Maryland Health Services Cost Review Commission

Potentially Preventable Utilization Measures

Performance Measurement Work Group

02/20/2014
Potentially Avoidable Utilization—Unplanned Care

Definition?

“Hospital care that is unplanned and can be prevented through improved care coordination, effective primary care and improved population health”.

Health Services Cost Review Commission
Work and Considerations to date

- **Readmissions/Revisits**
  - Inpatient- All Hospital, All Cause 30 Day Readmissions using CMS methodology with adjustment for planned admissions
  - ED – any visit within 30 days of an inpatient admission
  - Observation- any observation within 30 days of an inpatient admission

- **Potentially Avoidable Admissions/Visits**
  - Inpatient- AHRQ Prevention Quality Indicators (PQIs)

- **Hospital Acquired Conditions**
  - Potentially Preventable Complications (PPCs)
Considerations for PAU

- Incorporation of readmissions and PPCs, in PAU measurement and policies
- Develop methodologies to calculate outpatient avoidable utilization
  - Integrating major surgeries and observation cases to the readmission algorithm
  - Defining potentially avoidable ED visits
- Evaluate alternative/additional measures
  - 3M potentially preventable events
  - Admissions from nursing homes
  - Overuse/Underuse measures
- Developing payment incentives to reduce PAUs
  - Positive incentives for improvement
  - Update factor considerations
  - Population growth allowance
### Little Overlap Between Inpatient PAU Measures

<table>
<thead>
<tr>
<th>Category</th>
<th>Numerator</th>
<th>Percent of Inpatient Discharges</th>
<th>Total Inpatient Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Readmissions</strong></td>
<td>80,830</td>
<td>11.86%</td>
<td>$1,178,937,554</td>
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<tr>
<td>Readmission Only</td>
<td>69,659</td>
<td>10.22%</td>
<td>$1,003,894,719</td>
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<td>Readmissions and PQIs</td>
<td>9,127</td>
<td>1.34%</td>
<td>$98,398,625</td>
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<td>Readmissions and PPCs</td>
<td>1,723</td>
<td>0.25%</td>
<td>$68,781,131</td>
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<td>Readmissions and PQIs and PPCs</td>
<td>321</td>
<td>0.05%</td>
<td>$7,863,077</td>
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<td><strong>PQI Only</strong></td>
<td>54,796</td>
<td>8.04%</td>
<td>$506,620,160</td>
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<td><strong>PPC Only</strong></td>
<td>20,183</td>
<td>2.96%</td>
<td>$336,924,378</td>
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<td><strong>PQI and PPCS</strong></td>
<td>1,661</td>
<td>0.24%</td>
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</table>
White Papers on PAU

- Submitted by:
  - Maryland Hospital Association
  - Carefirst
  - Johns Hopkins Health System
  - Johns Hopkins School of Public Health
  - 3M
White Paper Performance Measures

- Readmissions/Revisits
- Prevention Quality Indicators
- Johns Hopkins Overuse Index
- Per Capita Charges
- Length of Stay
- 3M Potentially Preventable Complications
- 3M Potentially Preventable Events
Readmissions and Revisits

- Readmissions: all-cause, all-hospital 30 day readmission rate
- Revisits: ED and or observation stays within 30 days of an inpatient admission (short term measure)

HSCRC Concerns:
- Should readmissions and/or revisits be incorporated into PAU or be a separate quality program?
- Impact of hospital variation in use of observation stays on readmission program
Prevention Quality Indicators

- Developed by Agency For Health Care Quality and Research
- Also known as Ambulatory Care Sensitive Conditions, that is conditions for which good outpatient care can potentially prevent the hospitalization
- HSCRC Concerns:
  - Original intent was community-based measure (per 1,000 population); what will be appropriate denominator for hospital measure?
Johns Hopkins Overuse Index
Jodi Segal, Najilla Nassery, Hsien-Yen Cheng, Eva Chang, Kitty Chan, John Bridges

- Composite measure of systematic overuse
- Extensive clinical review of potentially overused procedures
- 20 equally weighted procedures in final measure
- Index was positively correlated with total costs, mortality, inpatient days, ICU days

HSCRC Concerns:
- Measure uses group of potentially overused indicators as proxy for overuse in general
- Indicators included were only for Medicare and would need to validated and refined for an all-payer model
- Requires additional data sources
Per Capita Charges and Length of Stay

- HSCRC Concerns:
  - Denominator? Assignment of population to a hospital for per capita calculation
  - The impact of Medicare two midnight rule
  - Shift of short stay admissions to observation
3M Potentially Preventable Events

- Potentially Preventable Complications
- Potentially Preventable Readmissions
- Potentially Preventable Admissions
- Potentially Preventable Emergency Room Visits
- Potentially Preventable Ancillary Services

HSCRC Concerns:
- Implementation timing and validation
- Requires non-hospital claims for ancillary services
Thank you!