

Looking Forward- where quality and finance intersect

CHAT Quality Collaborative
Mary Dale Peterson, MD, MSHCA
August 2013

83rd Legislative Session

- NICU Council Recommendations-establishes neonatal LOC, payment affected 2017
- Prenatal Health System –education and care coordination for members at high risk for preterm labor, availability of 17HP, as well as educate providers
- Penalties for PPEs- PPRs already instituted, PPAs and PPCs being worked on

83rd Legislative Session

- MCO default enrollment based on quality and “efficiency” (read cost)
- Study and report sepsis infections in Medicaid
- Advisory Committees
 - [State Medicaid Managed Care Advisory Committee](#)
 - [Intellectual and Developmental Disability System Redesign Advisory Committee](#)
 - [STAR Kids Advisory Committee](#)
 - [STAR+PLUS Quality Council](#)
 - [Quality Based Payment Advisory Committee](#)

\$400 Million Reduction

Effective dates of 9/1/13 or later:

- Children's hospitals and rural hospitals moving to APR-DRG
- 10% Outlier reduction (excludes children's hospitals)
- 5.3% Outpatient facility reimbursement reduction (excludes rural, children and state-owned teaching hospitals)
- Non emergent ER reimbursement reductions – 36 hour limitation, 24 visit limitation, flat fee
- Hospital imaging reimbursement reduced to 125% of reimbursement in physicians' office
- Reduce Medicaid rates in excess of Medicare

Quality Based Payment Advisory

Need to discuss addition of STAR Health and STAR Plus

Institute of Medicine (IOM) 141 Key Attributes	STAR	TIMELY	EFFECTIVE	EFFICIENT	EQUITABLE	PATIENT CENTERED
Standardized Measures						
Improve Conditions of Production						
Physician						
OP						
Post-acute Care						
Improve Conditions of Population						
Physician						
OP						
Post-acute Care						
Improve Conditions of LTSS						
Physician						
OP						
Post-acute Care						
Improve Conditions of Behavioral Health						
Physician						
OP						
Post-acute Care						

Pediatric Measures-

PPAs using PDI (pediatric discharge indicators)

For CY 2012, the STAR rates were:

Asthma Admission Rate (PDI 14): 6.44% statewide (range 3.6-12.03%)

Diabetes Short-term Complications Admission Rate (PDI 15): statewide 1.09% (range 0.52-2.26%)

Low Birth Weight Rate (PQI 9) statewide 4.99% (range 4.08-11.48%)

The remaining options are: Immunization combo 4, F/U for children with ADHD medications, RRUs for asthma, and possibly a PPA/PQI measure.



Role of Collaborative

- **Improve Care** by sharing and working through best practices
- **Improve Financial Stability**
 - Avoid penalties from hospital payment side and health plan side
 - For the hospitals with health plans, this could be a double hit
 - Currently 5% at risk with 5 measures- \$16Million at risk for just one measure among the 4 systems.
