SAINT VINCENT HEALTH CENTER

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April 5, 2001

Pennsylvania Health Care Cost Containment Council Marc P. Volavka, Executive Director 225 Market Street, Suite 400 Harrisburg, PA 17101

Dear Mr. Volavka:

The analyses based on the stratification of "high risk for C-Section delivery" was an interesting addition to the PHC4 analysis. Interestingly, we note that Saint Vincent's percent of such deliveries were 6.0%, significantly less than the statewide average of 8.1%. Since we have a NICU, virtually none of our deliveries are referred (predelivery) or transferred to other hospitals. Therefore, we would assume our rate (in light of 1,800 deliveries) would be reflective of the overall average.

This variation in these rates concerns us and brings to prominence the subjectivity in the process of interpreting physician documentation and applying appropriate codes. It is very difficult to determine via this type of analysis which facilities are truly taking care of more high-risk patients versus which facilities' coders take more latitude in the application of secondary diagnoses. Our own review of PHC4 data (via the HCMAS product) shows wide variability between hospitals in usage of complication codes and other secondary codes.

We are aware that PHC4 requires "inter-rater reliability" testing of Atlas abstractors. This is flawed since errors at a hospital can be perpetuated to all abstractors. The situation with coding is even worse with no reliability testing, especially since clearly all PHC4 analyses are dependent on DRG, and most utilize secondary codes as well.

We believe this is a significant problem that should be investigated further by the Council.

Sincerely,

SAINT VINCENT HEALTH CENTER

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