Embedding Patient Costing as a Management Tool

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Government of South Australia

SA Health

Casemix in SA Health and Transition into national ABF

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Casemix Funding in SA

> Dabbled in early 1990's with precursors to a fully functional casemix funding model

> Casemix funding introduced in 1994/95

> Vibrant casemix scene during mid to late 1990's

> Casemix remained but used mainly as a funding tool until ABF implementation

> SA Health have implemented the acute component of the national ABF model in 2014-15

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National ABF Program Benefits for SA Health

> Harmonisation in classification of hospital based services beyond acute inpatients

> Revitalising casemix and rebirth of the casemix industry

> More rigid adherence to costing standards and allocation processes

> More reliable benchmarking data across jurisdiction

> Major health reform initiatives underway and strong focus on performance management and monitoring

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Challenges

> 'Blending' our Casemix Funding Model processes and outputs with national model

> Issues of running and educating clinicians on two funding models concurrently

> Managing benchmarking issues associated with the National Efficient Price

> Updating IT systems to manage new data collection requirements

Patient Costing

> A new state-wide patient costing system was implemented (PowerPerformance Manager)

- Initially there were different systems in use across sites;
- Implementation for the metropolitan sites and 6 major country sites

> Processing of costing data is undertaken centrally which enables a consistent methodology across sites

> LHNs own and retain responsibility for all their data

Patient Costing Data Quality

> Started with one site patient costed and the other with no costing

- Acute only and bronze costing standard
- Now both sites are patient costed (all admitted and non-admitted) and gold costing standard

> Incorporated feedback and datasets from clinicians to make improvements with data quality, this has led to positive impacts within:

- Resuscitation Team
- MET Team (Code Blue)
- Work in Progress (Stomal Therapists, Code Blacks, Sub-Acute and Mental Health Community Teams, Bad Debts, Quality and Safety, High Cost Consumable/Prosthetic Feeder System)

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Uses of Patient Costing Data

> Key focus was to make patient level costing available to managers and clinicians
  - Brings finance and activity together

> Ability to review data in new and improved ways.
  - Patient level review (end-to-end patient journey)
  - Benchmark across hospitals within SA
  - Benchmark against peer hospitals

> Understanding variations in work practices and the impact on costs and outcomes for 'like' patients.

> Cost data becoming part of the toolkit for clinical management and planning.

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Reporting

> The LHN Analytics and Reporting Service (LARS) portal delivers local and corporate reporting from a range of SA Health data warehouses that hold data from a number of administrative, financial and clinical systems across SA Health

> LARS now has patient costing benchmarking capabilities

- SA patient costed sites can compare against other SA hospitals or aggregated peer hospitals

> Customised local reporting

ED Visit Time <4hrs Analytic	ED visit time < 4 hrs by LHN defaulted to current fiscal year, with slicers for LHN, Hospital, ED Outcome L1 & L2.	OBI	+
Emergency Department Analytic	Generic enterprise wide ED analytic with no default slicers.	OBI	+
Finance & Workforce Analytic	Complete Finance and Workforce FTE data set, as at financial month end of the last complete month.	ORACLE	+
Finance & Workforce Analytic - Directorates	Complete Finance and Workforce FTE data set, as at financial month end of the last complete month.	ORACLE	+
Inpatient Analytics	Generic enterprise wide analytic for inpatient episodes with no default slicers.	OBI	+
Nursing Expenditure & FTE	Nursing Expenditure & FTE Analytic with individual tabs for Salaries & Wages, Agency Expenses and FTE. Default view is current financial year.	ORACLE	+
Percentage of Day of Surgery Admissions Analytics	Percentage of Day of Surgery Admissions by LHN for current fiscal year with default slicers for LHN, Hospital and Clinical Unit.	OBI	+
Percentage of Discharges <= 11am Analytic	Percentage of Discharges <= 11am by LHN for current fiscal year with default slicers for LHN, Hospital, Clinical Stream, Clinical Unit and Ward.	OBI	+
Percentage of Weekend Discharges Analytic	Percentage of weekend discharges by LHN for current fiscal year with default slicers for LHN, Hospital, Clinical Stream, Clinical Unit and Ward	OBI	+
PPM IP Analytic	To assist LHNs with their reporting a LARS analytic has been developed that enables users to interrogate PPM Inpatient costing data.	COSTING	
PPM Peer IP Analytic	To assist LHNs with their reporting a LARS analytic has been developed that will enable users to interrogate inpatient costing data and compare it to peer groups of national hospitals.	COSTING	
SLS Analytic	Enterprise level analytic for Incident and Feedback data sourced from the Safety Learning System (SLS)	SLS	+
SLS Analytic SQ01c	Enterprise level analytic - Incidents by Classification	SLS	+

Row Labels	PPM Average Total Cost	Peer Average Total Cost
B07B - CRANL/PRPHL NERV & OTH PR-CC	5,925.95	5,109.68
B42A - NERV SYS DIS W VENT SUPP +CCC	29,877.76	36,114.14
B42B - NERV SYS DIS W VENT SUPP -CCC	18,077.20	18,647.18
B61A - SPINAL CORD COND+/-OR PR +CSCC	19,917.24	35,828.39
B61B - SPINAL CORD COND+/-OR PR -CSCC	2,045.48	10,872.02
B63Z - DMNTIA&CHRNIC DISTURB CRBRL FN	17,114.95	11,157.09
B64A - DELIRIUM+CCC	16,383.15	10,910.46
B64B - DELIRIUM-CCC	7,492.35	5,319.04
B66A - NERV SYS NEOPLASM +RADIO	16,930.50	21,967.74
B66B - NERV SYS NEOPLASM -RADIO +CSCC	7,603.65	9,468.14
B66C - NERV SYS NEOPLASM -RADIO -CSCC	5,376.77	4,180.43
B67A - DEGNRTV NERV SYS DIS +CSCC	17,353.89	13,498.45
B67B - DEGNRTV NERV SYS DIS -CSCC	8,225.22	6,720.09
B67C - DEGNRTV NERV SYS DIS +SD	2,642.43	850.29
B68A - MLT SCLROSIS&CEREBEL ATAXIA+CC	10,727.16	9,732.82
B68B - MLT SCLROSIS&CEREBEL ATAXIA-CC	5,460.13	2,097.55
B69A - TIA & PRECEREBRAL OCCLUSN+CSCC	4,949.47	6,377.86
B69B - TIA & PRECEREBRAL OCCLUSN-CSCC	2,958.38	2,518.50
B70A - STROKE & OTH CEREB DIS +CCC	19,199.85	16,209.17
B70B - STROKE & OTH CEREB DIS +SCC	10,191.00	8,553.25
B70C - STROKE & OTH CEREB DIS -CSCC	5,583.90	5,834.71
B70D - STRKE&OTH CEREB DIS DIE/TRN<5D	3,618.85	3,103.61

Northern Adelaide LHN Progress

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NALHN Improvements

> Participating in Health Round Table

> Moving to monthly costing

> Clinician interest leading to data improvements

> Benchmarking

- Understanding what we do well and where there is opportunities to improve
- Business Case assessments
- Savings and Improvement Opportunities
- Identify, track and monitor service redesign and productivity improvements

> Research

> Activity Based Budgets

> Over charging by suppliers

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How to Engage Clinicians

ANY WAY YOU CAN!!!

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How to Engage Clinicians

> Be honest about what is possible and ensure they understand the limitations

> Tailor the message to fit the audience

- One-on-one informal discussions
- Attend staff meetings
- Present to large groups

> Make reports of interest to clinicians

- Show surgeons information of theatre times

> No question is a stupid question

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Inpatient Activity – Hospital 1

> B05Z – Carpal Tunnel Release
- Clinic A – 23 separations
- Clinic B – 37 separations
- Clinic C – 13separations
- Metro – 713 separations

	Metro	Clinic A	Clinic B	Clinic C
ALOS	0.4	0.3	0.3	0.3
Variation in LOS	-	-0.1	-0.1	-0.1
Occupied Bed Days	254	6	10	3
Variation in Occupied Bed Days	-	-2.0	-3.1	-1.3
Average Cost	$2,766	$2,613	$3,426	$2,584
Variation in Average Cost	-	-$153	$660	-$182
Cost Variation Favourable/Unfavourable	-	FAV	UNFAV	FAV

Theatre Times

> D06Z - Sinus and Complex Middle Ear Procedures

- Hospital 1 – 14 separations
- Hospital 2 – 87 separations
- Metro – 451 separations

	THEATRE TIME		NURSE TIME		SURGEON TIME		ANAESTHETIC TIME	
	Hosp 1	Hosp 2	Hosp 1	Hosp 2	Hosp 1	Hosp 2	Hosp 1	Hosp 2
Hospital Average Mins	131	146	262	146	152	197	207	303
Metro Average Mins	154	154	279	279	216	216	278	278
Variation Average Mins	-23	-8	-17	-134	-64	-19	-71	25
Variation Total Mins	-318	-703	-242	-11,636	-896	-1,634	-992	2,171
Variation Favourable/Unfavourable	FAV	FAV	FAV	FAV	FAV	FAV	FAV	UNFAV

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Physiotherapy Times

> I24Z - Arthroscopy

- Hospital 1 – 16 separations with 15 seeing a physiotherapist (94%)
- Hospital 2 – 7 separations with 6 seeing a physiotherapist (86%)
- Metro – 124 separations with 48 seeing a physiotherapist (39%)

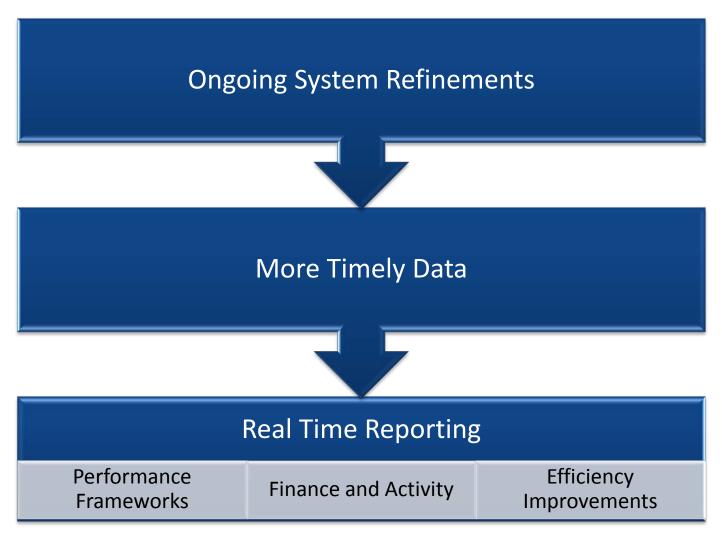|	Metro	Hosp 1	Hosp 2
ALOS for Allied Health	2.0	1.0	1.0
Average Minutes	28	23	40
Variation in Average Mins	-	-5	12
Minute Variation Favourable/Unfavourable	-	FAV	UNFAV
Average Cost	$50	$45	$44
Variation in Average Cost	-	-$5	-$7
Cost Variation Favourable/Unfavourable	-	FAV	FAV

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Imaging Tests

> URG 17 – Admitted Triage 2 All other MDB groups

- Hospital 1 – 583 attendances
- Hospital 2 – 750attendances
- Metro – 4,857attendances

	Metro	Hosp 1	Hosp 2
Average Imaging Tests	0.8	0.6	0.9
Variation in Average Tests	-	-0.2	0.1
Average Cost	$93	$67	$96
Variation in Average Cost	-	-$26	$4
Cost Variation Favourable/Unfavourable	-	FAV	UNFAV

What the future holds

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Critical Factors Moving Forward

Ongoing System Refinements

More Timely Data

Real Time Reporting

| Performance Frameworks | Finance and Activity | Efficiency Improvements |

How Far Can We Go???

> Continual improvement of data quality

> Costing a patient over their lifetime

> Increased data linkage in particular aligning with outcomes

- Cost of an illness not an attendance/separation

- Look at how to improve patient outcomes

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