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OKLAHOMA HEALTH CARE AUTHORITY

ED Utilization

Summary

The Emergency Department (ED) utilization incentive's purpose is to supply further payment to PCP's that meet or exceed the ED utilization compliance rate and to incentivize PCP's to educate panel members about proper ED usage. The first payment will be made in April 2009 based on dates of services between October 1, 2008 and December 31, 2008 with paid dates through March 31, 2009.

Criteria

Providers that qualify will be paid a per member month rate for the relative member months in his or her panel. The relative member months are determined as follows:

- Providers with observed-to-expected (O\E) ratios of member ED visits and office visits below the lower end of the historical 95% confidence interval will have their actual panel member months count twice. (Highest level of compliance)

- Providers with O\E ratios above the upper end of the historical 95% confidence interval will have their actual panel member months count once. (Lowest level of compliance)

- All other providers will have their actual panel member months count one and a half times. (Moderate level of compliance)

Payment will be determined by the percentage of relative member months in a provider's panel out of all relative member months multiplied by the funds available for the quarter.

Each service location is considered a unique provider.

Panel Eligibility

For ED utilization, the base payment is determined by the consistent SoonerCare Choice memberships from the provider's panel. These are the members that are most likely to be affected with proper education about emergency room practices. Members must be enrolled with that provider in the quarter of interest and the previous quarter a combined total of at least 4 months.

Claims

ED claims are SoonerCare Choice physician fee-for-service claims with procedure codes between 99281 and 99285.

OV claims are SoonerCare Choice encounters on PCP claims only.

Claim status is different from denied.

Only claims with a first date of service in the period of interest are included in the calculations.

Risk Adjustment

Provider panels are risk adjusted using the John Hopkins University Adjusted Clinical Group (ACG) Case-Mix System. SoonerCare Choice members are designated a categorical ACG score by the John Hopkins University ACG Case-Mix System based on the claim history and characteristics of the members. Although there are over 100 categories available, members will only fall into one category. Hence, qualifying members on the PCP panel are categorized by the ACG score. ACG values are updated semi-annually. An ED ratio is then calculated for each ACG value. This ratio is the ratio of ED visits by all members in that ACG category to all visits (ED and OV) from members in that category.

ACG Rates for Selected ACG Scores			
ACG Score	*Office Visit Count*	*ED Visit Count*	*ACG Specific ED Rate*
0100	*3962*	*637*	*0.1385*
0200	*8766*	*2638*	*0.2313*
0300	*9737*	*3606*	*0.2702*
…	*…*	*…*	*…*

A provider's expected ED rate is the sum of the expected ACG specific ED rates of each member in his or her panel that had either an ED visit or an OV visit in the period of interest divided by the same count of members. In the below example, the provider will have an expected ED rate of .1853 = (0.9268/5).

Provider ABC's Expected ED Rate				
Provider	*Client ID*	*ACG Score*	*ACG Specific ED Rate*	*Provider ED Rate*
ABC	*Member 1*	*4910*	*0.2039*	---
ABC	*Member 2*	*2900*	*0.2321*	---
ABC	*Member 3*	*0100*	*0.1385*	---
ABC	*Member 4*	*1900*	*0.1773*	---
ABC	*Member 5*	*4220*	*0.1750*	---
TOTALS	***5***		***0.9268***	***.1853***

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A provider's observed ED rate is the sum of the actual observed ED visits by members in his or her panel that had any type of visit in the period divided by the total visits (ED and OV). In this example, the observed ED rate is .1739 = (4/23).

Actual Visits by Provider ABC's Clients			
Client ID	***Office Visit Count***	***ED Visit Count***	***All Visits***
Member 1	4	2	6
Member 2	5	0	5
Member 3	0	1	1
Member 4	9	1	10
Member 5	1	0	1
TOTALS	***19***	***4***	***23***

The O/E ratio is the observed ED rate divided by the expected ED rate.

Provider ABC's O/E Ratio		
Expected ED rate	***Observed ED rate***	***O/E Ratio***
.1853	*.1739*	*.9385*

ED Utilization Quarterly Payment Example

The allotment for this measure is $500,000 annually. The amount available per quarter is $125,000.

The example shows providers with comparative volumes, but different performance measures. The 95% confidence interval around the historical O/E ratio has a range of 1.05 (O/E ratios less then this number receive a rate of 2) and 1.17 (O/E ratios greater than this number receive a rate of 1). O/E ratios between 1.05 and 1.17 will receive a rate of 1.5.

Observed ED Visit Rate	Expected ED Visit Rate	O/E Ratio	Actual Member Months	Rate	Relative Member Month Count	% of Payment	Quarterly Payment	Payment per Member Month
0.20747906	0.2261484	0.9174465	23,150	2	46,300.00	0.0369656	$4,620.67	$0.20
0.33538251	0.2724188	1.2311284	18,178	1	18,178.00	0.0145132	$1,814.14	$0.10
0.29776446	0.2687024	1.108157	13,653	1.5	20,479.50	0.0163507	$2,043.82	$0.15
0.24612403	0.269446	0.9134448	1,419	2	2,838.00	0.0022658	$283.23	$0.20
0.38378378	0.2367489	1.6210586	1,401	1	1,401.00	0.0011185	$139.82	$0.10
0.34080717	0.3084303	1.1049732	1,371	1.5	2,056.50	0.0016419	$205.24	$0.15

Source: APS Healthcare