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Date: December 4, 2009

To: Maryland Designated MHAC Quality Data Contacts

Cc: Maryland HPEG/QMDC Contacts
Maryland Case Mix and Finance Contacts

From: Robert Murray, Executive Director
Dianne Feeny, Associate Director, Quality Initiative

Re: Maryland Hospital Acquired Conditions (MHAC) Data and Reports for Full FY 2009

This memorandum is to detail the updated MHAC data and reports HSCRC is distributing within the next business day to Maryland hospitals.

Based on an updated regression analysis using the full FY 2009 MHAC data, we have observed there was very good stability from FY 08 to FY 09 as the number of PPCs remained at 50 that have statistically significant charge differences when they occur, with three MHACs moving out of the significant list and three moving in. Specifically, PPCs 26- Diabetic Ketoacidosis w/ coma, 43-Accidental Cut or Hemorrhage During Other Medical Care, and 55- Obstetrical Hemorrhage without Transfusion now are significant but were not in FY 08, and PPCs 29, 33 and 45 are no longer significant in terms of charges when they occur.

In order to determine whether the newly significant PPCs (26, 43 and 55) were ready to be added to the initiative, HSCRC convened the MHAC Clinical Vetting Workgroup to review the clinical assignment and exclusion logic of these PPCs. Based on input from the group, in addition to removing PPCs 29, 33 and 45 which are no longer significant in the regression, HSCRC has removed PPC 55 from the list based on clinical consistency/coding concerns similar to those raised about PPC 21- Clostridium Difficile Colitis. HSCRC notes that, while PPCs 21 and 55 will not be used for the initial implementation of the MHAC initiative, we urge the industry to work with the MHA to improve on the coding consistency as these PPCs will be added to the initiative after two years of implementation if they are significant in the future regression analysis.

HSCRC would like to thank the MHAC Clinical Vetting Workgroup for quickly convening and reviewing the newly significant PPCs and making their recommendations.

With this memorandum, HSCRC is providing hospitals updated regression values for the PPCs, normative statewide average values by APR by SOI for each PPC, and updated actual versus expected values and summary rankings for the MHAC/PPCs using the data for the full FY 2009. The attached excel file contains:

- A revised Appendix A Table 1- updated list of PPCs for the MHAC initiative with revised regression values based on FY 09 data..
- Revised Appendix C Table 3-actual vs. expected MHAC case rates by PPC by hospital the full FY 09.
- Revised Appendix D Table 4- summary MHAC hospital performance and rankings for the full FY 09.
- Revised Appendix E Table 5- statewide average PPC rates by APR DRG by SOI for the full FY 09.

For the full FY 2009, **HSCRC will be emailing within the next business day encrypted files to the designated MHAC Quality Data Contacts at each hospital.** Although case reports hospitals will receive will include 64 PPCs, HSCRC is implementing payment policy changes for 49 of the 64; you will note from the revised Appendix A Table 1 in the attached Excel file that the PPCs excluded from the MHAC list are 21, 29, 30, 32, 45, 46, 55, 57, 58, 59, 60, 61, 62, 63 and 64. Encrypted files sent to MHAC contacts will include:

- Excel files containing reports on cases at risk for and/or assigned one or more of 64 potentially preventable complications (PPCs)/MHACs at your facility based on data submitted to HSCRC. Figure 1 below contains the data field layout and definitions for the Excel file you will receive.
- PDF file containing case reports for all PPC/MHAC cases assigned will be forward with the Excel report.
- Excel overall, service line and drill down PPC reports that we ask to you to review and which will be discussed at our face to face meeting at the MHA offices scheduled for January 15, 2010 from 9am to 12noon.

Please contact Dianne Feeney, dfeeney@hscrc.state.md.us or 410-764-2582, if you have questions about the information enclosed or referred to in this memorandum.