acquired infections in hospitals while being treated for other conditions, according to the report from the Pennsylvania Health Care Cost Containment Council.

In all of 2004, hospitals reported only 11,668 infections, the independent state agency said.

"Clearly, what we reported in 2004 was an underestimation," said Marc P. Volavka, the council's executive director.

Such infections increase medical costs and can cause suffering or even death for patients. About 13 percent of infected patients died in 2005, the council said.

It difficult, however, to prove that infections caused those deaths, said Julie Kissinger spokeswoman for the Hospital and Healthsystem Association of Pennsylvania, the state association of hospitals.

"There is no way to know if the individual died from the infection itself, or from the underlying condition that brought them to the hospital in the first place," she said.

"While that is true, we can't ignore the fact that they (patients) get sicker at the hospital because of these infections," responded Beth A. McConnell, executive director of the Pennsylvania Public Interest Research Group.

"Hospital infections lead to the early death of thousands of people here in Pennsylvania," McConnell said.

Hospitals reported about 50 infections a day in the first nine months of 2005, much more than the 32 a day estimated in 2004.

The spike likely is due to more complete reporting by hospitals rather than an actual increase in infections, the council said.

Pennsylvania's 173 hospitals still are working out bugs in the two-year-old reporting system.

As they do, the rate of reported infections has increased every quarter and should keep rising, said Volavka, the council director.

"Every facility in the state right now is making a good-faith effort to comply," Volavka said. "Nobody is refusing to report data."

The council's still unanswered question is, how many infections will be found once the reporting system is fully developed?

"No one knows — that's the honest answer," Volavka said. "We will continue to see a significant increase."

The report notes that figures recorded so far by many hospitals seem unrealistically low.

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Research Brief - 3/29/06

State hospital group disputes infection data

HAP cited.

Patriot-News, The

Harrisburg, PA

David Wenner

03/29/2006

Hospitals in Pennsylvania continue to clash with a state agency over the severity of infections that people acquire while in a hospital.

The state agency, the Pennsylvania Health Care Cost Containment Council, says hospital-acquired infections are responsible for hundreds of millions of dollars in avoidable medical costs and should make patients and insurers question what they're getting for their money.

The Hospital & Healthsystem Association of Pennsylvania says the council is exaggerating the size of the problem and doing more harm than good.

The U.S. Centers for Disease Control and Prevention considers hospital-acquired infections a serious problem that kills about 100,000 people nationwide annually.

In a report being released today, the Pennsylvania Health Care Cost Containment Council says hospitals in the state reported 13,711 such infections during the first nine months of 2005. It says the infections were associated with 1,456 deaths and \$2.3 billion in additional hospital charges.

For the first time, the council provides data on what health insurers actually pay to treat patients with infections. It says insurers paid an average of \$60,678 for patients who got an infection, compared to \$8,078 for those who didn't. Marc Volavka, executive director of the council, said the data "underscores that the problem of hospital-acquired infections is larger and more costly than originally estimated."

But the hospital association, known as HAP, said the report "grossly exaggerates the actual impact on the health care system, insurers and taxpayers."

"We'd like to have a more credible analysis of the problem so doctors and nurses and others who are engaged in initiatives to eliminate infections have good information on which to take action," said Paula Bussard, HAP's senior vice president of policy and regulatory services.

Bussard said the council's estimates of infection-related costs are useless because they lump all patients together, rather than separating relatively healthy patients from severely ill patients. The sickest patients are likely to have complications that result in huge hospital charges.

That makes the gap between costs of patients who got an infection and those who didn't look larger than it should, she said.

HAP also said the council fails to account for the fact that some patients, because of their particular illness, are more vulnerable to infections.

Volavka acknowledged that it's impossible to pinpoint how many deaths were the direct result of infections. But he said 13 percent of patients who got an infection died in 2005, while the death rate for hospital patients who didn't get an infection was only 2.4 percent.

"If you are admitted to the hospital and develop [an infection], you are almost 51/2 times more likely to die. I don't like those odds," he said.

Bussard said hospitals realize that infections are a problem and are working to eliminate them. No scientific data shows to what extent they can be reduced, she noted.

Dr. Richard Shannon at Allegheny General Hospital believes most, if not all, hospital-acquired infections could be eliminated. But it takes the same effort hospitals devote to matters like organ transplants, he said.

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"You must be dedicated to executing perfectly," he said.

Allegheny General has received national attention for infection control. It reduced central-line infections from 49 to three during a 21/2-year period. Infections among pneumonia patients on ventilators dropped from 45 to eight.

Shannon said Allegheny General believes those efforts saved 47 lives and \$2.2 million dollars.

He said the council's estimates of the costs of infections are similar to Allegheny's data, and he wonders why HAP is disputing them.

"We clearly get paid more [when a patient gets an infection], but it costs more. It was the realization that we were losing money that caused our leadership to say enough is enough, let's fix this," he said.

Only a few states collect data on hospital-acquired infections, and Pennsylvania is the first to analyze and publish the results.

It's impossible to know if infection rates are higher in Pennsylvania hospitals than in hospitals in other states, Volavka said.

Volavka was scheduled to testify today before a U.S. House committee that's looking into efforts to report on hospital infection rates.

News Clips Report - PHC4

Research Brief - 3/29/06

Details from report on hospital-borne infections
phillyburbs.com
Levittown, PA
03/29/2006

Details from a state report on hospital-acquired infections in Pennsylvania:

- Number of patients who contracted an infection in a hospital:

2004: 11,668

Jan.- Sept. 2005: 13,711

Increase is attributed to better reporting by hospitals and more patient data being studied.

- Number of patients who died after contracting an infection in a hospital:

2004: 1,793

Jan.- Sept. 2005: 1,780

- Average payment for patients with and without a hospital-acquired infection (2004):

With: \$60,678

Without: \$8,078

Source: Pennsylvania Health Care Cost Containment Council

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Research Brief - 3/29/06

**Number, Impact of Hospital-Acquired Infections Rise as Data Submission Improves;
Add'l. Insurance Pay
PHC4 News Release
U.S. Newswire
Washington, DC
03/29/2006**

Number, Impact of Hospital-Acquired Infections Rise as Data Submission Improves; Add'l. Insurance Payments Estimated at \$613.7M To National and State desks, Health Reporter Contact Joe Martin of Pennsylvania Health Care Cost Containment Council, 717-232-6787 or jmartin@phc4.org HARRISBURG, Pa., March 29 /U.S. Newswire/ -- Updated figures confirmed by Pennsylvania hospitals show that the patient safety and financial impact of hospital-acquired infections is larger than originally reported, according to a new research brief from the Pennsylvania Health Care Cost Containment Council (PHC4). During the first nine months of 2005, hospitals identified 13,711 hospital-acquired infections, compared to 11,668 for all 12 months of 2004. PHC4 Executive Director Marc P. Volavka will discuss these figures and more in a hearing before the House Subcommittee on Oversight and Investigations on March 29 at 2 p.m. at 2322 Rayburn House Office Building. 'The latest data provided by hospitals underscores that the problem of hospital-acquired infections is larger and more costly than originally estimated,' said Mr. Volavka, executive director of PHC4. 'The increase can be attributed to the fact that Pennsylvania hospitals are getting better at the reporting process and an expansion in surgical site infection data collection requirements.' The hospital admissions in which the 13,711 hospital-acquired infections occurred during the first nine months of 2005 were associated with an additional 1,456 deaths, 227,000 extra hospital days and \$2.3 billion in additional hospital charges. In its new research brief, PHC4 used actual third-party payment data (distinct from hospital charges) provided by commercial insurers to further quantify the financial toll of the 11,668 hospital-acquired infections reported in 2004. Commercial payment data was provided for 1,119 of the hospitalizations associated with these infections. Payment data for 2005 is not yet available. This data shows that, on average, there was a \$52,600 payment difference between hospital admissions with and without a hospital-acquired infection.

Whereas the average payment of a hospitalization with a hospital-acquired infection was \$60,678, the average payment for a hospitalization without such an infection was \$8,078. Based on payments for the 1,119 hospital-acquired infection cases from commercial insurers for 2004, additional total payments from all payors (Commercial, Medicare, and Medicaid) for the hospital-acquired infection cases in 2004 can be estimated at \$613.7 million in Pennsylvania. Total additional insurance payments were estimated by assuming that the average payment remained the same across all payor systems for the 11,668 hospital-acquired infections in 2004. 'The actual insurance payments are mammoth,' said Mr. Volavka. 'Patients who contract a hospital-acquired infection are five times more likely to die and the payment is more than seven times higher. And, these numbers do not even reflect payments to physicians that care for the patients. Third-party insurers, their purchaser clients, and public sector programs must be scratching their heads about what they are paying for.' Beginning January 1, 2004, hospitals were required to start submitting data on four types of hospital-acquired infections to PHC4 surgical site infections for three body system categories; and indwelling catheter-associated urinary tract infections, ventilator-associated pneumonia and central line-associated bloodstream infections. As of July 1, 2005, seven additional body system categories for surgical site infections were added to the reporting requirements.

Starting January 1, 2006, hospitals were required to submit data on virtually all hospital-acquired infections to PHC4. PHC4 Executive Director Marc P. Volavka will be testifying before the House Subcommittee on Oversight and Investigations (Committee on Energy and Commerce) Public Reporting of Hospital-Acquired Infection Rates Empowering Consumers, Saving Lives. WHEN Wednesday, March 29, 2006, 2 p.m. 2322 Rayburn House Office Building NOTE The hearing will be webcast. The link to the broadcast is pasted in below and will become active 10 minutes prior to the start of the hearing. Once at the site, click on the appropriate schedule item.

PHC4 is an independent state agency charged with collecting, analyzing and reporting cost and quality health care information. Copies of the new report are free and available on the Council's Web site at <http://www.phc4.org> or by calling PHC4 at 717-232-6787. /

News Clips Report - PHC4

Research Brief - 3/29/06

Pa. hospital infections drive up costs, risks

HAP cited.

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WASHINGTON - Pennsylvania patients who contracted an infection during a hospital stay in 2004 rang up charges that were seven times higher than patients who did not develop an infection, complications that cost insurers and individuals an extra \$614 million, according to a state analysis released today. Patients with hospital-acquired infections spent many more days in the hospital, underwent more extensive procedures and were seven times more likely to die, deaths that many experts say were largely preventable. Though the findings were from a single state, industry analysts said the problem of hospital-acquired infections is universal. 'When people check into the hospital, they hope and expect to leave better off than when they arrive,' said House Energy and Commerce Committee Chairman Joseph Barton, R-Texas. 'But some of the millions of Americans who pick up infections each year are lucky to check out, and a few never do.'

Doctors, nurses and patients' relatives have long known the risks of contracting an infection while in a hospital. But there has been little quantifiable data available on the cost of those infections from a financial or a medical perspective.

The average hospital payment for a Pennsylvania patient who did not have an infection was \$8,078, compared with \$60,678 for patients who did, according to the report by the Pennsylvania Health Care Cost Containment Council. Pennsylvania is the first state to require hospital reporting of infections; five other states have similar laws but have not yet collected or published results. In a hearing scheduled for today, Barton said he will press for more public accountability. 'We don't know which hospitals are safe and successful any more than we know how much they charge,' he said. 'Consumers should have the right to find out just how well their hospitals perform.' In Pennsylvania, the 180 hospitals that reported infection data billed for an additional \$2.3 billion. They actually collected \$614 million for those cases because insurance firms negotiate discounts. Some physicians said the medical profession for too long has accepted a certain number of infections as inevitable.

When Chief of Medicine Richard Shannon discovered that more than half of the patients in Allegheny General Hospital's intensive-care unit who developed a bloodstream infection from an intravenous tube died, he said, he set a goal of zero infections. By standardizing procedures and investigating every single infection within 24 hours, Allegheny cut the annual number of infections to three from 49 and reduced related deaths to one from 19. Shannon had similar success in slashing infections related to ventilators to eight from 45.