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Using PEAK to run a Best Practices Analysis

About the Presenter

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Agenda

- What is a “Best Practices Analysis”
- Process break down
  - Identification
  - Validation
  - Justification
  - DRILL
  - Implementation
- PEAK walkthrough
- Conclusion

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What is a Best Practices Analysis

- Finding the physicians that do the best from a cost or quality standpoint
- These physicians can deliver treatment with lower cost, lower readmissions, lowest LOS, highest quality
- Do not have to do all
- Can also be done for (Hospitals, Physician Groups, Nursing Units, Time Periods)

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MDs are Ready to Engage in Driving Down Costs

- **Physicians at six major healthcare systems were asked to estimate the cost of 13 commonly used orthopedic devices**
- (Estimates within 20% of actual cost were considered correct)
- n =503 MDs at orthopedic departments at Duke, Harvard, University of Maryland, Mayo, University of Pennsylvania, Stanford, and Washington University

- Only **1 in 5 MDs** could **correctly estimate the cost** for common orthopedic devices
- Over **8 of 10 MDs** would **consider cost as a key criteria** in the selection of a medical device
- *1Survey Finds Few Orthopedic Surgeons Know the Costs of the Devices They Implant, Health Affairs, January 2014.*

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APR-DRG Grouper Overview

Grouper steps:

1. Assign an MDC (Major Diagnostic Category)
2. Assign a base APR-DRG based on clinical logic
3. Assign an SOI (1-4)
4. Assign an ROM (1-4)

Each of the 314 base APR-DRGs have a separate clinical model for SOI and ROM

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SOI Subclass Overview

- Quantifies the extent of the physiological decompensation (organ system loss of function) experienced by the patient
- Designed to explain the relative complexity of a hospital's patients
- Distinct attribute of a patient (not necessarily the same as the ROM)
- Disease specific – each base APR-DRG has a different SOI model

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Not all Variation Can be Captured

- Although APR-DRG does a good job of grouping similar cases, each case can not be expected to have the **exact** same cost

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Not always about Best vs Worst

- This analysis can be used to create a kind of game plan (blueprint) for each APR-DRG
- Best Supplies to use
  - Cheapest
  - Leading to shorter OR time
- Physicians with lowest PSI rates strategies (Color coding pick lines that need changing)

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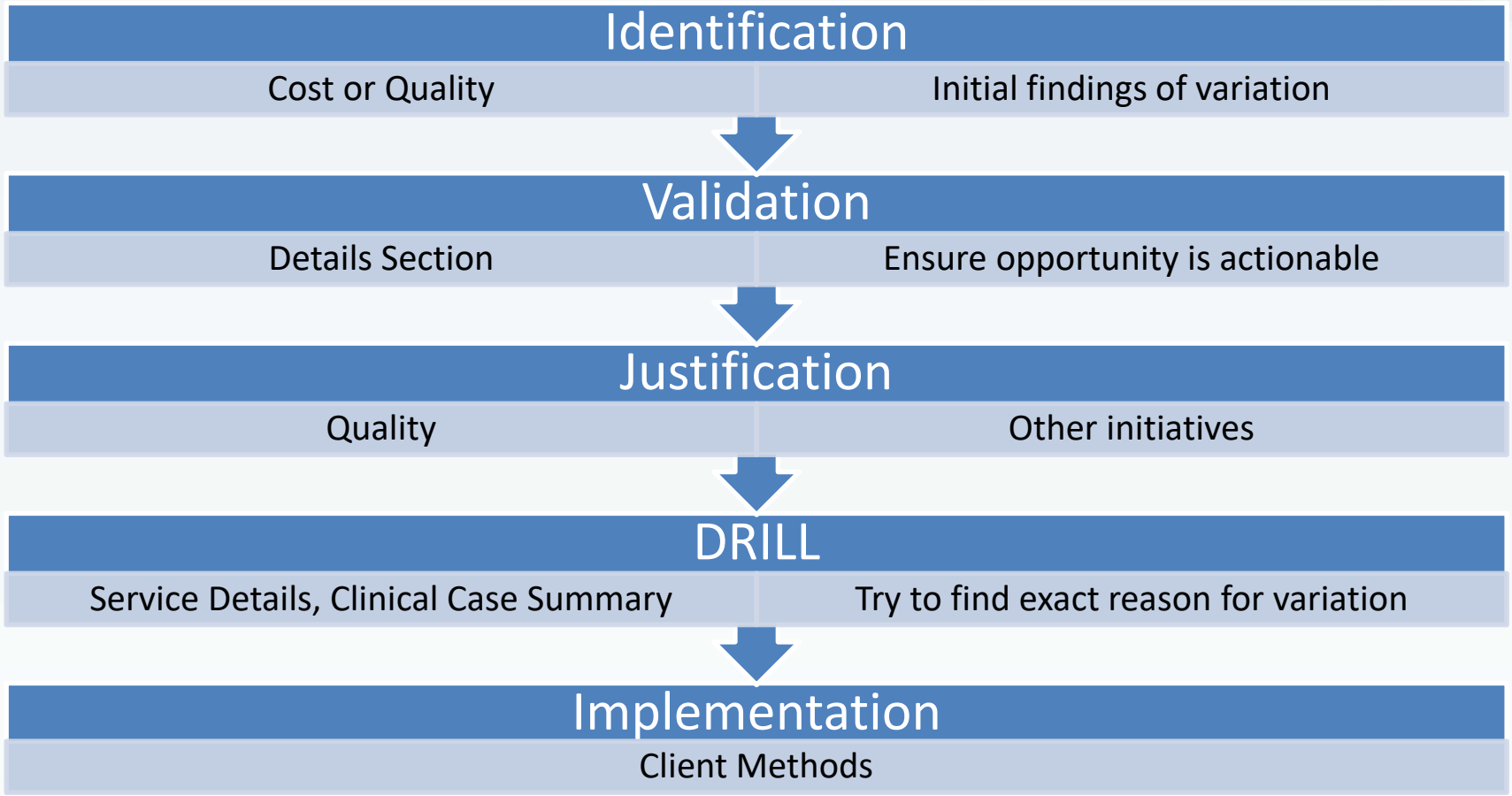
Process



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Identification

- Two Column Sections
- We will find variation on APR-DRG one SOI at a time
- Identify some of these diagnosis groups that you want to look at.

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After finding APR-DRG SOI groups with Opportunity

- Divide the area of interest more to pinpoint opportunity
- Try splitting up group by Nursing Unit, Physician, Month, Facility…

☐	Knee SOI 1 —	Internal Encounter - Inpatient	APR-DRG	**APR-DRG:** Knee Joint Replacement **SOI:** Minor
☐	Knee SOI 1 Unit 10 —	Internal Encounter - Inpatient	APR-DRG	**APR-DRG:** Knee Joint Replacement **Nursing Unit:** 602100115 - Med / Surg / Gyn Semi Private 10 **SOI:** Minor
☐	Knee SOI 1 Unit 9 —	Internal Encounter - Inpatient	APR-DRG	**APR-DRG:** Knee Joint Replacement **Nursing Unit:** 602000115 - Med / Surg / Gyn Semi Private 9 **SOI:** Minor
☐	Knee SOI 2 —	Internal Encounter - Inpatient	APR-DRG	**APR-DRG:** Knee Joint Replacement **SOI:** Moderate
☐	Knee SOI 3 —	Internal Encounter - Inpatient	APR-DRG	**APR-DRG:** Knee Joint Replacement **SOI:** Major

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Validation

- Details View
- In this step we want to be sure that the opportunity is fair
- Eliminate physicians (service groups) with lower volumes
- Ensure that benchmark opportunity is valid
- Identify worst cases (eliminate outliers)

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Validation

- Add TBS encounter ID to check outliers
- Seek internal information that may help explain variation

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Justification

- During this step, we are checking the other variables that could help to explain an increase in variation
- Since this example was done using Cost, we want to ensure there is not offsetting:
  - Quality
  - Readmission rate
  - LOS
  - Mortality

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DRILL

- Begin to pinpoint exact areas of opportunity
- Use different Sections and Create Custom Profiles
  - Service Details (Physicians)
  - Care Variation Performance
  - Patient List
  - Details
  - Two Column Section
  - Clinical Case Summary

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Implementation

- Client implements variation project
- Tracks progress in PEAK utilizing baseline and performance period

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PEAK Walkthrough

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Questions?

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Sources

- 1. 3M™ APR DRG Classification System Reference Guide
- Okike, K., O'Toole, R. V., Pollak, A. N., Bishop, J. A., McAndrews, C. M., Mehta, S., . . . Lebrun, C. T. (2014, January). *Survey finds few orthopedic surgeons know the costs of the devices they implant.* Retrieved from Health Affairs: http://content.healthaffairs.org/content/33/1/103.abstract?sid=99ef9d42-3f2e-40be-ba4e-f4c2eb22ec55

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Thank You!

For More Information:

- See PEAK Documentation inside your PEAK system. Particularly helpful will be:
  - Scorecards--Working with Scorecards section
  - Webinar Recordings section

- Contact TBS Support:

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  support@totalbenchmarksolution.com

Upcoming PEAK Webinars	Best Practice Analysis	September 8th 1:30 pm – 2:30 pm
	APR/ MS – DRG	September 12th 1:00 pm – 2:00 pm
	Central Scorecards:	September 15 10:00 am – 11:00 am

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