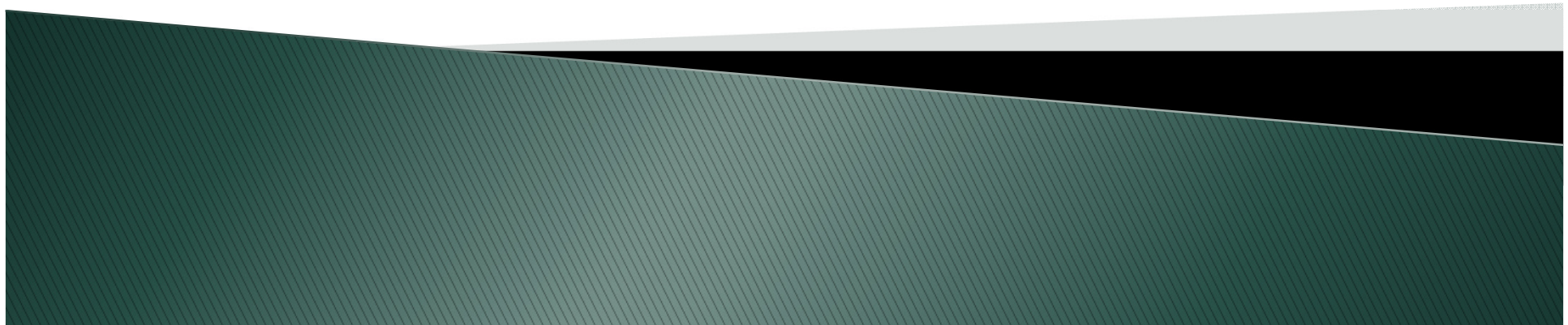


Activity-Based Funding Conference 2015

28th May 2015

Royal College of Surgeons in Ireland

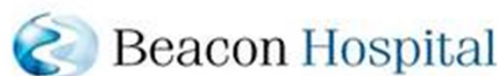




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RCPI



RCSI



TCD



National Cancer
Control Programme



An Roinn Sláinte

DEPARTMENT OF HEALTH



Mater
Private



An Roinn Caiteachais Phoiblí
agus Athchóirithe
Department of Public
Expenditure and Reform

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ABF Leadership

Acute hospitals

Liam Woods

+

Finance

Stephen Mulvany

Steering Group – Laverne McGuinness

Implementation Lead – Maureen Cronin

CPD POINTS

- ▶ Contact eileen.burke3@hse.ie

Activity-Based Funding Conference 2015

What has happened so far – next steps

28th May 2015

Royal College of Surgeons of Ireland





Fair Deal

- Went live with client-level billing in 2012
- Explicit price and volume links
- Public Fair Deal beds more accessible





Fair Deal platform

- Platform for commitment of €74m by Government
- Making visible what the health system is delivering for the state's investment





ABF pilot in orthopaedics

- Carried out a pilot in elective orthopaedics during 2011 and 2012
- Small coverage but very significant results
- Length-of-stay reduced
- Day-of-surgery admission increased
- Clinical engagement critical



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Orthopaedic Pilot

	From	To	Change	%
Hip Replacement				
ALOS (days)	7.8	6.1	-1.7	-22%
DOSA Rate (%)	22%	58%		+164%
Knee Replacement				
ALOS (days)	7.2	5.8	-1.4	-19%
DOSA Rate (%)	23%	62%		+170%



Moving into acute hospitals

- Vastly more complex than Fair Deal or Orthopaedic pilot
- Removing block grants and creating price/volume budgets
- Major requirement for clinical leadership and direction
- Creating incentives for best-practice and improved outcomes



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Mobilisation during 2014

- Clinical engagement sessions held in Dublin, Cork and Galway
- Meetings with clinical leads, hospital groups, individual hospitals, Department of Health, Department of Public Expenditure & Reform
- Presentation at conferences such as NUI Galway, IMSTA, Millin Meeting, Orthopaedic Surgeons, Orthopaedic nurses







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HIPE coding transformed

- HIPE coding was typically 90+ days in arrears [requirement to use BIU data for publication]
- Viewed as a 'back-room' activity
- Many complaints about the quality of the data
- Absence of partnership between clinical coders and clinicians
- Currently over 98% of cases are now coded within 30 days of the period end
- Plan to migrate from BIU data to HIPE data for published reporting



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Next Steps

- Benchmarking each hospital against national average prices for their range of work
- Understanding why hospitals may be spending more than the average for a DRG
- Quality of HIPE coding
- Quality of costing for ABF work
- Impact of Agency Staff
- Structural issues



Collaborative Approach

- Working with hospital CFOs on the benchmarking
- Working with the Clinical Programmes to develop early examples of how we can incentivise best-care
- Implementing Patient-Level Costing Software in hospitals
- Retention of 'Pavillion Health' to run a national HIPE Audit



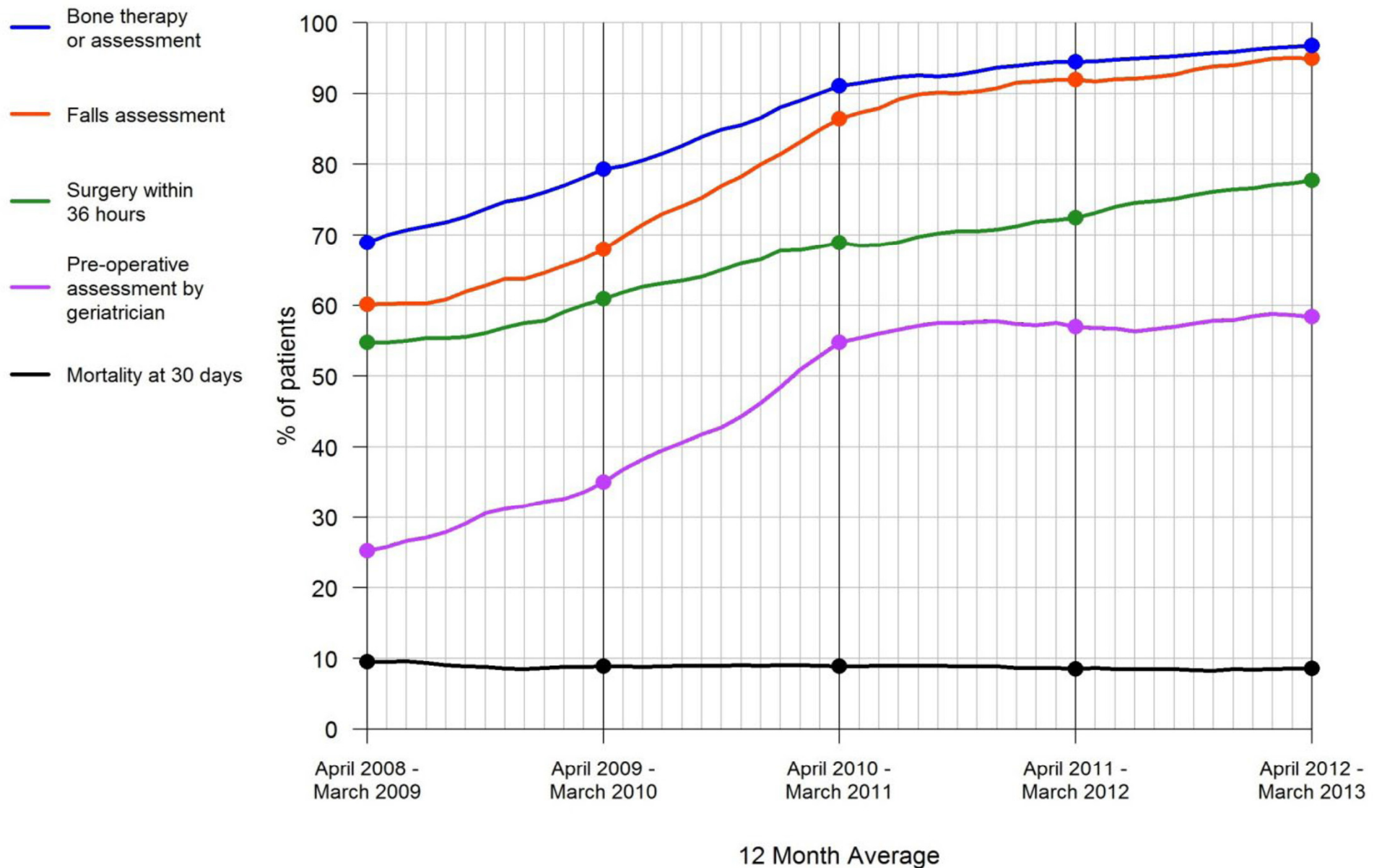
Driving clinical practice

- How do we use ABF to incentivise best-practice ?
- +30% of patients with hip fracture die within 12 months
- Many are over 90 years of age
- HIPE/Orthopaedics have developed a 'portal' with a detailed data-set on fractures
- Key criteria such as pre-op assessment by a geriatrician



Driving Clinical Practice

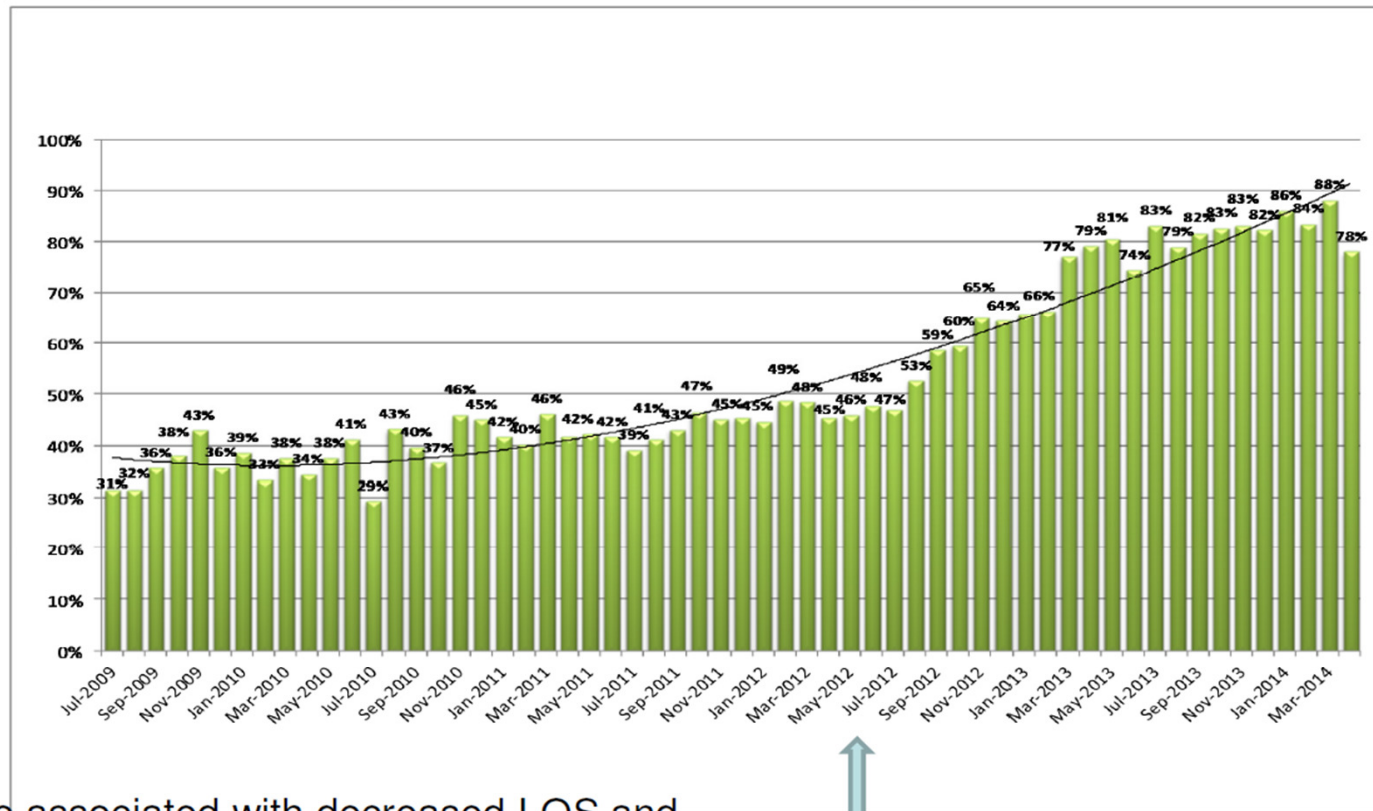
- Time-to-theatre critical
- There are almost the full 3,000 fractures now up and running in the dataset
- We can assess how many are meeting the criteria (or 75% for example of the criteria)
- We can pay a Quality Incentive Payment or a 'Tariff Uplift' for those cases



Data taken from 46794 patients from 27 hospitals with good data completion and case ascertainment over the period 1st April 2008 - 31st March 2013

Impact of incentives: example QIP Stroke Unit Care

Proportion of stroke patients in Stroke Unit bed by month



Also associated with decreased LOS and cost equating to around \$1m saving p.a.

Introduction of QIP



Hospital Avoidance

- Many initiatives in hospitals prevent admission to inpatient care
- Emergency physicians make a significant contribution to keeping hospital beds clear
- Medical Assessment Units with senior decision-makers send people home
- None of this activity is recorded on HIPE
- Hospital avoidance has to be addressed



2016 Service Plan using ABF

- Need assessment gives the health system a sense of the volume of work which can be anticipated
- Demographic trends, chronic conditions, acceptable wait times
- Negotiate with funders for resource
- Model how much work can fit within the 'envelope' of funding
- Weighted units linked with money



Paying the average price

- Not a ‘race to the bottom’
- Zero harm to patients
- Prices must reflect the appropriate staffing level to deliver safe care
- Surgical wound infections per 1,000
- 3rd and 4th degree tears



Group/Hospital Actions

- Hospital management and clinicians need to examine their own data and compare it to peers
- Improve the quality of your own data and use it
- Length-of-stay is a good place to start
- Qlikview allows easy access to HIPE-coded data



Money Follows The Patient Monthly Report

MFTP Target V Reported - Hospital Summary

hospital	Month	ptype	Target Cases	Reported Cases	nCases Variance	Baseline CMU	Reported CMU	CMU Variance	Baseline Value	Reported Value	Value Variance	35% Variance	%
Total			25,456			NA			55,142,687			-	
	Total		25,456			NA			55,142,687			-	
	Remainder of...		23,192			NA			50,555,088			-	
Hospital 997	Total		2,264	1,601	-663	NA	NA	-	4,587,599	3,618,577	-969,022	-339,156	
	January	Daycase	1,327	757	-570	2,107	1,066	-1,040	1,243,341	629,259	-614,082	-214,925	
		Overnight	762	683	-79	777	697	-80	3,287,273	2,947,861	-339,413	-118,794	
		Sameday	175	161	-14	13	10	-4	56,985	41,457	-15,528	-5,435	

Search and filter options

Search By Hospi...
Hospital 997

Discharge Status

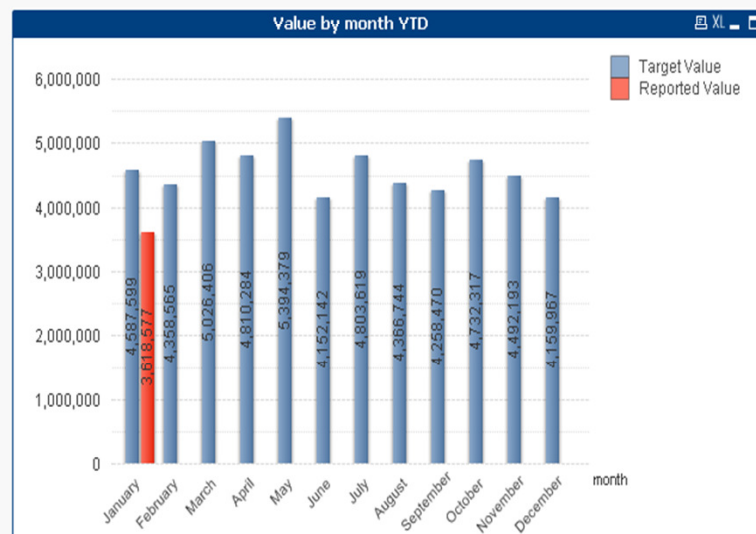
Private 5091
Public 23575

Filter options

Admtype
adrg
Casemix
Dayinp
drg
mdc
month

Search

Current Selections

hospital Hospital 997
Casemix 1
uncoded 0

Cumulative Value YTD

Variance

Value: Variance and 35% shortfall

Month	Variance	35% of shortfall	Estimated Value Uncoded
YTD	-969,022	-339,158	
January	-969,022	-339,158	-1,451



Money Follows The Patient Monthly Report

MFTP Baseline - Hospital Summary

hospital	ptype	Baseline Ncases	Baseline CMU	Baseline Value
Total		25,456		55,142,687
	Total	25,456		55,142,687
	Daycase	14,562	23,078.828	13,622,039
Hospital 997	Overnight	9,195	9,674.663	40,937,067
	Sameday	1,699	137.918	583,581

Search and filter options

Search By Hospi...

Hospital 997

Discharge Status

Private	5091
Public	23575

Filter options

Admtype	
adrg	
Casemix	1
Dayinp	
drg	
mdc	
month	

Search

Current Selections

hospital	Hospital 997
Casemix	1
uncoded	0

MFTP Baseline - Inpatients

MFTP Baseline - Hospital Summary

hospital	mdc	Baseline Inpatie...	Baseline Inpatient CMU	Baseline Inpatient Value
Total		10,894	9,812.58	41,520,648
Hospital 997		10,894	9,812.58	41,520,648

MFTP Baseline - Hospital Summary

MFTP Baseline - Inpatients MDC

MFTP Baseline - Inpatients - DRG

MFTP Baseline - Hospital Summary - Daycases

hospital	Daycase Ncases	Daycase CMU	Daycase Value
Total	14,562	23,078.83	13,622,039
Hospital 997	14,562	23,078.83	13,622,039

Excluded Cases

hospital	YrType	mftp_ex_reason	Excluded Cases
			211
Hospital 997	BaselinePeriod	NTPF	211



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Thank You

ABF Conference

Presentation by Liam Woods

ABF - It's part of a journey

Safety / Quality

Population based
planning

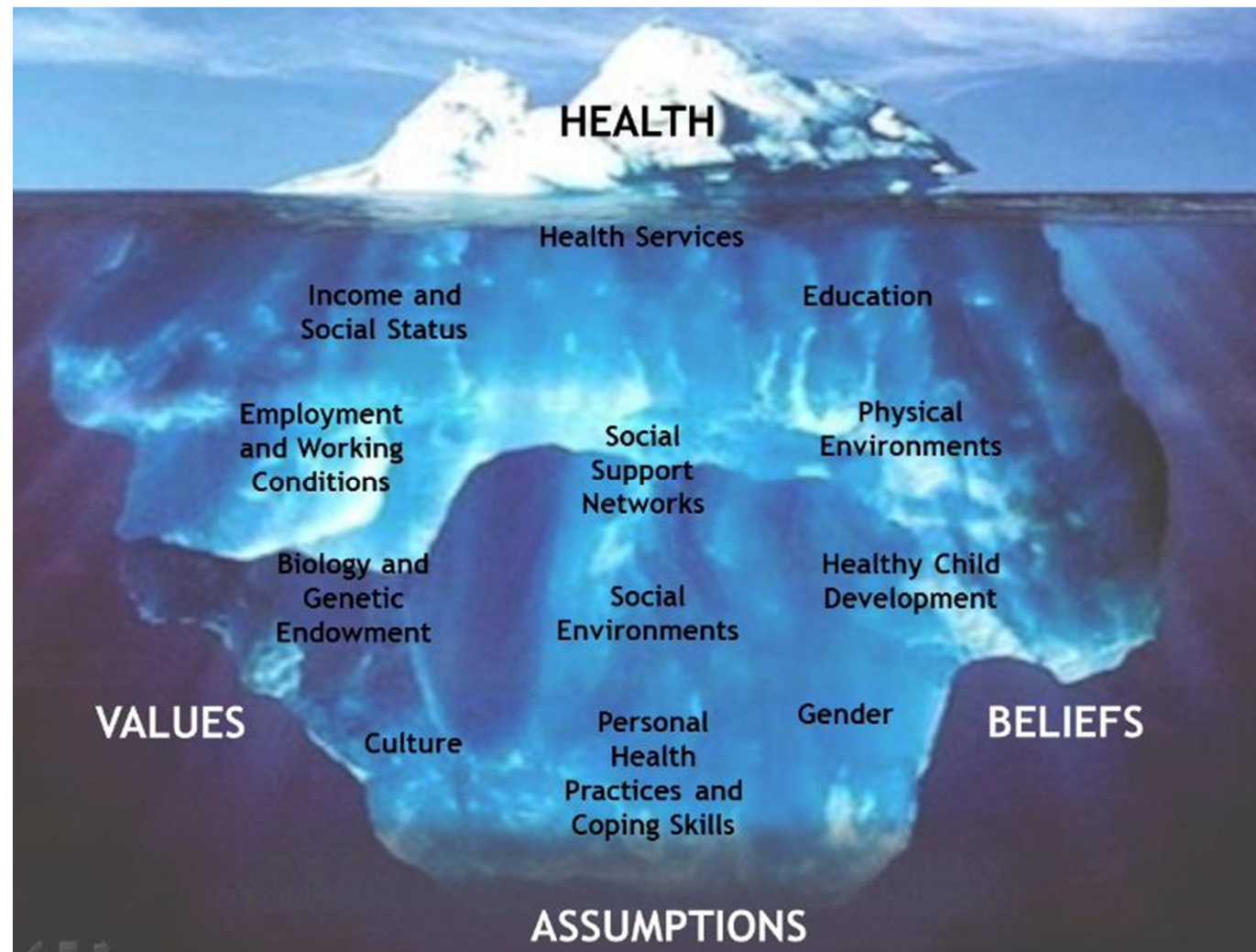
Clinical programmes

Clinical Directors

Creating networks
of care



Determinants of health



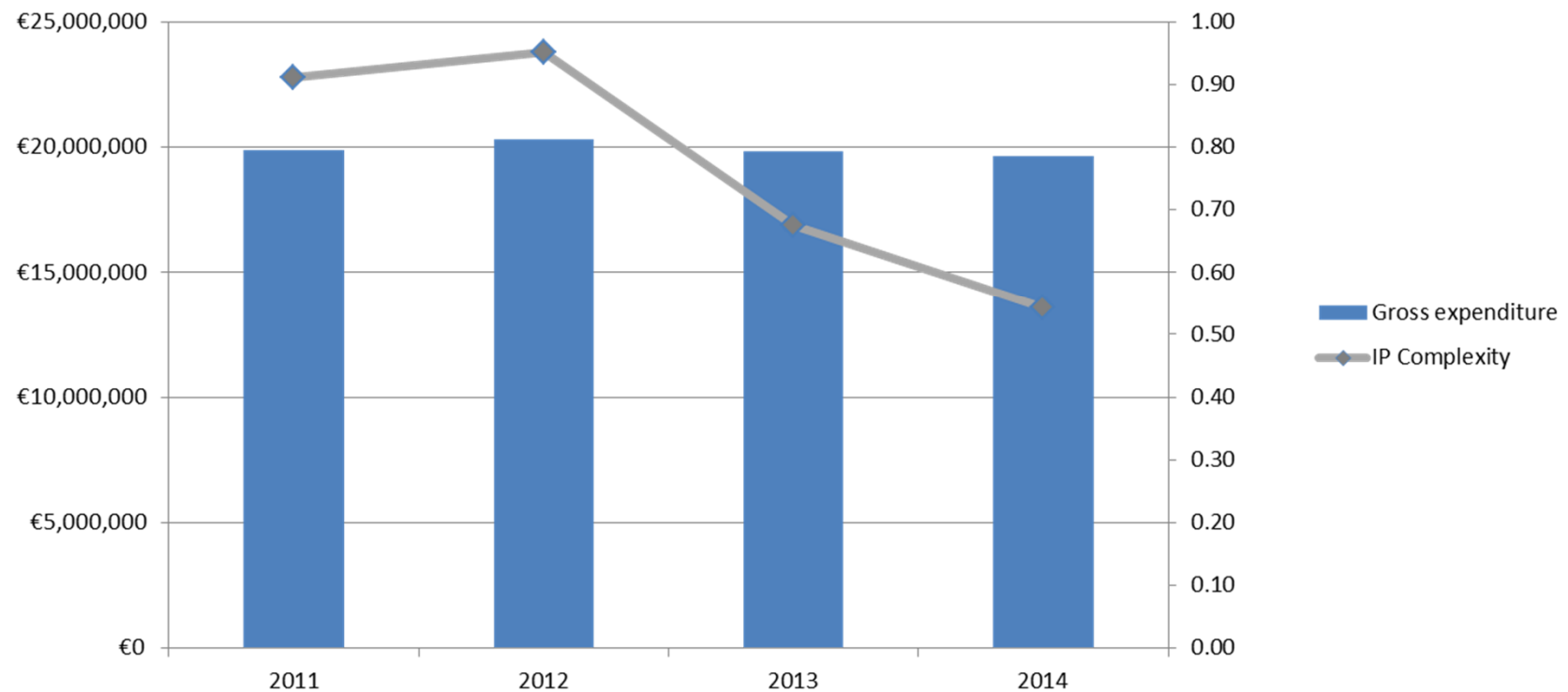
ABF - It offers clarity

For clinicians
Hospitals
Funders
Government
Public



Reconfiguration & Unit Costs

Inpatient complexity v Gross Cost 2011 - 2014



ABF – An essential tool for
Both clinicians and managers



Current funding model



Current Allocation model



Current Financial Assessment Model

	Blue Hospital	Green Hospital
Budget	€100,000,000	€100,000,000
Expenditure	€101,000,000	€99,000,000
Variance	-€1,000,000	€1,000,000
Patients	10,000	20,000
Cost per patient	€10,100	€4,950

New Model Example

	Blue Hospital	Green Hospital
Type of work	Complex	Simple
Measure of complexity	2.5	0.75
Weighted units of activity	25,000	15,000
Cost per weighted unit	€4,040	€6,600

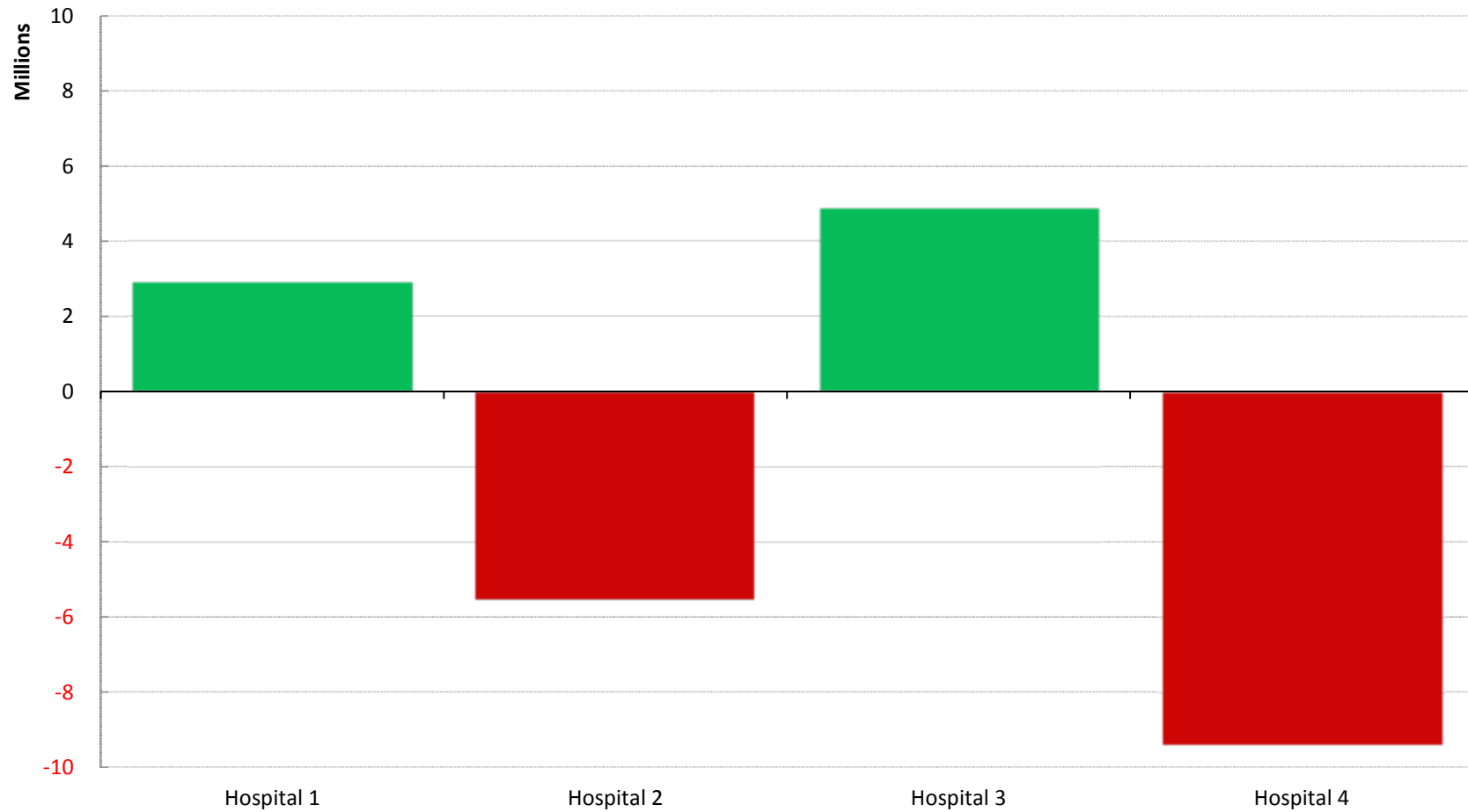
Weighted Units in 2015

- Mater 20,000 cases but 34,000 units [higher complexity work]
- Cavan 17,000 cases but 11,000 units [lower complexity work]
- Weighted units of care linked with money - rather than cases

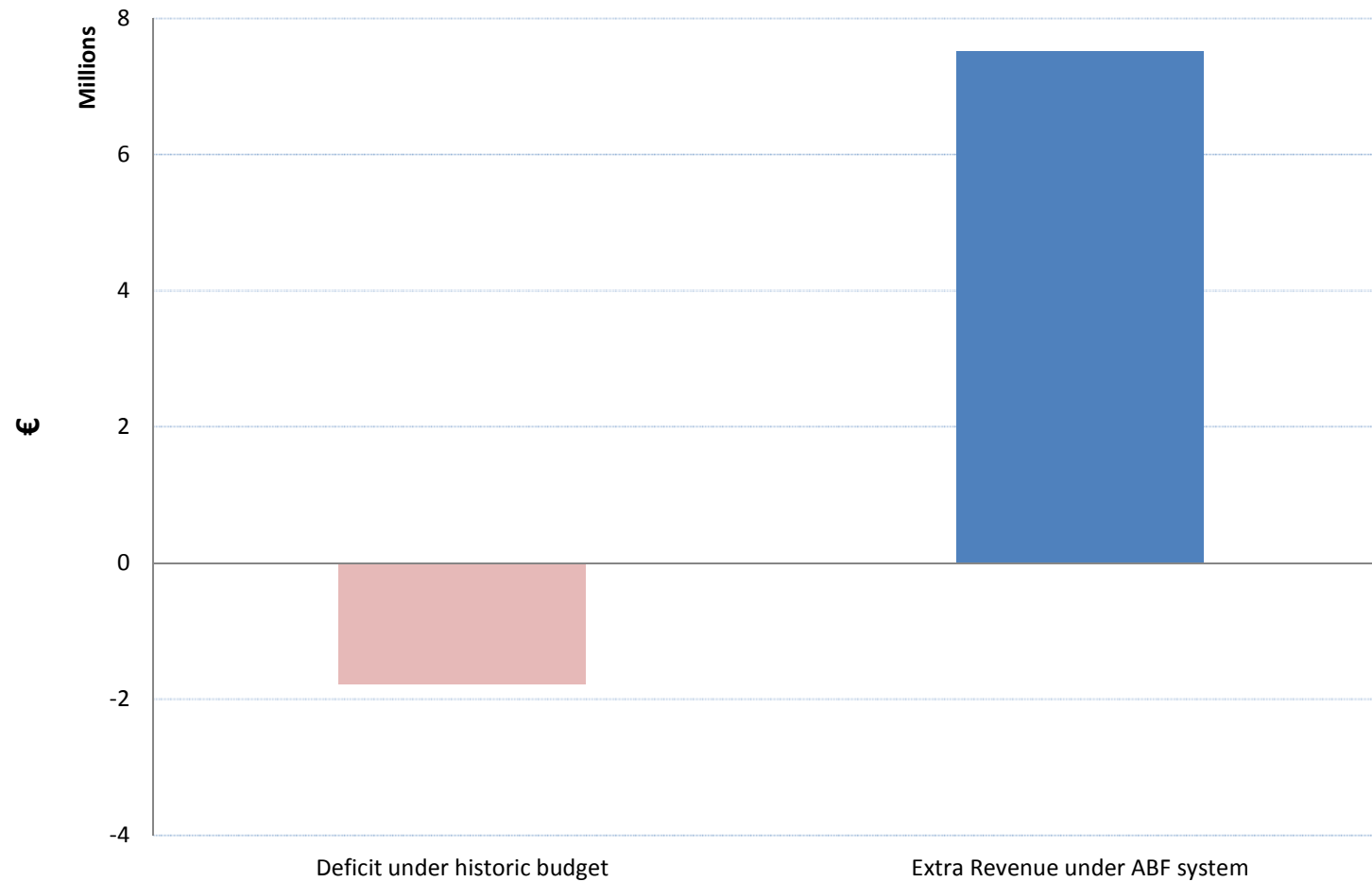
Service Plan 2015

- Expected acute hospital activity:-
 - 643,748 inpatient discharges
 - 824,317 day-case discharges
 - Many related targets
 - What type of cases ?
 - How are the targets related to the activity ?
 - How is the whole picture related to the funding envelope ?

ABF Revenue V current spend



Sample Hospital Position 2014



5 year trend in Irish unit cost

	Inpatient cost per weighted Unit	Daycase cost per weighted unit
2008	€5,042	€706
2013	€4,309	€564
change	-733	-142
% change	-15%	-20%

Service Planning 2016

1. NSP 2016 will commence the allocation of funds using ABF
2. The plan will express activity using weighted units
3. Greater integration of clinical programmes into the Acute Hospital section of the NSP
4. Using HIPE data for demographic projection
5. Support investment in technology and people to support the ABF programme (not a free good)



Service Planning 2016 (1048)

Drg	Description	Measure of Complexity	Cases	Weighted Units	Cost
		#	#	#	€000
A06B	Tracheostomy with Ventilation >95 hours without catastrophic complications or comorbidities (ICU)	12.64	1,422	17,421	81,599
A06A	Tracheostomy with Ventilation >95 hours with Catastrophic Complications or Comorbidities (ICU)	24.98	443	11,653	58,255
I03B	Hip Replacement without Catastrophic Complications or Comorbidities	2.42	3,897	9,494	41,474
E62A	Respiratory Infections/Inflammations with Catastrophic Complications or	2.08	3,248	7,689	29,729
E65B	Chronic Obstructive Airways Disease without Catastrophic Complications or	0.71	9,220	5,937	24,702
G02A	with Catastrophic Complications or Comorbidities	5.93	654	4,087	23,584

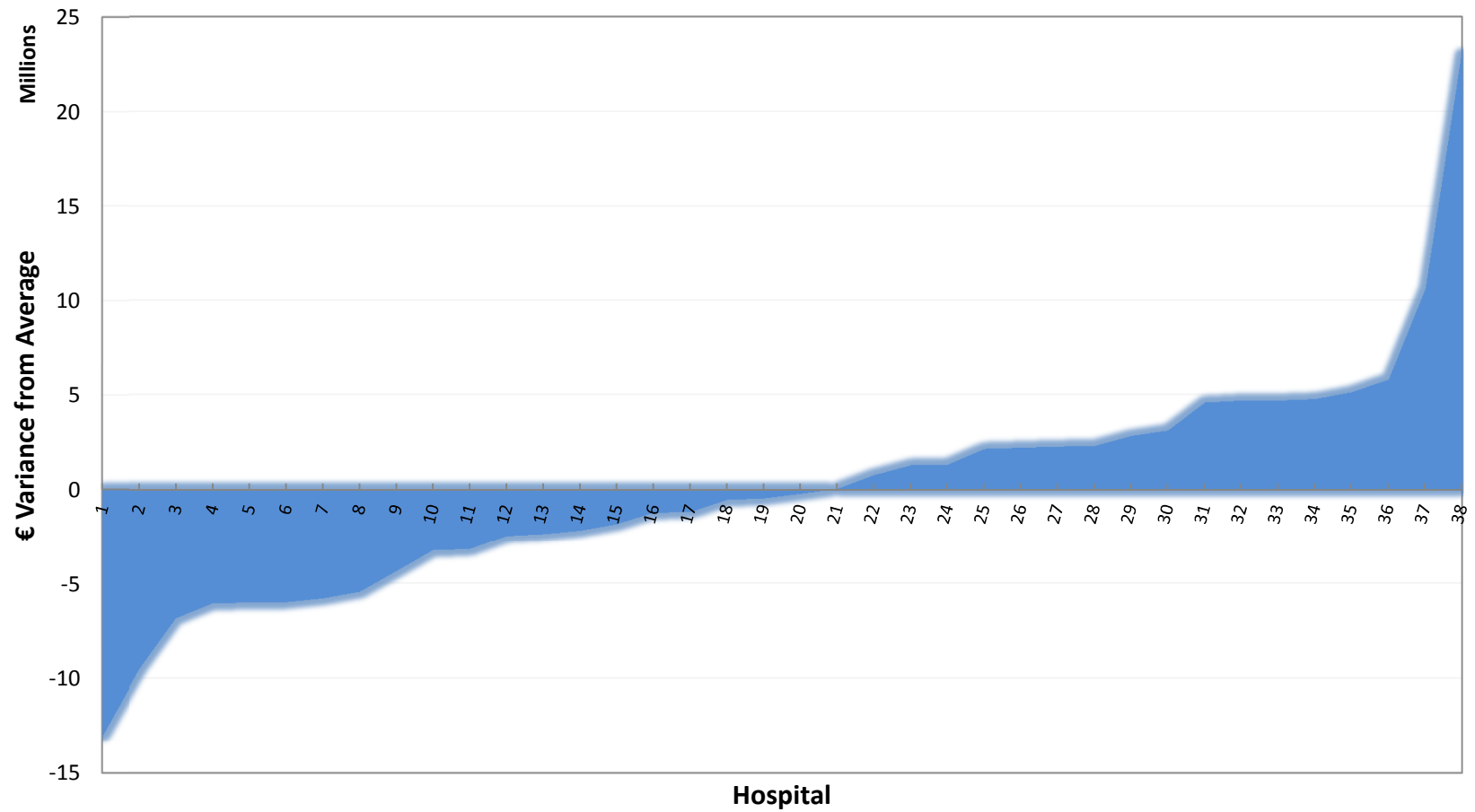
Example of Obstetrics

Drg	Description	Measure of Complexity	Cases	Weighted Units	Cost
		#	#	#	€000
O60Z	Vaginal Delivery	0.52	40,759	21,273	99,804
O01B	Caesarean Delivery without Catastrophic or Severe Complications or Comorbidities	1.02	14,412	14,786	64,339
O01A	Caesarean Delivery with Catastrophic or Severe Complications or Comorbidities	1.42	3,218	4,966	20,437
O66Z	Antenatal and Other Obstetric Admission	0.22	33,550	5,104	22,766
	Sub total obstetrics group		91,939	46,129	207,347

Challenges



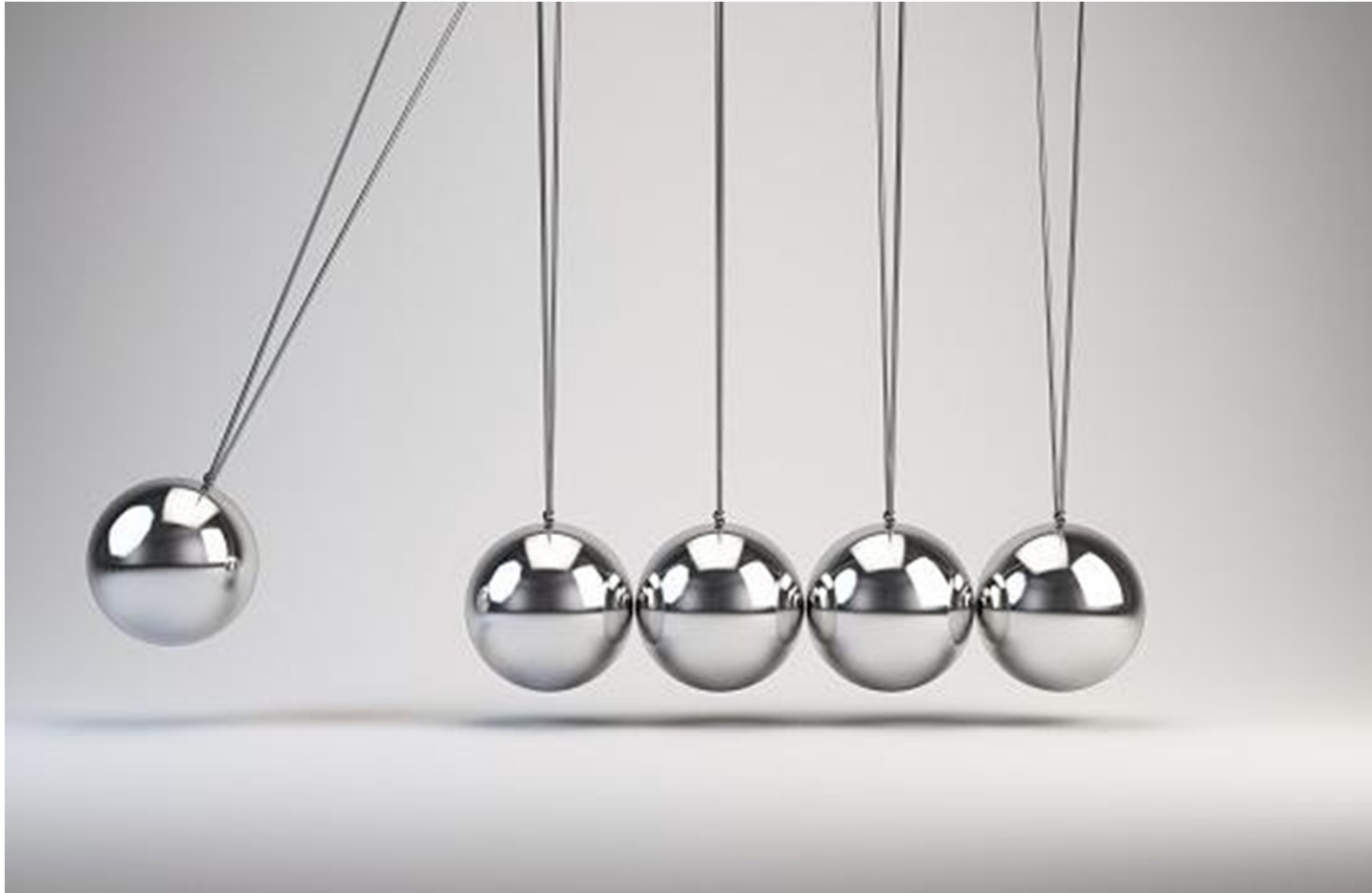
What price to pay?



Challenges in Developing the ABF Programme

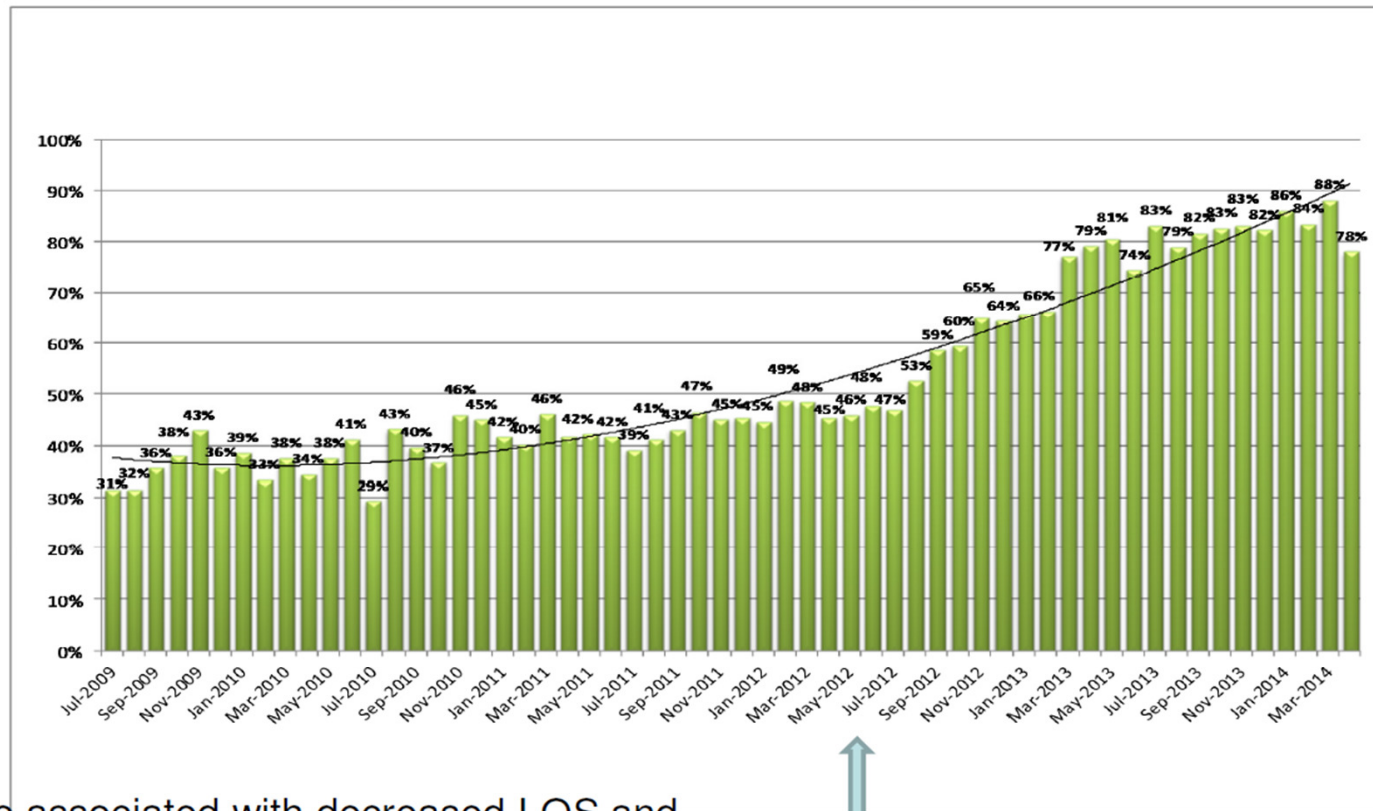
- Measurement & Efficiency Factors
- Are charts well documented
- Is HIPE coding accurate
- What is the impact of agency staff
- Is cost of ABF accurate ?
- What about structural disadvantage ?
- Nothing safe about the average!

Impact



Impact of incentives: example QIP Stroke Unit Care

Proportion of stroke patients in Stroke Unit bed by month

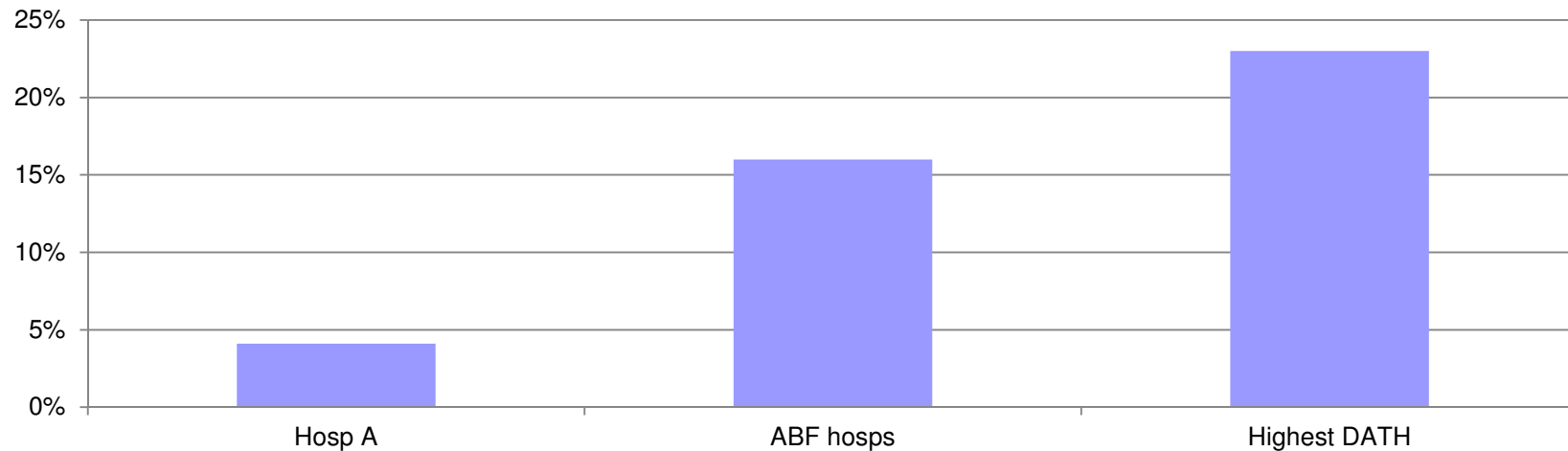


Also associated with decreased LOS and cost equating to around \$1m saving p.a.

Introduction of QIP

Case Study: B70 Strokes

B70A - Stroke with catastrophic complication



DRG	Description	Price	2014 cases	2014 %	ABF hosps
B70A	Stroke and other cerebral disorder with catastrophic complications/co-morbidities	€23,261	15	4%	16%
B70B	Stroke and other cerebral disorder with serious complications/co-morbidities	€9,410	79	22%	27%
B70C	Stroke and other cerebral disorder without catastrophic or severe complications/co-morbidities	€5,159	226	62%	47%
B70D	Stroke and other cerebral disorder died/transferred within 5 days	€1,707	46	13%	10%
			366	100%	

It's part of a journey

Safety / Quality

Population based
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