Oklahoma HealthCare Authority SoonerCare Provider Reimbursement Notice

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

Hospital Potentially Preventable Readmissions

OHCA PRN 2016-02

April 18, 2016

Dear Hospital Administrators,

The Oklahoma Health Care Authority (OHCA) has completed analysis of calendar year 2015 data for the Hospital Potentially Preventable Readmissions (PPR) program.

The 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.

The OHCA has established a target PPR rate for 2015 data 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.

Hospitals may be assessed a penalty. The penalty per hospital will vary and will be recouped over eight weeks beginning April 27, 2016 and ending in 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.

The facility specific CY 2015 data will soon be accessible on the provider portal. To access, follow these steps after you have logged into the Provider Portal:

- 1. From the Provider's My Home Page, select the Reports tab.
- 2. Click on the link called Provider Reports.
- 3. Select the Report name from the Report Title dropdown.
- 4. Select the Report Year from the Report Year dropdown.
- 5. Click Search.

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.