Improving cost and activity data quality in acute hospitals in Ireland

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PCSI Iceland 29th September 2022

NATIONAL FINANCE DIVISION

HEALTHCARE PRICING OFFICE

Patient encounters

- Patient encounters
  - Admitted encounters DRGs
  - Emergency encounters URGs
  - Outpatient encounters OCGs

  Tell us what types of patients we have

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Financial information

- Financial ledgers that record
  - What is spent
    - Medical pay
    - Nursing pay
    - Drugs and medicines
    - Heat power and light
  - Where it is spent
    - Cost centres like
      - Wards
      - Radiology
      - Theatres
      - Salaries

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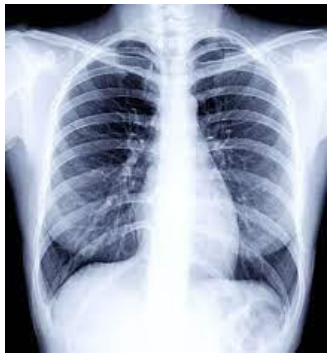
Patient resource systems

- What resources a patient consumes
  - Which ward
  - Time on a ward
  - What diagnostic tests
  - Time spent in theatres
  - Blood
  - High cost consumables
  - Allied health professional referrals



Administration systems

- To enable overheads to be allocated
- Staffing numbers
  - Salaries and HR
  - Medical and nursing admin
  - ICT
- Floor area
  - Heat Power and Light

Challenges – patient information

- Admitted patients
  - Ensuring our DRG data is fully coded and consistent
  - Coding workshop on Tuesday about the people and processes involved
  - Similar patients treated in different settings
- ED and Outpatients
  - Expand pilots to other hospitals and ensuring consistent collection of patient types

Challenges – Financial information currently

- 43 hospital with different financial systems
  - We map their codes and costs into standard descriptions
  - Multiple data checks including reconciliation with audited accounts
  - Detailed checks against mis-allocation of costs

Financial information - future

- Single Integrated Financial Management System (IFMS) is being installed
- Costing has detailed ‘attributes’ to enable more detailed reporting live within IFMS
  - Service area : wards, theatres, pathology, overheads
  - Service description : ICU ward, microbiology
- Meeting with each hospital pre-installation
  - Refine ledger to reduce amount of re-classifying between source ledger and costing ledger
- Clearly define boundary between financial ledger and costing
- Detail some of the challenges for IFMS

Patient information - challenges

- Absence of information systems
  - HPO has carried out a survey of all of the systems available
- Data quality on source systems
  - Patient transfer times
  - Do reports cover all resource usage
- Resource weightings – Chest x-ray vs MRI
- Identify who is responsible and explain why it is important.

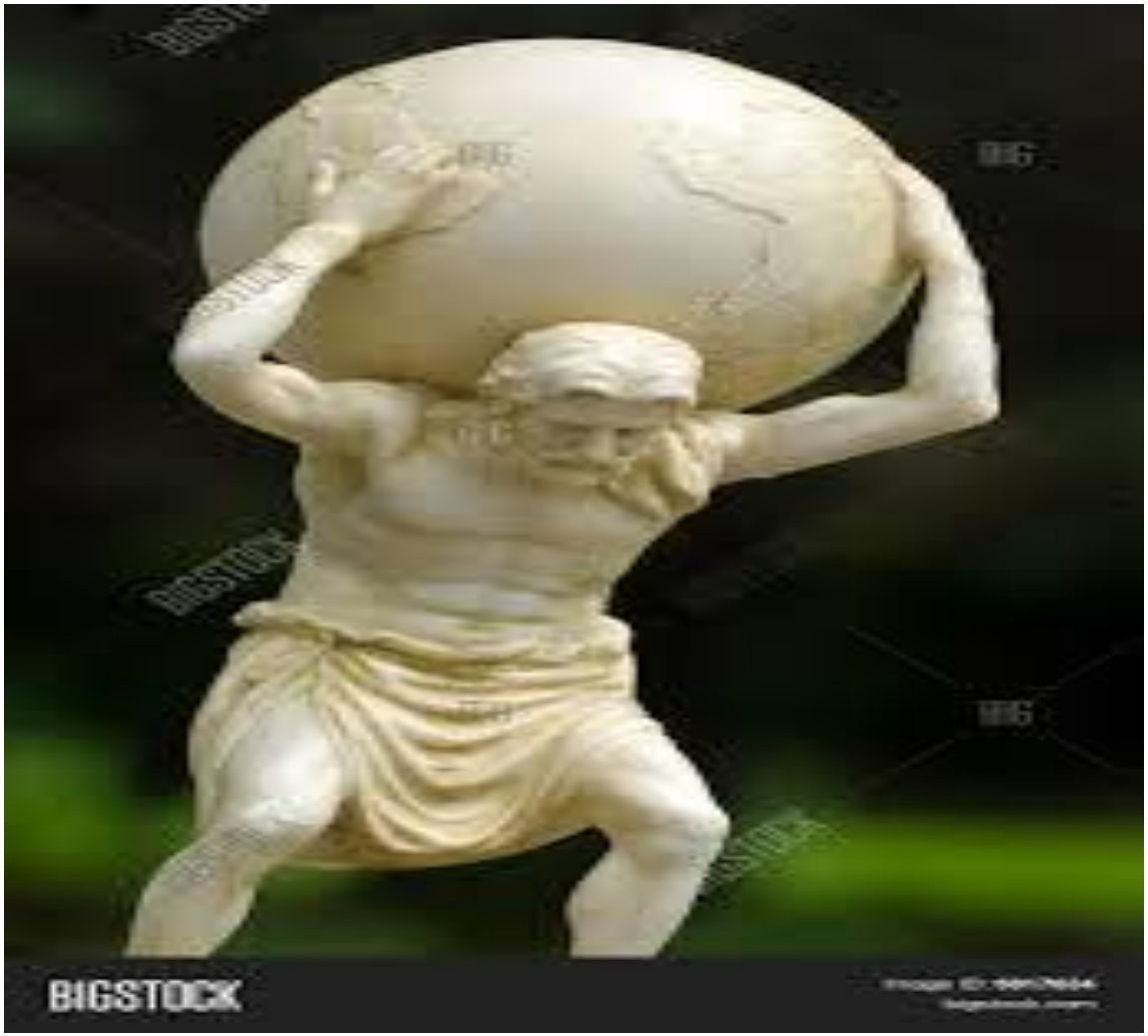
Other administration systems

- Are staff accurately being recorded where they work
  - Are SAP HR and IFMS
  - More accurate
- Floor area is often guesswork

System challenges

- Previous ABF Implementation Plan was very HPO (central) focussed
- Lack of sustained senior management support
- Group structure not effectively rolled out
- Resources given to support ABF engaged in other areas
- Costing and coding not sufficiently valued locally
- COVID-19
  - Huge system shock
  - ABF derailed as the Maths no longer worked
  - Difficulty maintaining the data flow

Too big a job for 1 person



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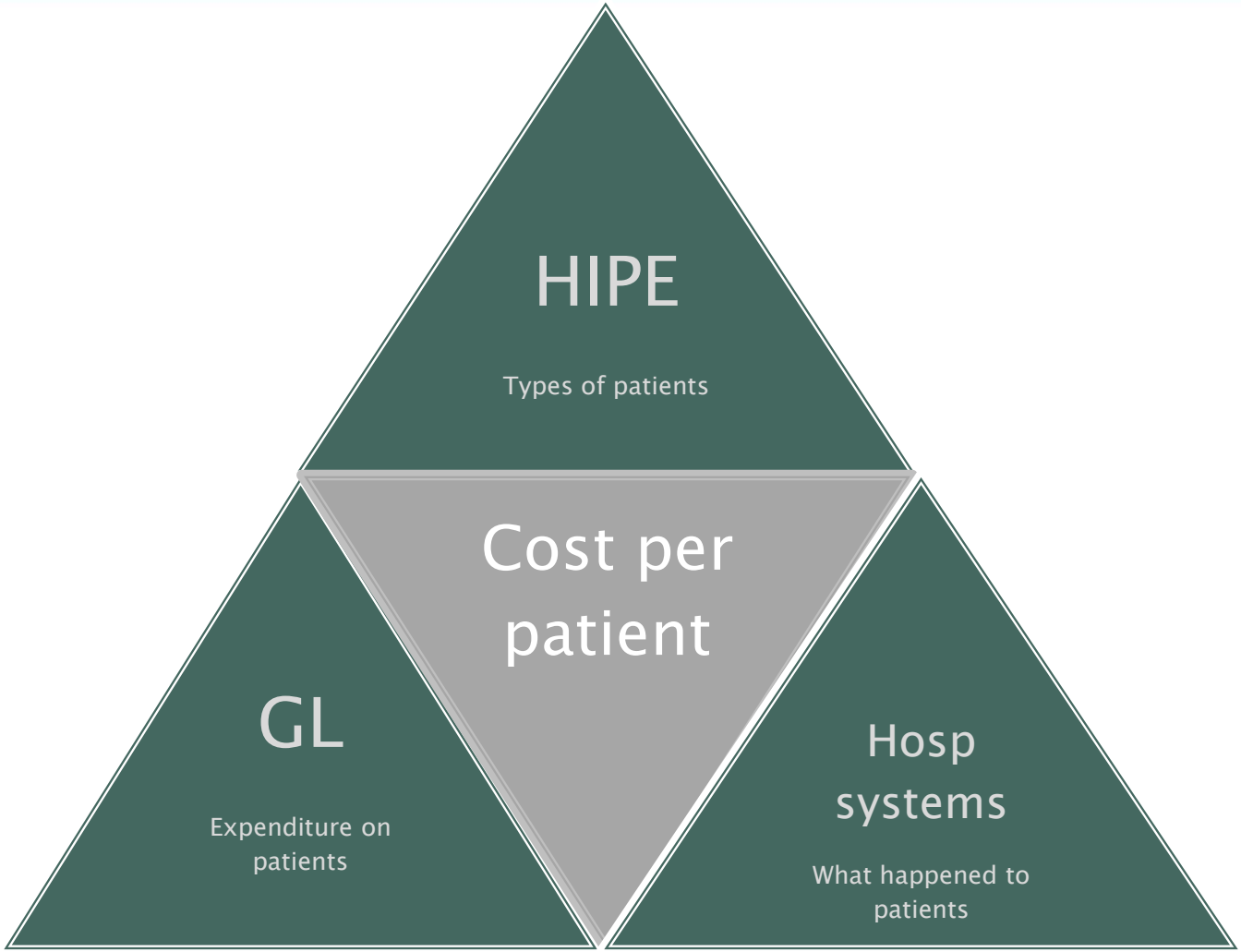

HIPE
Types of patients
Cost per patient
GL
Expenditure on patients
Hosp systems
What happened to patients

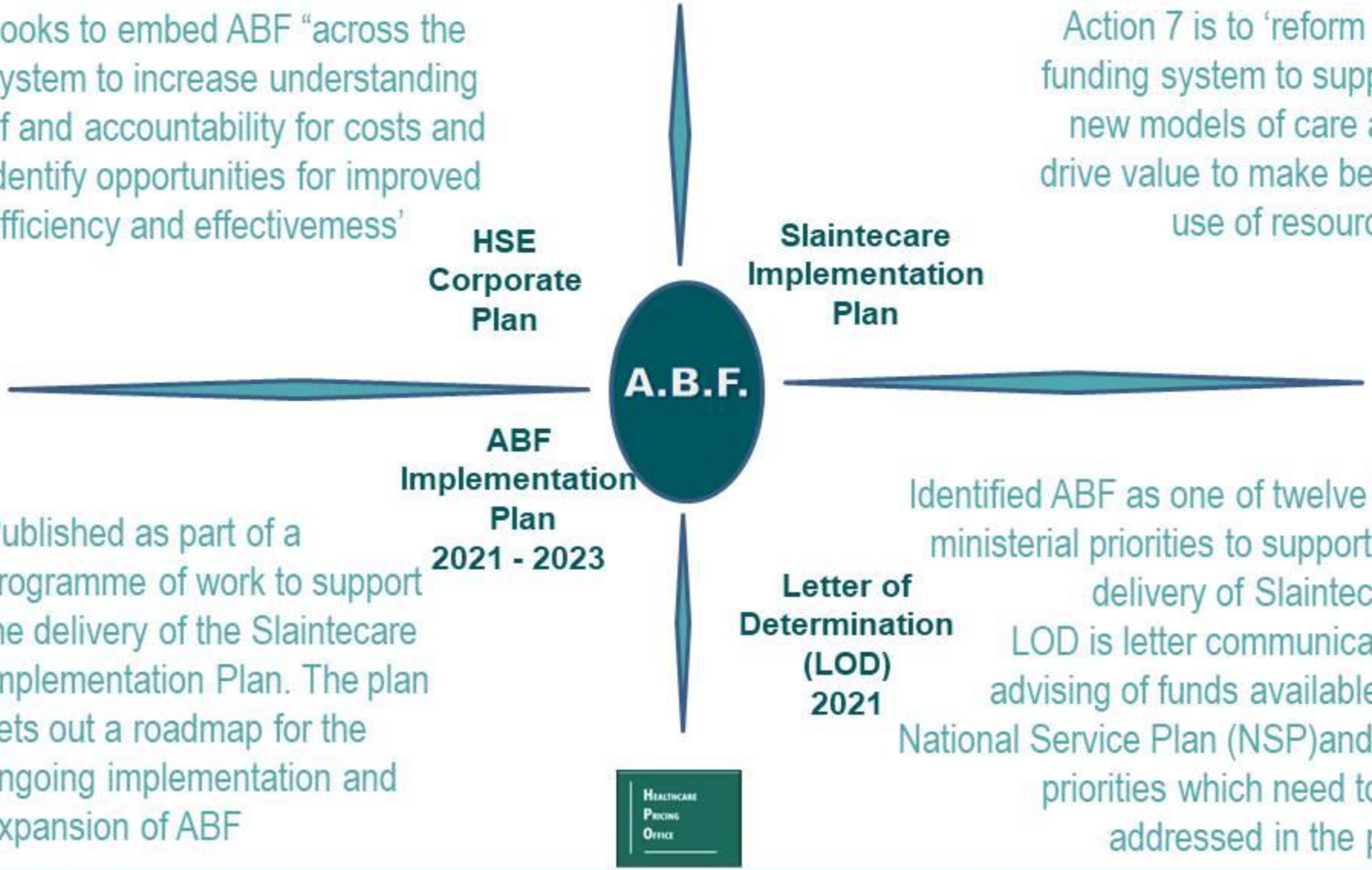
Patient level costing – a bit like the Amazon

ABF Education

- **H.I.P.E. - Well established detailed training programme for approx. 300 Clinical Coders with TU Dublin qualification**
- **Costing Website - internal**
  - ✓ http://pndcplcdbs02.healthirl.net/hpo_costing_website/training_docs/index.html
  - ✓ Costing/ABF education and information
- **HPO website**
  - ✓ https://www.hpo.ie/
  - ✓ ABF Material
  - ✓ ABF Conference presentations


ABF PROGRAMME
IMPLEMENTATION
PLAN 2021-23

Strategic Context for ABF



2022 Activity-Based Funding Conference ABF: The Route to Value, Efficiency and Quality

- **Paul Reid Outgoing CEO**
  - Requirement for unit costs
  - Prove that health is not a 'Black Hole'
  - Demonstrate where value is being added
- **Stephen Mulvany CFO/Incoming Acting CEO**
  - ABF and Population Based Resource Allocation are essential and complementary elements to establish and fund RHAs
  - ABF is alive and well and ABF outputs were extensively used during COVID
- **Mike O'Connor, National Clinical Advisory Group Lead, Acute Hospitals**
  - Variation in healthcare is the enemy
  - Expenditure 60% Adds Value, 30% Dubious, 10% Does harm
  - Improve quality and reduce waste
- **Gerry McCarthy, National Clinical Lead, Emergency Medicine Program**
  - Successful introduction of a short list of ICD-10 codes in pilot ED site
  - Expand to other pilot sites
- **Joanne Fitzgerald, CEO, IHPA**
  - Detailing progress in ABF
- **Brian Donovan, ACFO, HPO**
  - ABF Implementation Plan 2021 - 2023
- **HPO Unit Heads**

First ABF Conference held since 2019

Held on 30th June in Sheraton Hotel, Athlone

Well attended by Finance, Clinical & Coding Staff across Healthcare Sector

Conference presentations are available to view on www.hpo.ie

Hospital / Group-led actions

Key actions:

- **Develop** hospital-level ABF implementation plans, including for governance, workforce and infrastructure
- **Support** increased uniformity in clinical coding and costing across hospitals and groups
- **Participate** in Pilots for Outpatients and ED as required
- **Identification** of legitimate and structural costs not accounted for within the ABF system.
- **Ensuring appropriate resources** assigned to costing and coding
- **Use of ABF** as part of the performance management process

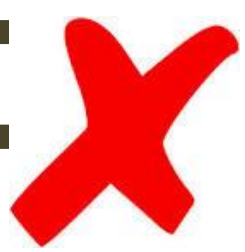
Local ABF Implementation Plans

- ABF Measurement Factors
  - Timeliness of ABF Data
  - HIPE Data Quality
  - ABF Data Infrastructure
  - High cost patients
  - Overhead information
  - Structural issues
  - Hospital efficiency measures
  - Expansion of ABF across all hospital settings
  - Expansion of ABF for inpatients and day cases to all acute hospitals

HPO role

- Support hospitals to implement PLC
- PLC data produced on a timely basis
- Improve the quality of outputs
  - Differences in cost and pathway
  - Differences in cost vs value
  - Cost of quality
  - Details where waste/inefficiency is occurring
- Enable hospitals to compare against each other

- Drop the ‘F’ word

- AB F  to AB M 

- And start using our valuable coding, costing and service data not just to measure hospitals but to manage them too

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