Oregon Hospital Payment Report: COVID-19 Procedure Supplement 2021

November 2023





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Executive Summary

The COVID-19 pandemic has affected every aspect of hospital operations in Oregon, and procedures specific to the treatment, detection, and prevention of COVID-19 became some of the most frequently performed across hospitals in the state in 2021

This report serves as an addendum to the 2021 version of the Hospital Payment Report, an annual report on commercial insurance payments for the most common procedures performed in Oregon hospitals. This supplemental report provides the median and range of amounts that commercial insurance companies paid Oregon hospitals for the most frequently administered COVID-19 treatments, testing, and vaccines in 2021. These COVID-19 related procedures accounted for \$40.6 million in commercial insurance payments to Oregon hospitals in 2021.

In addition to offering more understanding of the impact of COVID-19 on Oregon hospitals, this data provides transparency into how payments varied across the state. For most COVID-19 related procedures, there is notable variation in payments among and within hospitals. The variation among hospitals is generally not well explained by differences in hospital size and location.

Highlights of this report:

- The statewide median payment per day for remdesivir, the most common inpatient COVID-19 treatment in 2021, was \$5,506, with the middle half of payments ranging from \$4,167 to \$7,631. Most hospitals providing remdesivir were large, urban hospitals.
- The statewide median payment for the administration of monoclonal antibodies, a common outpatient treatment in 2021, was \$748. The middle half of payments ranged from \$450 to \$977.
- The statewide median payment for a COVID-19 test was \$108, with a few facilities of each hospital type having medians that were at least double that amount.
- For both the Moderna and Pfizer vaccines, the statewide median payment was \$42, with notably higher amounts paid to certain small hospitals.

COVID-19 PROCEDURES

Treatments

- Remdesivir is an antiviral medication approved for the treatment of patients hospitalized with COVID-19. It is administered by intravenous infusion or injection. Only inpatient administration of remdesivir is included in this report.
- Monoclonal antibodies are lab-grown proteins that supplement the immune system. They are administered by intravenous infusion or injection. Only outpatient administration of monoclonal antibodies is included in this report.

Specimen collection refers to throat or nostril swabs or saliva collection for COVID-19 tests.

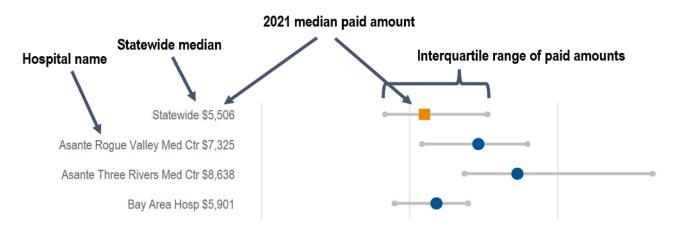
Testing includes molecular tests that detect genetic material – DNA or RNA – from the virus that causes COVID-19. These are different from at-home tests.

The **two-day add-on** for tests refers to an additional payment available when the COVID-19 testing process met certain criteria.

The Moderna and Pfizer vaccines are mRNA COVID-19 vaccines. All doses that were available in 2021 are included. Only vaccines administered in hospital settings are included in this report.

How To Interpret This Report

The graphs included in this report contain four main points of information: the name of the hospital that performed the procedure, the hospital type, the 2021 median paid amount, and the interquartile range of paid amounts. The paid amount includes the commercial insurance payment to the hospital as well as patient paid amounts such as co-pays, deductibles, or co-insurance.



The statewide median paid amounts are provided at the top of every graph as orange squares. The median represents the point that divides the paid amounts in two parts, half above and half below the median amount. This is also known as the 50th percentile.

In the graphs in this report, hospitals are sorted by type, then by alphabetical order. The color and shape of the median points vary based on hospital type:

- DRG hospitals large urban hospitals have dark blue circles.
- ▲ Type A hospitals small hospitals more than 30 miles from another hospital have green triangles.
- Type B hospitals small hospitals within 30 miles of another hospital have light blue diamonds.

The interquartile range of paid amounts is represented as the the small gray dots and the gray line and is also referenced in the chart subheading. This is the range between the 25th percentile and the 75th percentile of paid amounts, representing the middle half of payments.

The median amount (large point in the charts) is not necessarily the center point of the interquartile range (gray line and dots). This is because paid amounts are not evenly distributed across the range. It is common to see paid amounts clustered around certain dollar amounts, which results in the median being pulled off center.

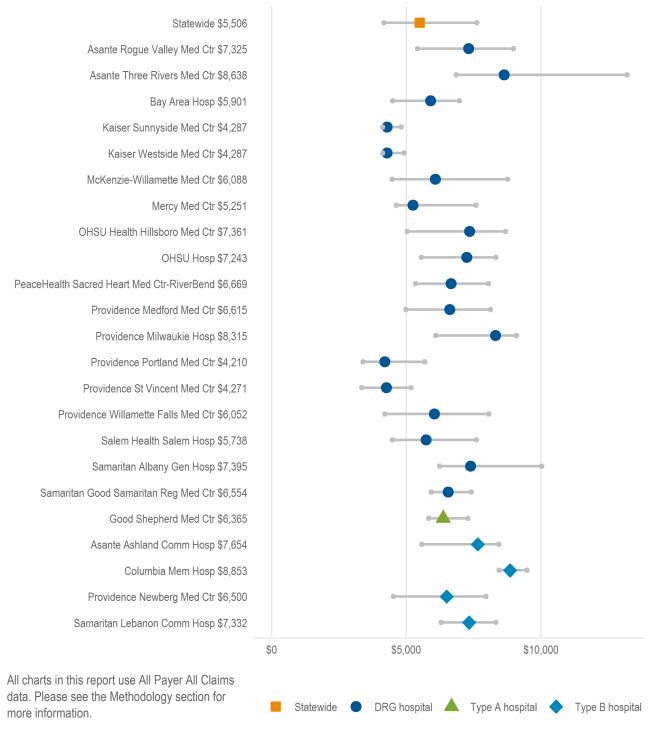
The variance in paid amounts within a hospital is due to different co-payment and deductible amounts paid by patients, as well as different levels of illness severity among patients. In addition to these factors, differences in each hospital's negotiated payment rate with commercial insurance companies contribute to the differences in paid amounts between hospitals.

Treatment: Remdesivir

Remdesivir is an antiviral medication approved for patients hospitalized with COVID-19. In the inpatient setting, it is administered by intravenous infusion or injection once a day for up to 10 days. While the FDA authorized the use of remdesivir in outpatient and other non-hospital settings in early 2022, the amounts paid below in 2021 are for inpatient administration of remdesivir only and represent the amount paid per day of hospitalization.

The statewide median paid amount per day for remdesivir was \$5,506 in 2021.

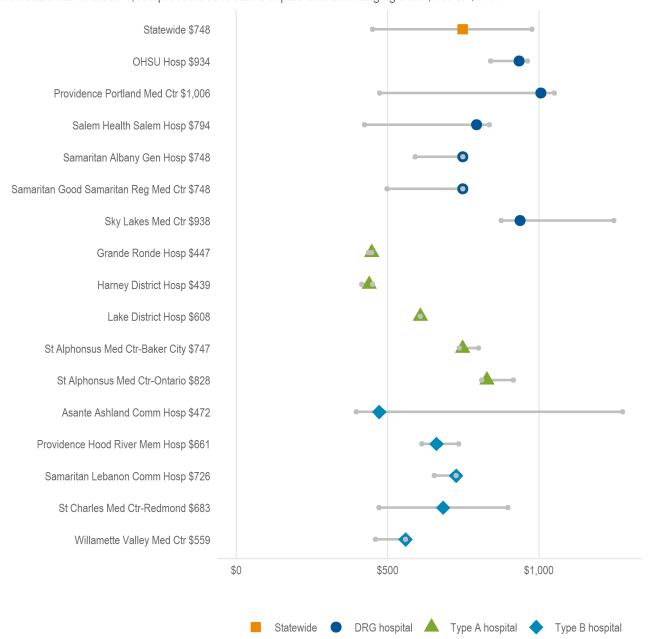
The middle half of these 1,115 procedures resulted in paid amounts ranging from \$4,167 to \$7,631.



Treatment: Monoclonal Antibodies

Monoclonal antibodies are lab-grown proteins that supplement the immune system, binding to the spike protein of a virus to prevent it from infecting cells. They are administered by intravenous infusion or injection. The chart below reflects paid amounts for the outpatient administration of several different formularies of monoclonal antibody treatments. During 2021, these monoclonal antibodies were FDA-authorized for outpatient treatment of mild-to-moderate COVID-19 in patients who tested positive and were at high risk for severe illness, hospitalization, or both. As of late 2022, existing monoclonal antibody treatments are no longer authorized for outpatient COVID-19 treatment because of their reduced effectiveness against Omicron subvariants.

The statewide median paid amount for monoclonal antibodies was \$748 in 2021. The middle half of these 1,133 procedures resulted in paid amounts ranging from \$450 to \$977.

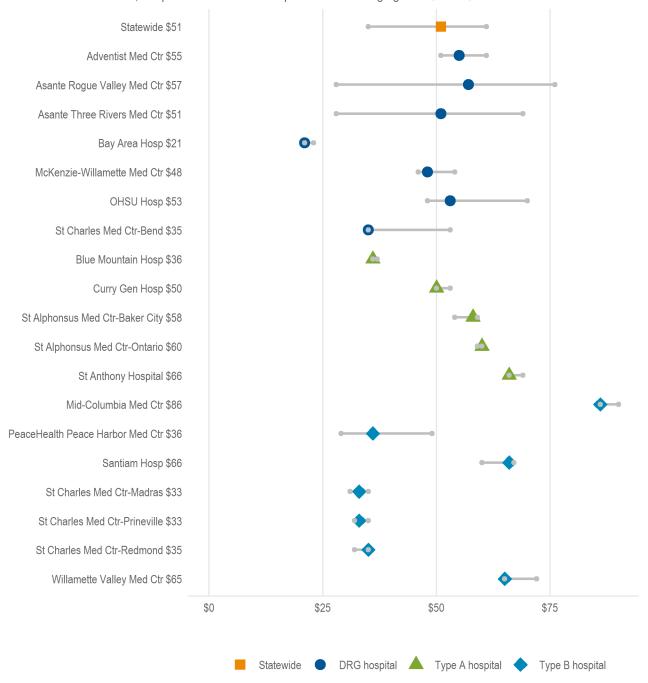


Specimen Collection

Specimen collection is the first step in testing for COVID-19. Methods include swabbing nostrils or the throat or collecting saliva. The specimen collection reflected in the chart below was primarily performed in the outpatient hospital setting, with a smaller amount of home saliva collection for testing by a hospital.

The statewide median paid amount for specimen collection was \$51 in 2021.

The middle half of these 30,684 procedures resulted in paid amounts ranging from \$35 to \$61.

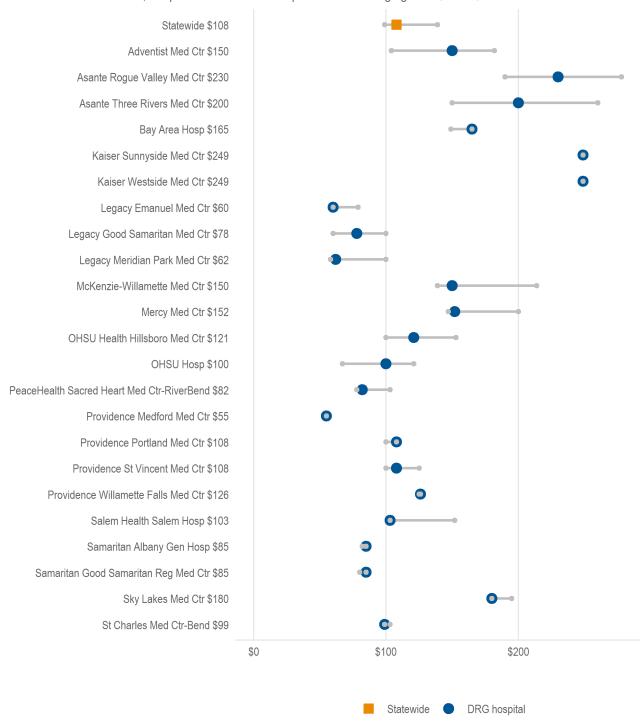


Testing

Molecular tests for COVID-19, including polymerase chain reaction (PCR) and other nucleic acid amplification tests (NAATs), detect genetic material – DNA or RNA – from the virus that causes COVID-19. These are different from antigen tests that are frequently performed at home. The chart below compares statewide paid amounts to those of DRG hospitals.

The statewide median paid amount for testing was \$108 in 2021.

The middle half of these 189,706 procedures resulted in paid amounts ranging from \$99 to \$139.

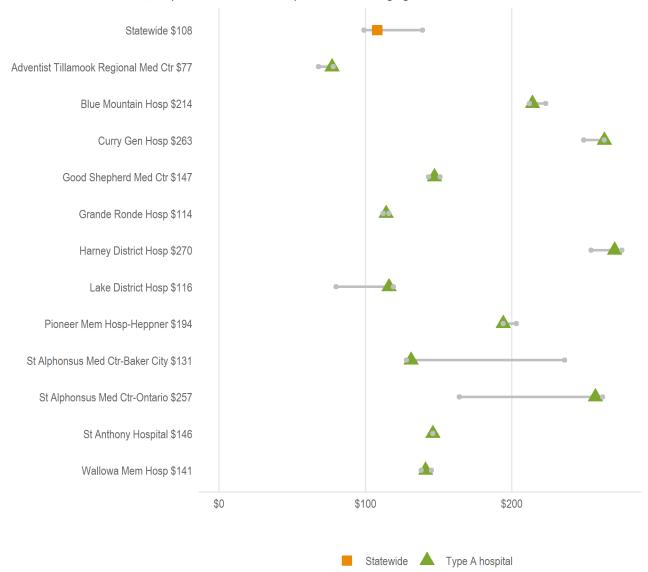


Testing, continued

The chart below compares statewide paid amounts to those of Type A hospitals.

The statewide median paid amount for testing was \$108 in 2021.

The middle half of these 189,706 procedures resulted in paid amounts ranging from \$99 to \$139.

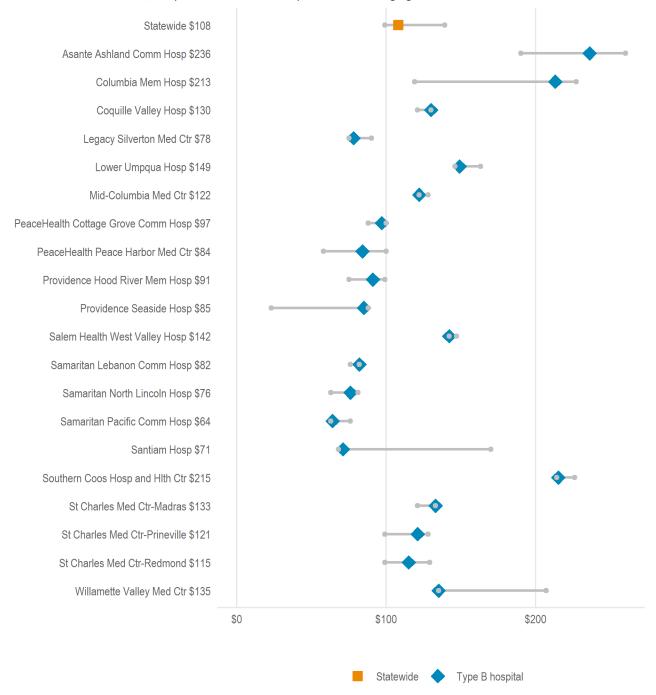


Testing, continued

The chart below compares statewide paid amounts to those of Type B hospitals.

The statewide median paid amount for testing was \$108 in 2021.

The middle half of these 189,706 procedures resulted in paid amounts ranging from \$99 to \$139.

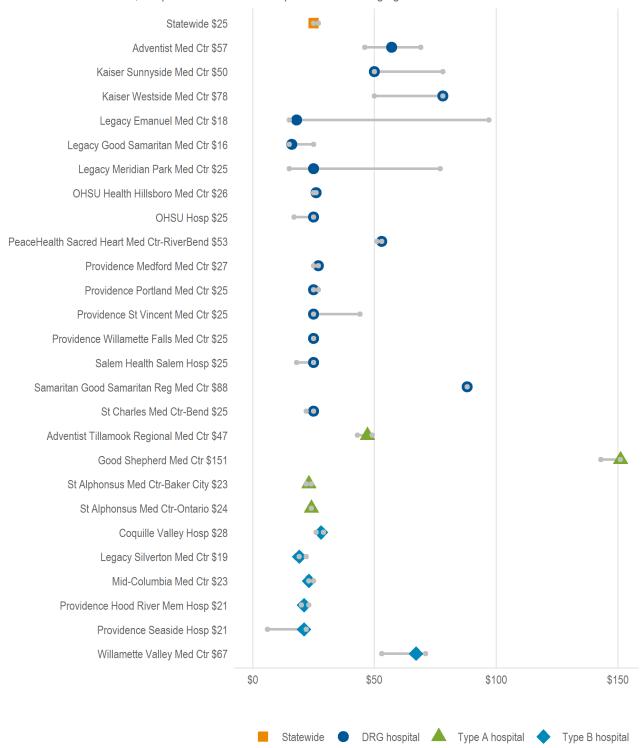


Testing: Two-Day Add-On

Beginning in 2021, facilities could receive additional reimbursement for COVID-19 testing that was completed within two days of specimen collection using technologies that allowed for automated processing of more than 200 specimens per day.

The statewide median paid amount for the two-day testing add-on was \$25 in 2021.

The middle half of these 42,667 procedures resulted in paid amounts ranging from \$25 to \$27.

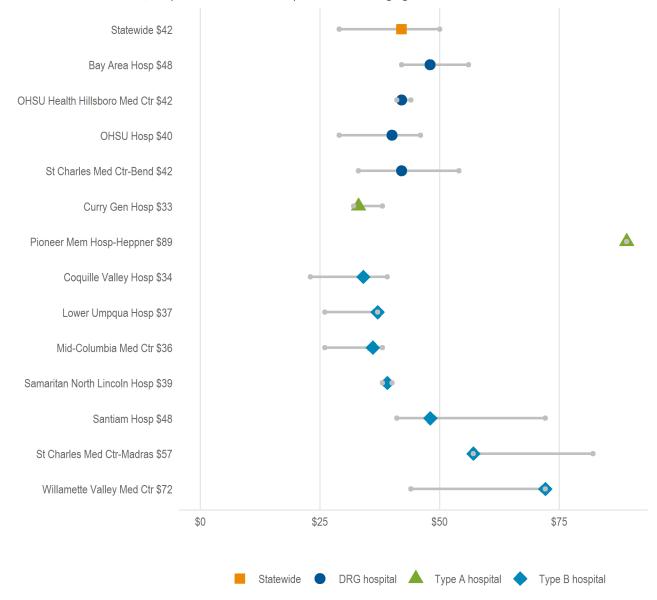


Vaccines: Moderna

The Moderna COVID-19 vaccine is a messenger ribonucleic acid (mRNA) vaccine. Using laboratory-created mRNA, it causes an immune response to help protect against future COVID-19 infections. The chart below reflects paid amounts for the administration of first, second, and booster doses, as well as a small number of third doses (different from booster doses) given to those who are immunocompromised.

The statewide median paid amount for the Moderna vaccine was \$42 in 2021.

The middle half of these 26,467 procedures resulted in paid amounts ranging from \$29 to \$50.



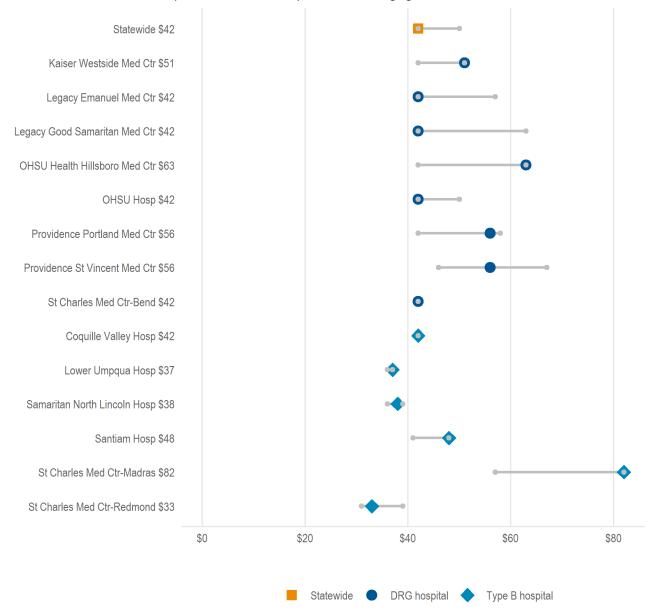
12 | Vaccines: Moderna

Vaccines: Pfizer

The Pfizer COVID-19 vaccine is a messenger ribonucleic acid (mRNA) vaccine. Using laboratory-created mRNA, it causes an immune response to help protect against future COVID-19 infections. The chart below reflects paid amounts for the administration of first doses, second doses, third doses (given to those who are immunocompromised), and booster doses, as well as pediatric first and second doses.

The statewide median paid amount for the Pfizer vaccine was \$42 in 2021.

The middle half of these 122,209 procedures resulted in paid amounts ranging from \$42 to \$50.



13 | Vaccines: Pfizer

Methodology

The methodology for this report closely follows the methodology for the Oregon Hospital Payment Report.

Data Source

The data source for this report is Release 14 of the <u>Oregon All Payer All Claims (APAC)</u> <u>database</u>. <u>Oregon's APAC database</u> contains information about Oregon's insured population and the health care services they receive, such as diagnoses, visits, and payments made. The information comes from administrative records called insurance claims kept by insurers (also known as payers).

Analysis

Claims data were extracted from the APAC database for COVID-19-specific procedures – testing, vaccination, and treatment – performed in 2021. Claims within APAC are identified by a unique claim ID. This unique claim ID is used to identify all itemized portions of the claim together as one.

Inpatient Procedures

For the administration of remdesivir, the only inpatient procedure in this analysis, unique claim IDs with a primary procedure code for the administration of remdesivir are identified. For each of these claim IDs, the total paid amount is summed over all claim lines, reflecting the total payment for the hospitalization. This total paid amount is then divided by the patient's length of stay to provide the standardized paid amount per day for treatment with remdesivir. While other inpatient treatments for COVID-19 existed in 2021, none were performed frequently enough to meet the inclusion criteria for this report, which is described below.

Outpatient Procedures

All other procedures included in this report were performed in the outpatient setting. The paid amounts for these procedures reflect what was paid each time a specimen collection, test, vaccine, or monoclonal antibody treatment was performed or delivered. Closely related procedure codes are combined into a single procedure type; for example, paid amounts for different doses of the Pfizer vaccine are combined into the COVID-19 Vaccine: Pfizer category.

Inclusion Criteria

The median and interquartile range of paid amounts for each procedure are reported as statewide figures and by hospital when possible. To be included, a hospital must have performed the procedure at least ten times. Only procedures performed by at least five such hospitals are included in this report.

Hospitals that reported paid amounts that varied significantly from the statewide median (three standard deviations or more) were removed to prevent outlier data from affecting median amounts.

Excluded from this analysis were all non-commercial payers (Medicare, Medicaid, VA), non-Oregon facilities and all non-hospital facilities, claims with a denied status, claims with no bill type or revenue code, and claims with a zero-paid total amount.



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