

**Request for Information  
(2010-02)**

***UPDATED AND REOPENED***

**Third-party Vendor Qualifications for the  
Submission of Laboratory Data**

**Pennsylvania Health Care Cost  
Containment Council  
*September 2010***

## The PA Health Care Cost Containment Council

### Request for Information (RFI)

#### Third-party Vendor Qualifications for the Submission of Laboratory Data

##### **Purpose of the Request for Information**

The PA Health Care Cost Containment Council (PHC4) is reopening this updated Request for Information (RFI) to identify potential vendors that may be chosen by PA hospitals for the purposes of submitting laboratory data to PHC4. PHC4 is reopening this RFI because more detailed data specifications are now available.

**Specific data and file specifications can be found in PHC4's Laboratory Data Reporting Manual, which is available on PHC4's website: <http://www.phc4.org/dept/dc/dcmanuals.htm>.**

**Hospitals and vendors will be required to comply with these specifications so that PHC4 receives the laboratory data in a standardized format.**

PHC4 is an independent state agency charged with collecting, analyzing and publicly 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 work is the ability to appropriately and adequately risk adjust the health care outcome data included in its public reports. 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.

Changes imposed by the Council's reauthorizing legislation (Act 3 of 2009) called for a transition in how PHC4 is to collect data for risk adjustment. As such, the Council voted to collect laboratory data from PA hospitals to be used as part of its risk-adjustment methodology. This decision was based on detailed statistical analyses that demonstrated the superiority of using laboratory data for risk-adjustment purposes.

While PA hospitals may choose to develop their own internal mechanisms to submit the required laboratory data to PHC4, it is expected that at least some hospitals will engage the services of a third-party vendor for this purpose. A specific provision of Act 3 states that "*the council shall maintain a vendor list of at least two vendors that may be chosen by any data source for submission of any specific data elements.*" The Council has released this RFI to satisfy this provision, with the intent of identifying vendors that hospitals may choose for the submission of the laboratory data to PHC4.

##### **About PHC4**

The PA Health Care Cost Containment Council is an independent state agency formed under Pennsylvania statute (Act 89 of 1986, as amended by Act 3 of 2009). Among other responsibilities, Act 3 specifically charges the Council with collecting, analyzing and making available to the public data about the cost and quality of health care in Pennsylvania. In meeting this assignment, the Council currently collects over 4.5 million inpatient hospital discharge and ambulatory/outpatient procedure records each year from hospitals and freestanding ambulatory surgery centers in Pennsylvania.

Interested parties can find the full text of Act 3 at PHC4's website, [www.phc4.org](http://www.phc4.org).

The Council is governed by 25 Council members, who serve voluntarily. Twenty-two members are appointed by the Governor and/or legislative leaders of the State Senate and the State House of Representatives. The remaining three members are the state Secretary of Health, state Secretary of Public Welfare, and the state Insurance Commissioner. A staff of 27 professionals supports the Council's activities.

### **Laboratory Data Submission Requirements**

PHC4 will collect laboratory data from Pennsylvania general acute care and specialty general acute care hospitals (approximately 170 facilities) 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 on April 1, 2011, it is not due to the Council until June 30, 2011.

**Specific data and file specifications can be found in PHC4's Laboratory Data Reporting Manual, which is available on PHC4's website: <http://www.phc4.org/dept/dc/dcmanuals.htm>.**

**Hospitals and vendors will be required to comply with these specifications so that PHC4 receives the laboratory data in a standardized format.**

The following sections provide general guidelines, but vendors are encouraged to review PHC4's Laboratory Data Reporting Manual for more detailed specifications.

#### *Laboratory Data to be Submitted*

Hospitals are required to submit relevant laboratory data for 29 laboratory tests. For ten of these tests, hospitals are to submit at most two test results; that is, the highest test result and the lowest test result recorded within a defined time period of admission. For 15 of the tests, hospitals are to submit the highest laboratory test result recorded, and for four of the tests, hospitals are to submit the lowest laboratory test result recorded. Laboratory data might not be available for all 29 tests.

In addition to submitting the actual laboratory test result for each test as appropriate, hospitals are required to submit the date and time the laboratory specimen was collected from the patient and the unit of measure (standard units of measure are used and are specified by PHC4).

Each laboratory test has a unique laboratory test code that represents both the laboratory test and the unit of measure. The laboratory test codes were designed to accommodate the submission of various units of measure used in a clinical laboratory system/laboratory information system.

Hospitals will submit only those laboratory test results collected within a defined time period of admission, depending on the time the patient was admitted to the hospital. For patients admitted prior to 6:00 p.m., hospitals submit the highest and/or lowest test result(s) for the select laboratory test(s) collected on that calendar day (Day 1, the day of admission) *only*. For patients admitted at or after 6:00 p.m., hospitals submit the highest and/or lowest test result(s) for the select laboratory test(s) collected on that calendar day (Day 1, the day of admission) *through* the next calendar day (Day 2).

Multiple laboratory tests can be taken during these time parameters, so vendors must have the capability to extract the highest and/or the lowest test results for each patient record from among multiple test results. While hospitals might wish to submit all of their laboratory data to PHC4 via an electronic upload rather than send particular laboratory test results for each of the laboratory tests, current PHC4 resources, including staff time, data storage and processing, would **NOT** permit such an approach. Therefore, it is vital that vendors be able to extract particular laboratory test results from hospitals' clinical laboratory systems/laboratory information systems.

Hospitals are required to submit laboratory data for particular records as currently identified by a list of 35 diseases, procedures, and medical conditions defined by MS-DRGs (Medicare Severity Diagnosis-Related

Groups) and/or ICD.9.CM diagnosis codes. This list is updated annually (about October 1<sup>st</sup> of each year) and, as required by Act 3, cannot exceed 50 percent of the total number of hospital discharges based upon the previous year's hospital discharge data. In 2008, these records totaled approximately 970,000 statewide. The average number of records requiring this data was approximately 5,700 per hospital. The list of the 35 diseases, procedures, and medical conditions (applicable to discharges occurring during the previous federal fiscal year) can be downloaded from PHC4's website at [www.phc4.org/dept/dc/list35.htm](http://www.phc4.org/dept/dc/list35.htm). An updated list is expected to be available at this site by October 1, 2010.

#### *Laboratory Data Submission Process and Criteria*

In submitting the laboratory data, hospitals have a choice to develop their own internal mechanisms/processes to submit laboratory data or to engage in the services of a third-party vendor of their choice to submit the laboratory data.

The following steps are necessary:

- The data file format for the laboratory data is a fixed-width delimited flat text file.
- The laboratory data submission process requires each hospital to extract laboratory test results from its clinical laboratory system/laboratory information system, if available, in a pre-defined fixed-width delimited flat text file format. If a clinical laboratory system/laboratory information system is unavailable, the hospital is responsible for preparing laboratory test results in a pre-defined fixed-width delimited flat text file format using another method.
- The pre-defined fixed-width delimited flat text file format will need to follow PHC4's Laboratory Data Reporting Manual. Note that the manual describes the data elements that are needed to link the laboratory data with the administrative data already collected by PHC4. The linking data elements may or may not be integrated between a hospital's clinical laboratory system/laboratory information system and its billing system, if the systems are separate. The hospital is responsible for providing matching data in the linking data elements.
- Once the pre-defined fixed-width delimited flat text file is created, the hospital will transmit the file along with the current administrative data submission to PHC4's secure portal. Hospitals submit the data to PHC4 on a quarterly basis.

The hospital may choose a vendor to do all, part or none of the aforementioned steps. This RFI is intended to allow vendors an opportunity to identify themselves to PHC4 for inclusion on a list of vendors to assist hospitals with the appropriate laboratory data submission.

The following minimum criteria are required for a vendor to be included on the list. Please describe in as much detail as necessary your capabilities in the following areas:

- Ability to interpret data file specifications.
- Ability to extract laboratory data and related billing data elements from hospital information systems in accordance with data file specifications.
- Ability to format extracted laboratory data and related billing data elements into a fixed-width delimited flat text file in accordance with data file specifications.
- Ability to transmit a fixed-width delimited flat text file over the Internet.

#### **Submission and Review Procedures**

Respondents who would like to be considered for inclusion on the list of potential vendors that may be chosen by PA hospitals for the purposes of submitting laboratory data to PHC4 must submit information to PHC4 that supports their qualifications to meet the criteria as noted above.

All materials submitted in response to this Request for Information will be the property of the PA Health Care Cost Containment Council and may be returned only at the Council's option.

### **Disclaimer**

This RFI is issued solely for information and planning purposes and does not constitute a procurement solicitation. Responses to this RFI are not offers and cannot be accepted by PHC4 or the Commonwealth of Pennsylvania to form a binding contract.

Respondents are solely responsible for all expenses associated with responding to this RFI. Respondents needing confidential treatment for any proprietary information they furnish must clearly identify that fact in their respective responses. Respondents to this RFI shall not provide recommendations as to specific courses of action and shall not be deemed to be an advisor or consultant to the Commonwealth. PHC4 will evaluate the information presented and determine any subsequent course of action.

### **Questions about this Request for Information**

Questions regarding this Request for Information *must be in writing* and will be accepted by mail or email. Answers will be provided in writing either through mail or email.

All correspondence should include a statement indicating that it is in reference to RFI #2010-02 and be addressed to:

Third-party Vendor Qualifications for Submission of Laboratory Data - RFI Response  
Attention: Reneé Greenawalt  
Pennsylvania Health Care Cost Containment Council  
225 Market Street, Suite 400  
Harrisburg, PA 17101  
Email: [rgreenawalt@phc4.org](mailto:rgreenawalt@phc4.org)  
PHC4 website: [www.phc4.org](http://www.phc4.org)

### **Final Responses to this Request for Information**

Final responses to this RFI must be in writing and must be delivered by **mail**, electronic or otherwise, or by **hand delivery** to the address listed above. Responses will be reviewed on an ongoing basis.

### **Vendor Information**

Provide a cover sheet with the following information, on letterhead if applicable:

- Name of organization
- Name and titles of contact person(s) with appropriate signatures
- Address
- Phone number
- Fax number
- Email address
- Website