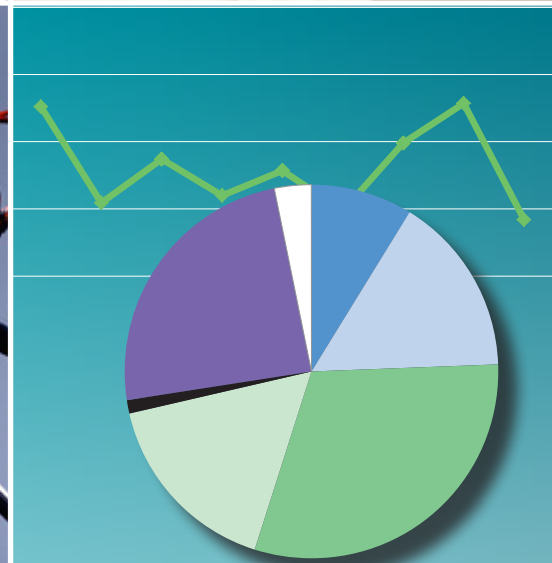
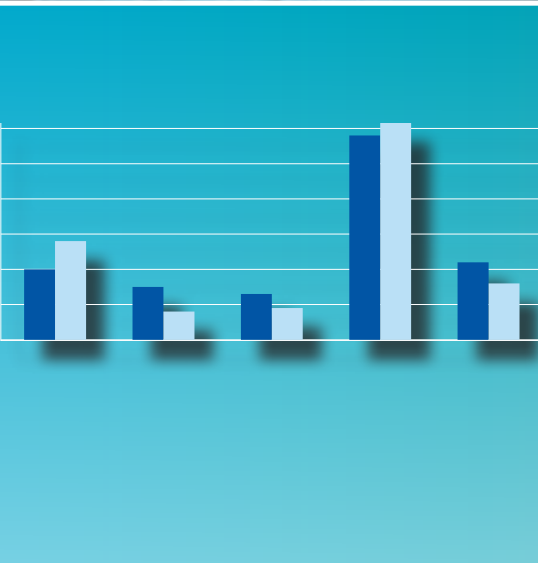
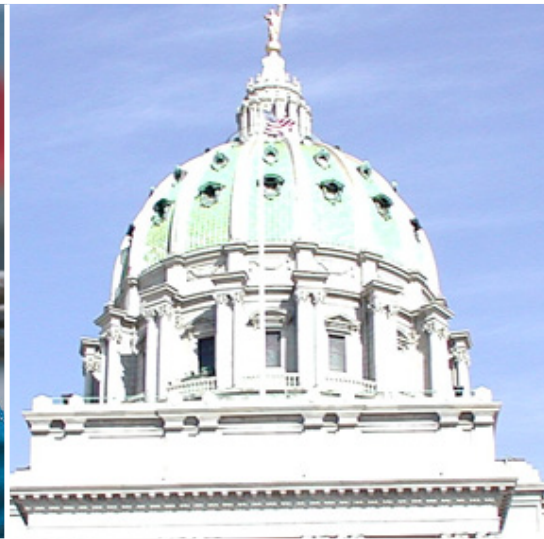


Pennsylvania Health Care Cost Containment Council ANNUAL REPORT 2011

Managing Change with Good Information



A MESSAGE FROM THE EXECUTIVE DIRECTOR



JOE MARTIN
Executive Director
Pennsylvania Health Care
Cost Containment Council

Managing Change with Good Information

Change will be a constant in the health care field for at least the next several years and beyond, as the search continues for ways to provide access to high-quality care at affordable costs.

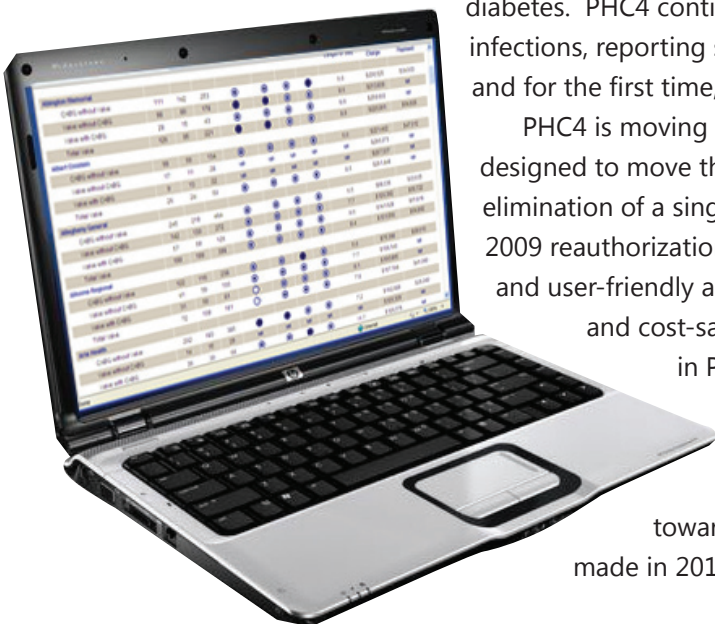
The Pennsylvania Health Care Cost Containment Council (PHC4) is well positioned to be a valuable resource to those who make decisions that will shape the health care landscape in this state. Determining the best future course and measuring the impact of changes over time will require a solid foundation of detailed, reliable information. PHC4 has spent the past two and a half decades helping to lay that foundation in Pennsylvania. It is not uncommon for people in other states to marvel at the tremendous resource created by and available to the people of Pennsylvania.

Since its creation in 1986, PHC4 has collected comprehensive health care data that has been available to employers, labor fund administrators, insurers, providers, researchers, consumers and government officials – now nearly 5 million records per year. Its extensive database covering health conditions, treatments, patient outcomes, hospital charges and reimbursements is second to none. While the information is most useful to those here at home, each year PHC4 receives data requests from all over the country, seeking to tap into the vast amount of health care data that is at our disposal.

PHC4 web-based reports were downloaded more than 750,000 times in 2011.

In 2011, the agency carried on its core functions while setting the stage for improved service in the future. As it has in past years, PHC4 reported on cardiac surgery and hospital finances in 2011. In collaboration with student researchers at Bucknell University, PHC4 produced a report that focused on one of the most common and costly chronic conditions in Pennsylvania, diabetes. PHC4 continued its groundbreaking work on healthcare-associated infections, reporting statewide figures on mortality, lengths of hospitalization and for the first time, rates of rehospitalizations.

PHC4 is moving into the final stages of a major reengineering project designed to move the system of collecting severity data in house. The elimination of a single vendor requirement embedded in changes in PHC4's 2009 reauthorization has moved the process to a more open, transparent and user-friendly approach, that has the ability to deliver better results and cost-savings over time. This transition necessitated a delay in PHC4's hospital- and physician-specific reporting but with a full year of inpatient hospital data now in house under the new system, we look forward to the return of these valuable and heavily-used reports towards the end of 2012. Finally, significant progress was made in 2011 on another initiative that emerged from passage of



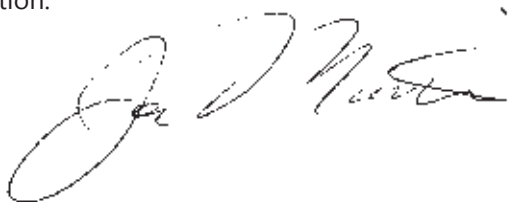
Act 3, the collection of actual hospital payment data, as opposed to charges. We are working closely with our Payment Data Advisory Group to produce actionable analysis and reporting that will assist purchasers and other stakeholders in making better informed decisions about cost and quality issues.

Early in 2011, PHC4 launched what is becoming an increasingly useful and popular tool, its Medicare payment database for common outpatient procedures. This should be especially helpful to consumers who are in high deductible coverage plans, such as health savings accounts, or who have no insurance at all. The database as it appears on the PHC4 website is illustrated in this report on page 10.

Fiscal year 2011 saw PHC4 fill 89 special requests for data, including numerous requests from other Pennsylvania state agencies. The revenue from these data sales helps to augment PHC4's general appropriation through the state's budget process, thus reducing the agency's burden to Pennsylvania taxpayers.

To help spread the word about ways to use PHC4's information, we continued our series profiling innovative data users, which are posted periodically on the PHC4 website. These case studies feature employers, researchers, providers, labor union officials and others who describe their work and the value that PHC4 data lends to their projects. And speaking of the website, PHC4 reports were downloaded more than 750,000 times in 2011.

PHC4 remains committed to furnishing high quality data that can serve as the basis for good decisions that benefit all Pennsylvanians. When it comes to health care, the one constant will be change, and change can be managed with good information.



The PHC4 Council

Listed below are the Council members and the constituencies they represent.

Executive Committee

- Gene Barr, Chair - Business
- Frank Sirianni, Vice-Chair - Labor
- David E. Black, Treasurer - Business
- Paul Casale, MD, Chair, Data Systems Committee - Physicians
- Joseph Huxta, Chair, Education Committee - Business
- Tom Duzak, Chair, Mandated Benefits Committee - Labor
- Randy DiPalo, Immediate Past Chair - Labor

Council Members

- Gary D. Alexander, Secretary of Public Welfare
- Eli Avila, MD, JD, MPH, FCLM, Secretary of Health
- Neal Bisno - Labor
- David Campbell, MD, - Physicians
- Michael F. Consedine, Insurance Commissioner
- Samuel Denisco - Business
- Michael Doering - Quality Improvement
- Stuart Fine - Hospitals
- Bob Johnston - Business
- Donald Liss, MD - Health Plans
- Mary Ellen McMillen - Health Plans
- Ernest Sessa - Consumers
- Frank Snyder - Labor
- Jack Steinberg - Labor
- Frances Ward, PhD, RN, CRNP - Nurses
- Stephen A. Wolfe - Hospitals



"The Pennsylvania Health Care Cost Containment Council is a proven, respectable resource for comprehensive data on medical outcomes. The information PHC4 provides is essential to the ongoing effort to improve the quality of care in the Commonwealth and control costs. The Pennsylvania Chamber has been a proud supporter of the agency's mission since its inception."

GENE BARR
President and CEO
Pennsylvania Chamber of Business and Industry

About PHC4

The Pennsylvania Health Care Cost Containment Council (PHC4) is an independent state agency charged with collecting, analyzing and reporting information that can be used to improve the quality and restrain the cost of health care in the state. It was created in the mid-1980s when Pennsylvania businesses and labor unions, in collaboration with other key stakeholders, joined forces to pass market-oriented health care reforms. As a result of their efforts, the General Assembly passed legislation (Act 89 of 1986) creating PHC4.

The primary goal is to empower purchasers of health care benefits, such as employers or labor union health and welfare funds, with information they can use to improve quality and restrain costs. More than 750,000 public reports on patient treatment results are downloaded from the PHC4 website each year. Additionally, nearly 100 organizations and individuals annually acquire data that is tailored to their specific needs through PHC4's special requests process. Today, PHC4 is a recognized national leader in public health care reporting.

It is governed by a 25-member board of directors, representing business, labor, consumers, health care providers, insurers, and state government.

Figure 2. Hospital Admission Rates for Diabetes, by Age, 2000-2009

- The diabetes hospitalization rate for the 85 years and older category varied between 2000 and 2009, increasing from 46.4 in 2000 to its highest rate of 50.8 in 2005 and then declining to its lowest rate of 46.1 in 2009.
- Rates declined for the age 65 to 84 years category between 2000 and 2009 but increased for the 18 to 44 years and 45 to 64 years groups.
- Rates were relatively stable across time for the youngest categories (<1 year and 1 to 17 years) in which net changes were minimal.

Figure 3. Hospital Admission Rates for Diabetes, 2000-2009

Table 3. Diabetes Hospitalization Rates* Pennsylvania and United States, 2009

	PA	US
Total	19.2	37.3
By Age Group		
<1	0.1	0.2
1-17	3.0	3.9
18-44	13.1	13.8
45-64	25.4	25.4
65-84	41.7	39.7
85+	46.1	41.8
By Gender		
Male	20.8	18.9
Female	17.6	16.6

* Rate per 10,000 Residents.

Figure 4. Hospital Admission Rates* for Diabetes, 2009

- Pennsylvania's total diabetes hospitalization rate in 2009 was higher than the total national rate.
- Pennsylvania's diabetes hospitalization rates were higher than the national rates for persons age 1 to 17, 65 to 84, and 85 and older.
- Diabetes hospitalization rates increased with age in Pennsylvania and the U.S.
- Diabetes hospitalization rates were higher among males than females in Pennsylvania and the U.S.

What the Pennsylvania Health Care Cost Containment Council Does

PHC4 collects comprehensive inpatient and outpatient records from all 243 hospitals and 266 ambulatory surgery centers in Pennsylvania – nearly 5 million patient records per year. The information, which includes patient conditions, treatments, and outcomes, as well as charges and financial data such as hospitals’ operating and total margins, net patient revenue, and uncompensated care, is collected and verified quarterly.

Much of that data is categorized and posted on the PHC4 website, where it is available to businesses, labor, the health care and insurance industries, academic researchers, government policymakers and consumers.

PHC4 also prepares and sells data reports to those who make special requests.

As an additional public service, PHC4 also uses the data to prepare and publish reports on important public health care topics in Pennsylvania. In recent years, those have included diabetes, chronic health conditions, healthcare-associated infections, cardiac surgery, and hospital performance.

With a staff of 27 and state funding of less than \$2.6 million in fiscal year 2011-12, PHC4 costs about 20 cents per Pennsylvania citizen annually. The agency supplements its state budget appropriation with \$600,000 in data sales revenue each year.



“Using PHC4 data to identify high value health care providers and facilities, our union health and welfare funds can help their members make choices that yield the best health care services in the most cost-efficient manner.”

RICK BLOOMINGDALE
President
Pennsylvania AFL-CIO





"PHC4's ability to provide robust data about health care utilization and outcomes in Pennsylvania has been immensely valuable to Capital BlueCross. It enhances our ability to provide the best possible products and services to our subscribers."

WILLIAM LEHR, Jr.
Chairman and CEO
Capital BlueCross

Public Reporting: Tools for Improving Quality and Containing Costs

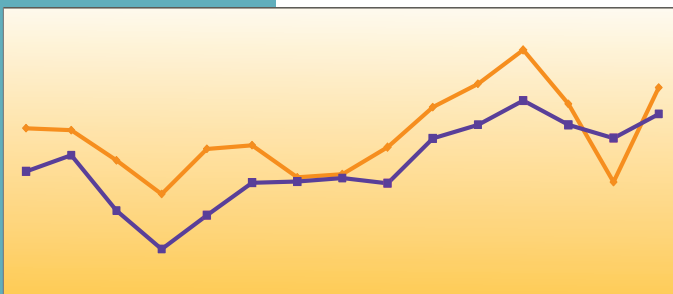
In addition to collecting millions of de-identified records and making them available for analysis each year, PHC4 also studies the status of health and health care in Pennsylvania. It issues reports that provide policymakers, the medical community and the public-at-large information about where Pennsylvania stands on important health-related matters. Over the past quarter century, it has developed a national reputation for excellence in collecting, analyzing and reporting health care data. That information has proven invaluable in improving the quality and restraining the costs of health care. As one example, Pennsylvania, through PHC4, led the way in reporting on healthcare-associated infections (HAIs) with a report first issued in 2006. It helped launch a national focus on reducing infections contracted in health care settings. HAIs were again among the topics of reports that PHC4 issued last year.

Analyzing Hospitals' Financial Health

In order to maintain a high-quality, cost effective health care delivery system, Pennsylvania's health care facilities must be financially sound. As it has since 1989, PHC4 last year presented a statewide financial analysis combined with information about each specific hospital and self-standing surgery center in the state. Published in three volumes, *Financial Analysis 2010*, found that the economic condition of Pennsylvania's health care facilities generally improved that year.

- **Volume 1**, released in May 2011, covered general acute care (GAC) hospitals. After falling for two consecutive years, the statewide total margin realized by GAC hospitals increased by 3.23 percentage

points in Fiscal Year 2010 (FY10), from 2.03% the previous year to 5.26%. Net income statewide grew from \$696 million in the prior year to \$1.92 billion, mostly due to increases in non-operating income, derived primarily from investments, endowments and charitable contributions.



- **Volume 2**, released in September, showed that ambulatory surgery centers remained financially healthy in FY10, with statewide average operating and total margins at 26.20% and 26.29%, respectively. Eight new facilities opened and four closed, for a net growth of four facilities in FY10. In the period from FY01 to FY09, the number of ASCs had increased from 98 to 262, an average increase of 18 facilities per year.
- **Volume 3**, published in November, found that the financial health of Pennsylvania's non-general acute care facilities improved in FY10 over the prior year. The four types of hospitals included – rehabilitation, psychiatric, long term acute care, and specialty – all experienced increases in their average statewide operating margins, and in average statewide total margins. Margins were positive in all categories.

Diabetes Hospitalizations Continue to Rise

In 2010, PHC4 had introduced a new report covering major chronic health care conditions in Pennsylvania. In 2011, the agency zeroed in on one of those common chronic maladies, diabetes.

In collaboration with student and faculty researchers at Bucknell University, PHC4 published the *Diabetes Hospitalization Report 2009* during National Diabetes Month in November. The report studied statewide trends in diabetes hospitalizations during the decade from 2000 to 2009, including statistical breakdowns based on age, race, gender, and geographic region, along with Medicare and Medicaid payment data for diabetes-related hospital stays. It found that hospitalizations for which diabetes was the principal diagnosis rose during that 10-year period in Pennsylvania from 21,842 in 2000 to 24,143 in 2009, a 10.5 percent increase.



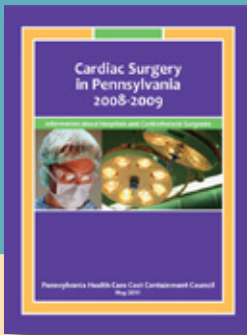
"The cost and quality data PHC4 presents in its Hospital Performance Report is one of the key factors that drives decision-making in our benefits management process."

MARK DEVER
Lead Health & Welfare Plan Consultant
Duquesne Light Company



In 2009, there were 19.2 hospital admissions for diabetes for every 10,000 Pennsylvania residents. That was higher than the national rate of 17.7. per 10,000.

OUR CORE MISSION – USEFUL PUBLIC INFORMATION



Overall, the average number of open heart procedures performed annually per hospital decreased 37.1 percent over the past decade, from 499 cases in 2000 to 314 cases in 2009.

Mortality Declines for Cardiac Surgery Patients

As it has since it first issued a guide to coronary artery bypass grafts (CABG) based on 1990 data, PHC4 continued reporting on cardiac surgery. The latest report, *Cardiac Surgery in Pennsylvania 2008-2009*, released in May 2011, included information on 30,956 CABG and/or valve surgeries performed in Pennsylvania hospitals in 2008 and 2009.

It found that since 1994, Pennsylvania's in-hospital mortality rates have decreased 52.3 percent for patients undergoing coronary artery bypass graft (CABG) surgery. In-hospital mortality rates for those patients declined from 3.23 percent in 1994 to 1.54 percent in 2009 – the lowest point in 16 years. For patients undergoing valve surgery, either with or without a CABG procedure, in-hospital mortality rates decreased during the last five years of the reporting span, from 5.15 percent in 2005 to 3.61 percent in 2009.

The Tie Between HAIs and Hospital Readmissions

In 2011, PHC4 expanded its work on two recognized cost and quality-of-care issues – healthcare-associated infections (HAIs) and hospital readmissions. In February 2011, PHC4 released its report on HAIs from 2009. It showed that of the 1,939,111 patients admitted to Pennsylvania hospitals in 2009, 23,287 (1.2 percent) contracted at least one infection during their stay. It also showed that among Pennsylvania patients who acquired an HAI that year, 29.8 percent were readmitted within 30 days for an infection or complication, far higher than the readmission rate of 6.2 percent for patients who did not contract an HAI. The report also contains information on mortality, length of hospital stay, average charges and Medicare payments.

During 2011, PHC4 continued examining HAIs, preparing another report released in early 2012. PHC4 also prepared a new overall statewide readmissions report published in April 2012. While HAIs and readmissions are separate issues, the research continues to suggest a correlation between the two.



"PHC4 data plays an important role in our strategy to help our members receive the best value in care for their health care dollars."

TOM LAMB
Administrator at Law Enforcement
Health Benefits

Reducing HAIs and preventable readmissions are priorities among the medical community, researchers, and policymakers nationwide, because of both cost and patient wellness. In fact, beginning in October 2012, the federal government will penalize – by reductions in Medicare reimbursements – hospitals that have an excess preventable readmission ratio within 30 days of discharge for certain conditions. By 2015, the list of conditions will expand.

Transition to a New Risk Adjustment System to Measure Hospital Performance

PHC4 continued in 2011 to refine its new in-house system to collect laboratory data for risk-adjusting patient outcomes, which is the critical underpinning of Pennsylvania's public reporting on hospital performance. Risk adjustment "levels the playing field" by taking into consideration the severity of patients' illness when examining mortality rates, length of hospital stay, and readmission rates. The transition to the new risk-adjustment system began in 2010, prompted by a provision in the law (Act 3 of 2009) that reauthorized PHC4 as a state agency. That provision gave hospitals more flexibility in meeting their data reporting requirements. The transition has temporarily pushed back the publication of PHC4's annual *Hospital Performance Report*, although data through March of 2010 was updated on the agency website.



"PHC4 continues to set the standard for public accountability for the outcomes of medical care. As the nation travels down the road to reform, leaders will continue to look to PHC4 for fresh insights regarding the dissemination of outcomes information. This information is the road map for real reform of our system. I am proud to be celebrating nearly 20 years of collaboration with our colleagues at PHC4."

DAVID B. NASH, MD, MBA, FACP
Dean, and The Dr. Raymond C.
and Doris N. Grandon Professor
of Health Policy and Medicine
Jefferson School of Population Health
Thomas Jefferson University

OUR CORE MISSION – USEFUL PUBLIC INFORMATION

PHC4's Medicare Payment Database Helps Consumers Learn Outpatient Costs

An internet database of Medicare payments for common health care services is a new initiative that grew out of the agency review required by the Legislature when it reauthorized PHC4. In late 2010, PHC4 began developing this consumer-friendly database, which was launched in March 2011.

For each Pennsylvania county, the database provides the amount Medicare pays hospitals and ambulatory surgery centers for about 80 outpatient procedures, such as cataract surgeries, colonoscopies, and MRIs. It also shows the number of procedures hospitals performed in a year.

This new database was designed to provide concrete payment information so that consumers participating in high deductible health plans or who have no health insurance coverage at all can make the most efficient use of their health care dollars. The Medicare payment amount, which combines the payment to the facility and the patient's co-payment amount, can provide information to assist in fee negotiation and can help consumers look for the best price for common services.

It is available on the PHC4 website, www.phc4.org, by clicking on the link to "Medicare Payments – Common Services." Consumers can then select their procedure and county from the menu, as illustrated below.

Example: Cataract Removal, Insertion of Lens

Number of Procedures Performed at Each Facility

Requested Information:

Select a service or procedure:

Select a county:

[+ Compare counties](#)

Select procedure and county

County	ASC	HOPD	Info
Allegheny	\$900	\$1471	

Average Medicare Payment at Ambulatory Surgery Centers

Average Medicare Payment at Hospital Outpatient Departments

Legend

- View table description
- View hospital info

Name	Service units
Alle-Kiski	107
Allegheny General	292
Children's Hosp Pgh	0
HealthSouth Harmanville	0
Heritage Valley Sewickley	*
Jefferson Regional	28
LifeCare/Pittsburgh	0
Magee-Womens	0
Ohio Valley General	134
St Clair Memorial	540
UPMC Braddock	259
UPMC McKeesport	112
UPMC Mercy	307
UPMC Passavant	271
UPMC Presby Shadyside	439
UPMC South Side	24
UPMC St Margaret	388
Western PA Hosp/Forbes	158
Western Pennsylvania	46

It is important to remember that decisions about where to receive health care services should not be made solely on the basis of costs and charges. The quality reputation of the facility and its experience in treating patients for a particular procedure or providing a specific service should also be decisive factors in making the final selection of a facility.

Greater Transparency on Actual Health Care Costs

During 2011, PHC4 moved forward with collecting data that includes the actual payments that providers receive from insurers, rather than just the billed amount. This information is desired by employers and labor unions, who need to understand what drives cost increases. These groups note that payment data transparency in benefit plans could motivate employees to get the same high-quality treatment from low-cost providers.

Under Act 3 of 2009, a Payment Data Advisory Group (PDAG) was formalized and charged with advising the Council regarding the collection, analysis and reporting of commercial payment data. PDAG, which includes representatives from health plans, hospitals and physicians, has provided invaluable guidance, both substantive and technical, for the creation of a data collection format that allows for collecting data from a wide variety of payers.

The collection of this real-world payment data is an important step in PHC4's creation of an all-payer insurance claims database and will greatly aid the analysis and reporting of health care costs. PHC4 already collects payment data regarding Medicare and Medicaid from the federal Centers for Medicare and Medicaid Services and from the state Department of Public Welfare. The combination of PHC4's existing inpatient/outpatient database, its new interactive Medicare common-procedures database, and the all-payer insurance claims repository, will put the Commonwealth in the strongest position to strategically monitor and improve health care delivery.



"PHC4 is, bar none, the best state health reporting system in the country. PRHI's readmission work would not be possible without the unique datasets we receive from PHC4."

KAREN WOLK FEINSTEIN, PhD
President and CEO
Jewish Healthcare Foundation and
Pittsburgh Regional Health Initiative
(PRHI)



"PHC4 data is an incredible resource for health care researchers because of the excellent quality of the data."

JEREMY M. KAHN, MD, MS
Associate Professor of Critical Care,
Medicine and Health Policy
University of Pittsburgh School of
Medicine and Graduate School of Public
Health

Requesters Use PHC4 Data to Study, Improve Quality and Analyze the Cost of Health Care

PHC4 provides a valuable service by producing customized reports and datasets for health care providers, researchers, consultants and other users who want to tailor PHC4 data and analysis for various purposes. This service is available for a fee.

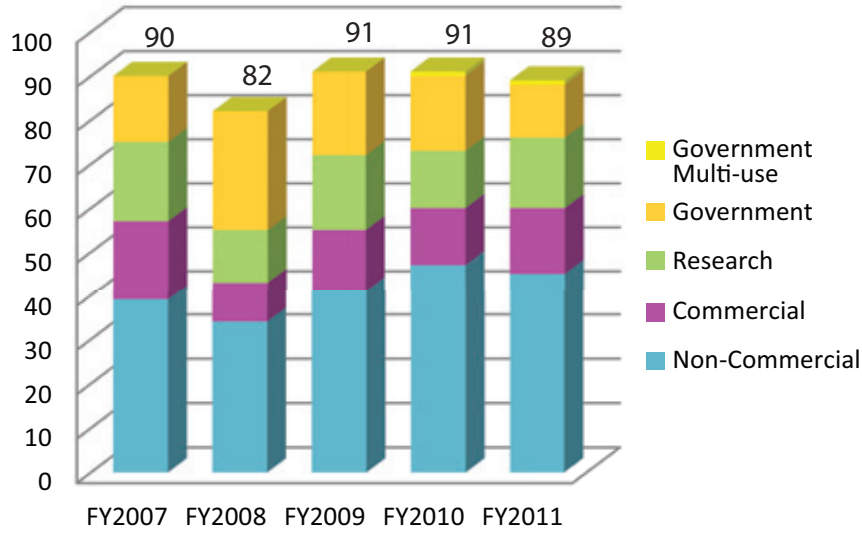
In the fiscal year that ended on June 30, 2011, PHC4's Data Requests Unit completed 89 requests for data and reports, producing total revenue of about \$770,000. Twelve of those requests were for sister state agencies. (For more about PHC4's work for state government at no charge, see page 14.)

Each quarter, PHC4 emails a data request update to past and prospective clients, notifying them when another quarter of data is available. The emails also include a brief profile of a data user, who discusses the value of PHC4 records to his or her work.

Fiscal Year 2011 Data Users

- Agency for Healthcare Research & Quality
- Akron Children's Hospital
- Altoona Regional Health System
- America's Health Insurance Plans
- Atlantic Health
- AtlantiCare Regional Medical Center
- Bill J. Crouch & Associates
- Bon Secours Health System, Inc.
- Boston University School of Medicine
- Bucknell University
- Community Health Systems
- Community Medical Center
- Competition Economics LLC
- DataBay Resources
- Foundation for Advancement of International Medical Education & Research
- Global Lower Extremity Amputation Study Group
- Good Shepherd Rehabilitation Hospital
- Hamilton Health Center
- HCR ManorCare
- HEALTHSOUTH
- Home Nursing Agency
- Homeland Center
- Hospital & Healthsystem Association of Pennsylvania
- Ingenix
- Kindred Operating Inc.
- Lancaster General Hospital
- Lehigh Valley Health Network
- Lewistown Hospital
- LW Consulting, Inc.
- Maryland Department of Health and Mental Hygiene
- Memorial Medical Center
- Moses Taylor Hospital
- New Solutions, Inc.
- Northwestern University Law School
- Oconco Healthcare Consultants
- Penn State College of Medicine
- Pennsylvania Department of Health
- Pennsylvania Department of Public Welfare
- Pennsylvania Department of the Auditor General
- Pennsylvania Office of Attorney General
- Philadelphia Department of Public Health
- Philadelphia Inquirer
- PinnacleHealth System
- Pittsburgh Post-Gazette
- Pittsburgh Regional Health Care Initiative
- Pittsburgh Tribune Review
- Pottstown Memorial Medical Center
- Press Ganey Associates, Inc.
- SDI Health
- Senator Mike Brubaker
- Service Employees International Union
- St. Clair Hospital
- St. Vincent Hospital
- Susquehanna Health System
- Thomson Reuters
- Treo Solutions
- University of Iowa, Department of Health Management & Policy
- University of Pennsylvania
- University of Pittsburgh
- University of Pittsburgh Medical Center
- University of Pittsburgh, Department of Medicine
- WebMD Health
- WellSpan Health
- Wyoming Valley Health Care System

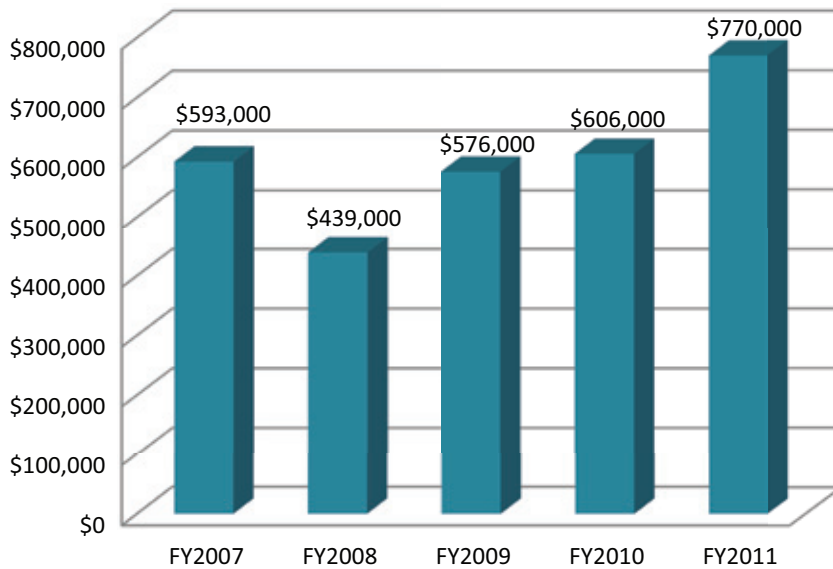
Number of Data Requests



"PHC4 data plays a key role in our post-acute care continuum planning process. We use it for service line demand forecasts, market share calculations, and to make critical decisions about entry into new markets. The staff has always been very helpful and responsive to our data requests."

JOHN GRENCER
 Administrative Manager of the Assistive
 Technology Program
 Good Shepherd Rehabilitation Network

Data Requests Revenue





“PHC4 data is indispensable to the Office of Attorney General to make informed decisions and facilitate competition in the health care arena.”

JAMES A. DONAHUE III
Chief Deputy Attorney General
Antitrust Section
Pennsylvania Office of the Attorney
General

PHC4: A Health Care Information Resource for the Commonwealth

As an independent state agency, the PHC4 provides its data at no charge to state government agencies – often in the form of specialized data reports. PHC4’s waiver of fees for government agencies means that policymakers and administrators can access this vital information at no additional cost to the taxpayer. During the past two calendar years, PHC4 filled 26 requests valued at nearly \$155,000 to eight different government partners.

Given the comprehensive realm of PHC4 data, requests come from many corners of state government. One of the most frequent users is the Pennsylvania Department of Health. Through custom inpatient discharge reports and ambulatory/outpatient procedure data, the Department of Health can improve its awareness and treatment programs such as the Asthma Control Program, the Environmental Public Health Tracking Program, the Diabetes Prevention and Control Program, the Healthy People 2020 Initiative, and the Violence & Injury Prevention Program. The information requested by the Department of Health can range from very broad statewide reports to narrowly targeted data.

The Pennsylvania Department of Public Welfare also makes special data requests. Its Division of Rate Setting in the Bureau of Fee-for-

Service Programs makes three specific requests annually which are used to calculate payments. PHC4 data is used to determine payments to hospitals for obstetrics and neonate services and to calculate funding for hospitals in the Tobacco Settlement’s Hospital Uncompensated Care and Extraordinary Expense program. Custom financial data is used to determine an annual assessment amount for hospitals that do not have an accepted 2008 Medicare cost report as part of the Hospital Quality Care Assessment.

The Pennsylvania Patient Safety Authority, another independent state agency tasked with improving the quality of health care,



used PHC4 data relating to ureteral stent procedures to create a report on reducing the risk of adverse events during the procedure.

Not every use of PHC4 data is medical in nature. For instance, the Pennsylvania Auditor General requests hospital financial data every year in order to audit hospitals that receive funding from the Hospital Uncompensated Care and Extraordinary Expense program under the Tobacco Settlement.

Another regular user of PHC4 data is the Office of the Attorney General's Antitrust Section. Standard statewide inpatient discharge, inpatient revenue code detail data, and market share reporting is used to analyze proposed hospital mergers. The investigations are conducted jointly with the Federal Trade Commission.

Members of the Pennsylvania General Assembly also can request data for policymaking purposes at no charge. In 2011, a state senator was able to utilize custom inpatient discharge and ambulatory/outpatient procedure data to understand utilization patterns among hospitals in a county that he represents.

Since 2007, the PHC4 has filled 78 requests for data from Pennsylvania state government agencies and officials, leading to savings that amount to more than \$385,000.

Looking to the Future in a Changing Health Care Marketplace

Great uncertainty lies ahead in the way we deal with health care costs nationally and in Pennsylvania. In our state, work continues among policymakers and other stakeholders on finding the best ways of making health care accessible and affordable for the greatest number of our citizens. PHC4, with its extensive database on health care as a resource, is available to further those efforts in whatever way best serves the people of the Commonwealth.



Pennsylvania Health Care Cost Containment Council

Joe Martin, Executive Director

225 Market Street, Suite 400, Harrisburg, PA 17101

Phone: 717-232-6787 • Fax: 717-232-3821

www.phc4.org



Scan this Quick Response Code with your smartphone (using a QR code reader app) or visit www.phc4.org to learn more about PHC4.