OKC Metro Area (405) 522-6205 / Statewide Toll-Free (800) 522-0114

Potentially Preventable Readmissions

OHCA PRN 2015-02

June 4, 2015

Dear Hospital Administrators,

The implementation of the hospital potentially preventable readmissions (PPRs) program has been postponed until January 1, 2015.

The Oklahoma Health Care Authority (OHCA) uses software developed by 3M to objectively quantify the number of PPRs that would be expected for an individual hospital, based on statewide data. This hospital-specific PPR rate takes into account the DRGs, age groups, and behavioral health comorbidities associated with each hospital's case mix. Several other state Medicaid programs also use 3M's software to identify and help reduce PPRs.

OHCA has established a target PPR rate for 2015 that is 102 percent of the PPR rate of a hospital performing at the statewide average. Hospitals performing above the target rate will be assessed a penalty based on the number of PPR chains above that rate. Hospitals below the target rate will have no penalty assessed.

OHCA recently distributed data for CY 2013 and CY 2014 which is informational only. A summary document may have been attached and may show a penalty but it is to illustrate the methodology only, penalties will NOT be assessed related to the CY 2013 and CY 2014 data.

OHCA will begin sending hospital-specific data for CY 2015 in April 2016. The penalty per hospital will vary and will be collected in the quarter ending June of 2016. Per diem facilities (Freestanding Psychiatric Hospitals, Psychiatric Residential Treatment Facilities, IHS/Tribal) are included in the analysis but excluded from penalties, so these facilities may receive informational only data related to the program, but penalties will NOT be assessed.

If your hospital did not receive an email with hospital specific data either there was no data for your hospital or OHCA does not have a confirmed email address on file for your facility.

If you have any questions or require additional information please contact me by email at <u>Aaron.Morris@okhca.org</u> or by phone at (405) 522-7533.

Thank you for your continued service to Oklahoma's SoonerCare members.