PCMH Payer Subcommittee Meeting
July 23, 2015

Attendees
Monica Berner, BCBS of MT
Dr. Jonathan Weisul, Allegiance
Dr. Doug Carr, New West Health Services
Jo Thompson, Montana Medicaid
Todd Lovshin, PacificSource

CSI Staff
Amanda Roccabruna Eby
Cathy Wright

Amanda began the meeting by explaining that Mathematica did not have observation stay guidance ready for the payors to review in the meeting because they received the requested information from the payors too late to prepare the guidance in time for the meeting. The guidance will be ready for them to review at the next meeting, if needed.

Each payor commented on their position on reporting observation stays. Allegiance commented that observation stays are mostly reported as outpatient stays, not separate from others, and not tracked separately; but their data analysts could look into creating one report per year based on a specific formula proposed by Mathematica. They view observation as a prolonged ER visit that doesn't qualify for an inpatient stay.

BCBSMT commented that an observation stay is typically a patient being monitored until a condition such as blood pressure or heart rate is stabilized enough for them to be released or moved to another facility. She questioned the importance of tracking the measure since PCMH providers do not make decisions regarding observation. They view observation as a creation of how payors pay for acute short-term care and all payors likely do it differently. Everyone needs to define it the same way or the data is skewed.

Dr. Carr of New West commented that pulling observation stays out of a hospitalization count makes the hospitalization rate lower than it actually is. However, if they are not something PCMHs can impact then that would be a fairer evaluation of PCMHs' effect on hospitalizations and ER visits.

Amanda then went through each recommendation Mathematica had made for the next reporting cycle and asked each payor about their capability and interest in adopting the recommendation for future guidance. The first recommendation was to collapse multiple ER visits on the same day into the same episode of care. Allegiance thought this change would only add complexity. BCBS and Medicaid can both likely make changes but need more definition on all of them, such as a set of rules on issues such as capturing different or the same diagnosis codes within 24 hours.

BCBS expressed overarching concerns about all the recommendations and making any changes to the guidance. They commented on the difficulty to demonstrate trend in utilization year-to-year if they are changing the type of data being reported; changing the second year makes the first year data meaningless. Other payors agreed that the 2014 data would need to be re-submitted according to the

new guidance. BCBS's trending methodology has been consistent since 2009 and been able to demonstrate outcomes for their PCMH program.

Based on the subcommittee's concerns about changing the 2016 payor guidance, they proposed a vetting process by the council on every recommendation prior to any further discussion in the subcommittee on the recommendations and changing the guidance and prior to the companies doing any further internal investigation on their capabilities to make the changes. The subcommittee agreed to pose the following questions on each of Mathematica's recommendations to the council for discussion at their August 19th meeting.

1. Is there value in tracking observation stays? Should observation stays be considered a separate measure?
2. Is there value in collapsing multiple ER visits into one episode of care?
3. Is there value in separating ER visits that don't lead to hospital inpatient admission from those that do?
4. Is there value in removing newborn and delivery hospitalizations from the hospitalization rate?
5. Is there value in excluding certain facilities from hospitalization rates, such as swing-bed designations, long-term care hospitals, and rehabilitation hospitals?
6. Is there value in combining the components of an episode, such as transfers, into a single episode when they all reflect the same inpatient care provided?

The recommendation was for the questions the council responds "yes" to, the payors will submit their current definition to CSI and the subcommittee will consider the variance of the definitions.