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**Hospital Quality-Based Potentially
Preventable Readmissions (PPR) and
Potentially Preventable
Complications (PPC) Program
Refresher**

January 30, 2018

Topics



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- General Information
 - Background
 - Definitions
 - Timeline
 - Reimbursement Adjustments
- Data & Reports
 - Hospital-Level Reports
 - Underlying Data
 - Public Data
 - Data Flow
- Next Steps & More Information
 - Program Enhancements
 - Resources

Background



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- Legislatively mandated
- Calculated annually
- Quality-based program
- Disincentive and Incentive components
- Texas Administrative Code Rules:
[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=1&pt=15&ch=354&sch=A&div=35&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=1&pt=15&ch=354&sch=A&div=35&rl=Y)
- HHS PPE webpage: <https://hhs.texas.gov/about-hhs/process-improvement/medicaid-chip-quality-efficiency-improvement/potentially-preventable-events>

Definitions



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- *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.

Data



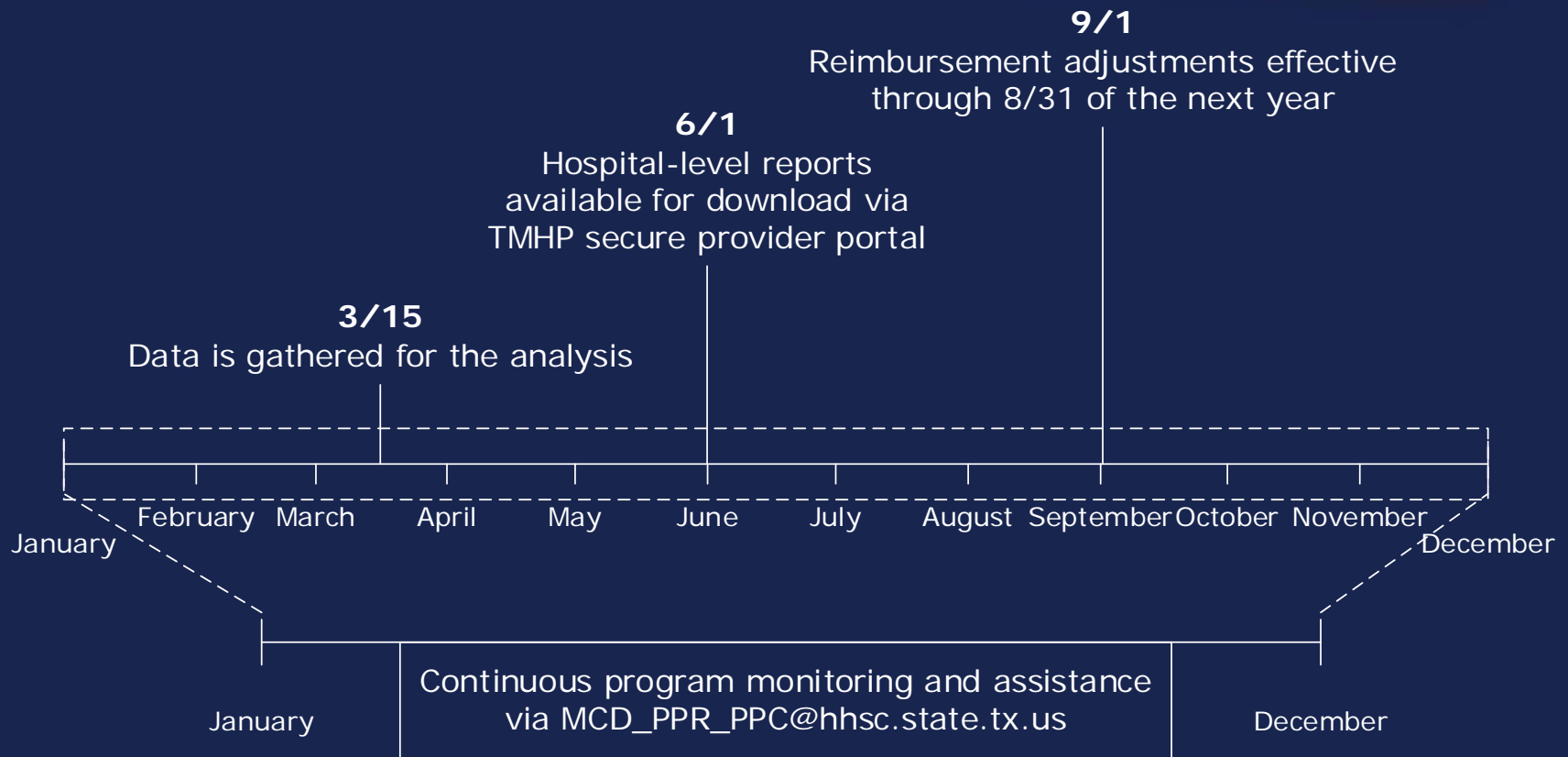
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- Fee-for-service and managed care organization (MCO) encounter data for Medicaid and CHIP.
- Paid claims only.
- Filed for reimbursement with a date of service from the beginning to the end of the respective reporting period.
 - Example: Fiscal Year 2016 Reporting Period is September 1, 2015 through August 31, 2016.

Timeline



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Timeline: Reporting Period and Adjustments



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	Previous	Current	Future
Reporting Period	SFY 2015 (Sept. 1, 2014 to Aug. 31, 2015)	SFY 2016 (Sept. 1, 2015 to Aug. 31, 2016)	SFY 2017 (Sept. 1, 2016 to Aug. 31, 2017)
Adjustment Period	SFY 2017 (Sept. 1, 2016 to Aug. 31, 2017)	SFY 2018 (Sept. 1, 2017 to Aug. 31, 2018)	SFY 2019 (Sept. 1, 2018 to Aug. 31, 2019)

Reimbursement Adjustments and Incentives



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		ACTUAL-TO-EXPECTED RATIO										
		◀	0.84	0.85	0.90	0.91	1.00	1.09	1.10	1.25	1.26	▶
PERFORMANCE		Distinguished				Satisfactory			Unsatisfactory			
POTENTIALLY PREVENTABLE COMPLICATIONS (PPC)	<i>One component used in the eligibility and incentive amount determinations for high-performing safety-net hospitals.</i>					No penalty; no incentive.			LOW Penalty: -2.0%	HIGH Penalty: -2.5%		
POTENTIALLY PREVENTABLE READMISSIONS (PPR)	<i>One component used in the eligibility and incentive amount determinations for high-performing safety-net hospitals.</i>					No penalty; no incentive.			LOW Penalty: -1.0%	HIGH Penalty: -2.0%		

Hospital-Level Report




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



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**Hospital Quality-Based Program:
Potentially Preventable Complications (PPC)
Hospital-Level Report**

Hospital:
NPI:
TPI:
Reporting Period: State Fiscal Year 2016
Population: All Medicaid and CHIP
Effective Date: September 1, 2017
* This is a low-volume hospital

About this report

Senate Bill (S.B.) 7, 82nd Texas Legislature, First Called Session, 2011, and S.B. 7, 83rd Texas Legislature, Regular Session, 2013, requires HHS to implement a hospital reporting process and reimbursement reductions to hospitals based on performance in potentially preventable readmissions (PPRs) and potentially preventable complications (PPCs). For the Medicaid Program, actual rates of these potentially preventable events (PPEs) are compared to their expected rates and a final reimbursement adjustment is determined and applied to all claims paid by HHS to each hospital. Calculation of the PPE rates are made using Medicaid/CHIP fee-for-service claims and managed care encounters.

A hospital with an actual-to-expected PPC ratio equal to or greater than 1.10 and equal to or less than 1.25 is subject to a reimbursement adjustment of -2% of the hospital's inpatient claims. An actual-to-expected PPC ratio greater than 1.25 is subject to a reimbursement adjustment of -2.5% of the hospital's inpatient claims. It is important to note that the actual-to-expected ratio is rounded to two decimal places.

This report is designed to help hospitals target their quality improvement efforts. HHS can provide underlying detailed data for this report to each hospital following their request (please include full name, email, phone number, NPI, TPI, and hospital name) emailed to MCD_PPR_PPC@hhs.state.tx.us

HHS Potential Preventable Events webpage: <https://hhs.texas.gov/about-hhs/process-improvement/medicaid-chip-quality-efficiency-improvement/potentially-preventable-events>

Table 1 - Hospital Present on Admission (POA) Quality Check

% Meet POA for Pre-Existing Secondary/Pre-Diagnoses	% POA for Secondary Diagnosis Codes	% POA for Secondary Diagnoses on Elective Surgical Cases	POA Quality Screen #1	POA Quality Screen #2	POA Quality Screen #3	POA Quality Screen #4	POA Quality Check

Issue Date:

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Underlying Data



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- Microsoft Excel file format
- Detailed hospital specific data used in the analysis
- Separate tabs for PPR and PPC, based on request
- Requested via email to MCD_PPR_PPC@hhsc.state.tx.us with NPI, TPI, Hospital name, Contact name, Contact phone number

Column Name	Column Description
Initial Admission Hospital NPI	This is the 10-digit National Provider ID assigned to each hospital where the initial admission happens.
Initial Admission Hospital Name	Name of the hospital where the initial admission happens.
Readmission Hospital NPI	This is the 10-digit National Provider ID assigned to each hospital where the potentially preventable readmission (PPR) happens.
Readmission Hospital Name	Name of the hospital where the potentially preventable readmission (PPR) happens.
Medicaid Chain ID	This number is assigned uniquely to each claim.
Medicaid Program	Managed Care Program, Fee-for-Service (FFS), or CHP
Medicaid Plan Code	Code used to identify unique combinations of Managed Care Organization and standard delivery area.
Managed Care Plan Name	Managed Care Organization name.
Medicaid Client ID	A 9-digit ID assigned to each Medicaid client.
Client Name	Name of the client.
Client Gender	Gender of the client.
Client Date of Birth	Date of Birth of the client.
Admit Date	Admit date.
Discharge Date	Discharge date. In cases where multiple interim claims were combined into a single record, this date will be the last date of service from the final claim for the stay.
Discharge APR-DRG	All Patient Related Diagnosis Related Group. PPR analysis is based on APR-DRG assignments.
Discharge APR-DRG Description	Description of the discharge APR-DRG.
Mental Health Comorbidity	0 - No major mental health or major substance abuse secondary diagnoses. 1 - One or more major substance abuse secondary diagnoses, no major mental health secondary diagnoses. 2 - One or more major mental health secondary diagnoses, no major substance abuse secondary diagnoses. 3 - One or more major mental health secondary diagnoses and one or more major substance abuse secondary diagnoses.
Carthilage Admission	A 1/0 (yes/no) indicator of whether or not the admission was primary for PPR.
Initial Admission Potentially Preventable Readmission (PPR)	A 1/0 (yes/no) indicator of whether or not the admission initiated a PPR chain.
Potentially Preventable Readmission (PPR)	A 1/0 (yes/no) indicator of whether or not the admission was a Potentially Preventable Readmission (PPR).
PPR Weight (APPROG weight for PPR)	APR-DRG weight for the PPR.
Unique PPR Chain ID	A PPR chain number assigned by JM PPR software. The initial admission and PPR that belonged to the same PPR chain have the same chain number.

Public Data



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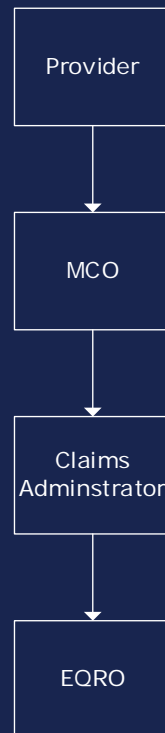
- PPR and PPC public data can be found on the Texas Healthcare Learning Collaborative website: <https://thlcportal.com/>
- Click on ENTER under “Public Portal”
- Click on either “PPR Hospital Performance” or “PPC Hospital Performance” under Other Visualizations
- Current PPR PPC Public data periods: SFY 2013 – SFY 2015

Data Flow & Integrity

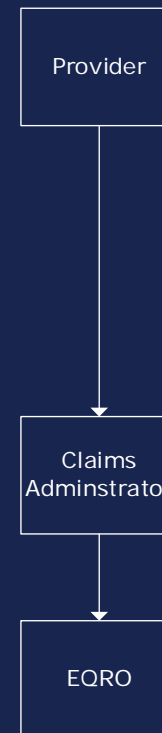


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MCO encounters



Fee-for-service claims



Program Enhancements



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- *Previous Enhancements:*
 - Added incentive component
 - Readmission hospital information and other identifiers included in the underlying data for care coordination
 - Reduced lag time of reports and reimbursement adjustments by one year
 - Mid-year reports
- *Future Enhancements:*
 - Penalties

Resources



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- Potentially Preventable Events webpage:
<https://hhs.texas.gov/about-hhs/process-improvement/medicaid-chip-quality-efficiency-improvement/potentially-preventable-events>
 - 3M Portal (Definitions Manuals)
 - Technical Notes
 - Statewide Data Files
 - Performance Comparison



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Thank you

Questions or Comments? Email
MCD_PPR_PPC@hhsc.state.tx.us

Post Webinar Q&A



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Question 1: For PPR, why 15 days vs. 30 days?

Answer 1: This window was chosen so any readmission could be more strongly attributed to a hospital.

Question 2: Could you give us the link for the comparative table?

Answer 2: The comparative chart of all program areas running the Potentially Preventable Events (PPE) metrics is found at the top of the PPE webpage.

Direct link to file:

<https://hhs.texas.gov/sites/default/files//documents/about-hhs/process-improvement/quality-efficiency-improvement/distinguishing-PPE-programs-chart-071817.pdf>

Post Webinar



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To access an audio recording of this webinar please follow this link:

<https://attendee.gotowebinar.com/recording/5798023169353649163>