

## The Pennsylvania Health Care Cost Containment Council

### The PA Health Care Cost Containment Council Announces a 30-Day Public Comment Period on the Continued Collection of Laboratory Data for the Purposes of Risk Adjusting Healthcare Outcomes

#### Summary:

The PA Health Care Cost Containment Council (PHC4) is seeking public comment on the continued collection of laboratory (lab) data to be used for the purposes of risk adjusting healthcare outcomes. Lab data, submitted by hospitals through a third-party vendor, has been used as part of the Council's risk-adjustment approach since 1989. Prior to 2008, hospitals submitted additional Key Clinical Findings from the medical records, which were used along with lab data to calculate a patient's severity of illness. For most inpatient records, the requirement to submit the additional Key Clinical Findings beyond the lab data was halted in January 2008. The lab data continues to be a critical component to the Council's risk-adjustment methodology.

#### Dates:

Comments must be received in writing by one of the methods described below no later than 5 p.m. ET on April 20, 2010. Comments must include a signature and be on letterhead.

#### Methods for Submitting Comments:

1. Electronically. Electronic comments should be submitted to [comments@phc4.org](mailto:comments@phc4.org).
2. Fax. Please fax comments to Joseph Martin, Executive Director, at 717-232-7029.
3. Regular mail, express or overnight mail, hand delivery or courier. Address comments to: Joseph Martin, Executive Director, PA Health Care Cost Containment Council, 225 Market Street, Suite 400, Harrisburg, PA 17101.

#### For Further Information:

Contact: Renee Greenawalt at [rgreenawalt@phc4.org](mailto:rgreenawalt@phc4.org) or 717-232-6787.

#### Supplementary Information:

Comments received by the close of the comment period will be available for viewing by the public. Comments will be posted on PHC4's Web site ([www.phc4.org](http://www.phc4.org)) subsequent to the Council's May 6, 2010 meeting.

A document that summarizes the comments and responds to statements and/or inquiries raised in the comments will be prepared and made available to the public. This document will be posted on PHC4's Web site subsequent to the Council's May 6, 2010 meeting.

#### Importance of Risk Adjustment:

The PA Health Care Cost Containment Council is an independent state agency charged with collecting, analyzing and reporting information that can be used to improve the quality and restrain the cost of health care in Pennsylvania.

A critical component to PHC4's public reports on healthcare outcomes is the ability to appropriately and adequately risk adjust the data. Risk adjusting the data allows for fair comparisons across health care providers, including hospitals and physicians, because it accounts for varying illness levels among patients. Patients who are more severely ill may be more likely to die, stay in the hospital longer, or be readmitted. Risk adjusting patient care data enables a better assessment of the performance of health care providers in treating patients, particularly those who are more seriously ill.

### **Purpose of the Public Comment Period:**

When the Council was reauthorized in June of 2009 (Act 3 of 2009), language was included that states the Council "*shall not require any data sources to contract with any specific vendor for submission of any specific data elements to the Council.*" This provision takes effect July 1, 2010. As such, the Council has been exploring potential options for risk adjustment beyond July 1, 2010.

At its March 4, 2010 meeting, the Council voted to continue the collection of lab data from PA hospitals. The Council's decision to continue the lab data collection requirement was based on recommendations from its Technical Advisory Group, which includes physicians, biostatisticians, researchers, and a representative each from the Hospital and Healthsystem Association of PA and the PA Medical Society. The Technical Advisory Group advised the Council to continue to collect and use the lab data for risk adjustment after reviewing detailed analyses that demonstrated the superiority of using lab data for risk adjustment purposes.

The intent of this public comment period is to solicit input from hospitals, physicians, other health care professionals, and other interested parties on potential implementation approaches as they relate to the continued collection of the lab data.

The following bullets represent points the Council has been discussing with regard to the continued collection of the lab data:

- One option is for PHC4 to collect the lab data directly from the hospitals. In collecting lab data, PHC4 would mirror the way in which the uniform billing data (often referred to as "administrative" or "UB-04" data) are currently collected. That is, specifications would be provided to hospitals, and they could choose to contract with a third-party vendor of their choice to submit the data to PHC4 or submit the lab data to PHC4 directly themselves.
- One approach being discussed is for PHC4 to contract with a third-party vendor to collect the lab data from the hospitals. In this scenario, hospitals would submit the lab data to the third-party vendor, who would be working on behalf of PHC4. Given PHC4's current budget constraints, such an agreement would likely be based on an "in-kind" arrangement with a third-party vendor rather than a paid one, at least for the immediate future. The Council's Technical Advisory Group was not in favor of pursuing an in-kind arrangement of this nature given concerns about potential difficulties that could arise with regard to ensuring accountability. The Council has not made a final decision on this issue.
- With regard to the specific lab data elements to be collected by the hospitals and submitted to PHC4, hospitals would likely be required to submit one value (e.g., the "first" or the "worst" value recorded, see below) for the 29 lab elements that they currently collect for PHC4's risk-adjustment purposes (not all records will have values for all 29 lab elements). Also needed would be information indicating the units of measure and a date/time stamp for each lab element. See Attachment A.
- Determination as to which lab value for the 29 lab elements currently collected is under discussion. Consideration is being given to the "first" lab value recorded or the "worst" lab value recorded (within a prescribed period of time after admission). Currently, the "worst" lab value is collected within one or two days of admission, depending on the time of day the patient is admitted.

- While hospitals might wish to send all of their lab data to PHC4 via an electronic download rather than send a single lab value for each of the lab tests collected as described above, current PHC4 resources, including staff time, data storage and processing, would not permit such an approach at this time. This is similar to PHC4's UB-04 data collection processes in that only the data used by PHC4 will be collected.
- If PHC4 collects the lab data directly, the recommended approach for hospitals to submit the data would likely be an electronic file in which hospitals supply one value for each of the lab elements currently collected as noted above.
- Currently hospitals submit clinical data beyond the lab data for cardiac surgery cases included in the Council's *Cardiac Surgery in Pennsylvania Report*. Potential options to collect risk-adjustment data for these cases would have to be identified.

**In particular, the Council is seeking input on the following questions:**

- What file format should PHC4 establish for the submission of lab data to the Council?
- What are the issues the Council should consider in collecting lab data directly or through a third-party vendor?
- What are the potential issues, including increased or decreased costs, for hospitals in manually abstracting or electronically downloading selected lab data for submission to PHC4?
- Are there any issues for providers regarding the submission of lab data for selected conditions that are included in PHC4 public reports?
- What are the issues to consider regarding submission of the first or the worst lab values for selected lab tests administered early in the patient stay?
- What are the issues to consider in using the first or the worst lab values for selected lab tests administered early in the patient stay for the purposes of risk adjusting the data?
- What are the potential options to consider in continuing to collect clinical data beyond the lab data for the cardiac surgery cases included in the Council's *Cardiac Surgery in Pennsylvania Report*?

**Hospitals Affected:**

Currently general acute care hospitals and specialty general acute care hospitals submit lab data through a third-party vendor for PHC4's risk-adjustment purposes. There is no anticipated change in the facility types that would be required to submit the lab data.

**Implementation Schedule:**

It is anticipated that Quarter 1, 2011 data (discharges from January 1, 2011 through March 31, 2011, which would be due to the Council June 30, 2011) would be the first quarter for which the lab data would be submitted directly to PHC4 or to a third-party vendor on behalf of PHC4 if the Council chooses to engage in such an arrangement.

**Attachment A  
Lab Data Collection**

Hospitals submit specified lab data elements for no more than 50 percent of the inpatient records as required by Act 3 of 2009. At a maximum, hospitals currently submit lab values for the 29 lab tests shown in the table below. While 29 is the maximum, not all cases for which lab data is currently required will have values for all 29 tests. The important data components include a date/time stamp, the lab test result, and the unit of measure associated with the result.

	<b>Lab Test Name</b>	<b>Date and Time Specimen Collected</b>		<b>Test Result</b>	<b>Test Unit of Measure</b>
1	Base Units Deficit/Excess	07-01-2010	09:15	3.0	mEq/L
2	Bicarbonate (HCO <sub>3</sub> ) Arterial	07-01-2010	09:15	22.1	mEq/L
3	O <sub>2</sub> Saturation Arterial	07-01-2010	09:15	99	%
4	pCO <sub>2</sub> Arterial	07-01-2010	09:15	33	mmHg
5	pH Arterial	07-01-2010	09:15	7.46	none
6	pO <sub>2</sub> Arterial	07-01-2010	09:15	335	mmHg
7	Albumin	07-01-2010	09:15	3.2	g/dL
8	Alkaline Phosphatase	07-01-2010	09:15	42	U/L
9	Aspartate Aminotransferase AST (SGOT)	07-01-2010	09:15	269	U/L
10	Bilirubin Total	07-01-2010	09:15	0.6	mg/dL
11	beta Naturetic Peptide (BNP)	07-01-2010	09:15	214	pg/mL
12	Calcium	07-01-2010	09:15	8.7	mg/dL
13	Creatine Kinase (CPK)	07-01-2010	09:15	132	U/L
14	Creatine Kinase MB	07-01-2010	09:15	3.3	ng/mL
15	Creatinine Serum	07-01-2010	09:15	1.2	umol/L
16	Glucose	07-01-2010	09:15	213	mg/dL
17	Potassium	07-01-2010	09:15	5.4	mEq/L
18	pro-BNP	07-01-2010	09:15	1001	pg/mL
19	Sodium	07-01-2010	09:15	1.8	mEq/L
20	Troponin I	07-01-2010	09:15	0.09	ng/ml
21	Troponin T	07-01-2010	09:15	0.2	ng/ml
22	Urea Nitrogen Blood (BUN)	07-01-2010	09:15	32	mg/dL
23	INR	07-01-2010	09:15	1.3	ratio
24	Partial Thromboplastin Time (PTT)	07-01-2010	09:15	29.6	sec
25	Prothrombin Time (PT)	07-01-2010	09:15	14.7	sec
26	Hemoglobin	07-01-2010	09:15	13.3	g/dL
27	Neutrophils Band	07-01-2010	09:15	5	%
28	Platelet Count	07-01-2010	09:15	52	10 <sup>9</sup> cells/uL
29	White Blood Count	07-01-2010	09:15	5.1	10 <sup>9</sup> cells/uL