Topics

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  • Reimbursement Adjustments
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• Program Changes and Next Steps
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Background

- Senate Bill 7, 82nd Legislature and Senate Bill 7, 83rd Legislature, directed HHSC to implement strategies to reduce potentially preventable events (PPEs) by hospitals and managed care organizations.
- Calculated biannually: full and mid-year reporting
Definitions

• *Potentially Preventable Readmission (PPR):* A PPR is a readmission (return hospitalization within the specified readmission time interval) that is clinically-related to the initial hospital admission.

• *Potentially Preventable Complication (PPC):* A harmful event or negative outcome, such as an infection or surgical complication, that occurs after a hospital admission and may result from processes of care and treatment rather than from natural progression of the underlying illness and are therefore potentially preventable.
Full Year Report Timeline

- **3/15**: Data is gathered for the analysis
- **6/1**: Hospital-level reports available for download via TMHP secure provider portal
- **9/1**: Reimbursement adjustments effective through 8/31 of the next year

Continuous program monitoring and assistance via MCD_PPR_PPC@hhsc.state.tx.us
## Full Year Report Timeline and Adjustments

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<thead>
<tr>
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<th>Previous</th>
<th>Current</th>
<th>Future</th>
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<tbody>
<tr>
<td><strong>Adjustment Period</strong></td>
<td>SFY 2022 (Sept. 1, 2021 to Aug. 31, 2022)</td>
<td>SFY 2023 (Sept. 1, 2022 to Aug. 31, 2023)</td>
<td>SFY 2024 (Sept. 1, 2023 to Aug. 31, 2024)</td>
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Reimbursement Adjustments

<table>
<thead>
<tr>
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<th>Actual-to-Expected Ratio</th>
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<tbody>
<tr>
<td></td>
<td>Satisfactory</td>
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<tr>
<td></td>
<td>Less than 1.10</td>
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<tr>
<td>Potentially Preventable</td>
<td>No Penalty</td>
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<tr>
<td>Complications (PPCs)</td>
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<tr>
<td>Potentially Preventable</td>
<td>No Penalty</td>
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<tr>
<td>Readmissions (PPRs)</td>
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Mid-year Reports

• Reporting Period: First half of the SFY
• No reimbursement adjustments
• Published in August of the same SFY reporting period
  • E.g., SFY 2022 Mid-year reports will be published in August 2022.
• Available only upon request to MCD_PPR_PPC@hhsc.state.tx.us
  • Includes PDF reports and underlying excel data
Data and Reports

• Each hospital receives for both PPRs and PPCs:
  • PDF reports
  • Underlying Excel Data
  • Admissions volume permitting

• Results are private for one year, available through the TMHP secure provider portal at https://www.tmhp.com/

• Made public one year later on the Texas Healthcare Learning Collaborative (THLC) portal at https://thlcpportal.com/.
Hospital-Level Report

- PDF file format
- Separate PDF reports for PPR and PPC, as applicable
- Retrieved via TMHP secure provider portal
- Portal contains reports for previous years
Underlying Data

- Microsoft Excel file format
- Detailed hospital specific data used in the analysis
- Retrieved via TMHP secure provider portal for full-year period.
- Data for mid-year reports sent via encrypted email.
HHSC PPE Website

https://www.hhs.texas.gov/about/process-improvement/improving-services-texans/medicaid-chip-quality-efficiency-improvement/potentially-preventable-events

Resources

- Texas Administrative Code, Title 1, Part 15, Chapter 354, Subchapter A, Division 35, Reimbursement Adjustments for Potentially Preventable Events
- Methodology Overview PPR (PDF)
- Methodology Overview PPC (PDF)
- Risk Adjustment Methods and Calculations for PPR and PPC (PDF)
- 3M All-Patient Refined Web Portal (please email the PPR PPC Coordination Team to request login access)
- Guide to navigate the 3M Portal (PDF)

Fiscal Year 2021

- FY 2021 Hospital-Level Reporting Template PPR (PDF)
- FY 2021 Hospital-Level Reporting Template PPC (PDF)
- FY 2021 Technical Notes PPR (PDF)
- FY 2021 Technical Notes PPC (PDF)
- FY 2021 Grouper 38 APR-DRG Effective 10/1/2021 (Excel): Used to calculate PPR weights (Note: reimbursement reductions were assessed using unweighted PPR results)
- FY 2021 PPC Weights Version 38 (Excel): Used to calculate PPC Weights
- FY 2021 Texas Scaling Factor = 1.4528 (To account for Texas and the national average in PPC calculations)
- FY 2021 Statewide Data File PPR (Excel)
- FY 2021 Statewide Data File PPC (Excel)
- FY 2021 State Norm File PPR (Excel)
- FY 2021 State Norm File PPC (Excel)
3M Software Manuals and Overview

• Available online at https://www.aprdrgassign.com/

• Login for Texas Hospitals available upon request at MCD_PPR_PPC@hhsc.state.tx.us

• “Definitions Manual” contains technical breakdown of PPE assignments and exclusions

• “Methodology Overview” provides higher level analysis notes
Recent Program Changes

• SFY 2020 reports were changed to use event based or unweighted rates to allow for more accurate risk adjustment.

• SFY 2021 reports excluded neonatal jaundice admissions from PPR consideration:
  • Manual change to be reflected in later 3M software versions
Stakeholder Meeting Series

• Planned for semi-annual meetings in the summer and fall
• Corresponding with full-year report release and annual 3M software updates
• Information will be distributed via email and posted to the PPE webpage at https://hhs.texas.gov/about-hhs/process-improvement/medicaid-chip-quality-efficiency-improvement/potentially-preventable-events
Discussion

- Goals of the meeting series
  - Develop/discuss information for HHSC and 3M regarding clinical logic used for PPRs and PPCs
  - Provide regular updates on the program
  - Discuss quality improvement opportunities

- Structure of future meetings

- Current stakeholder feedback

Questions/Discussion?
Thank you.

Contact
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