

Wear The Cost

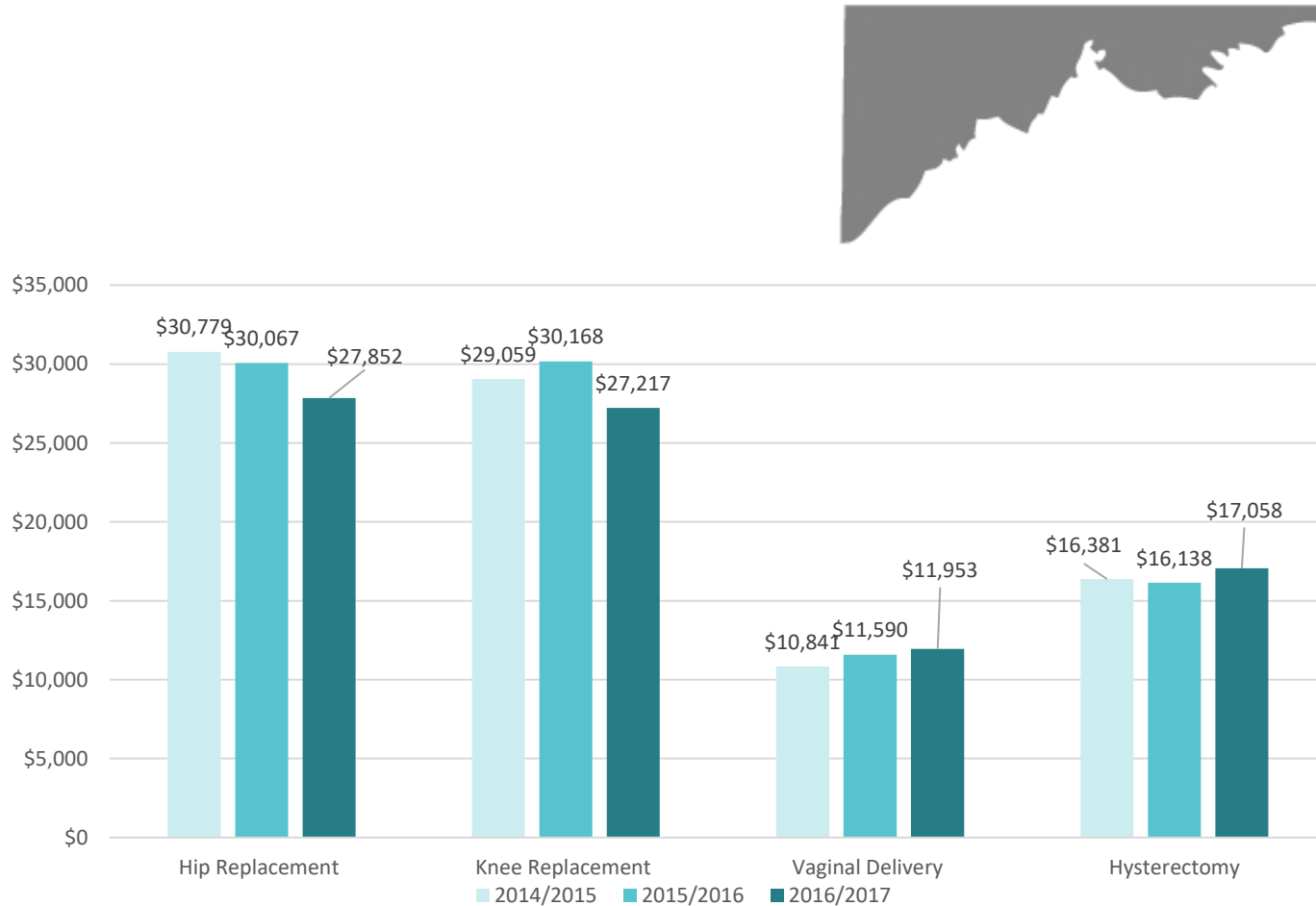
Selected Episodic Spending
Among Maryland's Privately
Insured
January 21, 2021



- Source – Privately Insured claims data
- Study Windows (2014/2015, 2015/2016, 2016/2017)
- Kaiser claims not included because payment is not reported for professional services
- ERISA protected private employer sponsored plans are not included
- Development and Production Team –
 - MHCC Staff
 - Remedy Partners (part of Signify Health) - execution of the grouper software and review of results
 - Social and Scientific Systems – Development of ‘Wear the Cost’ Website
 - The Hatchers Group – Content promotion and Media engagement



Statewide Average Episode Cost 2014 - 2017



Adjusting to Illness Burden

- Variables included in risk-adjustment:
 - Patient demographics – age, gender
 - Co-Morbidities- Conditions that exist prior to episode
- Identified from diagnosis codes on historic claims prior to episode
- Episode-specific factors - Markers of clinical severity (obesity, etc.)

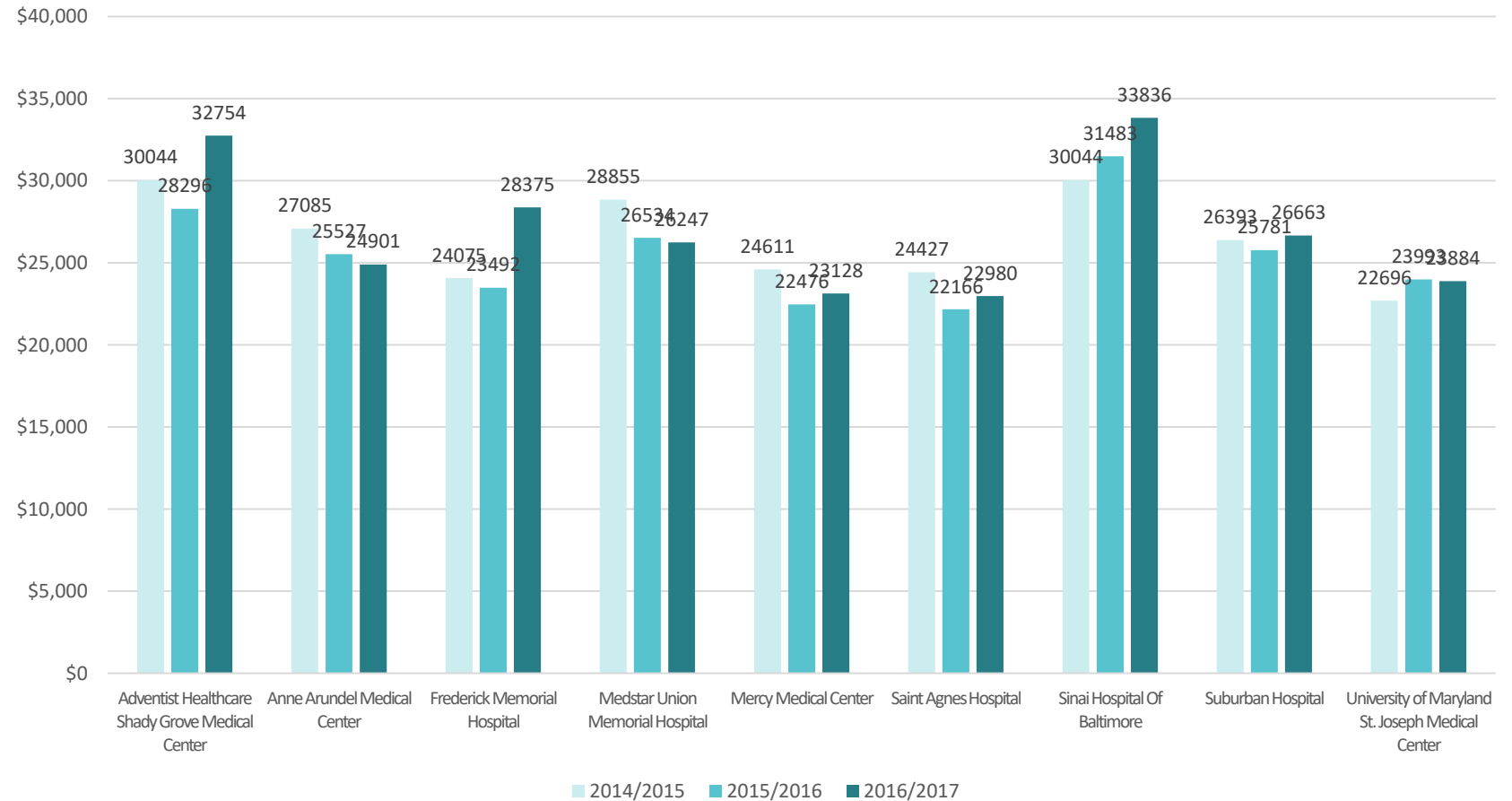
Episode severity index/Case-mix/Risk Score: Measure of a hospital's relative illness burden (severity of patients relative to others/statewide)

Risk-adjusted Episode Cost: Total episode costs after having accounted for differences in hospital's relative case-mix

The cost used in this presentation is Risk-adjusted Episode Cost

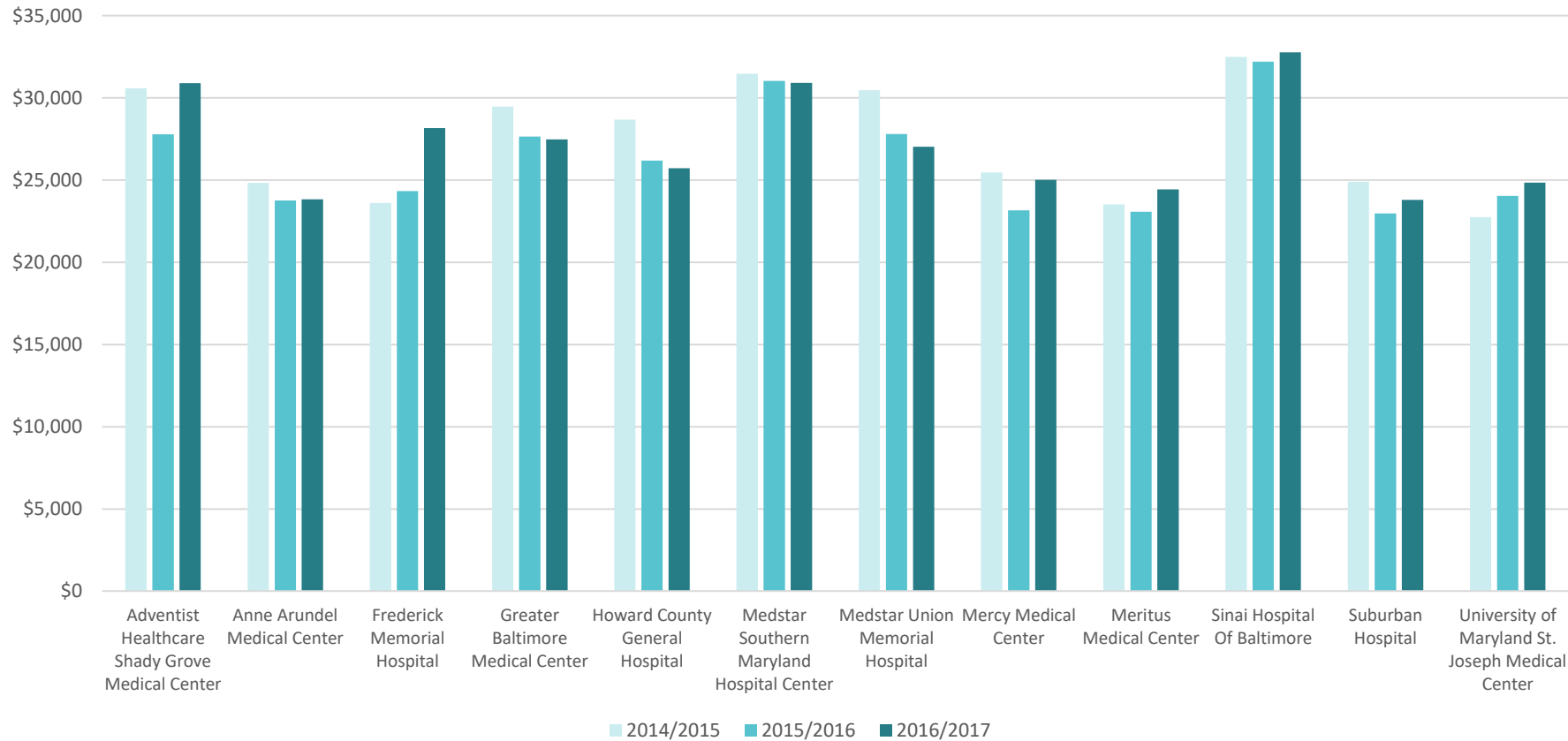


Hip Replacement Costs



Note: Includes only hospitals that qualify for reporting for all three study windows.

Knee Replacement Costs

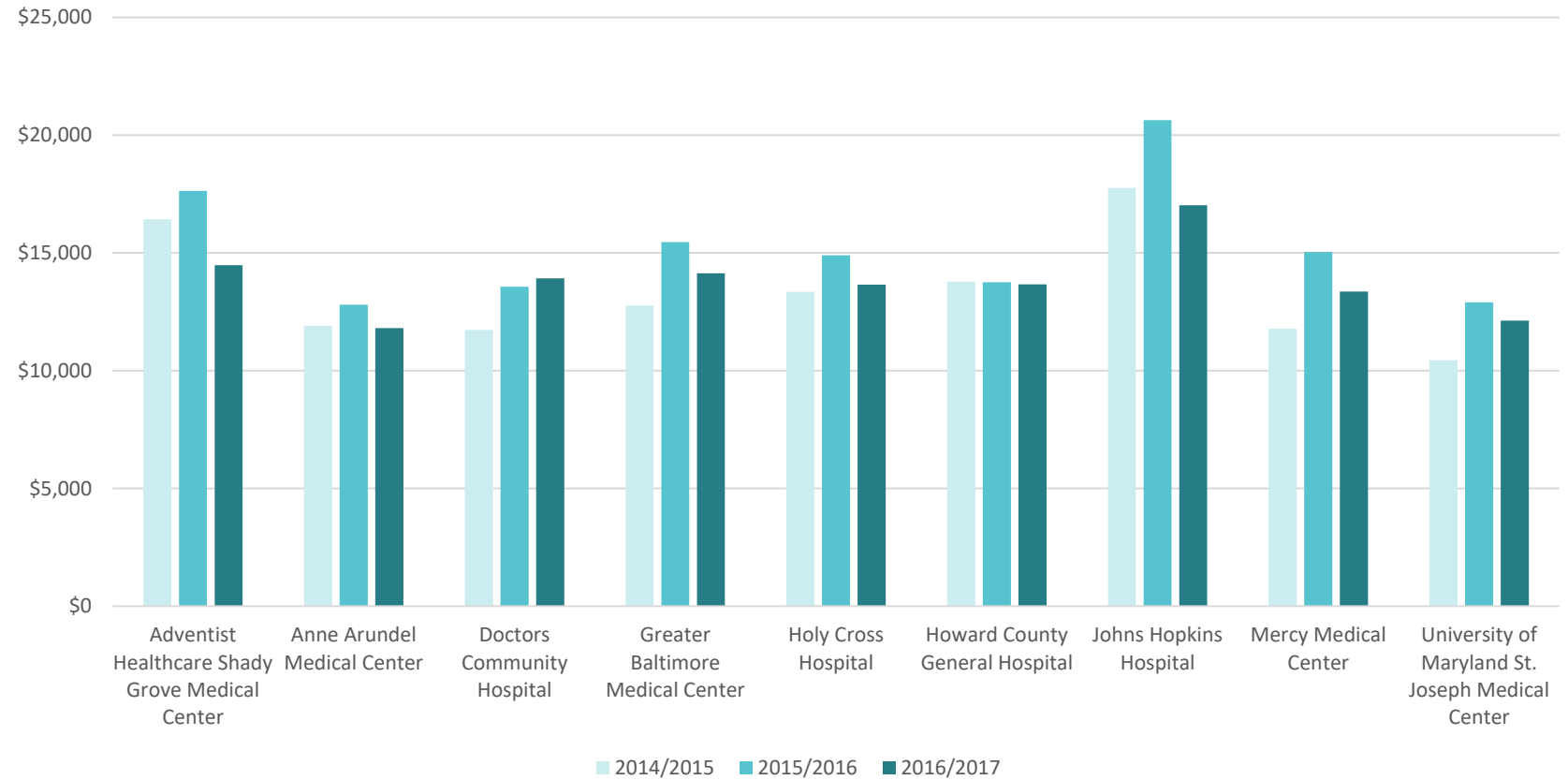


Note: Includes only hospitals that qualify for reporting for all three study windows.





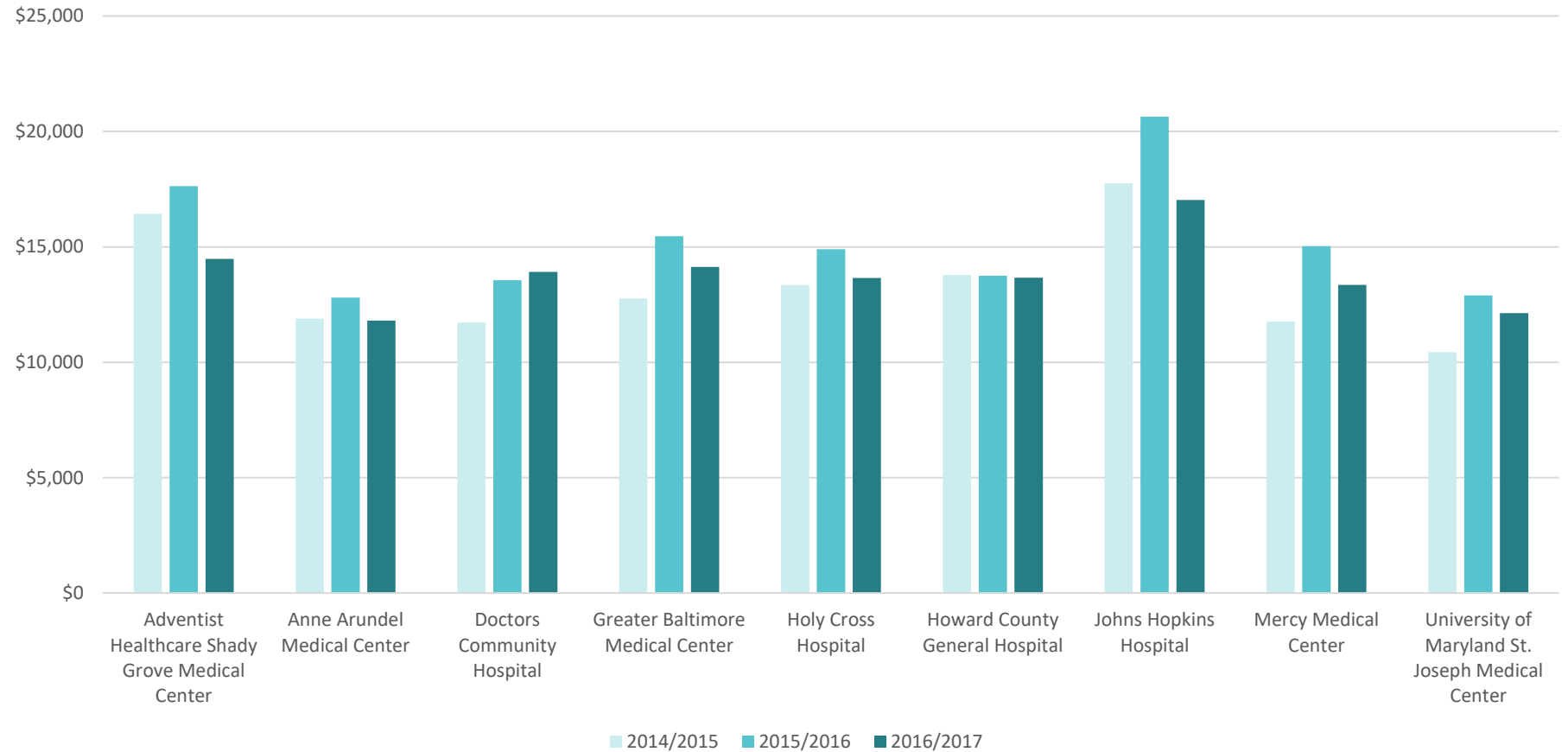
Vaginal Delivery Costs



Note: Includes only hospitals that qualify for reporting for all three study windows.



Hysterectomy Costs



Note: Includes only hospitals that qualify for reporting for all three study windows.

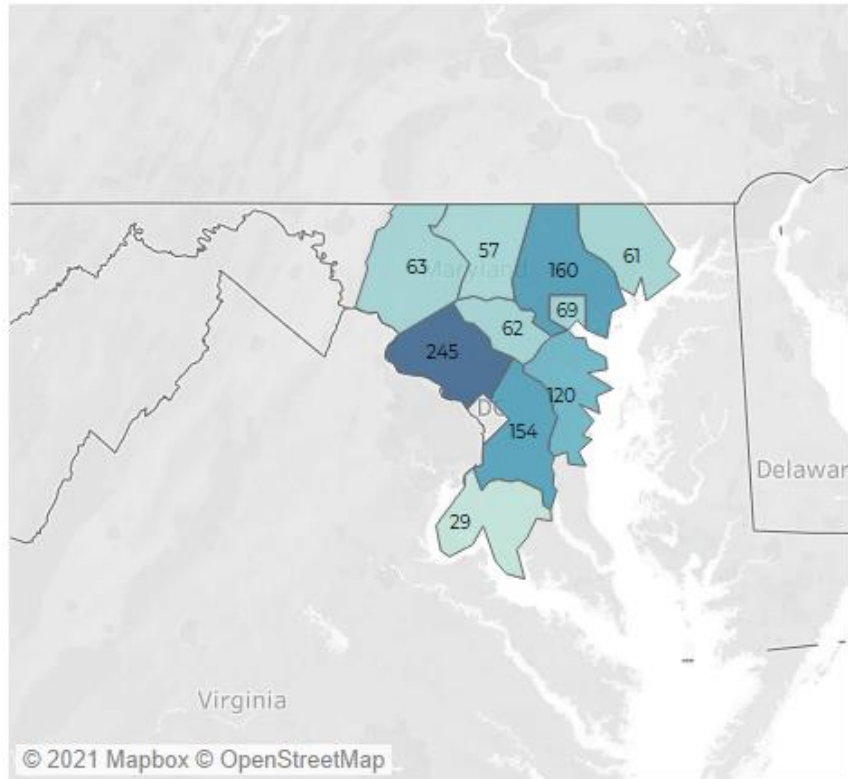
Increase in the total episode volume for each Episode Category across study window can be partially explained by three factors

- Refinement of the study window
- Episode grouper alignment with new procedural and diagnostic codes (ICD-9/10)
- MCDB data submission and quality check improvement

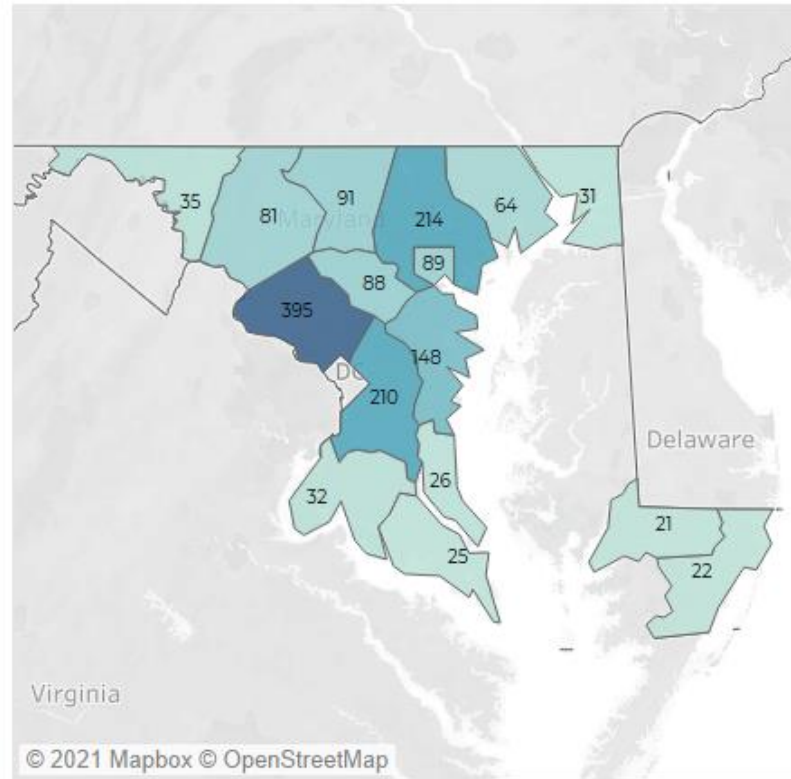
The following four slides show the episode counts through the three study windows

Hip Replacement Episodes

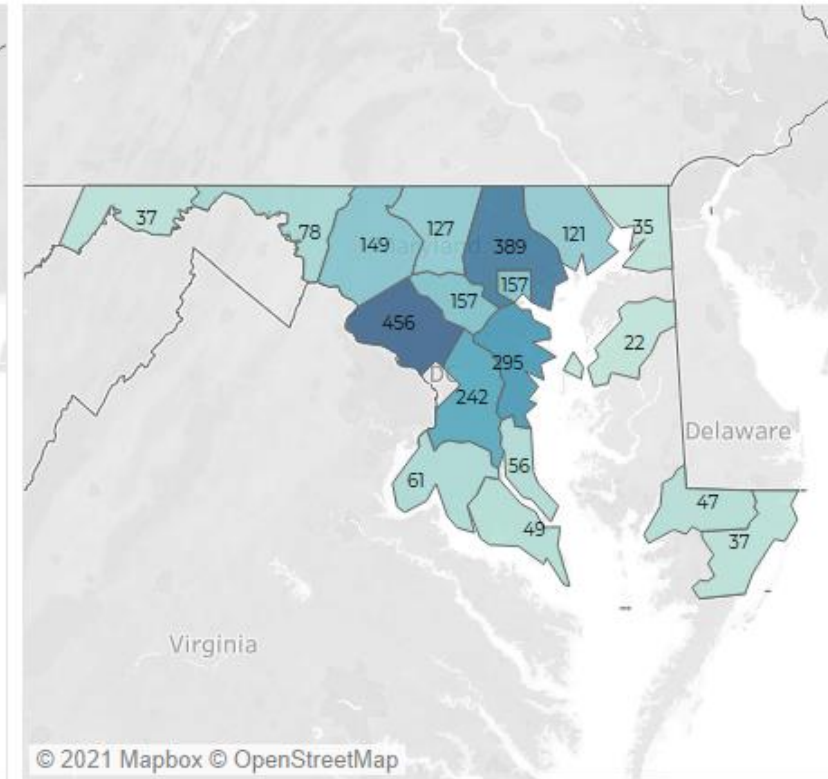
2014/2015



2015/2016

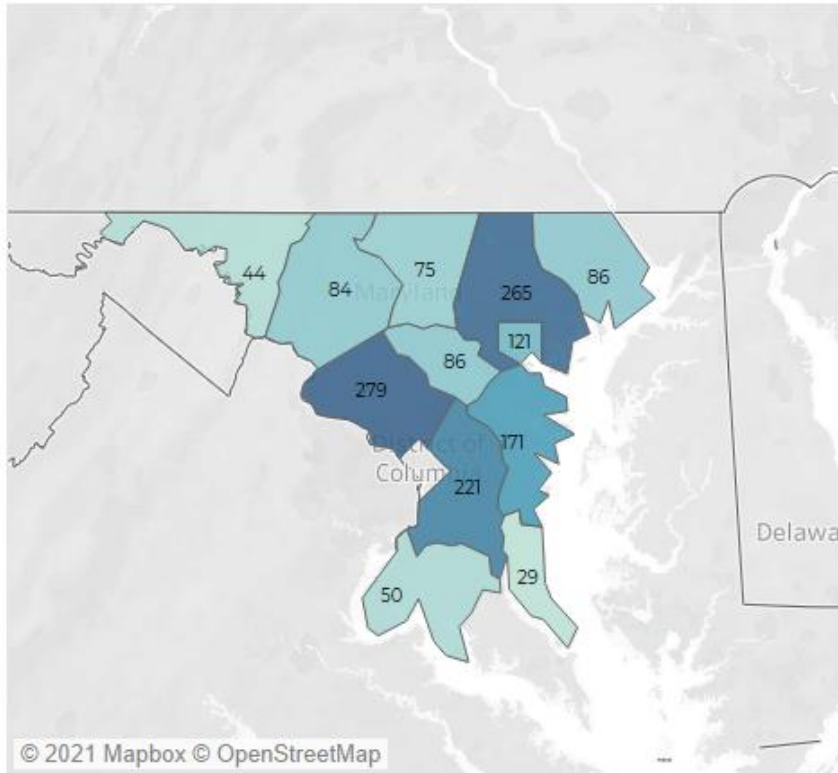


2016/2017

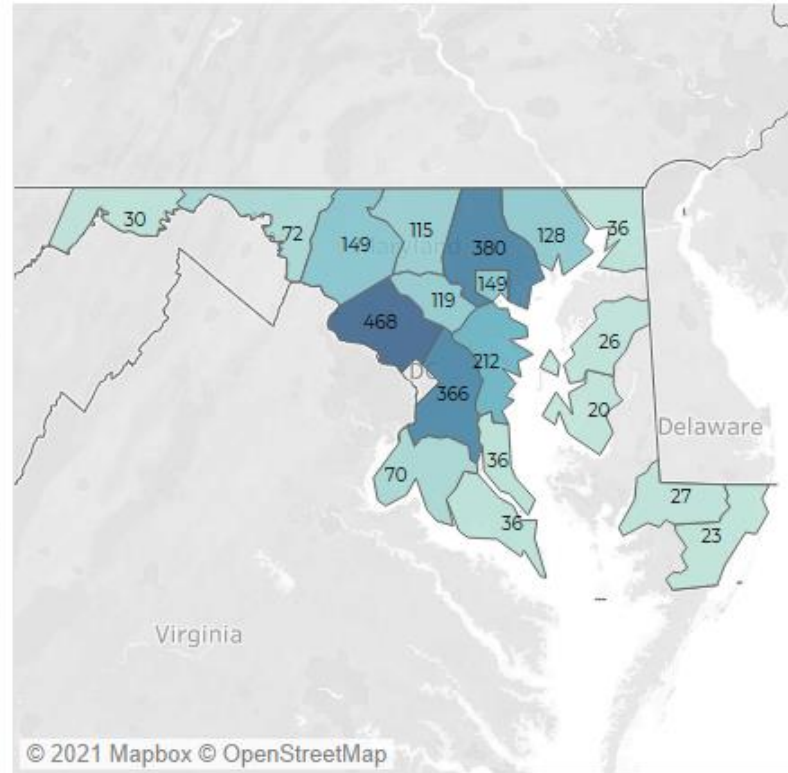


Knee Replacement Episodes

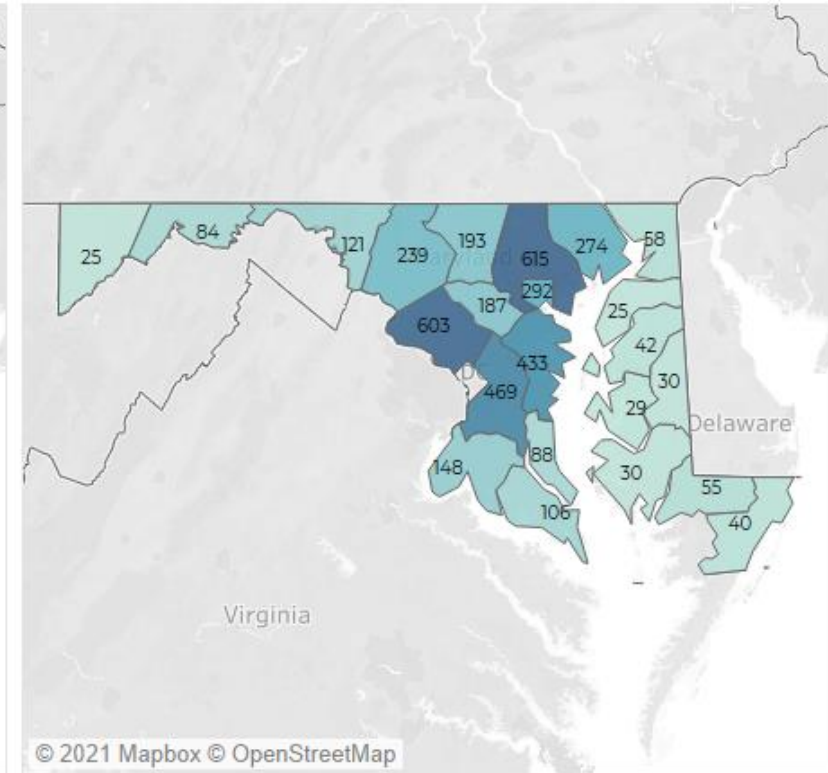
2014/2015



2015/2016

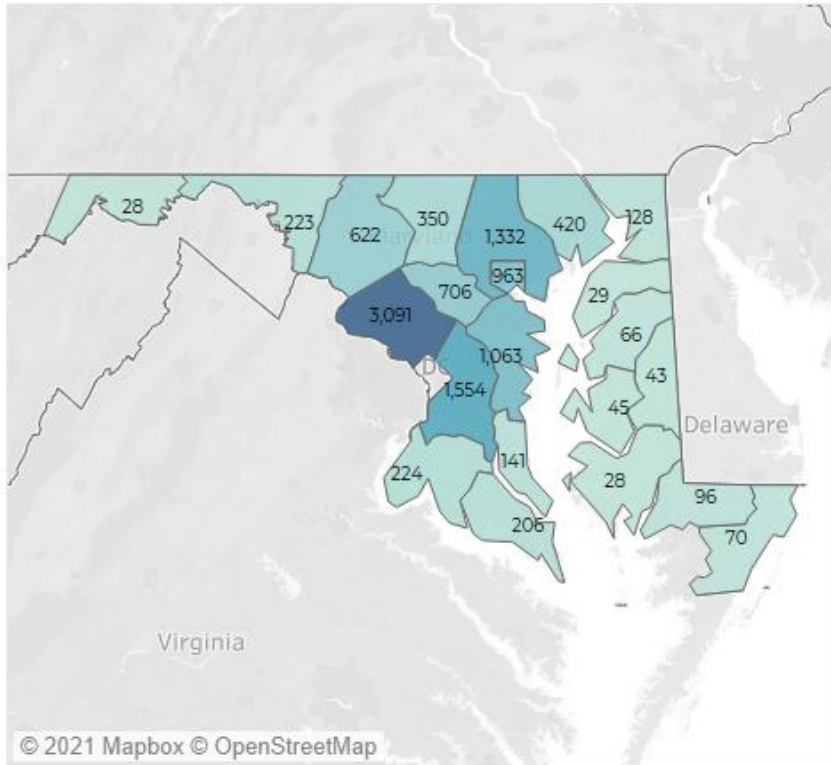


2016/2017

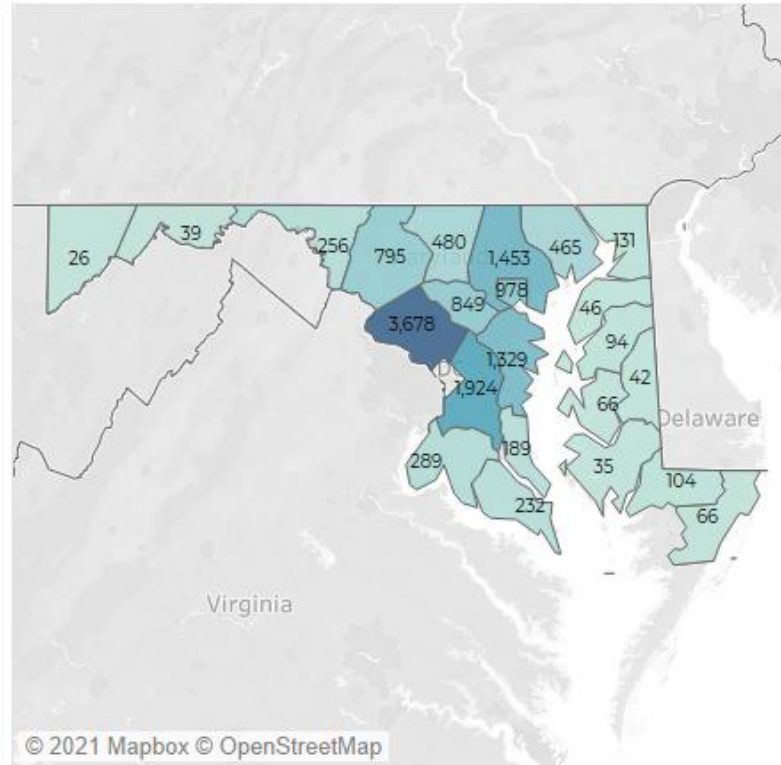


Vaginal Delivery Episodes

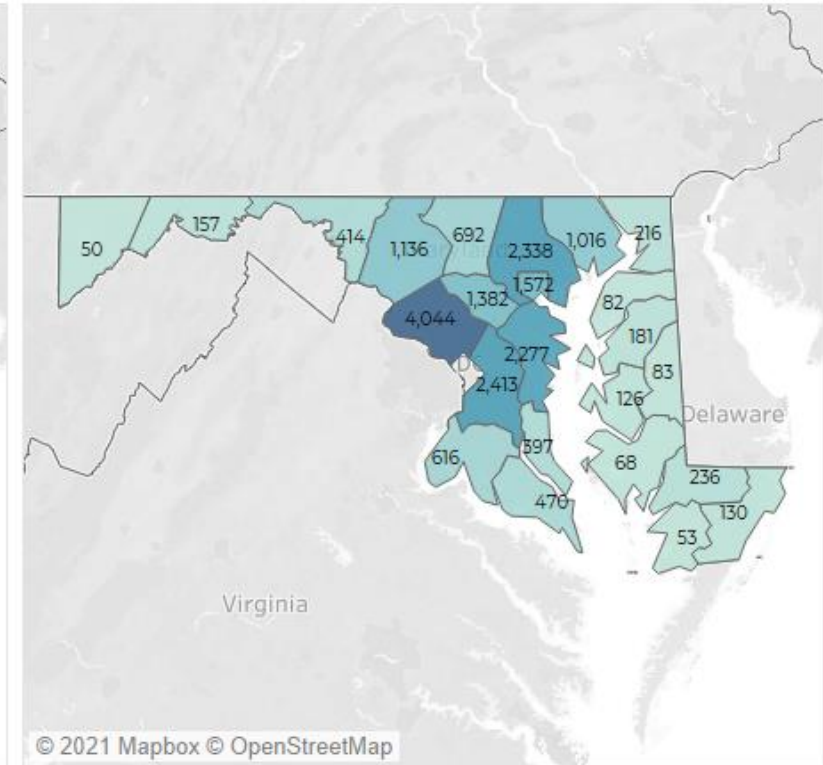
2014/2015



2015/2016

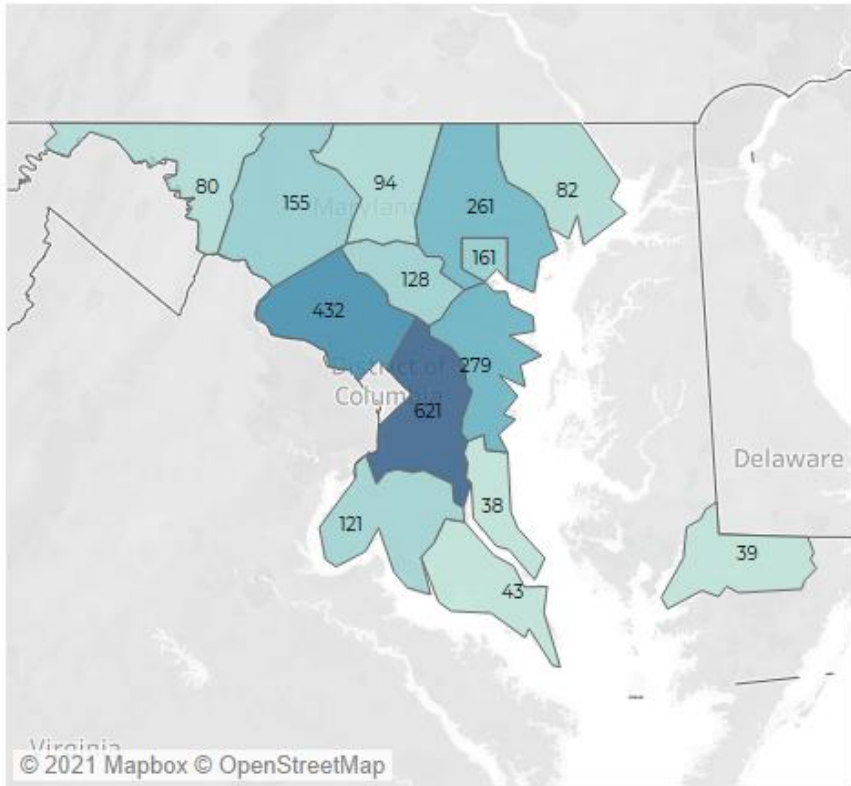


2016/2017

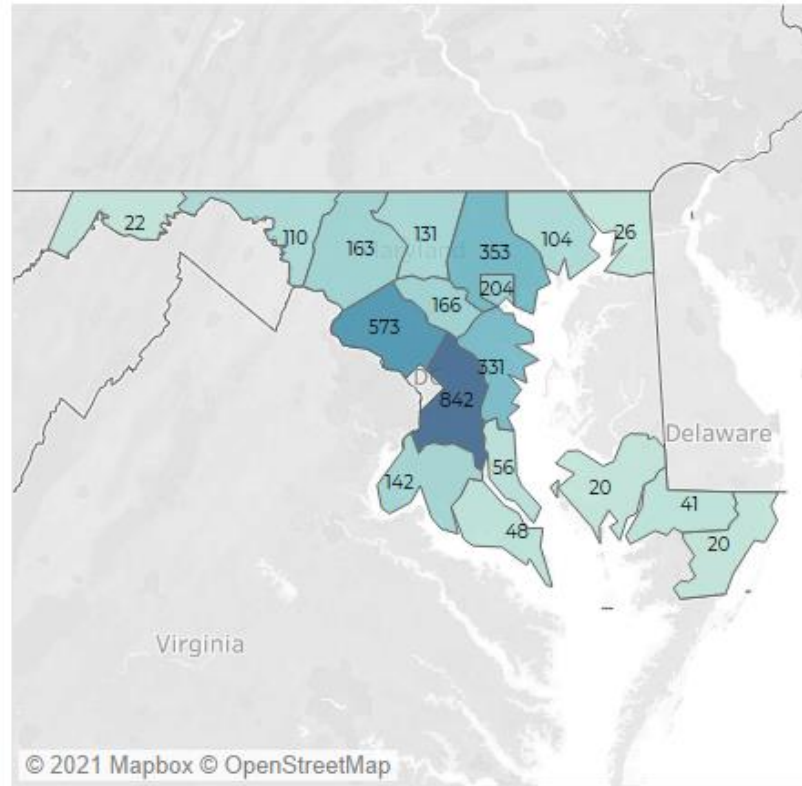


Hysterectomy Episodes

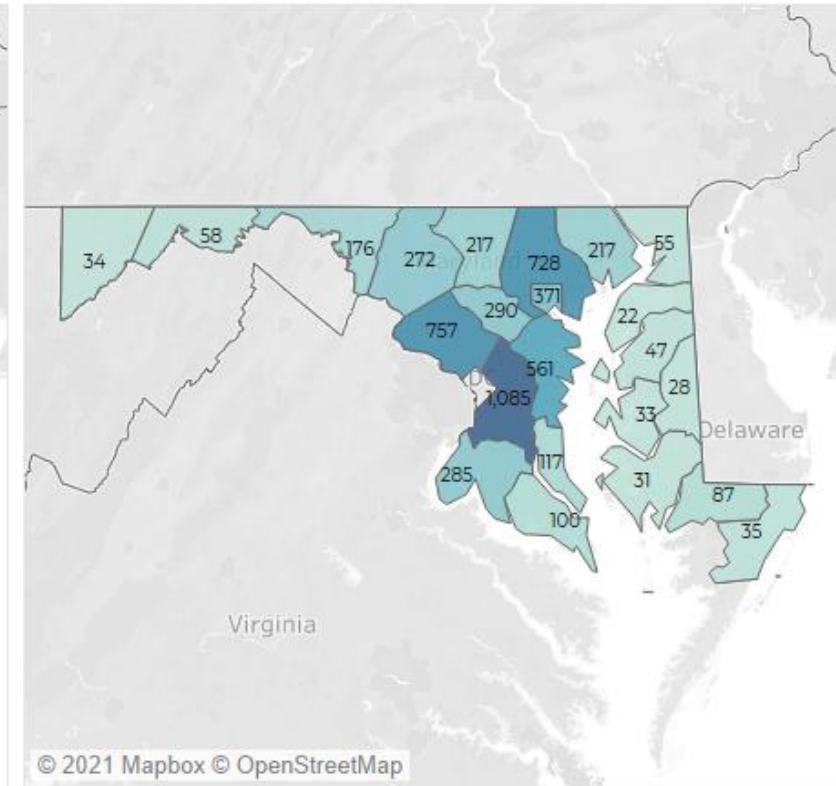
2014/2015



2015/2016



2016/2017



Count of Episodes for study window 2016/2017 By Age Group

Episode Description	10 - 19		20 - 29		30 - 39		40 - 49		50 - 59		60 - 69	
	%	#	%	#	%	#	%	#	%	#	%	#
Hip Replacement			0.6%	16	2.1%	55	10.1%	263	45.9%	1,198	41.3%	1,079
Knee Replacement					0.4%	17	5.9%	251	47.7%	2,012	46.0%	1,940
Vaginal Delivery	1.2%	241	31.7%	6,474	62.5%	12,756	4.6%	948				
Hysterectomy			0.7%	42	11.6%	655	49.6%	2,801	28.8%	1,628	9.3%	526

Newly added Episodes

Episode Description	10 - 19		20 - 29		30 - 39		40 - 49		50 - 59		60 - 69	
	%	#	%	#	%	#	%	#	%	#	%	#
Bariatric Surgery	0.5%	18	7.8%	268	24.6%	840	32.8%	1,122	27.4%	936	6.8%	234
C-Section	0.5%	54	23.2%	2,553	66.7%	7,325	9.5%	1,043				
Colorectal Resection			3.7%	52	8.3%	115	18.2%	254	43.3%	603	26.1%	364
Gallbladder Surgery	1.0%	55	10.5%	596	20.3%	1,152	24.6%	1,398	29.6%	1,680	14.0%	792
Lumbar Laminectomy	0.4%	17	4.0%	160	14.0%	563	21.0%	847	37.0%	1,490	23.6%	953
Lumbar Spine Fusion			1.6%	29	7.4%	131	17.2%	306	44.4%	790	29.1%	518

Summary

- Statewide average episode costs declined for Hip replacement episodes.
- Statewide average episode costs increased for Vaginal delivery episodes
- Results are inconclusive for hysterectomies and knee replacements.
- Improvement in MCDB data submission and quality check contributed to the increase of episode volume.

Next step

- Commercial 2018/2019 study window is currently in process.
- Use the demographic distribution to inform the 'WearTheCost' consumer education campaign.