HAP

THE HOSPITAL & HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA

April 15, 2010

Mr. Joe Martin
Executive Director
Pennsylvania Health Care Cost Containment Council
225 Market Street
Suite 400
Harrisburg, PA 17101

RE: Collection of Laboratory Data for Purposes of Risk Adjustment of Health Care Outcomes

Dear Mr. Martin,

On behalf of our more than 225 member hospitals and health care systems, The Hospital & Healthsystem Association of Pennsylvania (HAP) welcomes this opportunity to comment on the Pennsylvania Health Care Cost Containment Council's (PHC4) published notice in the *Pennsylvania Bulletin* that would require hospitals to continue reporting laboratory value data for use by PHC4 for purposes of risk adjustment.

Building Risk-Adjustment Models Using Laboratory Value Data

HAP believes that the continued inclusion of laboratory value data for use in a risk-adjustment methodology developed by the Council will augment the Council's ability to more accurately predict the likelihood of death and reduce deviations in predicted outcomes between hospitals. The analysis conducted by PHC4 relied on the laboratory risk-adjustment models developed by MediQual using laboratory data transmitted by hospitals. PHC4 will need to determine it's methodology for how to use laboratory values in developing the model to be used to risk-adjust hospital outcomes data. Inherent in this transition is the strong possibility that the risk-adjustment methodology that the Council elects to use may be different than previous models that relied on the severity of illness scores developed by MediQual, even though both models use laboratory value data submitted by hospitals. Therefore, HAP strongly recommends that the Council test its new risk-adjustment methodology that would use laboratory data reported directly to the Council against the models that relied on the MediQual severity scores to ensure that there is sufficient understanding of the change and what it may mean in the data used for public reporting of hospital performance. Further, HAP would also recommend that PHC4 be as transparent as possible with its risk-adjustment methodology and the analysis between its risk-adjustment methodology and the methodology previously used by the Council so that the hospital community and other key stakeholders understand the new risk-adjustment methodology. Hospitals should be able to apply the Council's new risk-adjustment methodology to their own data on a concurrent basis to monitor their performance and identify areas for quality improvement prior to PHC4 public data releases.

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Data Specifications

Since the Council has not yet determined the specific details regarding which data needs to be extracted/collected by hospitals and how the Council would want the data formatted and transmitted, it is difficult to comment on what file format should be used for the submission of the laboratory values to PHC4. To enable system changes, Pennsylvania hospitals need to have the data specifications quickly in order to understand what the requirements will be and to evaluate what options will be available to each facility to comply with data collection and submission requirements. The specifications are essential to ensuring that a consistent data set is submitted to the Council and in understanding what hospitals need to do to comply and what time hospitals or their vendors might need to make the changes required to comply with the submission of data per the specifications. HAP recommends that PHC4 engage in a similar comment period related to the actual data specifications so that hospitals can comment on the timeframe that will be needed by hospitals to comply with the laboratory value submission and what kind of technical support will be needed to assist hospitals in meeting these requirements.

Use of Vendors for Data Transmission

The hospital community does not support using a single designated vendor for laboratory data extraction, formatting, and transmission. HAP supports the development of specifications so that hospitals can determine whether they have the technical expertise internally to manage the extraction and transmission of laboratory values for identified cases to PHC4 or whether they will need a vendor to do so. The Council should publish the specifications to make vendors aware of the requirements to perform such a service. HAP is aware that Pennsylvania hospitals using other vendors for core measure reporting to CMS have been in discussion with these vendors about the possibility of developing products that could help their organizations meet the laboratory value data reporting requirements to be adopted by the Council. HAP recommends that PHC4 develop the capability to accept laboratory value data in a standardized format from hospitals and vendors. The Council should also consider adopting a data verification process that vendors, hospitals or health systems could use to demonstrate their compliance with PHC4 requirements.

Laboratory Values

HAP understands that the MediQual lab parser product and development of the severity of illness scores used in the PHC4 risk-adjustment models were dependent upon the extraction of the "worst-value" laboratory data. The hospital community strongly supports the use of "worst-value" laboratory data as opposed to "first-value" laboratory data since the "worst-value" would be more indicative of the patient's severity of illness. Many initial laboratory values may reflect normal values which subsequently become abnormal values based on therapeutic interventions such as rehydration or

correction of acid-base disturbances. In the development and adoption of the data specifications, PHC4 should develop requirements regarding the time period following admission when these laboratory values may be considered for data extraction. Additionally, hospitals currently using the MediQual lab parser product to electronically identify and transmit the required laboratory value data were concerned about changing which laboratory values needed to be extracted and in what time period. Adopting such a change might require these hospitals to revert back to manual laboratory value chart abstraction for a period of time or to execute a contract with another vendor, all of which could take additional time and resources. Additionally, HAP believes that any change to adopting "first-value" lab data should be a data-driven clinical decision, meaning that PHC4 should conduct an analysis to determine what impact selecting the "first" or "worst" laboratory values would have on the development of a severity score that would be used for risk-adjustment. Finally, HAP would recommend that PHC4 improve the risk adjustment methodology for public reporting by fully understanding what minimum laboratory value set is required on a condition by condition basis for use in developing the risk-adjustment models referenced above. Since PHC4 will be receiving laboratory value data directly from hospitals and vendors per the specifications outlined by PHC4, PHC4 should have the ability to do this kind of discriminant analysis and refine what values need to be collected and reported over time.

Cardiac Surgery

HAP recommends that PHC4 evaluate the use of laboratory value and present on admission data for purposes of risk-adjustment versus use of laboratory and other key clinical findings to determine what if any impact the additional clinical data might have on risk-adjusted cardiac surgery outcome measures. The majority of Pennsylvania hospitals and cardiac surgery physicians participate in the Society of Thoracic Surgery's (STS) cardiac surgery registry. HAP recommends that PHC4 consider engaging in discussion with hospitals that participate in the STS cardiac registry and the STS to determine if any data collected for the STS registry could be shared with PHC4 for use in risk-adjustment for cardiac surgery outcomes. If there is a way to share appropriate data elements from the STS cardiac surgery registry and collect similar data elements from those hospitals that do not participate in the STS cardiac registry, this may lead to greater consistency of Pennsylvania's report with a widely used database that measures the quality of cardiac surgery programs across the United States.

Summary

HAP appreciates the opportunity to provide comments on the Council's approach to using laboratory value data to develop risk-adjustment models. HAP believes that this needs to be iterative process that unfolds through scientific analysis and clinical validation of available data and ongoing communication and dialogue with Pennsylvania hospitals.HAP encourages PHC4 to continue to

solicit public comment particularly as the Council develops the specifications for the collection and transmission of laboratory values. PHC4 should share the models that it develops for use in risk-adjustment of hospital outcomes measures following the collection of the laboratory value data. HAP believes that this type of effort will enhance the quality of reporting and use of the reports by health care facilities, as well as other key stakeholders.

HAP welcomes the opportunity to discuss any of its comments and other hospital comments received by PHC4 with PHC4 staff. Should you have any questions about HAP's comments, please feel free to contact me or Lynn Leighton, VP, Health Services, HAP (lgleighton@haponline.org; 717-561-5308) or Martin Ciccocioppo, VP, Research Services, HAP (martinc@haponline.org; (717) 561-5363).

Sincerely,

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