

Committee meeting notes

Committee Name: Health Economics Committee

Recent Meeting Date(s): June 8, 2017

Achievements/Decisions:

 The committee heard details for methods and messaging proposed for three Board-approved reports/analyses containing information derived from price data. They raised technical points for further examination and identified caveats for consideration by the Price Subcommittee of the Board.

Issues/Risks/Concerns:

- Input to the Price Variation report:
 - Investigate whether to include observation stay cases or not
 - o Investigate whether to include patients who died in the hospital or not
 - Say that hospitals can have higher prices because they engage in cross-subsidization
 - o Be mindful of the burden on primary care when interpreting medical group attribution
 - o Show lower-higher price ranges in such a way that the price distribution is revealed
- Input to the Readmissions report:
 - Use median instead of average to mirror the Price Variation analysis
 - Drill into the readmissions to show the clinical reasons for them
- Input to the Potentially Avoidable ER Visit report:
 - Use median instead of average to mirror the Price Variation analysis
 - o Investigate whether to exclude ER visits that led to observations stays or not
 - Say that hospitals are required by law to treat patients who show up in the ER
- Input to the Spending Trend Analysis:
 - Conduct a statewide version of this analysis and share it more broadly
 - o Add a state benchmark in addition to tracking change over time for a single purchaser
 - o Purchasers may want a version based on paid dollar (in addition to allowed dollars)

Upcoming Activities:

The committee's advisory input will be transmitted to the Price Subcommittee of the Board.