The Effect of the Deficit Reduction Act of 2005 on Nurse Sensitive Patient Outcomes

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Purpose:

In 1990, the American Nurses Credentialing Center established a standardized program to allow hospitals to be designated as excellent places for nurses to practice, Magnet® hospitals. Magnet® hospitals have the reputation of improved nurse-driven patient outcomes due to the structures and processes that support the organizational culture (Morgan, Lahman & Hagstrom, 2006). Using publicly reported data from the Centers for Medicare and Medicaid from Jun 2009 through Jul 2011, Magnet-designated hospitals had significantly less urinary catheter associated infection, central line bloodstream infections and patient falls than hospitals without Magnet designation. There was no difference in glycemic controls or pressure ulcers.

On February 8, 2006, Congress passed the Deficit Reduction Act of 2005. Section 5001, required that each hospital that participated in the Medicare program submit data on measures selected by the Secretary of the Department of Health and Human Services. Hospitals that failed to report would sustain a 2.0% decrease in reimbursement for the specific year involved. The law further provides that the measures be associated with those identified by the Institute of Medicine as important to quality care. Starting in October, 2008, hospitals submitting for higher reimbursement for specific diagnosis related groups based on secondary diagnosis might not be paid at the higher rate (Deficit Reduction Act, 2005).

On July 31, 2008, The Centers for Medicare and Medicaid selected ten categories of conditions where hospitals would no longer receive additional payment for cases in which one of the selected conditions occurred but was not present on admission. Included in these categories were: postoperative DVT/PE; urinary catheter associated infections and central line bloodstream infections (The Centers for Medicare & Medicaid Services, 2012).

Methods:

Using publicly reported data from the Centers for Medicare and Medicaid from 2012, relationships were calculated between the independent variable of Magnet designation and the dependent variables for central-line blood stream infection, patient falls and urinary catheter associated infections. The null hypothesis was that significant relationships between these outcomes and Magnet-designation will no longer be found.

Hospitals from the original study were matched with updated data from 2012. Magnet status as of 2012 was obtained from the American Nurse Association web site. Data were analyzed using two-sample t-test.

Results:

Findings did not support the null hypothesis was supported in that there was no significance in patient outcomes between Magnet and non-Magnet facilities for these three indicators.
**Conclusion:** While other positive outcomes might continue to be evidenced by Magnet designation, such as improved nurse satisfaction and decreased nursing turnover, patient outcomes that are specifically related to the implementation of the Deficit Reduction Act of 2005 are no longer significantly associated with hospital Magnet status.

**Title:**
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**Keywords:**
Magnet, Medicare and Outcomes

**References:**


Abstract Summary:
This work describes the effect that the Deficit Reduction Act of 2005 (never events) had on the positive relationships found between Magnet designated hospitals and nurse sensitive patient outcomes. In brief, these positive relationships were not sustained with the changes in Medicare reimbursement.

Content Outline:
Introduction: Evidence has supported that hospitals with a Magnet designation have better nurse sensitive patient outcomes than those without this designation.

With the implementation of the Deficit Reduction Act of 2005, where hospitals are no longer able to bill specific DRGs at a higher rate due to secondary diagnoses, all hospitals are working on improving specific patient outcomes.

As such, there is a possibility that these positive outcomes that have been supported by Magnet designation are no longer sustained.

Conclusions: Using publicly available data from 2012, no significant relationships were found between Magnet designation and urinary catheter associated infections, central line blood stream infections, postoperative DVT/PE.

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