JPPC HIGHLIGHTS

July/August 1998
Volume 4, Issue 2

Funding Hospital Based Ambulatory Care

IN March 1998 the Ambulatory Care Funding Working Group (ACFWG) received a 3 month mandate from the Hospital Funding Committee to evaluate CIHI's National Ambulatory Care Reporting System (NACRS). The objective of this mandate was to assess the feasibility of using NACRS as a means of funding hospital ambulatory care in Ontario. The ACFWG set out to meet its objectives through the development of an evaluation methodology that required input from various stakeholders such as clinicians, administrators, researchers and MoH staff. These individuals were invited to attend one of six focus groups that encompassed, Ambulatory Clinics, Emergency, Rehabilitation, Mental Health, Health Records and Administration. The participation of attendees was excellent. Seventy two of the seventy six guests invited were able to attend the sessions.

Each of the focus groups were asked to: 1) Provide feedback on criteria developed by the working group and rank them in order of importance; 2) To identify measurable indicators for each criteria, and; 3) To specify implementation issues that need to be considered. The focus group sessions provided context-rich information around the delivery of hospital ambulatory services within the province, and identified implications, for ambulatory care reporting, clustered around 5 specific themes. Clinical relevance, administrative simplicity, resource homogeneity, complexity of a visit and cost-benefit were identified as the most significant issues for the working group to consider when evaluating NACRS.

Based on this feedback the ACFWG reported to the Hospital Funding Committee (HFC) that it was feasible to use NACRS as a means of funding hospital ambulatory care with the following implementation considerations: 1) Mandate ambulatory care reporting; 2) Establish an implementation team; that will also 3) Provide hospitals with detailed implementation timelines; 4) Begin reporting of ER data in 1999 with clinics to follow in 2000; and 5) Use data for funding. The final report from this committee will be distributed in August, 1998. These recommendations will now flow to the MoH to decide whether to mandate NACRS for ambulatory data collection.

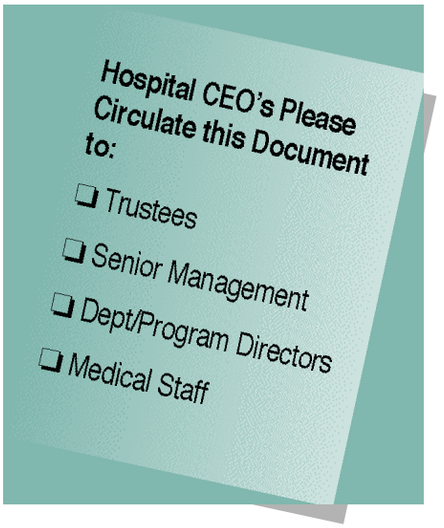
For further information, please contact ***Caroline Rafferty*** *@ Ext. 223.*

Actual and Expected Cost Per Weighted Case

IN July, 1998, the JPPC distributed comparative reports that indicate Actual and Expected Cost Per Weighted Case. The title of the report is: Methodology Used to Calculate 1998/99 Adjustment Factors Funding Model (RD#7-4). The reports are based on CIHI and MIS data submitted by hospitals for fiscal year 1996/97.

Fiscal year 1996/97 represented one year of the largest restructuring effort undertaken by Ontario Hospitals. Consequently, the 1998/99 reports provide health care stakeholders with an interesting picture of the changes that are evidenced through changes in patient volume and costs of Ontario hospitals.

...continued over



Priority Programs: Update

THE final report of the Orthopaediac Implants Working Group was presented to the Hospital Funding Committee on June 22, and was accepted in principle. Further analysis will be completed to assess the significance of the availability of rehabilitation beds for hip and knee replacement patients. The report recommends that the new rate for funding growth in hip and knee replacements reflect the costs of direct patient care at a benchmark length of stay. It also recommends that hospitals review their orthopaedic implant device costs in light of the wide variation across the province.

The final report of the Transplants Working Group was presented to the Hospital Funding Committee on June 22, and accepted in principle. The report provides best estimates of the direct costs associated with kidney, heart, lung, liver, and kidney/pancreas transplants. These include the costs of pre-transplant work-up, the inpatient episode, and all transplant related care for one year following discharge. The Working Group awaits the report of the provincial Blood and Bone Marrow Network, which will present updated costs for bone marrow transplants. The methodology used by the Network will be reviewed, and the costs validated, before they can be incorporated into the report. Both of these final reports will be sent to the MoH who will decide whether to implement the recommendations contained in the reports.

Three additional Priority Program Working Groups are currently underway. These groups are estimating the current costs, and developing recommendations for funding, for the following: Pacemakers & Implantable Defibrillators (ICD's); Paediatric Cardiac (including cardiac surgery, pacemakers & ICD's, and cardiology procedures); and Anti-Cancer & Supportive Care Drugs.

The JPPC encourages comments or questions about these Working Groups. Please contact ***Rob Forbes*** *@ Ext. 233.*

Blood Issues

SCOTT Rowand, CEO of Hamilton Health Sciences Corporation, will chair the JPPC Working Group on Blood, Blood Products, and Alternatives Utilization Management. The mandate of the group is to analyze the history and trends in utilization, to project hospital requirements for blood, blood products and alternatives, to provide advice on the optimal management of hospital blood and blood products supply, and to develop options for funding hospitals to cover the costs of these items should it become necessary. The first meeting of this group is expected to be in early September. In the meantime, JPPC staff will be finalizing membership, and collecting and analyzing available data on blood, blood products, and their alternatives.

For further information, please call ***Rob Forbes,*** *ext. 233.*

Actual and Expected Cost Per Weighted Case *...continued from page 1*

The Hospital Funding Committee firmly believes that to more appropriately serve the residents of Ontario, we as an industry must strive to accurately measure what it is we do for our patients. These comparative reports enhance our understanding in this regard.

The JPPC has conducted along with the Ministry of Health annual reviews of hospital specific financial data through an effort called the "data blitz". This effort is a critical component of our data quality review process.

It is the Hospital Funding Committee's intention to provide hospitals with an early release of 1997/98 data in 1998 and we are developing an aggressive schedule to facilitate this goal. An early release of financial data will facilitate interim funding as hospitals continue with their restructuring efforts. However, our planning efforts *must* be supported by a concerted effort on the part of hospitals to collect, verify and submit accurate data to the Ministry of Health. The success of any effort to accommodate an early release is dependent on a combined effort by the Ministry of Health, Ontario Hospitals and their Association as well as the JPPC. Only then can we expect our mutual goal to be realized.

For further information regarding the Hospital Funding Committee's 1998 work plan, please contact ***Nizar Ladak*** *@Ext. 238.*

TO REACH THE JPPC

PHONE: (416) 934-0710 FAX: (416) 934-0711

E-MAIL: jppc@jppc.org WEB SITE: http://www.jppc.org