

Medicare and Medicaid Payments

The following tables include information about payments made by Medicare and Medicaid for readmissions for the same condition (based on the first readmission occurring within 30 days of the initial hospitalization). This analysis is based on data from 2011 through 2012, which is the most recent payment data available to PHC4, and includes payments for patients readmitted to any Pennsylvania hospital (original or other general or specialty general acute care hospital). Some readmission records were excluded from this analysis of average payments (e.g., payments for patients who were transferred or left against medical advice) to avoid skewing the results. Payments from Medicare Advantage plans (e.g., Medicare HMOs) are not included, nor are patient liabilities (e.g., coinsurance and deductible dollar amounts). The first table shows summary information about average payments for each of the conditions in this report. The second table shows additional details including payments for each MS-DRG (Medicare Severity – Diagnosis-Related Group) associated with a condition. Differences in the approaches used by Medicare and Medicaid in determining payments may account for some of the variation seen across these payers.

Average Medicare and Medicaid Payments for Readmissions for the Same Condition
2011-2012 Statewide Data

Condition	Medicare Fee-for-Service		Medicaid Fee-for-Service		Medicaid Managed Care	
	Number of Readmissions	Average Payment	Number of Readmissions	Average Payment	Number of Readmissions	Average Payment
Abnormal Heartbeat	1,472	\$5,660	26	\$6,684	101	\$6,361
Chronic Obstructive Pulmonary Disease (COPD)	3,121	\$6,009	149	\$6,893	949	\$7,006
Congestive Heart Failure (CHF)	4,125	\$6,952	100	\$10,372	434	\$8,673
Diabetes – Medical Management	732	\$6,001	245	\$6,594	978	\$5,467

Additional Information: Economic Impact of Excess Readmissions

The Centers for Medicare and Medicaid Services (CMS) makes available on its website (www.cms.gov) hospital-specific information about penalties incurred for having too many readmissions. Readers are referred to this information as it might be useful for understanding further the economic impact relevant to a hospital for having too many readmissions, or more specifically, the loss of reimbursement payments for such additional hospitalizations.

Medicare and Medicaid Payments

Average Medicare and Medicaid Payments for Readmissions for the Same Condition, by MS-DRG for Abnormal Heartbeat, COPD, CHF, and Diabetes – Medical Management 2011-2012 Statewide Data

MS-DRG	MS-DRG Description	Medicare Fee-for-Service		Medicaid Fee-for-Service		Medicaid Managed Care	
		Number of Readmissions	Average Payment	Number of Readmissions	Average Payment	Number of Readmissions	Average Payment
Abnormal Heartbeat		1,472	\$5,660	26	\$6,684	101	\$6,361
242	Permanent Cardiac Pacemaker Implant w/ MCC	14	\$24,013	0	NR	0	NR
243	Permanent Cardiac Pacemaker Implant w/ CC	12	\$14,737	2	NR	0	NR
244	Permanent Cardiac Pacemaker Implant w/o CC/MCC	12	\$13,542	0	NR	0	NR
246	Percutaneous Cardiovascular Procedure with Drug-Eluting Stent w/ MCC or 4+ Vessels/Stents	0	NR	0	NR	0	NR
247	Percutaneous Cardiovascular Procedure with Drug-Eluting Stent w/o MCC	0	NR	0	NR	0	NR
248	Percutaneous Cardiovascular Procedure with Non Drug-Eluting Stent w/ MCC or 4+ Vessels/Stents	0	NR	0	NR	0	NR
249	Percutaneous Cardiovascular Procedure with Non Drug-Eluting Stent w/o MCC	0	NR	0	NR	0	NR
250	Percutaneous Cardiovascular Procedure without Coronary Artery Stent w/ MCC	7	NR	0	NR	0	NR
251	Percutaneous Cardiovascular Procedure without Coronary Artery Stent w/o MCC	21	\$11,979	1	NR	7	NR
258	Cardiac Pacemaker Device Replacement w/ MCC	0	NR	0	NR	0	NR
259	Cardiac Pacemaker Device Replacement w/o MCC	0	NR	0	NR	0	NR
260	Cardiac Pacemaker Revision Except Device Replacement w/ MCC	0	NR	0	NR	0	NR
261	Cardiac Pacemaker Revision Except Device Replacement w/ CC	0	NR	0	NR	0	NR
262	Cardiac Pacemaker Revision Except Device Replacement w/o CC/MCC	0	NR	0	NR	0	NR
286	Circulatory Disorders Except Acute Myocardial Infarction, with Cardiac Catheterization w/ MCC	1	NR	0	NR	0	NR
287	Circulatory Disorders Except Acute Myocardial Infarction, with Cardiac Catheterization w/o MCC	0	NR	0	NR	0	NR

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MS-DRG	MS-DRG Description	Medicare Fee-for-Service		Medicaid Fee-for-Service		Medicaid Managed Care	
		Number of Readmissions	Average Payment	Number of Readmissions	Average Payment	Number of Readmissions	Average Payment
308	Cardiac Arrhythmia and Conduction Disorders w/ MCC	328	\$7,632	8	NR	18	\$7,126
309	Cardiac Arrhythmia and Conduction Disorders w/ CC	534	\$5,228	10	NR	39	\$6,530
310	Cardiac Arrhythmia and Conduction Disorders w/o CC/MCC	543	\$3,529	5	NR	37	\$5,112
Chronic Obstructive Pulmonary Disease (COPD)		3,121	\$6,009	149	\$6,893	949	\$7,006
190	Chronic Obstructive Pulmonary Disease w/ MCC	1,010	\$7,246	59	\$9,135	184	\$7,443
191	Chronic Obstructive Pulmonary Disease w/ CC	1,285	\$5,985	48	\$5,845	385	\$7,096
192	Chronic Obstructive Pulmonary Disease w/o CC/MCC	826	\$4,534	42	\$4,942	380	\$6,703
Congestive Heart Failure (CHF)		4,125	\$6,952	100	\$10,372	434	\$8,673
286	Circulatory Disorders Except Acute Myocardial Infarction, with Cardiac Catheterization w/ MCC	53	\$15,797	3	NR	11	\$12,742
287	Circulatory Disorders Except Acute Myocardial Infarction, with Cardiac Catheterization w/o MCC	123	\$7,950	7	NR	22	\$11,832
291	Heart Failure and Shock w/ MCC	1,335	\$9,027	14	\$9,025	77	\$8,495
292	Heart Failure and Shock w/ CC	1,910	\$6,215	52	\$8,218	248	\$8,552
293	Heart Failure and Shock w/o CC/MCC	704	\$4,175	24	\$4,920	76	\$7,746
Diabetes – Medical Management		732	\$6,001	245	\$6,594	978	\$5,467
073	Cranial and Peripheral Nerve Disorders w/ MCC	67	\$8,140	5	NR	22	\$6,384
074	Cranial and Peripheral Nerve Disorders w/o MCC	155	\$5,705	44	\$7,844	176	\$6,277
299	Peripheral Vascular Disorders w/ MCC	5	NR	0	NR	1	NR
300	Peripheral Vascular Disorders w/ CC	11	\$5,390	1	NR	0	NR
301	Peripheral Vascular Disorders w/o CC/MCC	0	NR	0	NR	0	NR
637	Diabetes w/ MCC	120	\$8,734	28	\$11,962	73	\$5,852
638	Diabetes w/ CC	245	\$5,343	100	\$6,044	421	\$5,437

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**Average Medicare and Medicaid Payments for Readmissions for the Same Condition, by MS-DRG
for Abnormal Heartbeat, COPD, CHF, and Diabetes – Medical Management
2011-2012 Statewide Data**

MS-DRG	MS-DRG Description	Medicare Fee-for-Service		Medicaid Fee-for-Service		Medicaid Managed Care	
		Number of Readmissions	Average Payment	Number of Readmissions	Average Payment	Number of Readmissions	Average Payment
639	Diabetes w/o CC/MCC	114	\$3,513	65	\$4,199	274	\$4,835
698	Other Kidney and Urinary Tract Diagnoses w/ MCC	1	NR	0	NR	1	NR
699	Other Kidney and Urinary Tract Diagnoses w/ CC	13	\$6,713	1	NR	6	NR
700	Other Kidney and Urinary Tract Diagnoses w/o CC/MCC	1	NR	1	NR	4	NR

Note: Differences in the approaches used by Medicare and Medicaid in determining payments may account for some of the variation seen across these payers for a given condition.

NR = Not Reported (10 or fewer cases)
CC = Complication or Comorbidity
MCC = Major Complication or Comorbidity