

March 1, 2005

Mr. Marc Volavka  
Executive Director  
Pennsylvania Health Care Cost Containment Council  
Suite 400  
Harrisburg, PA 17101

Dear Mr. Volavka:



This report represents a significant collaborative effort on the part of hospital staff, physicians, and PHC4. The data is well organized, standardized, and presented in a format available to patients, insurers, and providers.

However, similar to last year's report, the current report shows that the vast majority of hospitals and physicians fall into an "acceptable" range of quality indicators and few additional meaningful conclusions can be drawn.

In order to improve the utility of this and future reports, we recommend the following changes and additions to the Council:

1. Consider compiling data as it becomes available over a longer time period, for example a composite of 2-3 years, similar to the Healthgrades® evaluations. This change will allow for more powerful statistical comparisons between providers and will avoid short-term fluctuations in the data. For example, several of our surgeons have achieved zero mortality, yet due to the statistical analysis and limited timeframes this is not documented as reaching significance.
2. Include in the final report a numerical representation of severity or case-mix index for hospitals, which should be available to the public as an additional means of reviewing the quality of a program. This data is already measured as a "CABG severity" on individual patients and could be averaged as a reportable measure for each hospital.
3. We recommend further review and comments by the Council concerning the cost-effectiveness of care, which is a timely and relevant issue and a major part of the mission of PHC4. The Council has clearly and consistently documented that charges (and costs to insurers at a corresponding ratio) can vary upwards of 200-400% without measurable improvements in quality. If insurers, providers, and consumers truly want an impact on cost effectiveness of care this issue should be addressed.

We appreciate the information presented in this report as one of several resources available to us for ongoing quality and cost control, and with the changes above look forward to additional benefits for our patients in the future.

Sincerely,

George P. Davliakos, M.D.  
Director of Cardiovascular Surgery