

Annual Report 2012



Pennsylvania Health Care Cost Containment Council

A Message from the Executive Director



Joe Martin
Executive Director
Pennsylvania Health Care
Cost Containment Council

Increasing Value in Health Care Starts with Asking the Right Questions

In July 2010, PHC4 held a strategic planning session at the Capital Region Chamber of Commerce's headquarters in Harrisburg. This was an important time, with both new board members and a new executive director in place. In addition, as PHC4 had been reauthorized the previous June for five more years, it was a good time for the board and staff leadership to take stock.

In essence, the key questions confronting the group that day were: **How does PHC4 sustain relevance going forward? How do we provide value to key stakeholders: employers, labor groups, providers, insurers, state government policy-makers and consumers? The key goals set that day follow, with my assessment of progress in meeting them.**

- 1) **Develop a 'Home Run' Report**—While PHC4 has reported on readmissions for years through the *Hospital Performance Report*, 2012 marked a significant step forward. PHC4's report on *Hospital Readmissions in Pennsylvania 2010* is regarded as the most comprehensive study yet published due to its all-payer, all-treatment focus. PHC4's report put an annual price tag of more than \$500 million on readmissions (Medicare and Medicaid fee-for-service alone) adding to their status as a major cost-driver.
- 2) **Enhance PHC4's Public Reporting**—The *Hospital Performance* and *Cardiac Surgery Reports*, back-burnered during a data re-engineering process, are back online, with a new cardiac report due out in December. PHC4 also released publications about the financial well-being of all hospitals and outpatient surgery centers in the Commonwealth, healthcare-associated infections, preventable hospitalizations and orthopedic procedures in PA hospitals—and continued to enhance its website.
- 3) **Retool the Data Collection Process**—In the time since our planning session, PHC4 initiated an important and statutorily required re-engineering of its data collection process. It is more functional, and more timely and more secure with added choices and a reduced regulatory burden. Changing the way we collect data has moved the process to a more transparent, user-friendly approach that should deliver better results at a lower cost to PHC4 and its data sources. Congratulations to our Research and Information Services Departments for this accomplishment.
- 4) **Expand Outpatient Reporting**—In March 2011, PHC4 introduced an interactive Medicare payment database for 78 common outpatient services, fulfilling a recommendation of the Act 3 review committee. PHC4 uploaded the most recent figures in April and the database serves as a vital part of PHC4's efforts toward complete health care cost transparency.
- 5) **Develop a Process to Collect, Analyze and Report Actual Insurance Payment Data**—One of the added responsibilities in the 2009 reauthorization was for PHC4 to establish a formal Payer Data Advisory Group. With excellent support from the major health insurance plans operating in Pennsylvania, the group has developed a consistent reporting format and using that, PHC4 has collected one year of commercial inpatient claims. PHC4 has been collecting Medicare and Medicaid payment data for several years.
- 6) **Data Revenue/Budget**—PHC4 supplies a great deal of information to other Pennsylvania agencies at no charge, but also sells data and custom analyses to outside users. PHC4 has seen continued growth in this area, in dollars and in the number of requests. This secondary revenue stream makes up a crucial 20% of our \$3.3 million operating budget. The revenue helped PHC4 weather a budget cut of 47% in Fiscal Year 2008/09 and we are appreciative of the level funding we have received since then from Governor Corbett and the General Assembly. We have continued to "live within our means."

And we continue to receive unqualified opinions (highest rating) from outside auditing firms for the quality and consistency of our internal accounting practices.

- 7) **Increase Use of the Data**—Along with the increase in special data requests, PHC4 reports were downloaded from our website 750,000 times in 2012.
- 8) **Collaboration**—PHC4 has been actively collaborating with Bucknell University’s Institute for Public Policy, the Hospital and Health System Association of Pennsylvania and the Pittsburgh Regional Health Initiative on their separate but crucial work to reduce hospital readmissions. PHC4 worked closely with the Pennsylvania Breast Cancer Coalition to develop and release a new report on breast cancer procedures. PHC4 also is at work on a new collection and reporting model with state heart surgeons and the national Society of Thoracic Surgeons to expand heart surgery reporting in Pennsylvania.
- 9) **Staffing**—PHC4 has done all this with a significantly reduced staff that works hard, with creative efficiency, aided by appropriate upgrades in technology. They are PHC4’s greatest asset.
- 10) **Enhanced Credibility**—This work has led PHC4 to increased credibility in the community and strong relationships throughout state government, with a reputation for high quality data and analysis. But there is still much to do. Estimates put the cost of preventable waste and error in health care at about \$1 trillion annually. We must redouble our efforts to address this significant cost-driver. In addition, the payment system must reflect value—often referred to as value-based purchasing—with value being the ideal combination of the best and most cost-effective patient experience.



Gene Barr
 President and CEO
 Pennsylvania Chamber
 of Business and Industry

“Businesses and governments facing major health care decisions need unbiased, reliable, quality data in order to make the right choices. The best source of that data in the Commonwealth is the Pennsylvania Health Care Cost Containment Council, a respected health-care-quality advocate for the past 27 years.”

The need for credible data to make good decisions is more vital than ever in our complex and rapidly changing health care environment. We are investing significant time, energy and resources into new and retooled strategies, such as accountable care organizations and medical homes, to improve quality and restrain costs. Shouldn’t we develop ways to measure whether we are getting the return on investment that we expect?

Organizations should periodically challenge themselves by asking: Do we deserve to continue to exist? I believe that for PHC4, the answer is yes. However, don’t take my word for it. I would encourage you to read about the work and to hear the words of key stakeholders who have provided testimonials throughout.



Rick Bloomingdale
 President
 Pennsylvania AFL-CIO

“PHC4 is a valuable resource to our union health and welfare funds as they continue helping their members make choices that yield the best health care in the most cost-efficient manner. This helps us improve quality and affordable health care for all Pennsylvanians.”

About PHC4



David E. Black
President and CEO
Harrisburg Regional Chamber
and Capital Region Economic
Development Corporation

“As implementation of the Patient Protection and Affordable Care Act ramps up, reliable health care data is critical. As the national standard for collecting and reporting health care data, PHC4 provides Pennsylvanians with key data about care and costs, helps hospitals to focus on advancing care and outcomes, and collects data to provide insurers with guidance for the future.”

What is the Pennsylvania Health Care Cost Containment Council?



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. The agency was established in 1986 as

a result of collaboration among Pennsylvania businesses and labor unions and other key stakeholders to enact market-oriented health care reforms. Their efforts resulted in the General Assembly passing legislation (Act 89 of 1986) to create PHC4. Today, PHC4 is a recognized national leader in public health care reporting.

The primary goal is to provide purchasers of health care benefits—businesses, labor unions and other stakeholders—with information they can use to improve quality and restrain costs. Nearly 100 organizations and individuals annually request PHC4 data through its special request process. Each year, more than 750,000 public reports are downloaded from the PHC4 website.

PHC4 is governed by a 25-member board of directors representing business, labor, consumers, health care providers, insurers, and state government.



About PHC4

What the Pennsylvania Health Care Cost Containment Council Does

PHC4 collects comprehensive inpatient and outpatient records—nearly 5 million patient records per year—from Pennsylvania’s 246 hospitals and 271 ambulatory surgery centers. PHC4 collects and verifies data on patient conditions, treatments, outcomes and charges, as well as financial data such as hospital operating and total margins, net patient revenue and uncompensated care.

Using the data, PHC4 prepares and produces reports on important public health care topics in Pennsylvania. The website also includes interactive databases available to businesses, labor, the health care and insurance industries, academic researchers, government policymakers and consumers.

PHC4 also prepares and sells datasets and reports to those who make special requests. The sale of data annually generates an average of \$600,000 in revenue, supplementing PHC4’s state budget appropriation of \$3.2 million.



Frank Sirianni

President

PA State Building and Construction
Trades Council, AFL-CIO

“The PHC4 data is an enormous value for our health and welfare funds and our members. Going forward, this data at the state and local levels will be even more important given our rapidly changing health care system.”

The PHC4 Council

Executive Committee

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

Council Members

- Neal Bisno – Labor
- David Campbell, MD – Physicians
- Michael F. Consedine, Insurance Commissioner
- Samuel Denisco – Business
- Mark Dever – Business
- Michael Doering – Quality Improvement
- Stuart Fine – Hospitals
- Bob Johnston – Business
- Donald Liss, MD – Health Plans
- Beverly Mackereth, Secretary of Public Welfare
- Mary Ellen McMillen – Health Plans
- Ernest Sessa – Consumers
- Frank Snyder – Labor
- Jack Steinberg – Labor
- Frances Ward, PhD, RN, CRNP – Nurses
- Michael Wolf, Secretary of Health
- Stephen A. Wolfe – Hospitals

Providing Health Care Information



Andy Carter

President and CEO

The Hospital & Healthsystem Association
of Pennsylvania (HAP)

“HAP is one of 26 hospital engagement networks working nationwide to promote the use of strategies to foster a culture of safety and offer opportunities to participate in projects to reduce adverse events, and to prevent complications and readmissions. PHC4 has been very supportive of the PA Hospital Engagement Network activity and has been extremely helpful in documenting the progress hospitals are making on readmissions.”

Hospital Performance Report Shows Declining Mortality Rates

The *Hospital Performance Report* for 2011, released in December, showed that in-hospital mortality rates decreased significantly statewide between 2007 and 2011 for four of the 12 common medical conditions and surgical procedures included in the report. One of PHC4’s most popular reports, the *Hospital Performance Report* includes information on the volume of cases, mortality rates, readmission rates and hospital charges to evaluate outcomes of care in Pennsylvania’s general acute care hospitals.

This was PHC4’s first *Hospital Performance Report* since transitioning to an in-house system to collect laboratory data for risk-adjusting patient outcomes. Risk adjustment accounts for the severity of patients’ illness to fairly compare hospitals when examining mortality rates and readmission rates. The in-house system, which gives hospitals greater flexibility in meeting their reporting requirements, was prompted by Act 3 of 2009, the law that reauthorized PHC4 as a state agency. PHC4 plans on expanding the number of conditions and procedures in future *Hospital Performance Reports* as new risk-adjustment processes are completed.

Hospital Performance Report 2011



In-hospital mortality rates decreased significantly statewide between 2007 and 2011 for four of the 12 common medical conditions and surgical procedures included in the report.



Providing Health Care Information

PHC4 Updates Medicare Payment Information for Common Outpatient Procedures

PHC4's Medicare Payment Database for Common Outpatient Procedures now features updated 2011 data. The easy-to-use interactive database provides the average amount the Centers for Medicare and Medicaid Services (CMS) paid for 78 common outpatient procedures—such as cataract surgeries, colonoscopies and MRIs—at hospital outpatient departments and ambulatory surgery centers. The database helps fill the information void for patients seeking to get an idea about how much their outpatient procedure will cost.

The database includes the 2011 average Medicare payment (the payment to the facility combined with the patient's co-payment amount) for each county in Pennsylvania, as well as the number of procedures performed at a facility in a year. The average Medicare payment can serve as benchmark rates within the health care payment system.

Medicare beneficiaries can use the CMS payment amount to estimate their out-of-pocket costs in advance by applying the coinsurance percentage, based on their plan's requirements.

Consumers with high-deductible health plans can check the database to see what Medicare paid for a procedure to get a realistic idea of what that procedure will cost. Medicare generally reimburses at a lower rate than private sector health plans.

The database can be especially helpful to uninsured or self-pay consumers who are usually billed the full "charge" amount. Health care providers are often willing to negotiate fees with such consumers, who can use the average Medicare payment amounts as a starting point in negotiations.



Raymond L. Singer, MD

Vice Chair for Quality and Patient Safety, Department of Surgery, and Chief of the Division of Cardiothoracic Surgery at Lehigh Valley Health Network

"Do report cards matter? You bet they do. As a result of PHC4's effort, Pennsylvania remains well ahead of the curve when it comes to health care provider transparency and ensuring value for our patients."

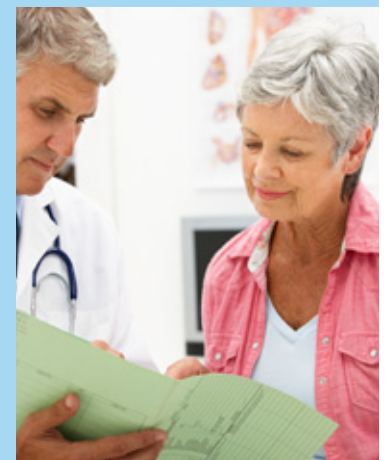
See PHC4's website for Dr. Singer's commentary on PHC4, which appeared in the *Allentown Morning Call* on November 26, 2012: <http://www.phc4.org/council/press/drsinger-editorial.htm>

Medicare Payment Information for Common Outpatient Procedures

The PHC4 Medicare Payments Database helps fill the information void for patients seeking to get an idea about how much their outpatient procedure will cost.

County	ASC	HOPD	Info
LANCASTER	\$266	\$508	

Name	Service Units
EPHRATA COMMUNITY HOSPITAL	47
HEART OF LANCASTER REGIONAL MEDICAL CENTER	
LANCASTER GENERAL HOSPITAL	34
LANCASTER REGIONAL MEDICAL CENTER	



Providing Health Care Information



Thomas J. Croyle

President

Lehigh Valley Business Coalition
on Healthcare (LVBCH)

“For more than 30 years, LVBCH has championed patient safety and increased transparency of our health care system. We have consistently relied on PHC4, a leading source of data regarding health system quality and performance. Increasingly, employers need and want to understand the cost drivers which impact the health and productivity of their employees and the community.”

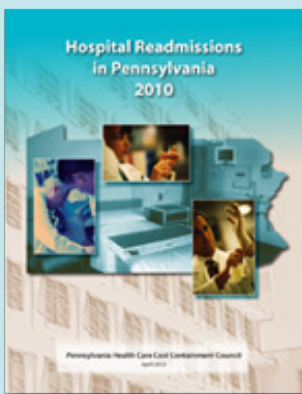
Report Shows 13.5% of Hospital Stays Followed by Readmission within 30 Days

In recent years, hospital readmissions have come under increasing scrutiny as a potential indicator of the quality of care and as a significant cost driver. A PHC4 report, *Hospital Readmissions in Pennsylvania 2010*, released in April, provides a rare, comprehensive study of all adult readmissions for all conditions for all general acute care hospitals in Pennsylvania. The report contains statewide and county readmission rates, along with conditions, reasons, and patient characteristics associated with readmissions. The report also looks at Medicare/Medicaid payment data for readmissions.

The report indicates approximately two of every 15 adult hospital stays in Pennsylvania in 2010, or 13.5%, were followed by at least one readmission for any reason within 30 days. A readmission specifically due to a complication or infection followed 5.6% of all adult hospital stays.

In 2009, Medicare fee-for-service paid an additional \$498 million for repeat hospital stays that occurred within 30 days (not including the original hospital stay) in the state, and Medicaid fee-for-service paid \$29 million.

Hospital Readmissions in Pennsylvania 2010



In 2010, about 2 out of 15 hospital stays (13.5%) were followed by at least one readmission within 30 days.



Providing Health Care Information

Multiple Breast Cancer Procedures Decline, Preventive Procedures on the Rise

PHC4 produced a new report, *Surgical Treatment of Breast Cancer in Pennsylvania 2002-2011*, which was released in October in conjunction with National Breast Cancer Awareness Month. The report looks at trends in breast cancer surgery between 2002 and 2011. The report can be used as a resource to women who have been diagnosed with breast cancer as they discuss options with their physicians.

One finding is that while the number of Pennsylvania women undergoing surgery for breast cancer at hospitals in the Commonwealth remained fairly constant over the past decade, the number of women who had both a mastectomy and lumpectomy in the same year dropped significantly. Another finding is that the number of women electing to have a preventive mastectomy before they are diagnosed with breast cancer climbed dramatically from 94 women in 2002 to 455 in 2011.



Matthew B. Kearney

President

Delaware Valley Health Care Coalition

“PHC4’s data and expertise have been indispensable to helping us develop a high-performance network of providers to ensure that our members get the highest-quality health care available.”

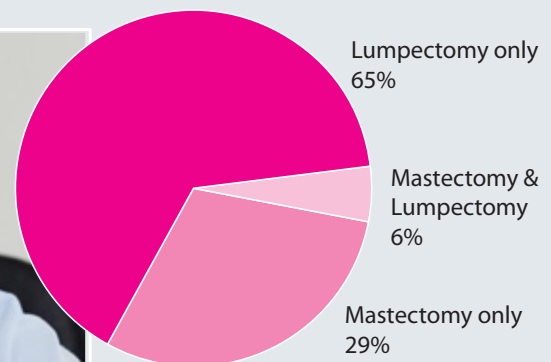
Surgical Treatment of Breast Cancer in Pennsylvania 2002-2011



The *Surgical Treatment of Breast Cancer in Pennsylvania* report looks at trends in breast cancer surgery between 2002 and 2011.



Women Having Surgical Treatment for Breast Cancer, by Procedure, 2011



Providing Health Care Information



Karen Wolk Feinstein, PhD

President and CEO

Jewish Health Foundation and
Pittsburgh Regional Health Initiative

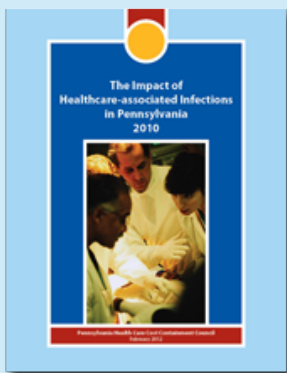
“Getting measurement right in health care is a bear. In delivering credible, actionable information, PHC4 sets a national standard.”

Report on Healthcare-associated Infections Focuses on Readmissions

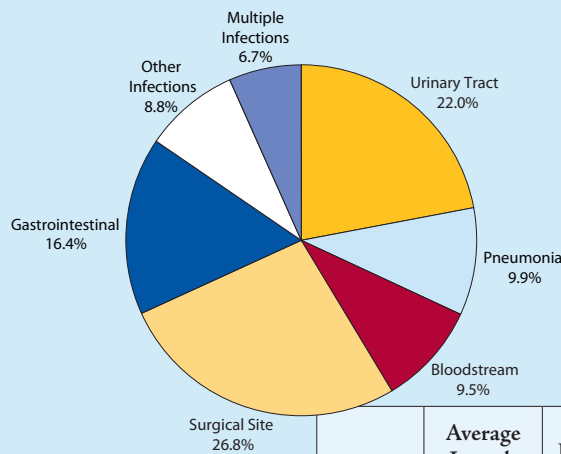
Pennsylvania’s hospitals have been working hard to reduce healthcare-associated infections (HAIs), one of the nation’s most important public health challenges. A PHC4 report released in February, *The Impact of Healthcare-associated Infections in Pennsylvania 2010*, provides statewide information to assess the extent of this serious issue. In addition to mortality and readmission rates, the report also includes statewide information on average length of hospital stay, payment information, and other data for patients who contract HAIs.

The report showed that of patients treated in Pennsylvania’s hospitals in 2010, 21,319 (1.13%) acquired an infection, down from 1.2% in the previous year. Despite this improvement, the report indicates that patients who developed an infection in the hospital continue to be readmitted at higher rates than those who did not. Of the patients who acquired an HAI, 41.9% were rehospitalized within 30 days for any reason. The readmission rate was 16.3% among patients without an HAI. The mortality rate for patients who acquired an infection was 9.1%. Among patients who did not develop an HAI, the mortality rate was 1.7%.

The Impact of Healthcare-associated Infections in Pennsylvania 2010



Patients who developed an infection in the hospital were readmitted at higher rates than those who did not.



	Mortality Percent	Average Length of Stay (in Days)	Percent of Patients Readmitted		Estimated Average Medicare Payment
			For Any Reason	For a Complication or Infection	
Patients <i>with</i> Infections	9.1%	21.9	41.9%	31.3%	\$21,378
Patients <i>without</i> Infections	1.7%	5.0	16.3%	6.3%	\$6,709

Providing Health Care Information

Total Joint Replacement and Spine Procedures Increase

Orthopedic Surgery in Pennsylvania 2010, released in April, contains statewide information about joint replacements and common spine procedures, which have been increasing in recent years in Pennsylvania and the United States. The report examined hospitalization trends, regional hospitalization rates, patient outcomes and Medicare/Medicaid payment data for total joint replacement and common spine procedures during the five-year period from 2006 to 2010.

The number of Pennsylvania residents undergoing total joint replacement of knees, hips and shoulders increased significantly between 2006 and 2010. During the five-year period covered in the report, hospitalizations rose 16.1% for total knee replacement, 22.2% for total hip replacement and 100% for total shoulder replacement.

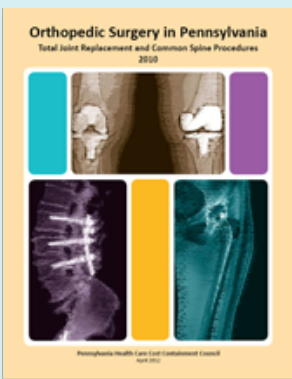
The report pointed to differences in the rate of orthopedic-related hospitalizations in various parts of Pennsylvania. There were marked disparities based on geography, gender and race in the number of people undergoing orthopedic procedures.



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

“We can only improve on what we measure. PHC4 provides the critical data that measures just how the health care industry is performing. Now comes the hard work of reducing unexplained variation in care in order to promote value for the dollars we spend. Pennsylvania is lucky to have PHC4 and other states are green with envy.”

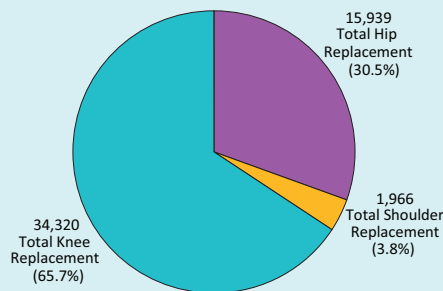
Orthopedic Surgery in Pennsylvania 2010



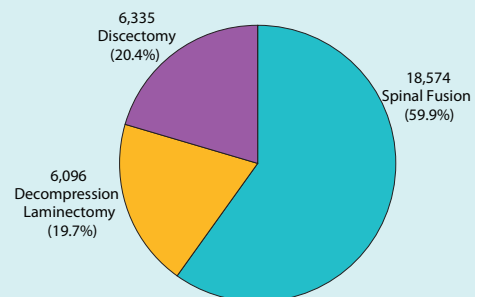
From 2006 to 2010, the number of hospitalizations rose:

- 16.1% for total knee replacement
- 22.2% for total hip replacement
- 100% for total shoulder replacement

52,225 Patients Underwent Total Joint Replacement in 2010



31,005 Patients Underwent Common Spine Procedures in 2010



Providing Health Care Information



Don Dabkowski

Vice President, Enterprise Informatics
Highmark, Inc.

“Transparency is a vital component of the future of health care. The PHC4 data has proven to be a valuable complement to Highmark’s own transparency efforts and provides important insights at the aggregate provider and market levels.”

Report Indicates 1 in 8 Adult Hospitalizations Were Potentially Preventable

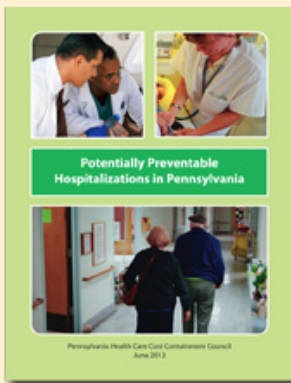
Potentially Preventable Hospitalizations in Pennsylvania 2010, released in June, examined hospitalizations among Pennsylvania adult residents for a set of 12 acute and chronic conditions such as urinary tract infections and uncontrolled diabetes for which hospitalization might have been avoided with timely and effective outpatient care and disease management.

The report found that about 12.4% of the approximately 1.5 million inpatient stays in 2010 fell into the “potentially preventable” classification, as identified through a set of prevention quality indicators (PQIs) developed by the U.S. Department of Health and Human Services’ Agency for Healthcare Research and Quality. The three conditions with the highest percent of such hospitalizations were heart failure at 24.8%, COPD or asthma in older adults at 21.1% and bacterial pneumonia at 17.4%.

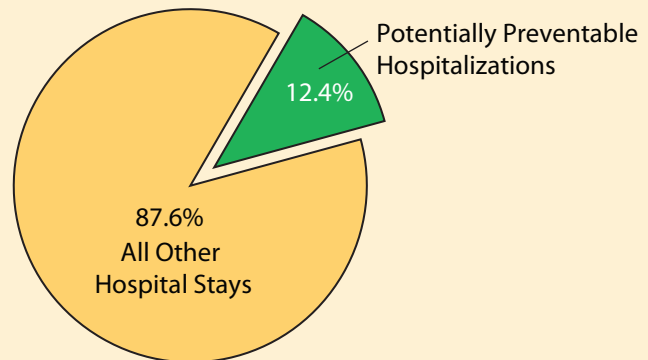
The good news is that rates of preventable hospitalizations are on the decline in Pennsylvania. During the previous decade, the rate of potentially preventable hospitalizations fell from 148.1 to 118.5 per 10,000 residents for chronic conditions, and from 83 to 68.4 per 10,000 residents for acute conditions.

Medicare fee-for-service (FFS) paid for 41.8% of potentially preventable hospitalizations in Pennsylvania in 2010, at a cost of \$480 million. Medicaid FFS paid for 3.4%, at a cost of \$41 million.

Potentially Preventable Hospitalizations in Pennsylvania 2010



In 2010, Medicare fee-for-service paid for 41.8% of potentially preventable hospitalizations in Pennsylvania at a cost of \$480 million.



Providing Health Care Information

Reports Measure the Financial Health of Hospitals and Surgery Centers

Since 1989, PHC4 has annually conducted financial analysis of Pennsylvania's individual hospitals and ambulatory surgery centers. Such analysis is important because Pennsylvania's health care facilities must be financially sound in order to maintain a high-quality, cost-effective health care delivery system. The *Financial Analysis Series 2011* is published in three volumes:

Volume One, released in May 2012, covered the 168 general acute care (GAC) hospitals, which as a group realized a 1.67 percentage point rise in the statewide total margin, from 5.26% to 6.93%. This improved financial picture was offset by an 11.2% increase in the amount of care hospitals provided for which they were not compensated, compared to the previous year. Uncompensated care—either bad debt or charity care—was \$990 million in FY11.

Released in September, *Volume Two* focused on ambulatory surgery centers (ASCs), which showed a modest improvement in their already significant financial margins in FY11. The average total margin among ASCs increased slightly to 25.19%. The number of facilities increased by five to 271, a slower growth rate than in the previous decade.

Volume Three, released in November, contained financial information on four types of hospitals: rehabilitation, psychiatric, long-term and specialty care. Rehabilitation hospitals showed the strongest overall gains in FY11, with average statewide operating margin improving 3.76 percentage points to 14.13%. The other categories of hospitals showed mixed financial results compared to the previous year, but their overall profile indicates they are generally stable.



Kristen Kjerulff, PhD

Professor

Pennsylvania State College of Medicine

"The extensive databases and expert analytical support provided by the Pennsylvania Health Care Cost Containment Council have been invaluable to my research. And I would strongly encourage other researchers to utilize these valuable health care information resources."



Financial Analysis Series 2011

The PHC4 *Financial Analysis Series* reports on the financial condition of individual general acute care hospitals (*Volume One*), ambulatory surgery centers (*Volume Two*), and rehabilitation, psychiatric, long-term and specialty care facilities (*Volume Three*).

Meeting the Data Needs of Many Organizations



Amber E. Barnato, MD, MPH, MS
Associate Professor of Medicine
University of Pittsburgh
School of Medicine

“PHC4 staff members in the data request unit are very detail-oriented and responsive; working with them on my projects over the last 10 years has been a real pleasure.”

Profiles on PHC4 data clients can be found at: <http://www.phc4.org/services/datarequests/datausersseries/>

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 for various purposes. PHC4 provides data for a fee to commercial, non-commercial and research clients. For Pennsylvania state government agencies, PHC4 usually waives the fee. (For more about PHC4’s work for state government, see page 15.)

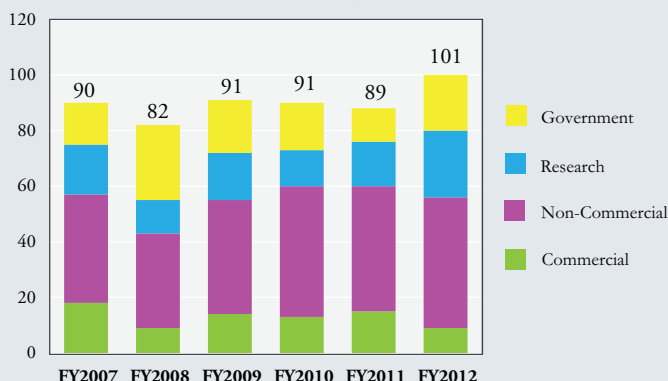
In the fiscal year ending June 30, 2012 (FY12), PHC4 fulfilled 101 requests for datasets and reports, an increase of 12 requests from the previous fiscal year. PHC4 completed 20 requests from sister state agencies, eight more than in FY11. Revenue from the sale of data was \$600,000, down from \$770,000 in the previous year.

Most PHC4 data requests (47) came from non-commercial clients which include hospitals, health systems, health care organizations, purchasers and insurers. Non-commercial clients use PHC4 data internally for quality improvement, strategic planning, needs assessment, market share analyses, surgical outcomes analyses and utilization reviews.

PHC4 data is also vital to academic health care researchers. In FY12, PHC4 completed 24 research requests. PHC4 is also a data partner with the Healthcare Cost & Utilization Project (HCUP), sponsored by the Agency for Healthcare Research and Quality. The family of databases, developed through a federal-state-industry partnership, is an essential data source for health researchers across the nation, providing comprehensive, accurate and timely data for use in evaluating cost, quality and access to health care.

In FY12, PHC4 completed nine requests from commercial clients—corporations or other organizations that repackage and redistribute PHC4 data or the resultant analysis for a profit.

Number of Data Requests



Note: In the Government Multi-Use category, there was one request each in FY10, FY11 and FY12.

Data Requests Revenue



Meeting the Data Needs of Many Organizations

State Government Agencies Regularly Request PHC4 Data

As an independent state agency, PHC4 provides data at no charge to its sister state government agencies and members of Pennsylvania General Assembly. PHC4's waiver of fees for state government agencies makes this vital information available to policymakers and administrators with no additional cost to Pennsylvania's taxpayers. During the past two calendar years, PHC4 filled 31 requests valued at \$417,564 to six different government partners.

- ♦ **The Pennsylvania Department of Health** is a frequent requester of PHC4 data for a wide range of reports and projects, including the Asthma Control Program, the Diabetes Prevention and Control Program, the Chronic Disease Burden report, the Infectious Disease Hospitalization Report, the Environmental Public Health Tracking Program, the Violence and Injury Prevention Program, and for the Healthy People 2020 Initiative developed by the Centers for Disease Control and Prevention.
- ♦ **The Pennsylvania Department of Public Welfare (DPW)** is another frequent PHC4 data user. The DPW uses PHC4 data to calculate payments to hospitals for obstetric and neonatal services and to compute payments to hospitals for the Hospital Uncompensated Care and Extraordinary Expense programs established under the Tobacco Settlement Act of 2001. Custom financial data is used to determine an annual assessment amount for hospitals that do not have an accepted Medicare cost report as part of the Hospital Quality Care Assessment.
- ♦ **The Pennsylvania Office of Attorney General** uses inpatient discharge, ambulatory/outpatient procedure, inpatient and outpatient revenue code detail datasets and financial data reports in its review of hospital mergers to ensure compliance with antitrust laws. The investigations are conducted jointly with the Federal Trade Commission (FTC).
- ♦ **The Pennsylvania Department of the Auditor General** annually requests PHC4 data in order to audit hospitals that received funding from the Uncompensated Care and Extraordinary Expense Programs established under the Tobacco Settlement Act of 2001.
- ♦ **The Pennsylvania Patient Safety Authority**, another independent state agency tasked with improving the quality of health care in the Commonwealth, requests PHC4 data to calculate rates of patient falls and wrong site/wrong side surgeries performed in Pennsylvania.



Michael Wolf

Secretary

Pennsylvania Department of Health

"PHC4 is an invaluable resource to the Pennsylvania Department of Health. It offers a broad range of data reporting services as well as quality data that helps us refine our programs and better serve the needs of Commonwealth citizens."



Meeting the Data Needs of Many Organizations

Fiscal Year 2012 Data Users

PHC4 completed data requests for the following clients during Fiscal Year 2012 (July 2011 – June 2012).

Agency for Healthcare Research and Quality	Penn State College of Medicine
Allied Services	Pennsylvania Department of Health
Altoona Regional Health System	Pennsylvania Department of Public Welfare
Atlantic Health System	Pennsylvania Department of the Auditor General
AtlantiCare Regional Medical Center	Pennsylvania Office of Attorney General
Bon Secours Health System, Inc.	Pennsylvania Patient Safety Authority
Boston University School of Medicine	Philadelphia Department of Public Health
Charles Cole Memorial Hospital	PinnacleHealth System
Children's Hospital of Philadelphia	Pittsburgh Regional Health Initiative
Community Health Systems	Schuylkill Health Medical Center
DataBay Resources	SDI Health
Eastern Niagara Hospital, Inc.	Service Employees International Union
Evangelical Community Hospital	Sharon Regional Health System
Finger Lakes Health Systems Agency	Susquehanna Health
Good Shepherd Rehabilitation System	Temple University Health System
Harvard Pilgrim Health Care Institute	Temple University Pulmonary & Critical Care
HCR ManorCare	Thomas Jefferson University
HealthSouth	Thomson Reuters Healthcare
Highmark	Treo Solutions
Home Nursing Agency	United States Department of Commerce Bureau of Economic Analysis
Hospital & Healthsystem Association of Pennsylvania	United States Environmental Protection Agency
Hospital Council of Western Pennsylvania	University of Iowa, Department of Health Management & Policy
Ingenix/OptumInsight	University of Pennsylvania
Kutztown University of Pennsylvania	University of Pittsburgh
Lancaster General Health	University of Pittsburgh Medical Center
Lehigh University	University of Pittsburgh School of Medicine
Lehigh Valley Health Network	Wayne Memorial Hospital
Maryland Department of Health & Mental Hygiene	WellSpan Health
Meadville Medical Center	Widener University
Memorial Medical Center	Windber Medical Center
New Solutions, Inc.	Yale New Haven Health Services Corporation/CORE
O'Conco Healthcare Consultants	



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