Provider Payment Tool

February 23, 2023

CIVHC

CENTER FOR IMPROVING
VALUE IN HEALTH CARE

10 YEARS of TRANSPARENCY
COLORADO ALL PAYER CLAIMS DATABASE

Presenters

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Housekeeping

- All lines are muted
- Please ask questions in the Chat box
- Webinar is being recorded
- Slides and a link to the recording will be posted on the Event Resources page on civhc.org

Our Mission

We strive to empower individuals, communities, and organizations through collaborative support services and health care information to advance the Triple Aim: Better Health, Better Care, Lower Cost

We are:

- Non-profit
- Independent
- Objective

Who We Serve

Change Agents

Individuals, communities, or organizations working to lower costs, improve care, and make Colorado healthier.

What's **IN** the CO APCD?

870+ Million Claims (2013-2021)

36 Commercial Payers, + Medicaid & Medicare*

5+ Million Lives*, Including 1M (50%) of self-insured

Nearly 70% of Covered Lives (medical only)*

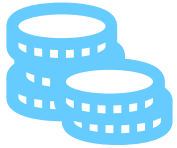
Trend information 2013-Present

*Reflects 2021 calendar year only

What's **NOT** In the CO APCD

Federal Programs – VA, Tricare, Indian Health Services

Majority of **ERISA-based self-insured employers**



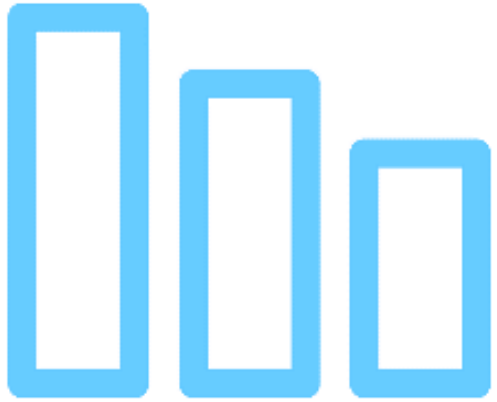
Uninsured and **self-pay claims**

Supplemental Info (incomplete)

How we inform

Public CO APCD Data

Identify opportunities for improvement in your community through interactive reports and publications



Non-Public CO APCD Data

License data from the most comprehensive claims database in CO to address your specific project needs

Agenda

- Learn how to use the Provider Payment Tool
- Understand methodology challenges and subsequent solutions
- Scenario Demo
- Learn about other price transparency efforts
- Questions?

Background

- Based on Senate Bill 22-068 “Provider Tool to View the CO APCD”
- Requests CIVHC to display payments to CO providers based for procedures and services
- Based on CPT (Current Procedural Terminology) and HCPS (Healthcare Common Procedure Coding System) codes for Medical, Surgical and Diagnostic Services

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What's Included

- **Codes/Years:** All current (effective in 2021) codes with sufficient volume (statewide volume of 30 or more) for 2018, 2019, 2020 and 2021
- **Payer Type:** breakouts for Commercial, Medicaid, Medicare Advantage, and Medicare Fee-for-Service
- **Payments:** Total allowed amounts (payer and patient payments combined) at the 25th, 50th, 60th, and 75th percentile, and averages
- **Anesthesiology** payment calculations

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Provider Payment Tool Demo

civhc.org > Get Data> Public Data> Focus Areas >Provider Payment Tool

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Instructions

Procedure Prices (Non-Anesthesia)

Select YEAR: 2021 | Select PAYER TYPE: Commercial | Select PLACE OF SERVICE: Outpatient

Select GEOGRAPHY TYPE: Statewide | Select GEOGRAPHY: Colorado | Select PROVIDER TYPE or SETTING: Specialists and Osteopathic Providers

Type in CPT/HCPCS Code

* Indicates Statewide Values are displayed due to low volume.
^ Indicates DOI Values are displayed due to low volume.

CPT/HCPCS Code and Description	Payment Type	Average Payment	25th Percentile Payment	50th Percentile Payment	60th Percentile Payment	75th Percentile Payment
0001A - 59: Intramuscular administration of single ..	Flat Fee	$42	$40	$40	$40	$40
0001A: Intramuscular administration of single seve..	Flat Fee	$32	$19	$40	$40	$40
0002A: Intramuscular administration of single seve..	Flat Fee	$39	$35	$40	$40	$41
0003A: ADM SARSCOV2 30MCG/0.3ML 3RD	Flat Fee	$43	$40	$40	$41	$42
0004A: ADM SARSCOV2 30MCG/0.3ML BST	Flat Fee	$39	$40	$40	$40	$41
0202U: Test for detection of respiratory disease-ca..	Flat Fee	$289	$174	$255	$255	$417
0240U: Respiratory infectious agent detection by ..	Flat Fee	$130	$143	$143	$143	$143
0241U - 26: Respiratory infectious agent detection ..	Flat Fee	$28	$24	$30	$30	$30
0241U: Respiratory infectious agent detection by ..	Flat Fee	$133	$140	$143	$143	$143
0376T: INSERT ANT SEGMENT DRAIN INT	Flat Fee	$281	$86	$340	$358	$421
0402T: Collagen cross-linking treatment of disease..	Flat Fee	$1,835	$1,233	$1,457	$1,596	$2,518
0502F: SUBSEQUENT PRENATAL CARE	Flat Fee	$0	$0	$0	$0	$0
0504T: Analysis of data from CT study of heart blo..	Flat Fee	$146	$105	$120	$125	$230

Codes with less than 30 claims statewide are not available.

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Instructions

Procedure Prices (Anesthesia)

Select YEAR: 2021 | Select PAYER TYPE: Commercial | Select PLACE OF SERVICE: Outpatient

Select GEOGRAPHY TYPE: Statewide | Select GEOGRAPHY: Colorado | Select PROVIDER TYPE or SETTING: Specialists and Osteopathic Providers

Enter Values for Calculation | CODE/DESCRIPTION: 00100: Anesthesia ... | PHYSICAL STATUS: P1 | PRICE MODIFIER: AA | Enter TIME UNITS (1 Unit=15 minutes): 1

* Indicates Statewide Values are displayed due to low volume.
^ Indicates DOI Values are displayed due to low volume.

Colorado

	Conversion Factor	Calculated Reimbursement Rate
25th Percentile Payment	$71	$425
50th Percentile Payment	$100	$601
60th Percentile Payment	$104	$624
75th Percentile Payment	$121	$729

CPT/Base Unit Values

00100	5
00102	6
00103	5
00104	4
00120	5
00124	4
00126	4

Patient Physical Status

P1	A normal healthy patient	0
P2	A patient with mild systemic disease	0
P3	A patient with severe systemic disease	1

Price Modifier

AA	Anesthesia Services performed personally by the anesthesiologist	100%
AD	Medical Supervision by a physician: more than 4 concurrent anesthesia procedures	50%
QK	Medical Direction of two, three or four concurrent anesthesia procedures involving qualified indiv..	50%

Codes with less than 30 claims statewide are not available.

Key Considerations

- This analysis is based on fee-for-service payments only
  - Not included: supplemental payments, capitated payments or Alternative Payment Models (APMs)
- The data only includes payments for in-network providers for commercial, Medicaid and Medicare Advantage claims.
  - Medicare FFS does not pay for services with out-of-network providers, and therefore is estimated there is only a small number of out-of-network Medicare FFS claims in this analysis
- Payments represent total allowed amounts (plan paid + patient paid) for professional/provider
  - Payments do not include any facility fees or other payments

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Methodology Challenges

Volume and Variety of Codes

- Large volume of claims/codes available
- Inconsistent reporting of flat-fee vs per-unit

Solutions:

- Only included codes with 30 or more claims statewide
  - Codes with insufficient volume on the county level or DOI region level were replaced with DOI region results and statewide results respectively
- Limited to codes that were in effect in 2021
- Codes are treated as per-unit if they have a definition implying units or are submitted with units > 1 on at least 3% of claims

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Methodology Challenges

Provider Categories

- Health Care providers' information on a claim often refers to their organization rather than their individual credentials

Solutions

- Included both "Provider Type" and "Setting" categories
- Opted for more general categories to avoid suppression of claims due to small volume

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Methodology Challenges

Medical Transportation Claims:

- In Colorado, it is estimated that two-thirds of all ambulance claims are out of network
- A majority of these claims fall outside the parameters of this tool
- Therefore the reported costs for codes related to medical transportation are based on a small percentage of all medical transportation claims

Solution: Included all available and appropriate claims with documentation in methodology.

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Methodology Challenges

- **Anesthesia:**
  - Billing for anesthesia services differ from other procedures.
  - Each claim with an anesthesia code has associated units which determine reimbursement
  - These units are not always consistently submitted
  - **Calculated Reimbursement Rate** = Conversion Factor x ((Base Units + Physical Status Units + Time Units) x Price Modifier)

Solutions:

- Developed a methodology to standardize unit information
- Calculated conversion factors using the standardized unit data
- Created a calculator within the provider tool to determine reimbursement rates

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Provider Payment Tool – How it Can be Used

- **Employers:**
  - **Self-insured:** understand your payments vs. statewide, county and DOI payments
  - **Fully-insured:** point employees to the tool if there are questions on bills or "reasonable" costs up front
- **Payers and Providers:** Benchmark how their payments compare to their peers
- **Policy Makers:** Identify variation in payments for procedures across the state
- **Consumers:** Use the tool to understand "common/reasonable" prices for provider bills

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Scenario Demo

1. What is the most common price doctors are paid for removing skin cancer from the facial region (CPT 11642) and how much has it changed since 2018?
2. How do prices for office visits (CPT 99213) vary for different provider types?
3. What do anesthesiologists get paid for a 45-minute hernia (CPT 00830) repair on a healthy patient vs. a patient with chronic conditions and how does it differ for inpatient vs outpatient setting?

Other Price Transparency Efforts (Using CO APCD)

Shop for Care: A tool that enables consumers, providers and others to compare prices (based on paid amounts) for select “shoppable” health care services and quality information on a named hospital and facility basis.

Out-of-Network Report: Created to support Colorado’s No Surprise Billing Act, this report contains allowed amounts for professional and emergency services. It helps users determine payments for out-of-network provider services.

Colorado Hospital Price Report: Provides named hospital and payer charges and paid amounts for the top Inpatient/Outpatient procedures, including trends.

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Other Price Transparency Efforts

State efforts: State agencies are developing price transparency reports and analyses.

- HB22-1285, Prohibits hospitals from pursuing debt collection if hospital was not in compliance with federal price transparency laws.
  - Creates a private right of action for a patient against hospitals not in compliance

Federal hospital price transparency rule (45 CFR §180.20): Effective January 1, 2021, rule requires licensed hospitals to post standard charges for consumers via “machine-readable file” or “consumer-friendly display of shoppable services”.

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Questions and Feedback

Reach out to info@civhc.org

Connect with CIVHC on Facebook, LinkedIN, and Twitter

Recording will be posted here:
www.civhc.org/about-civhc/news-and-events/event-resources/