



Pennsylvania Health Care Cost Containment Council

To: Chief Executive Officers
PA Hospitals and Health Systems

From: Joseph Martin, Executive Director
PA Health Care Cost Containment Council

Date: May 12, 2010

Subject: PHC4 Decisions Related to Lab Data Collection

A handwritten signature in black ink, appearing to read 'J. Martin', is written over the 'From:' line of the memo.

Issue

On March 4, 2010 the PA Health Care Cost Containment Council (PHC4) voted to continue the collection of laboratory data from PA hospitals to be used as part of the Council's risk-adjustment methodology. The Council's decision to continue the lab data collection requirement was based on recommendations from its Technical Advisory Group, which advised the Council to continue to collect and use the lab data for risk adjustment after reviewing detailed statistical analyses that demonstrated the superiority of using lab data for this purpose. This review by the Council was in response to changes imposed by its reauthorizing legislation (Act 3 of 2009), which calls for a transition in how the Council will collect data to be used in its risk-adjustment methodology.

This memo outlines subsequent actions taken by the Council regarding the processes by which hospitals will begin submitting lab data directly to PHC4, which is scheduled to begin with the discharges occurring from January 1, 2011 through March 31, 2011 (data that is due to the Council on June 30, 2011).

Council Actions/Decisions

On March 20, 2010 the Council began a 30-day public comment period to solicit input on potential implementation approaches for the continued collection of the lab data. Comments were received until April 20, 2010. Comments, as well as a summary prepared by PHC4 staff, are available for public viewing on PHC4's website at www.phc4.org.

On May 6, 2010, the Council voted on a number of items related to lab data collection. The comments received from hospitals and others were extremely helpful in addressing these items.

File format: The Council decided that a flat text file format was the most appropriate method for hospitals to use in submitting the lab data to PHC4. The majority of hospitals that commented during the public comment period expressed a preference for this format. Moreover it is the file format currently used for PHC4's collection of administrative data, so it will provide a level of familiarity. Choosing a single, consistent file format will provide standardization and allow a vendor-neutral data submission approach.

In submitting the lab data, hospitals will have the choice as to whether they wish to develop their own internal mechanisms/processes to submit the lab data or whether they wish to engage the services of a third-party vendor of their choice to do so. As such, the Council will be releasing a Request for Information (RFI) in order to identify potential vendors for this purpose. The Council's reauthorizing legislation requires that the Council maintain a list of at least two vendors that may be chosen by data sources for submission of specific data elements.

Laboratory Values to be Collected. This decision addressed whether the lab values collected should be based on the “first” or “worst” lab values recorded within a specified time period of admission. Overwhelmingly, the public comment respondents indicated the worst lab values (that is, the highest and/or lowest lab values recorded) should be collected since the worst value is thought to be a better representation of a patient’s severity of illness. Further, collecting and using the worst lab values for risk adjustment is consistent with the current approach.

This issue was discussed with PHC4’s Technical Advisory Group on April 26, 2010. Group members were informed of the comments received regarding this issue and members unanimously recommended PHC4 collect and use patients’ worst lab values for risk adjustment. On a related issue, the Council voted to support the Technical Advisory Group’s recommendation to maintain, for consistency, the current time parameters within which the lab values are collected: for patients admitted prior to 6:00 p.m., hospitals submit appropriate lab value(s) for tests administered on Day 1; for patients admitted on or after 6:00 p.m., hospitals submit appropriate value(s) for tests administered on both Days 1 and 2 of admission.

Time Line for Hospitals to Submit Lab Data Directly to PHC4: As stated in the public comment notice PHC4 intends to begin collecting lab data directly from hospitals starting with the Quarter 1, 2011 collection period, which includes discharge data from January 1, 2011 through March 31, 2011. While PHC4 will begin accepting this data starting on April 1, 2011, it is not due to PHC4 until June 30, 2011. Important milestones within this time frame are described below.

An important next step in this transition is for PHC4 staff to prepare data file specifications and to develop a data reporting manual, which would include the file specifications as well as the definitions of the data validations. PHC4 staff will also develop the technical guidelines and specifications for the Web-based submittal process and specifications for linking data elements. ***The Council voted to solicit further input from hospitals during this phase of the transition.***

The schedule for these activities is: May 6, 2010 – August 31, 2010.

The release date for the data file specifications is: September 1, 2010.

Following the release of the data file specifications, PHC4 staff will develop its internal system to collect and process the lab data, including developing a system to allow hospitals to upload lab data files, parse data files, perform data validations, link lab data with administrative data and produce error summaries.

The schedule for this PHC4 staff activity is: September 1, 2010 – March 31, 2011.

Following the development of the lab data collection system, PHC4 will begin collecting lab data. This phase includes assisting hospitals with the technical aspects of providing the appropriate file format and layout. Additionally, this phase includes assisting hospitals with the technical aspects of transmitting the data to PHC4. Lastly, this includes training and assisting hospitals with correcting the data.

PHC4 will begin accepting Quarter 1, 2011 lab data from the hospitals: April 1, 2011.

Quarter 1, 2011 lab data is due to PHC4: June 30, 2011.

Throughout this phase of the process, PHC4 will assist hospitals with the technical aspects of providing the appropriate file format and layout, as well as transmitting the data to PHC4 and correcting the data once submitted.

Additional Clinical Data for Cardiac Surgery Cases. Currently, the 60 hospitals that perform open heart surgery in PA submit clinical data beyond the lab data for cardiac surgery cases included in the Council's cardiac surgery report. Public comment was solicited regarding the potential options to consider in continuing to collect additional clinical data for these cases.

A recurrent theme raised in the comments was whether data that hospitals collect for the Society of Thoracic Surgeons' (STS) cardiac surgery database could be shared with PHC4 to be used for risk adjusting cardiac surgery cases in lieu of the additional clinical data currently provided by hospitals. At the Council's direction, staff will explore this possibility and will contact the appropriate facilities regarding this question.

A second popular suggestion voiced in the comments was whether it was necessary to continue collecting the additional clinical data; that is, might the lab data, along with present-on-admission indicators, be used to risk adjust the data in these reports. Staff is currently working on a series of analyses to help answer that question.

Thank you for your cooperation during this transition.

cc: PHC4 Executive Committee
Carolyn Scanlan, President & CEO, Hospital and Healthsystem Association of Pennsylvania
PHC4 Data Contacts