

# Oregon Hospital Payment Report: Inpatient Procedures 2017

July 1st, 2019

Oregon Health Authority  
Division of Health Policy & Analytics  
Office of Health Analytics



## Oregon Hospital Payment Report: Inpatient Procedures

The Oregon Hospital Payment Report is an annual report that contains median payment information from commercial insurers to hospitals for common inpatient and outpatient procedures. This fulfills the requirement set forth in Oregon Revised Statute (ORS) 442.466. This sub-report of the Oregon Hospital Payment Report and contains payment information for inpatient procedures only. Inpatient procedures are those that are performed as part of a hospital admission, or result in a hospital admission of at least 24 hours. Payment information for outpatient procedures, medical imaging, procedures relating to pregnancy, and radiation and chemotherapy procedures can be found in their own sub-report releases.

Due to the U.S. Supreme Court's March 2016 ruling in *Gobeille v. Liberty Mutual Insurance Company*, the Oregon Health Authority may no longer require self-insured Employment Retirement Income Security Act (ERISA) covered health plans to submit claims. It is estimated that Oregon's All Payer All Claims (APAC) database has over 300,000 fewer covered lives reported from the commercial market since the *Gobeille* decision. As a result, the number of procedures reported has decreased, which in turn affects whether data can be reported.

Highlights of the inpatient procedures sub-report are:

- Most procedures vary substantially in paid amounts, both within and between hospitals.
- Heart valve replacement had the highest median paid amount in 2017 at \$94,437 per discharge.
- Shoulder replacement had the largest increase in median paid amount, increasing by \$2,776 from 2016.
- Appendectomy had the largest percentage increase, increasing by 13% from 2016.
- The weighted average change in median paid amounts for inpatient procedures was an increase of \$188. The range of change in median amount paid was -\$5,374 to \$2,776.
- Gastrectomy and shoulder replacement were added procedures reported in the 2017 report that were not in the 2016 report. The reason for inclusion is the number of hospitals reporting these procedures increased.
- Colonoscopy, hemodialysis, and disc removal were previously reported in 2016 but are deleted in the 2017 report. The number of hospitals reporting these procedures decreased below our threshold.

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Procedures for 2017 are broken into several smaller reports. This report contains information for inpatient procedures. Other procedure types may be found in their own sub-report.

## Inpatient

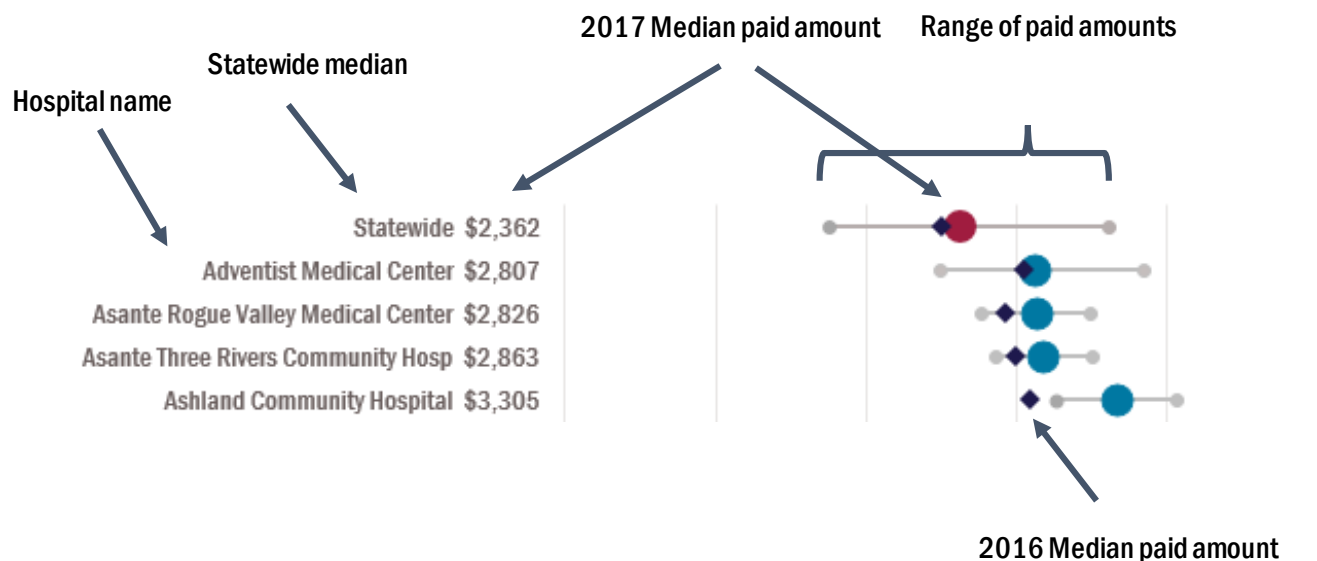
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# How to Interpret This Report

This report presents information on the amount paid for common inpatient procedures at hospitals in Oregon. The data on these paid amounts come from submissions made to Oregon’s All Payer All Claims database (APAC) from commercial reporting entities. The range of typical paid amounts for each procedure is included at the statewide and hospital levels, and a median amount paid is also displayed. The median is the middle value in the range of typical paid amounts.

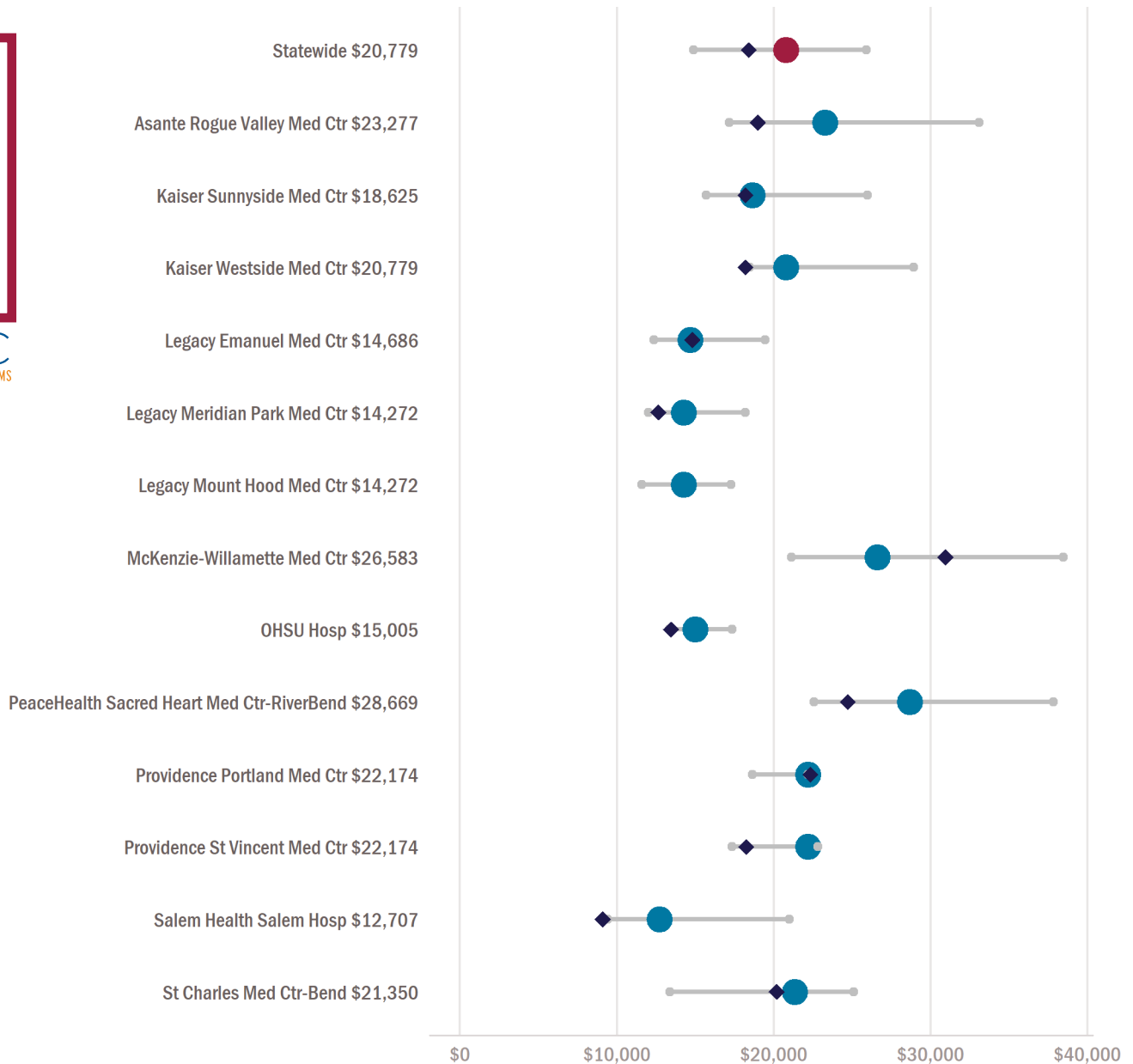
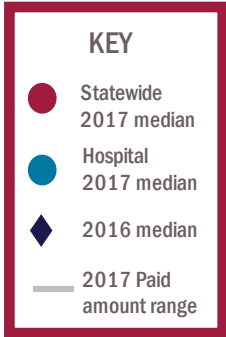


The graphs included in this report contain four main points of information: the hospital name, the 2016 and 2017 median paid amounts, and the range of paid amounts. The hospital name is the name of the hospital facility that performed the procedure. Only procedures that were performed at one of Oregon’s sixty acute care hospitals are included in this report. The 2017 median paid amount is reported next to the hospital name, and is also represented on the graph as the large dot. The statewide median paid amounts is provided at the top of every graph. 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. The range of paid amounts is represented in the charts as the small gray dots and the gray line. This range excludes outliers in the data and is also known as the interquartile range. It is the range between the lower 25th percentile and the upper 75th percentile. By removing the lower 25% of the data and upper 25% of the data, we remove outliers that can skew the median values. This range represents the middle 50% of all paid amounts. The 2016 median paid amount is shown for reference as the dark diamond. Hospitals that do not have a 2016 median paid amount mean that procedures in that year did not qualify for reporting based on established methodology.

The median amount (large dot 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 resulting in the median being pulled off center. The variance in the paid amounts within a hospital come from the different co-payment and deductible amounts paid by patients, as well as different levels of severity in the patient’s condition. The differences in paid amount between hospitals include the above reasons, as well as each hospital’s negotiated payment rate with commercial insurance companies.

# Appendectomy

An appendectomy is the surgical removal of the appendix, a small organ located on the lower portion of the small intestine on the right side of the body. This is most commonly a laparoscopic surgery. A laparoscopic surgery is a method of surgery that uses instruments inserted through small incisions. These types of surgeries are considered minimally invasive, because they do not require a large open incision. This results in less overall damage to the body, decreased healing times, reduced pain and a lower risk of infection. Appendectomies are performed in the inpatient setting when the patient's condition requires additional monitoring or recovery time.

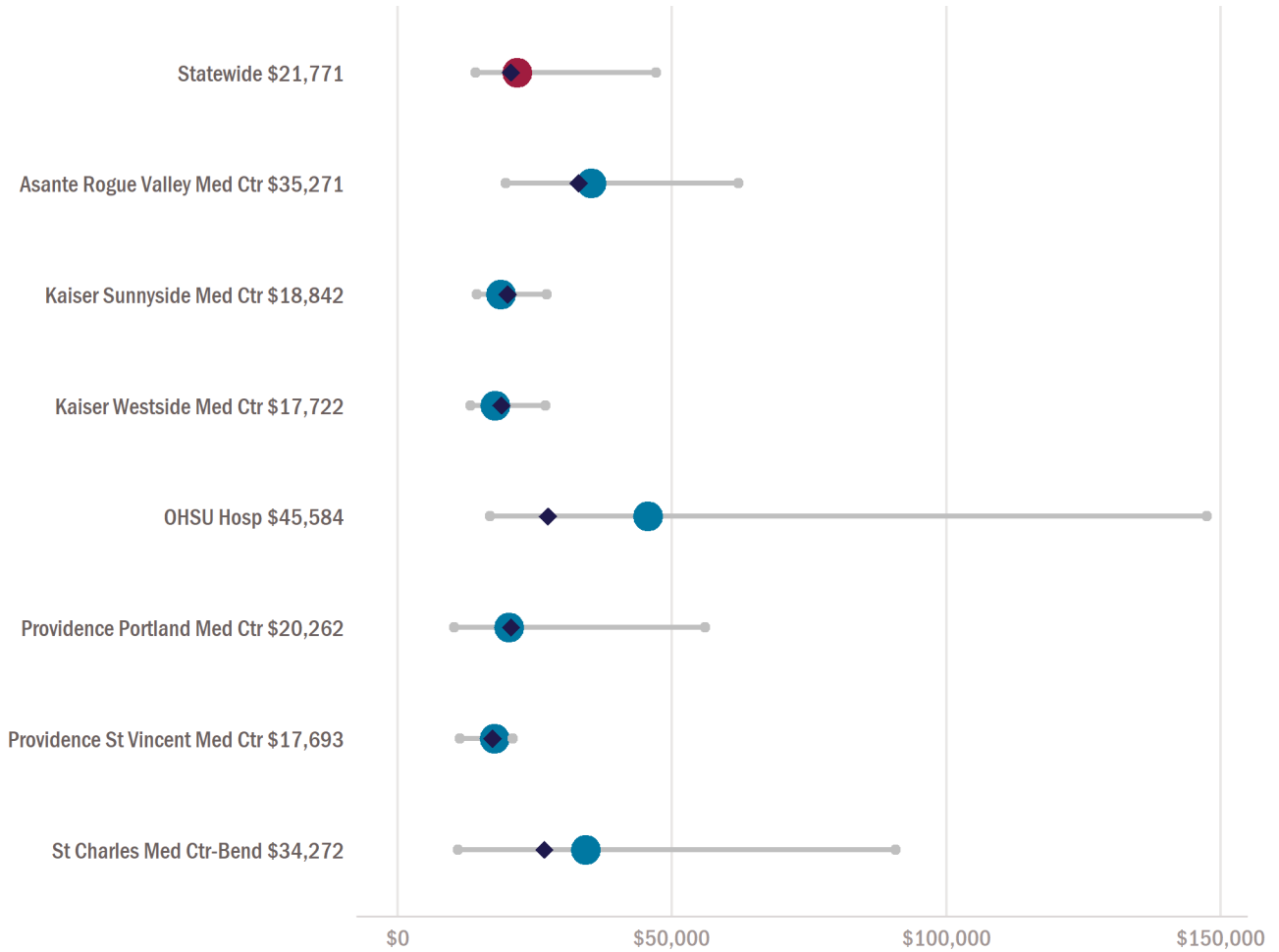


# Blood Transfusions

A Packed Cell Transfusion is the procedure used to provide a red blood cell transfusion to a patient for the treatment of blood diseases, most typically anemia. Blood transfusions are also used to restore blood in the event of hemorrhage and to treat sickle cell disease and parasitic infections.

**KEY**

- Statewide 2017 median
- Hospital 2017 median
- ◆ 2016 median
- 2017 Paid amount range

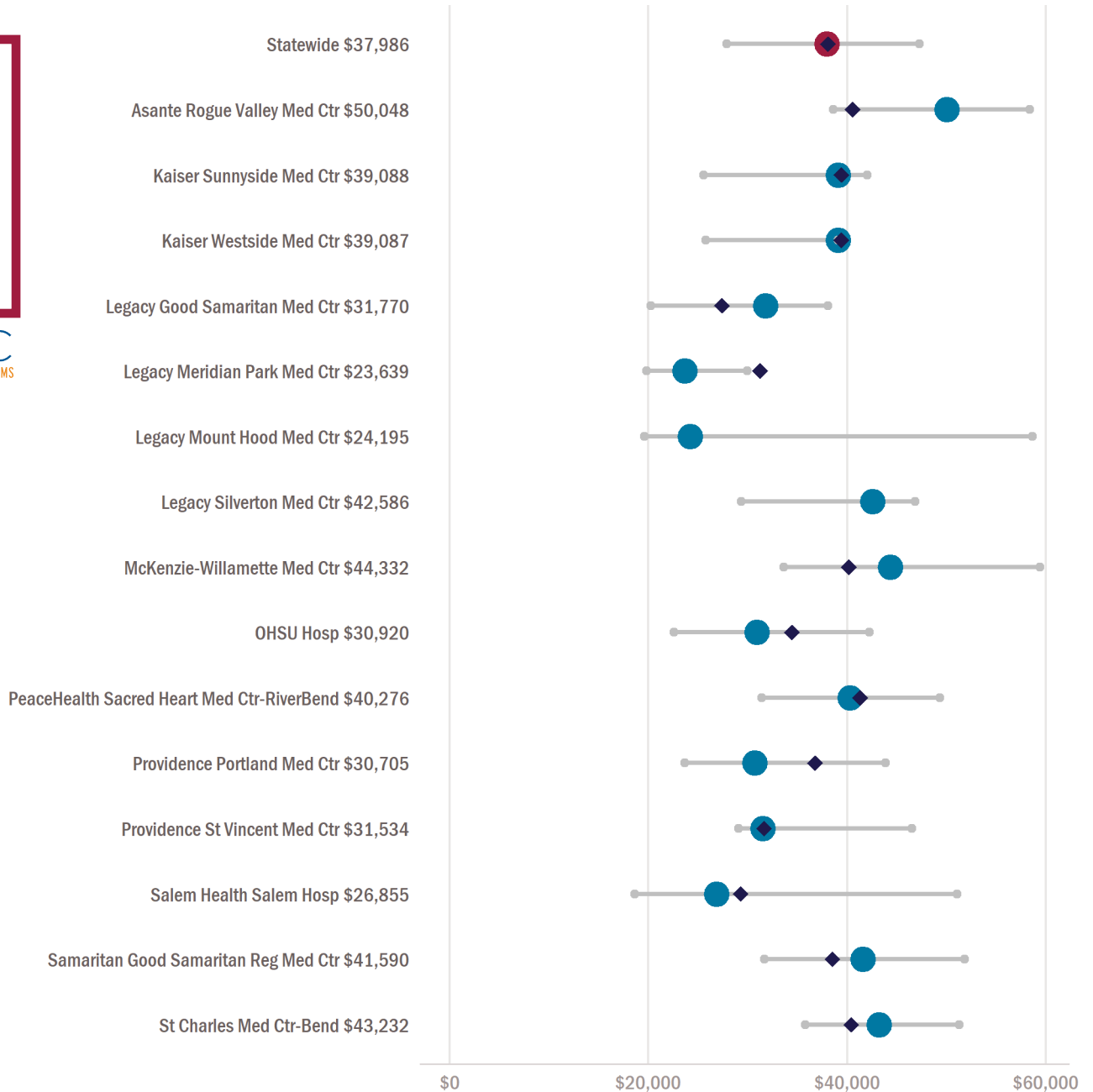


# Bowel Removal

Bowel removal surgeries, also known as colorectal resection, are procedures to remove portions of the colon or large intestine due to disease. The most common reason is colon cancer.

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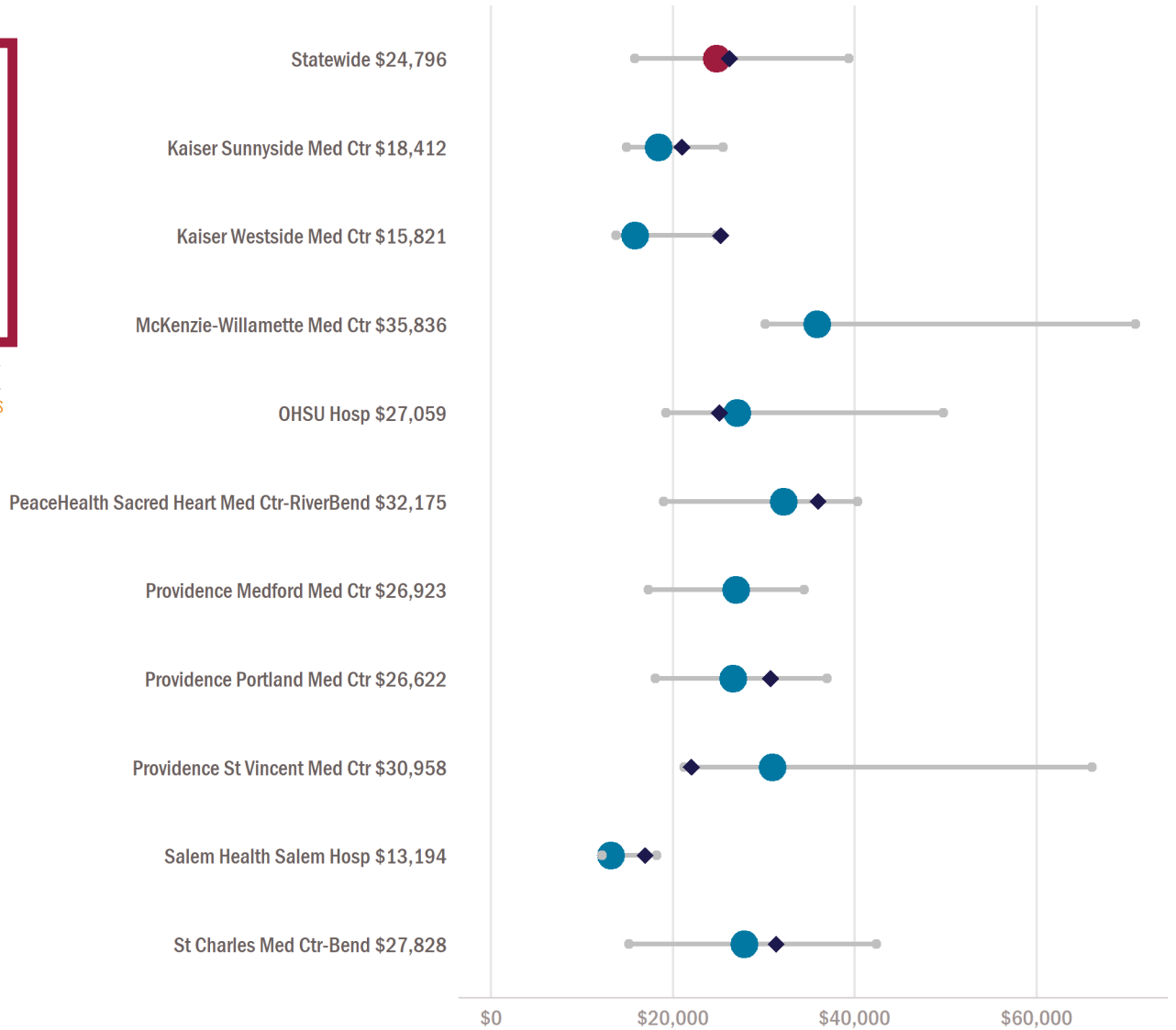


# Central Venous Catheter

A central venous catheter or central line is a procedure to place a catheter, or thin hollow tube, into a large vein in the body for use in long term therapy such as chemotherapy or dialysis. This is typically done in the chest, neck or upper thigh. Central lines are placed to treat the cause of hospitalization and is, in many cases, left in place to facilitate the continuation of treatment in the outpatient setting.

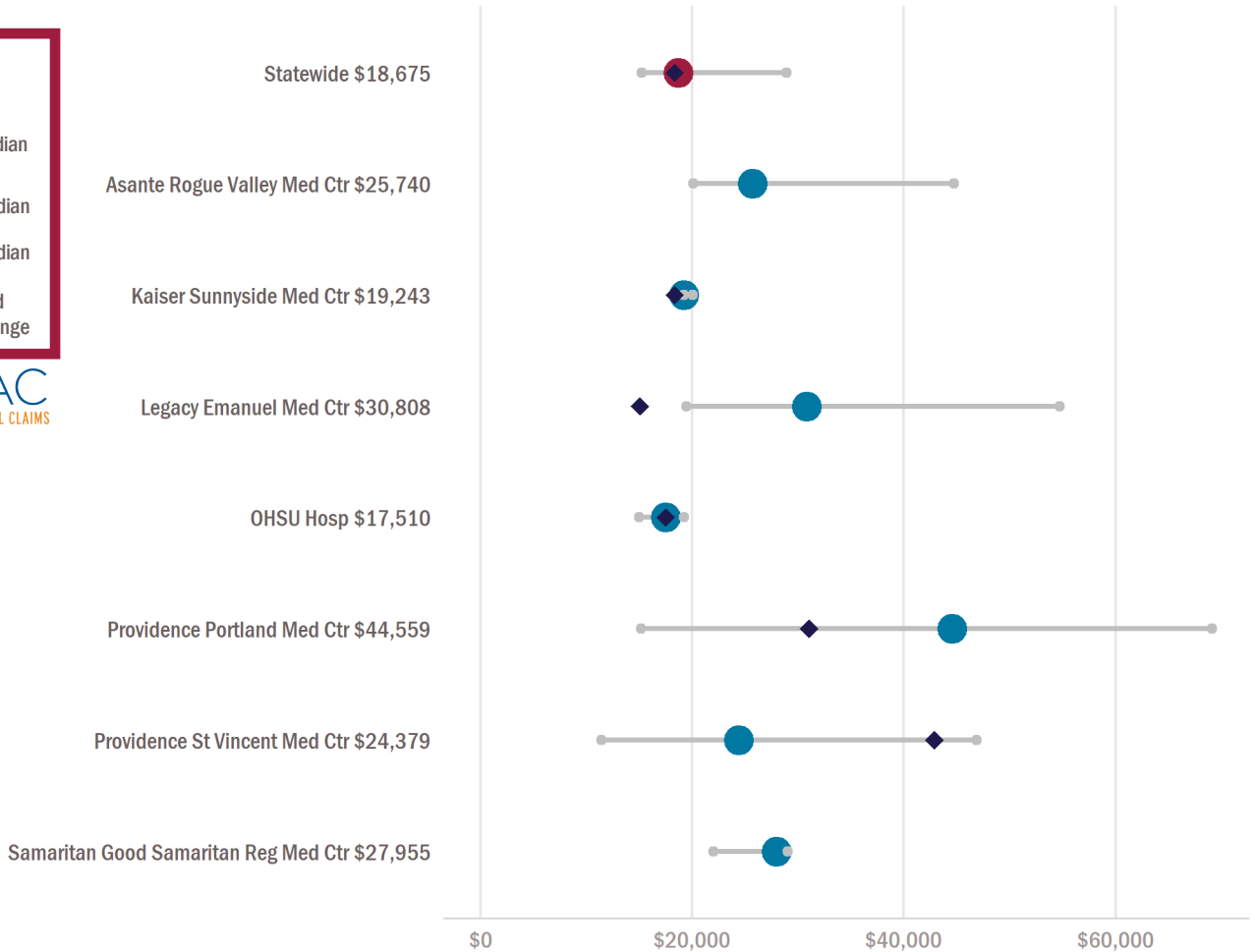
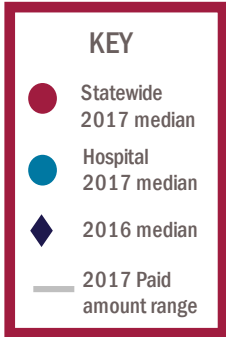
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# Chemotherapy

Chemotherapy is a type of cancer treatment using drugs delivered intravenously. Chemotherapy is a body system-wide approach to cancer treatment, wherein the anti-cancer drugs are injected into the blood stream and are then able to address cancer at any location in the body. Chemotherapy is performed in the inpatient setting when the patient is too sick to return home after the treatment session, or the side effects of the chemotherapy are so severe they require an overnight hospital stay.



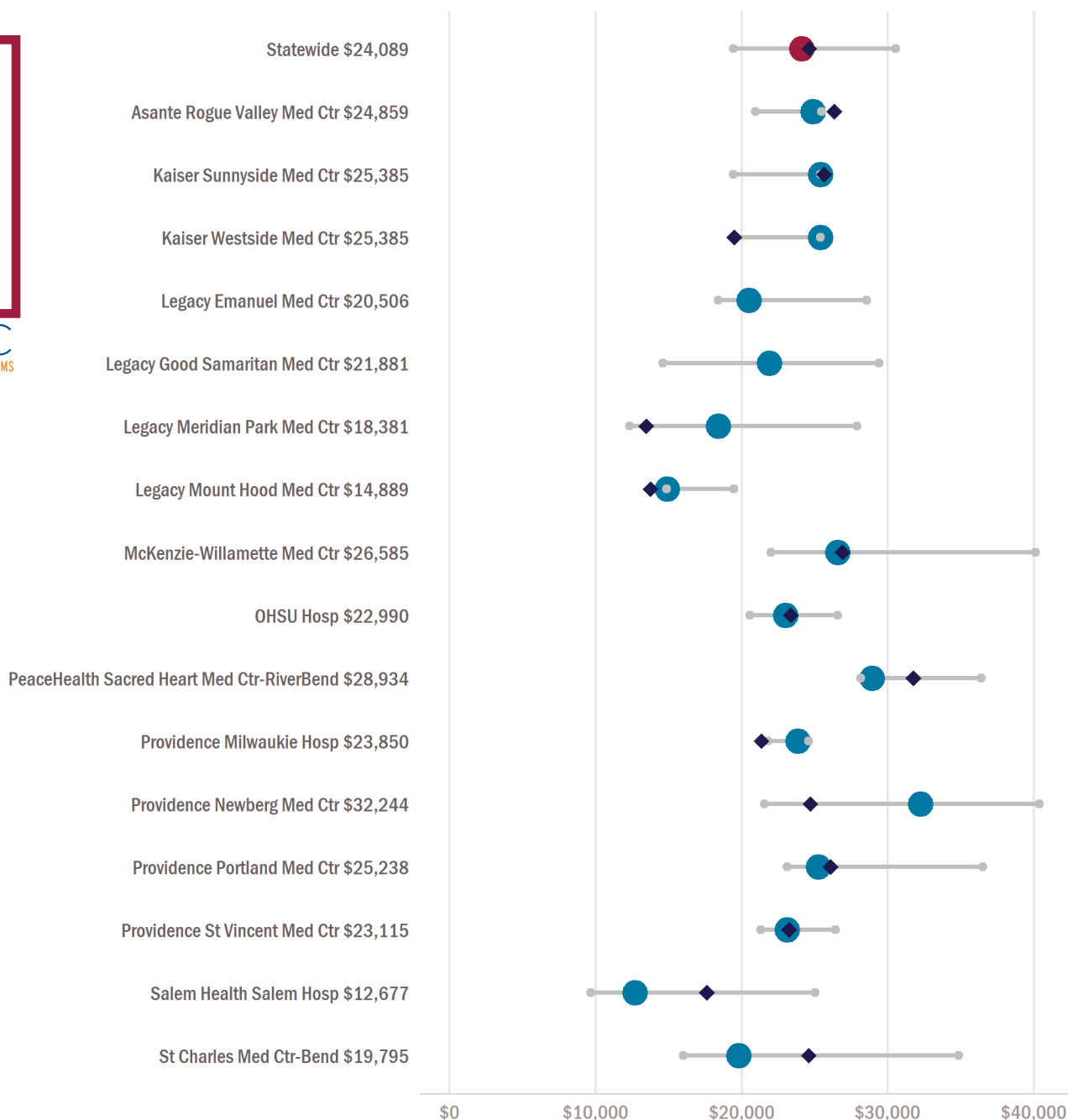
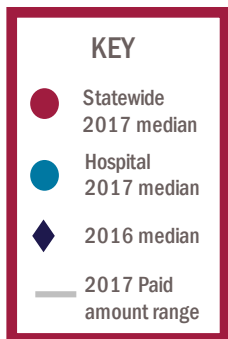
# Coronary Bypass

Coronary artery bypass surgery is a procedure used to perform a bypass of one or many coronary arteries of the heart that are blocked. This is performed by diverting the existing artery, or by harvesting a vein out of the patient's leg and attaching it to the blocked artery to create a bypass. This procedure is most often an open-heart surgery requiring a stay of four to five days in the hospital.



# Gallbladder Surgery

Gallbladder surgery is the surgical removal of the gallbladder. This is most commonly due to the presence of hard mineral deposits in the gallbladder known as gall stones. Like appendectomies, gallbladder surgery is most often performed as a laparoscopic surgery. Gallbladder surgery is performed in the inpatient setting when the patient's condition requires additional monitoring or recovery time.



# Gastrectomy

Gastrectomy is the excision or resection of stomach or pylorus, exclusive of diagnostic purposes. It is most commonly used to treat morbid obesity due to excess calories. Less common, it is used as a treatment for stomach cancer.

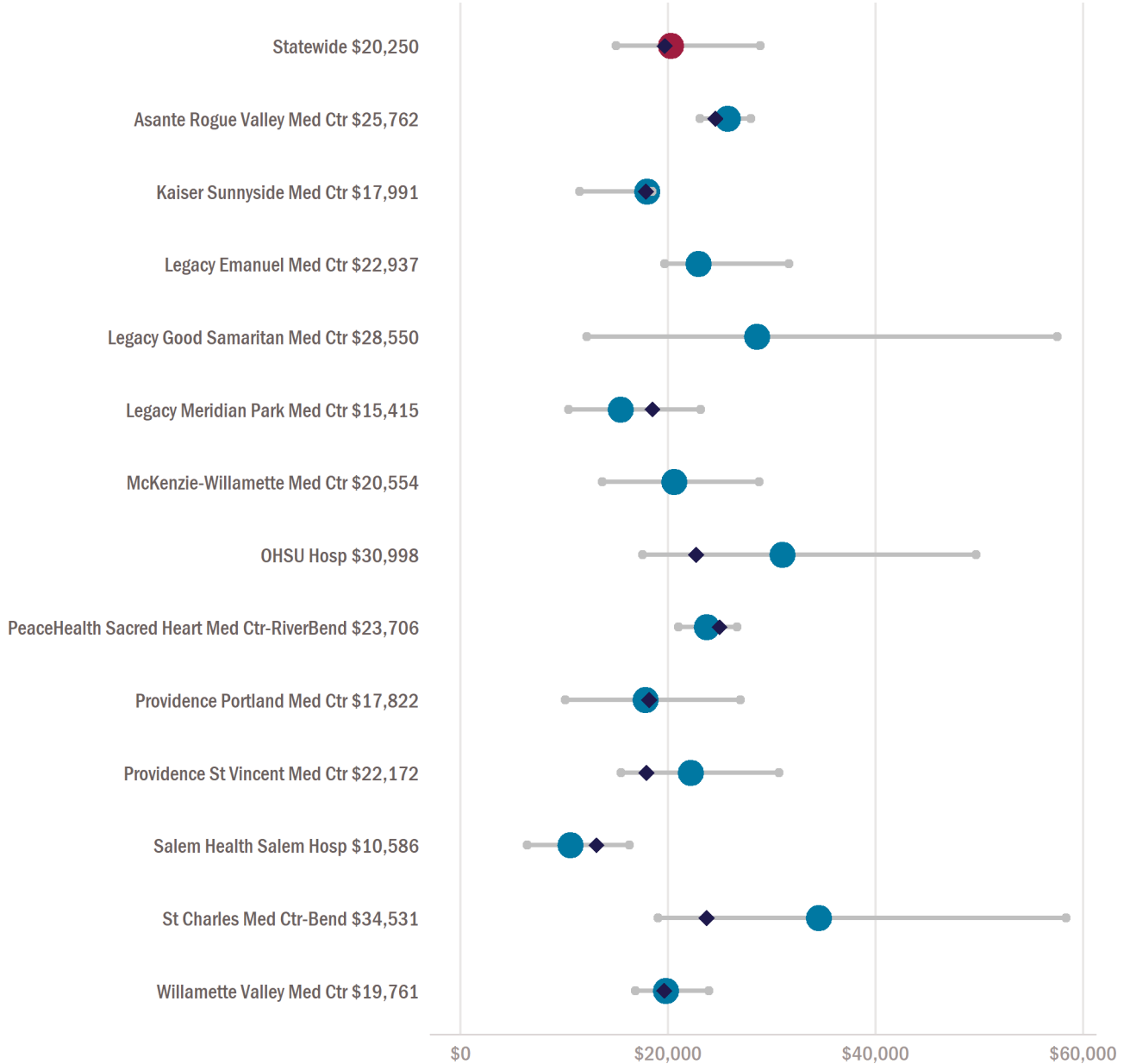
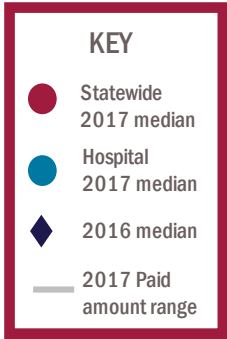
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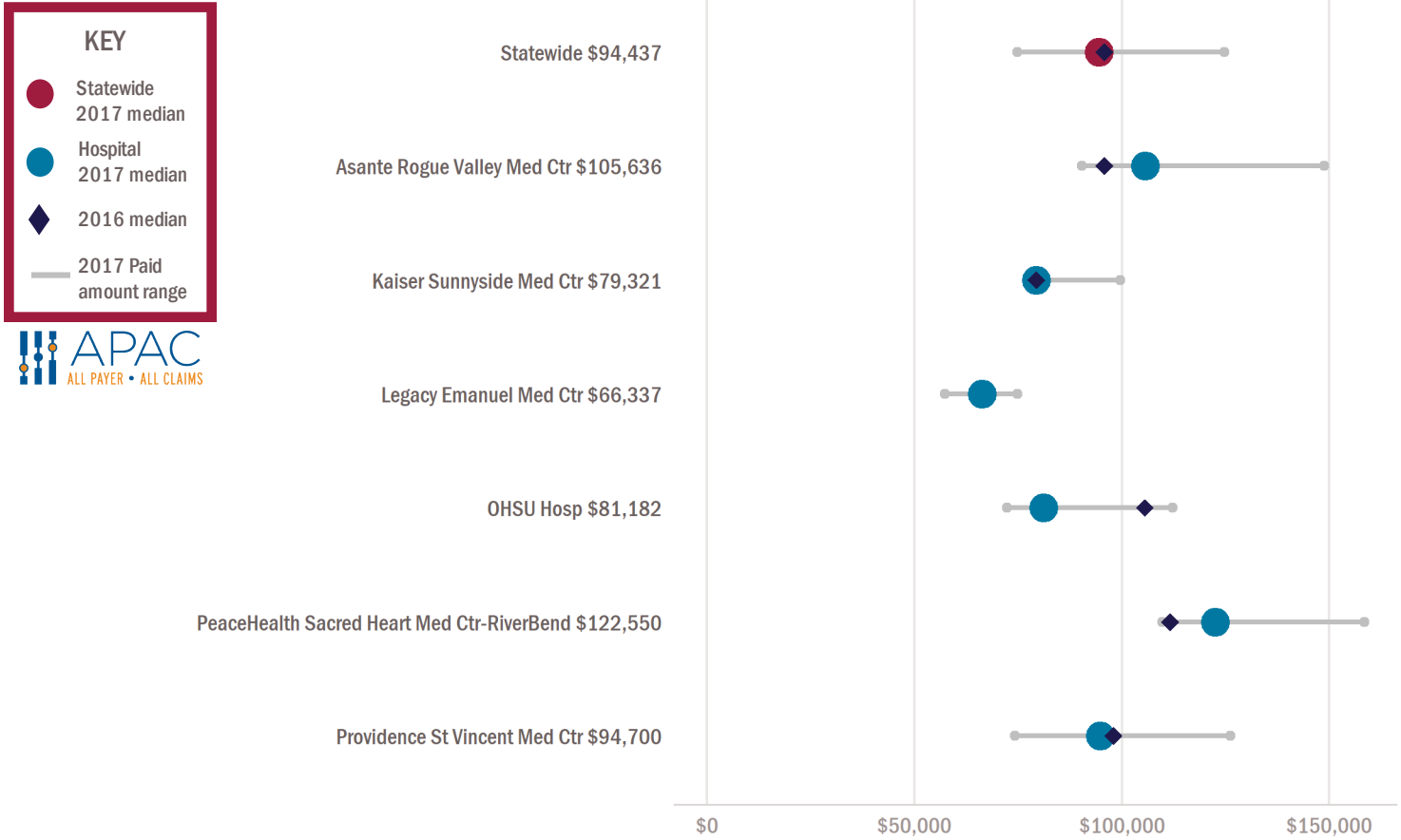
# Heart Catheterization

Heart catheterization is the use of thin hollow tubes, or catheters, to examine the inside of the heart and blood vessels around the heart. Heart catheters may also be used to inject dye for use in imaging, or to collect samples of heart muscle. Heart catheters are inserted into the large veins in the leg, arm or neck and threaded through the blood vessels towards the heart. Doctors observe the advancement of the catheter using a special X-ray camera called a fluoroscope.



# Heart Valve Replacement

Heart valve replacement surgery is a procedure to replace or repair one of the four valves in the heart that control the flow of blood. Heart valve surgery is an open-heart procedure that requires an extended hospital stay. During this procedure, the patient is attached to a heart-lung machine, which continues to cycle blood and oxygen through the patient. The heart is then stopped with a process called cardioplegia, allowing the replacement to be performed on a still, unbeating, heart.

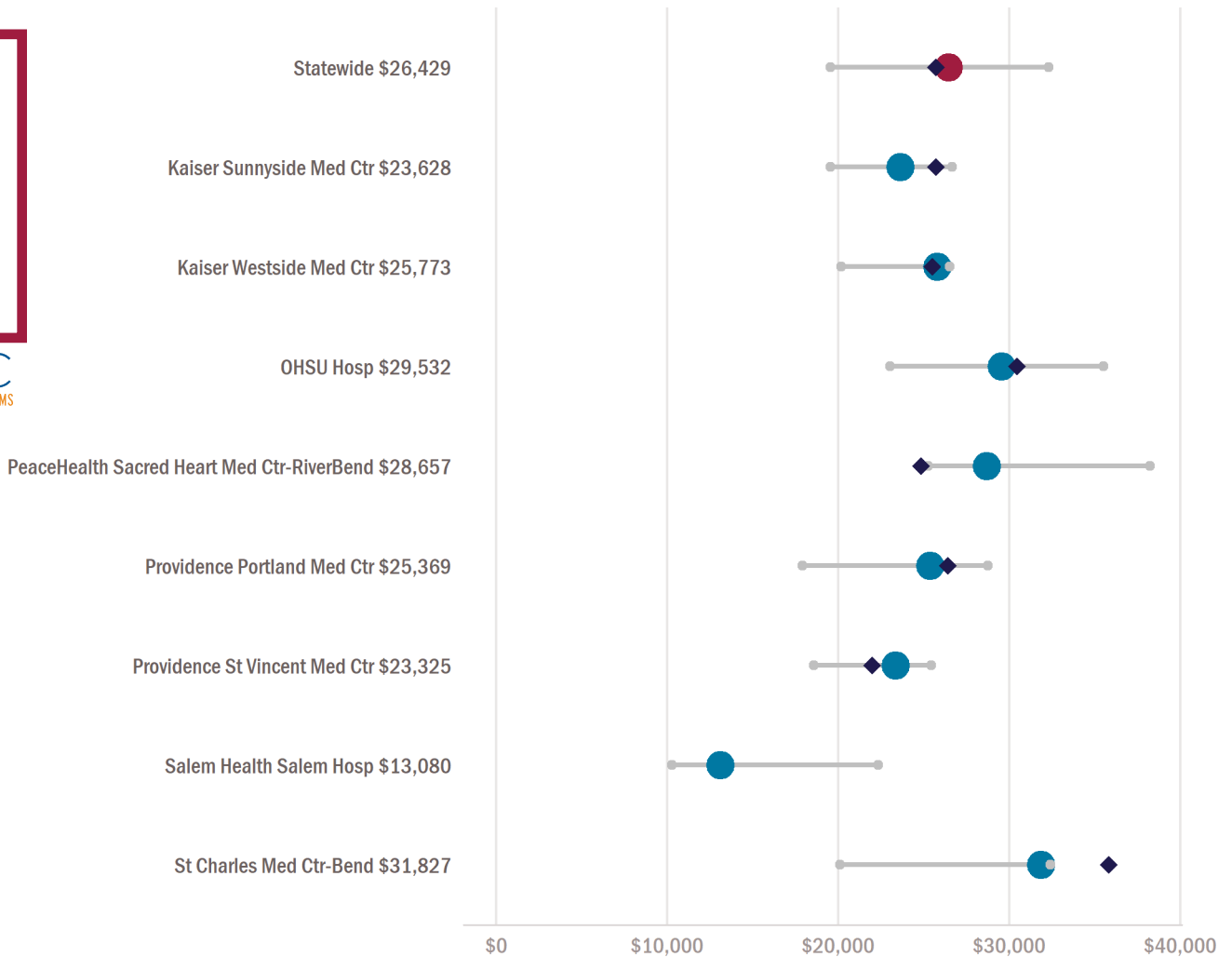


# Hernia Repair

Hernia surgery is a procedure to repair a hernia in the body. A hernia is created when an organ pushes through the wall of the body cavity that normally holds it in place. Hernias most commonly occur in the abdomen, with portions of the bowel pushing through the muscle wall. Hernia repairs are performed in the inpatient setting when the patient's condition requires additional monitoring or recovery time.

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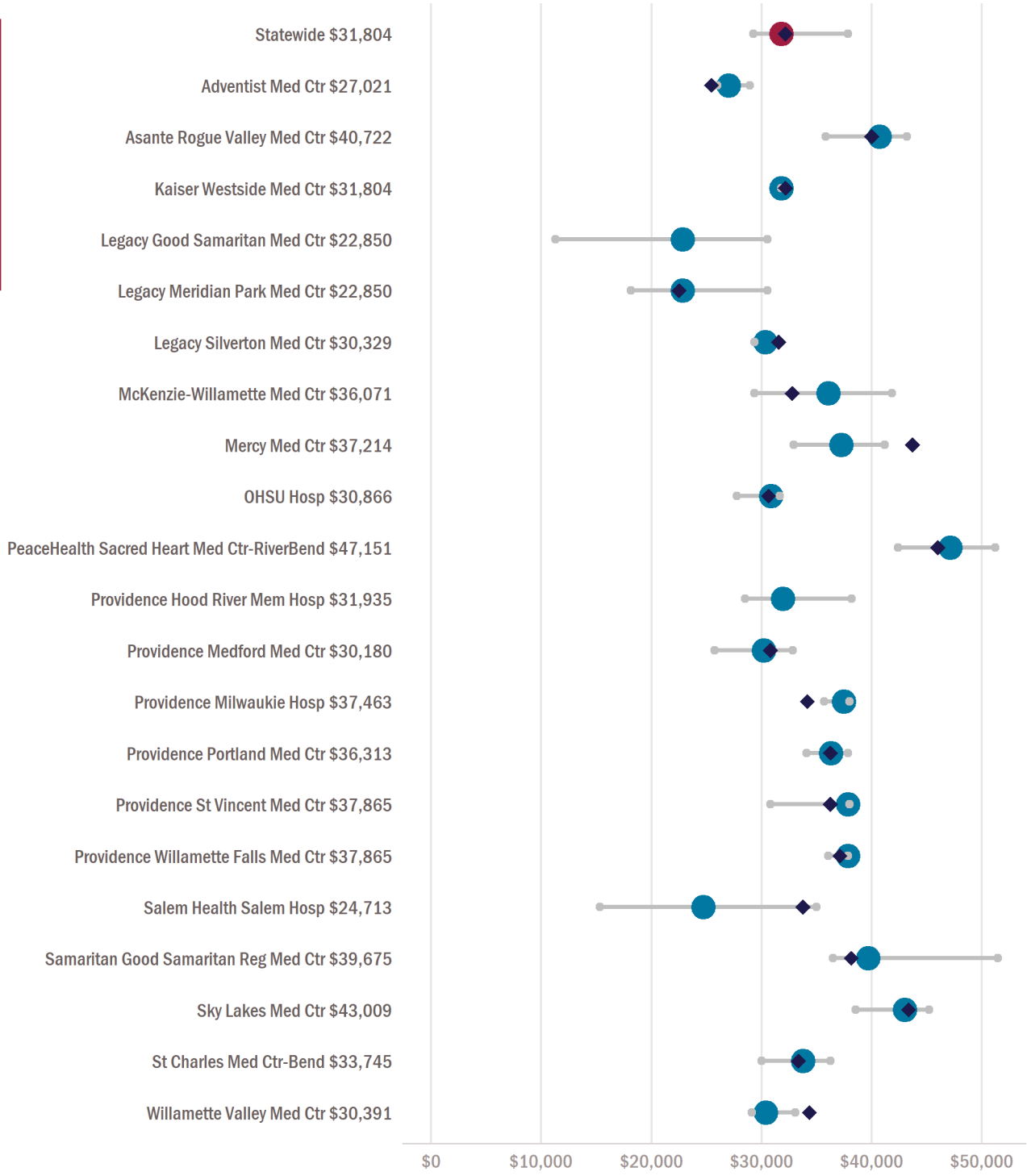


# Hip Replacement

Hip replacement surgery is a procedure in which the hip joint is replaced with an artificial implant. Most commonly the head of the femur - the bone in the thigh - is removed and replaced with an artificial one, usually made from titanium. The hip socket is also replaced with an artificial cup, generally made of special plastics. These surgeries are complicated and lengthy and typically require a two to three day hospital stay.

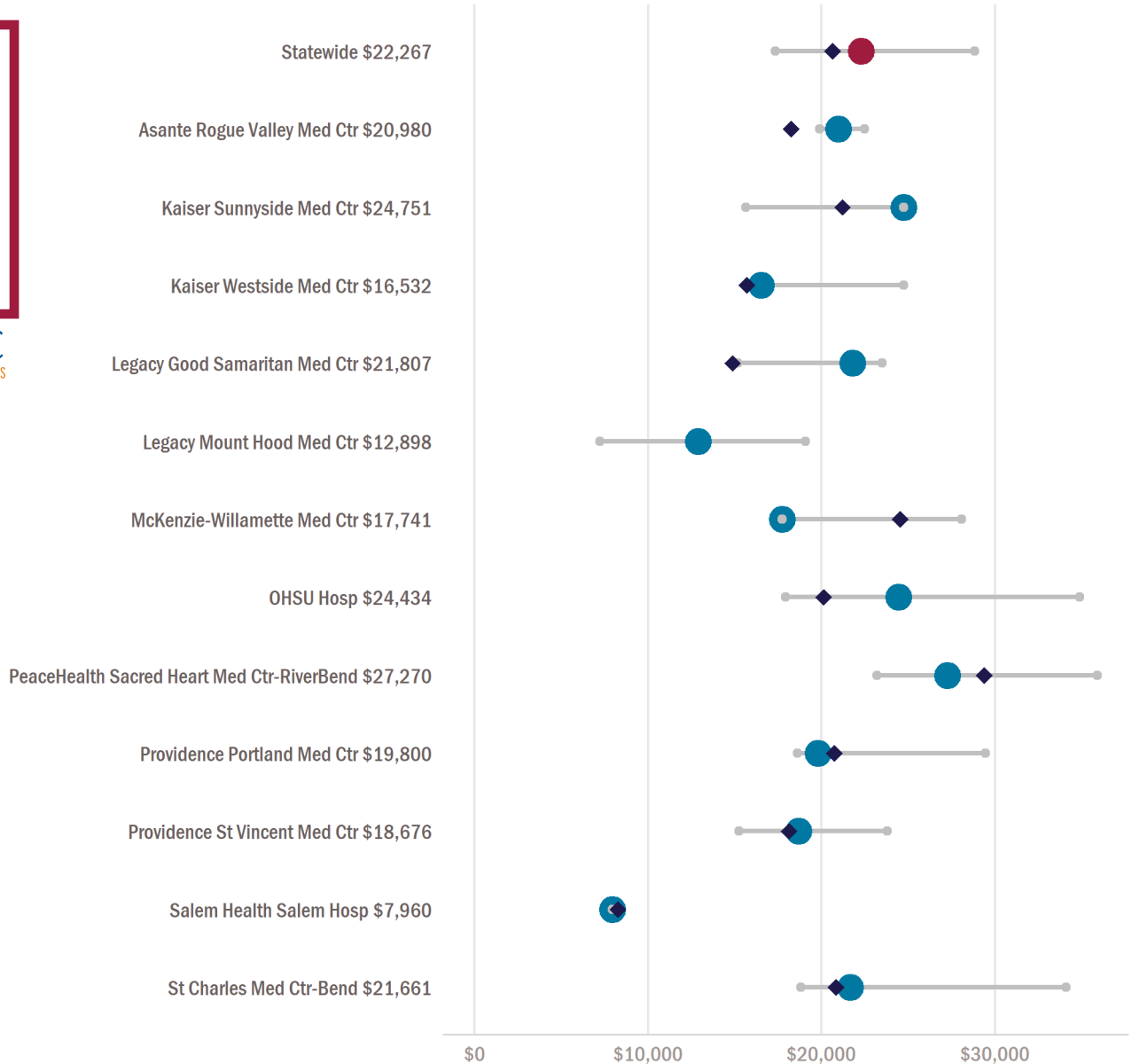
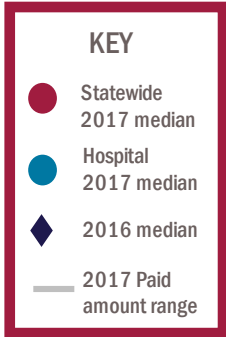
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# Hysterectomy

A hysterectomy is the surgical removal of the uterus, and in some cases, the ovaries as well. Hysterectomies are most commonly performed to treat uterine fibroids - noncancerous tumors that grow in the muscles of the uterus. Hysterectomies are performed in the inpatient setting when the patient's condition requires extra monitoring or recovery time.

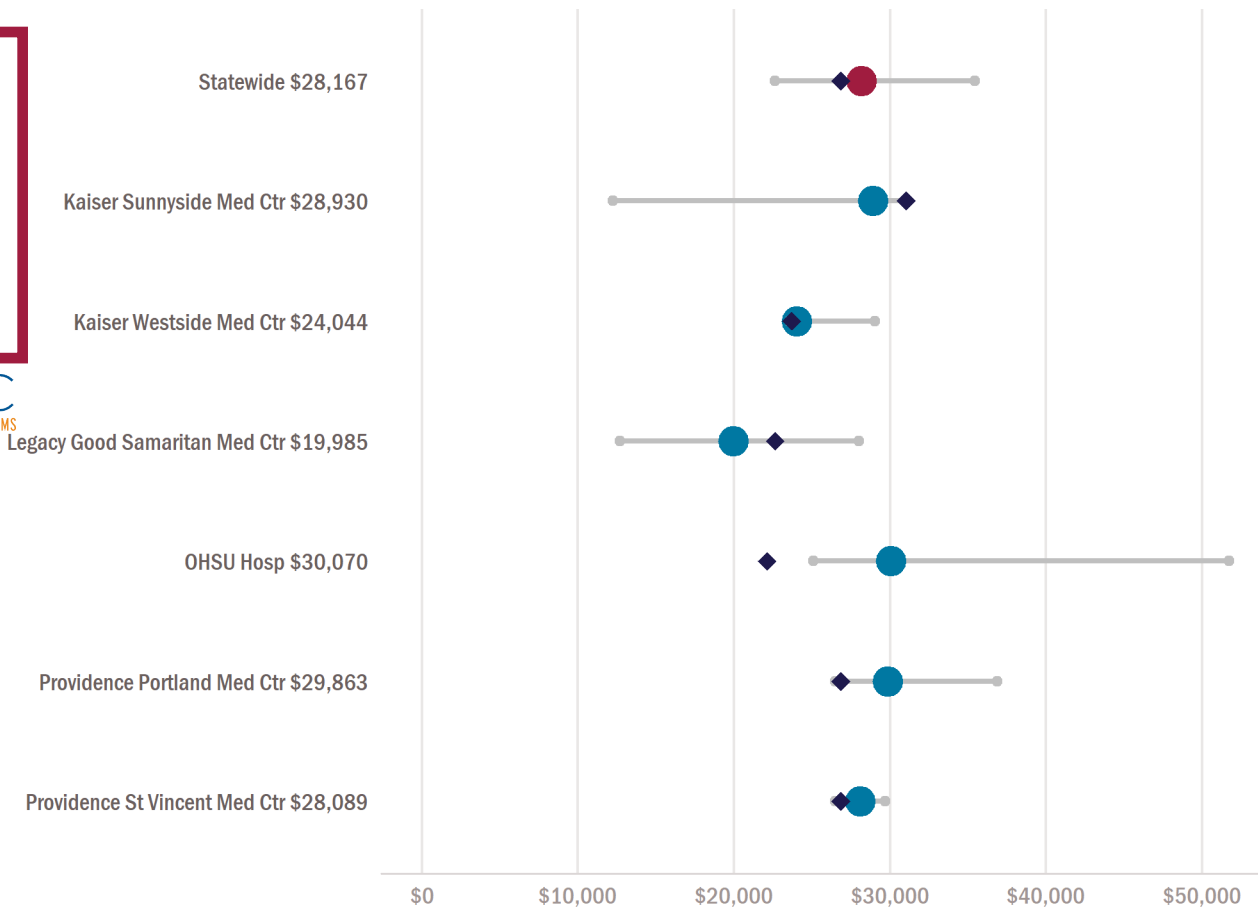


# Kidney Removal

Kidney removal surgery is a procedure to remove a kidney. A kidney is removed when it becomes diseased and no longer functions as needed. This is most commonly due to cancer or chronic kidney disease.

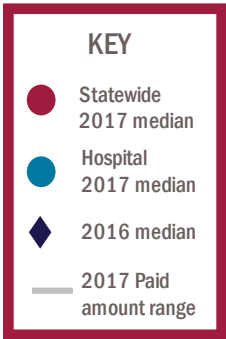
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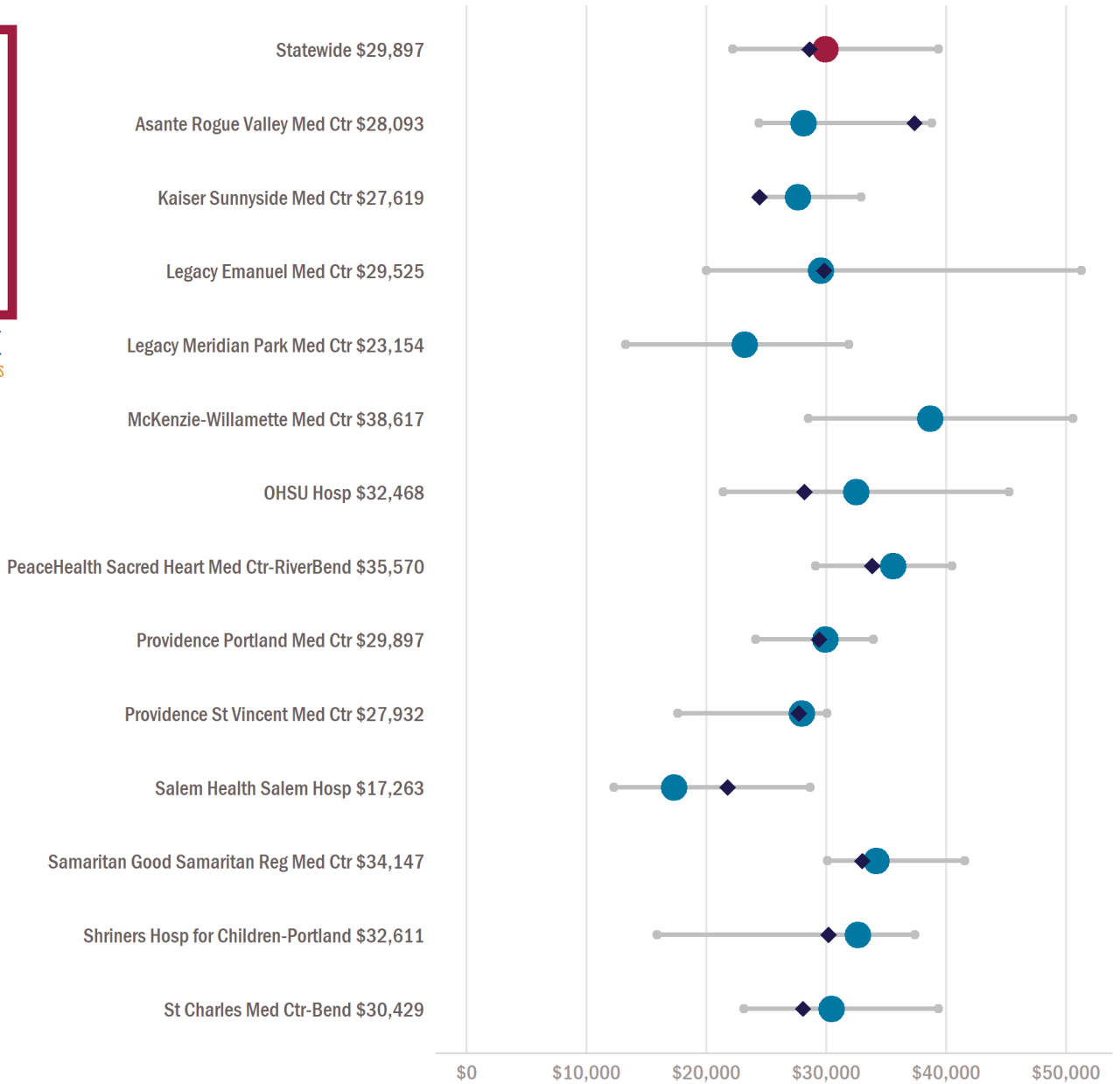
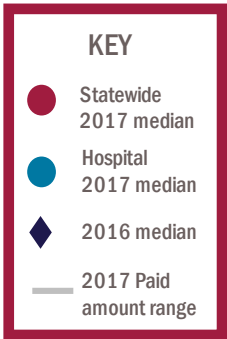
# Knee Replacement

Knee replacement surgery is a procedure to replace knee joints with artificial implants. The bottom portion of the femur (the bone in the thigh) and the top portion of the tibia (the bone in the lower leg) are replaced with metal implants. These surgeries require large incisions and are complicated and lengthy, typically requiring a two to three day hospital stay.



# Open Fracture Repair

Open Reduction and Internal Fixation (ORIF) is a procedure to repair a bone fracture using surgery. Plates and screws are used to align and secure broken and displaced bones. These surgeries occur in the inpatient setting as a part of care related to larger trauma events, such as a car accident. ORIF surgeries are used for more severe fractures that cannot be aligned using external manipulation methods.



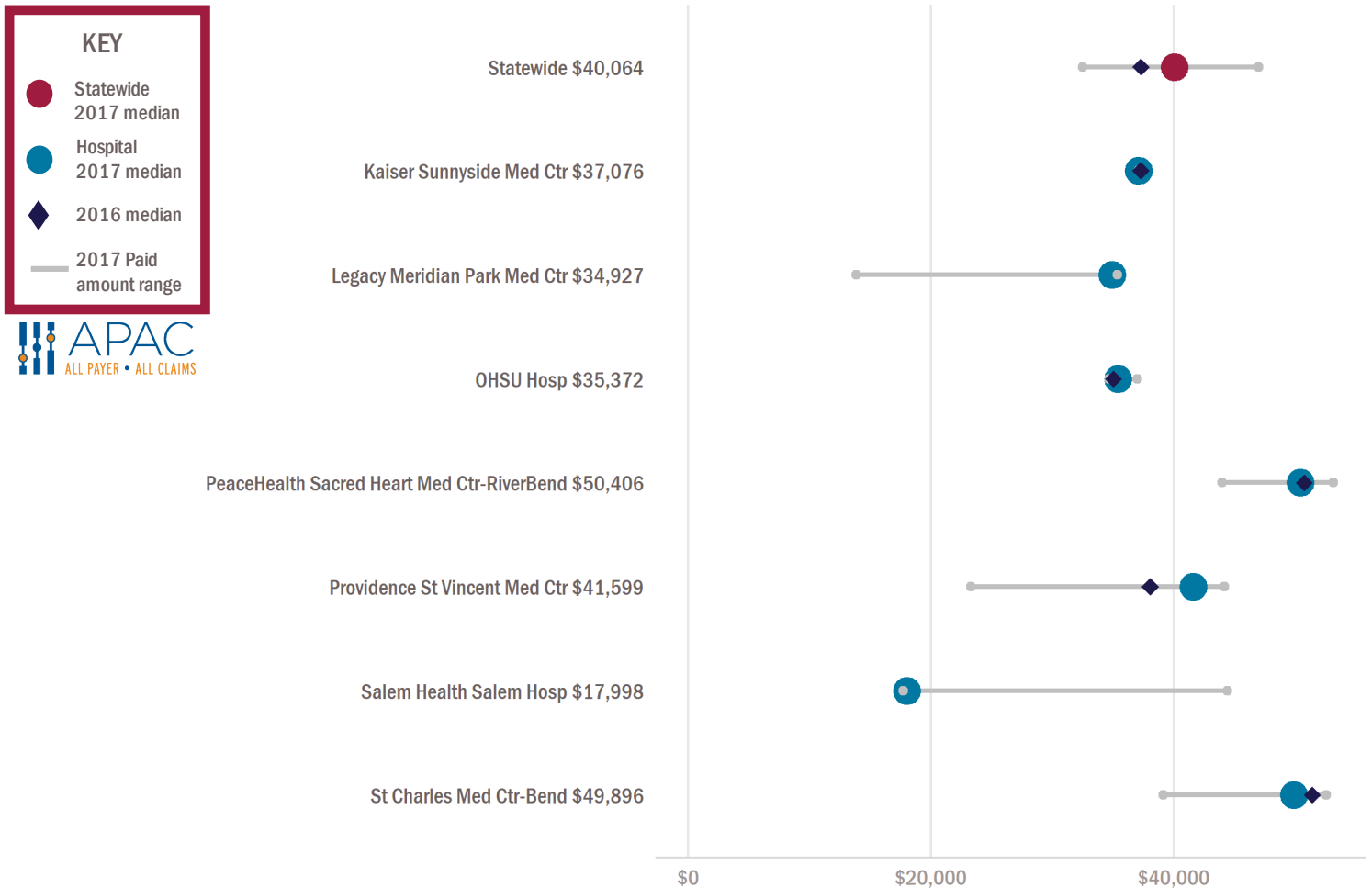
# Percutaneous Transluminal Coronary Angioplasty

Percutaneous Transluminal Coronary Angioplasty (PTCA) is a procedure to open up narrowed coronary arteries by inflating a small balloon inside the artery. This is a specific type of heart catheterization performed in the inpatient setting. The act of opening the blocked artery often results in some damage to the vessel and requires the patient to be monitored for a day or two. In some cases, PTCA is used as an immediate treatment for patients experiencing a heart attack. PTCA is used as either an alternative to coronary bypass surgery, or as an accompanying procedure with a coronary bypass surgery.



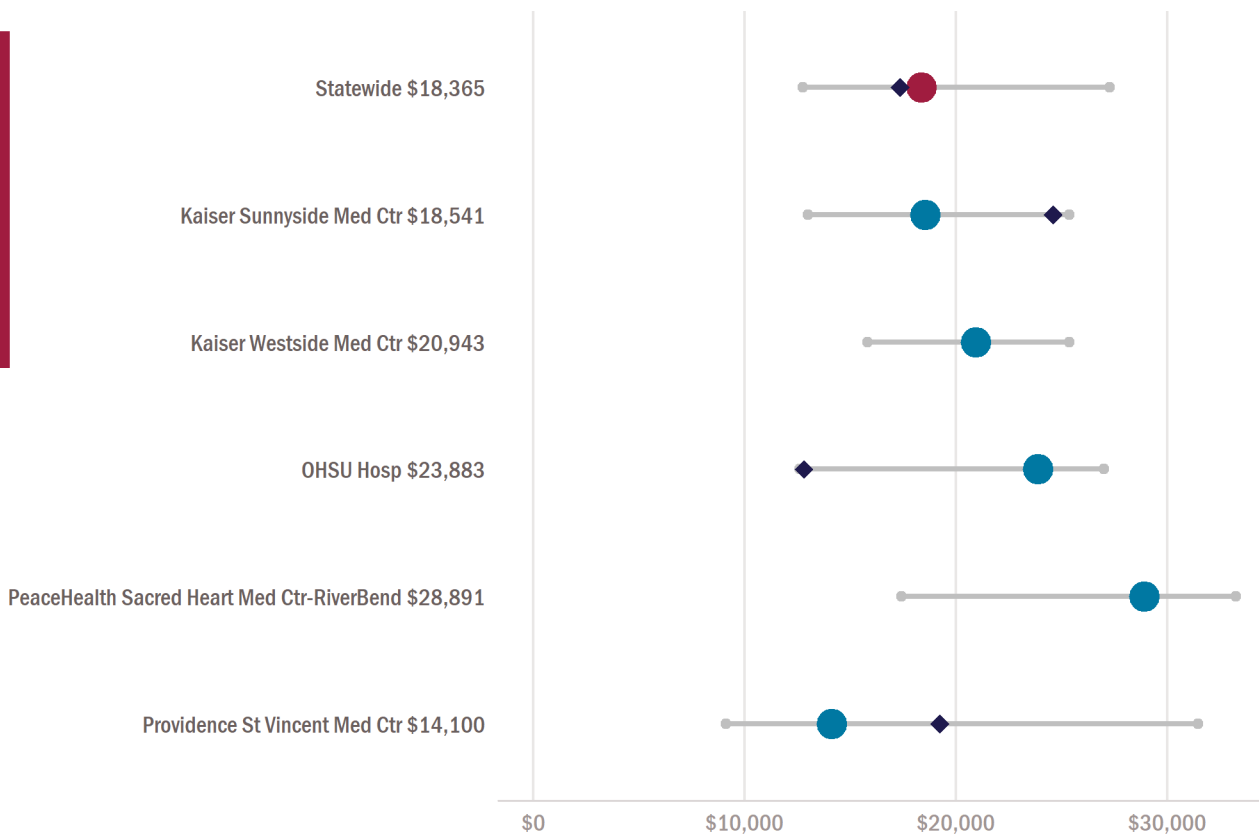
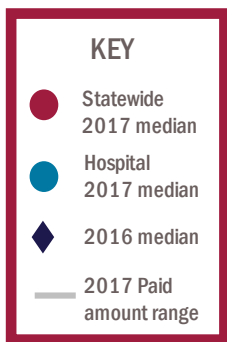
# Shoulder Replacement

Shoulder replacement is the surgical replacement of the left or right shoulder joint with either a reverse ball and socket synthetic substitute, autologous tissue substitute, humeral or glenoid surface synthetic substitute, or nonautologous tissue substitute. This surgery is typically used to repair a serious shoulder injury like a broken bone or torn rotator cuff, or to treat severe arthritis. It is less common than hip or knee replacement surgery.



# Subcutaneous Drainage

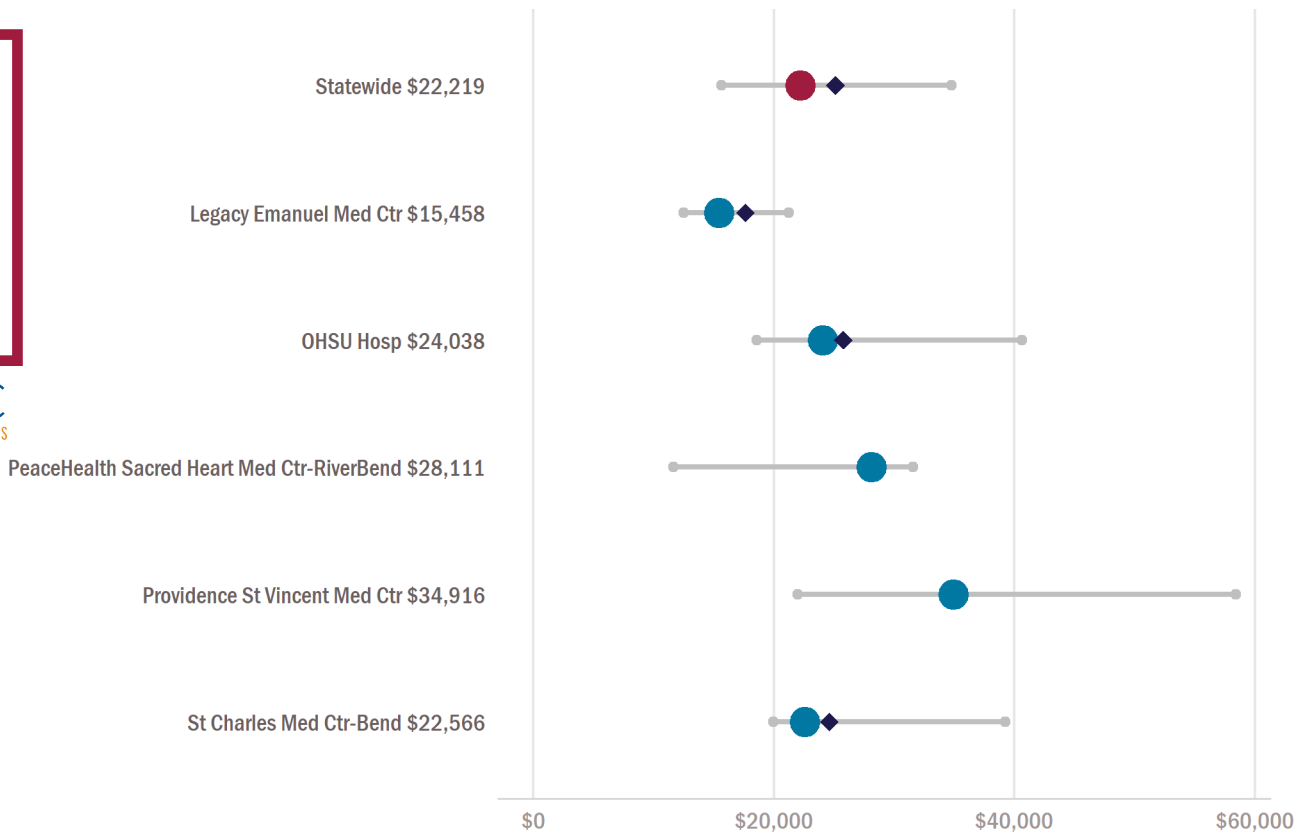
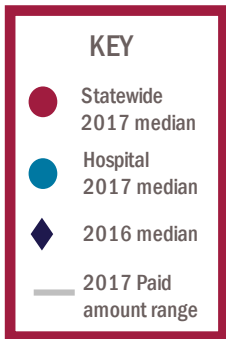
Any procedure to open and drain abscesses, cysts, hematomas or any other collection of fluid in the shallow layers of the skin are called subcutaneous incision and drainage. These procedures include anesthesia, incision, draining and wound cleaning, and closure. Subcutaneous drainage happens in the inpatient setting when the patient's condition requires additional monitoring or recover time.





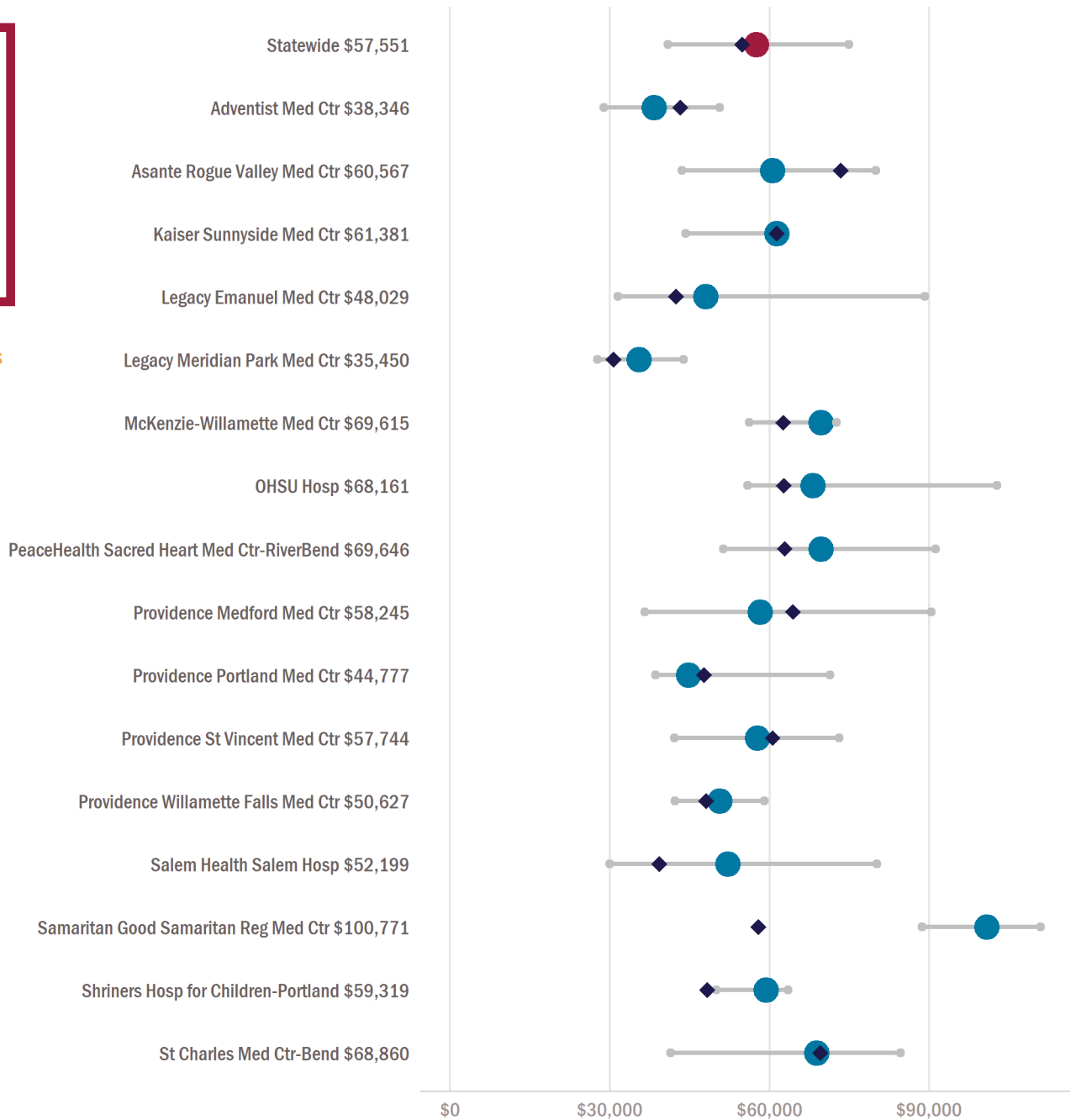
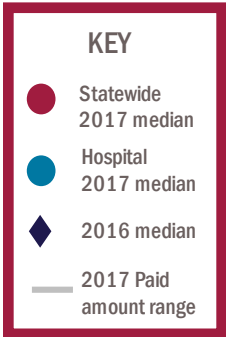
# Spinal Laminectomy

Spinal laminectomy, also known as spinal decompression, is a procedure to remove parts of bone or thickened tissue that are putting pressure on the spinal cord. These surgeries are most often performed on the lower back, where narrowing of the spinal canal (spinal stenosis) is most common.



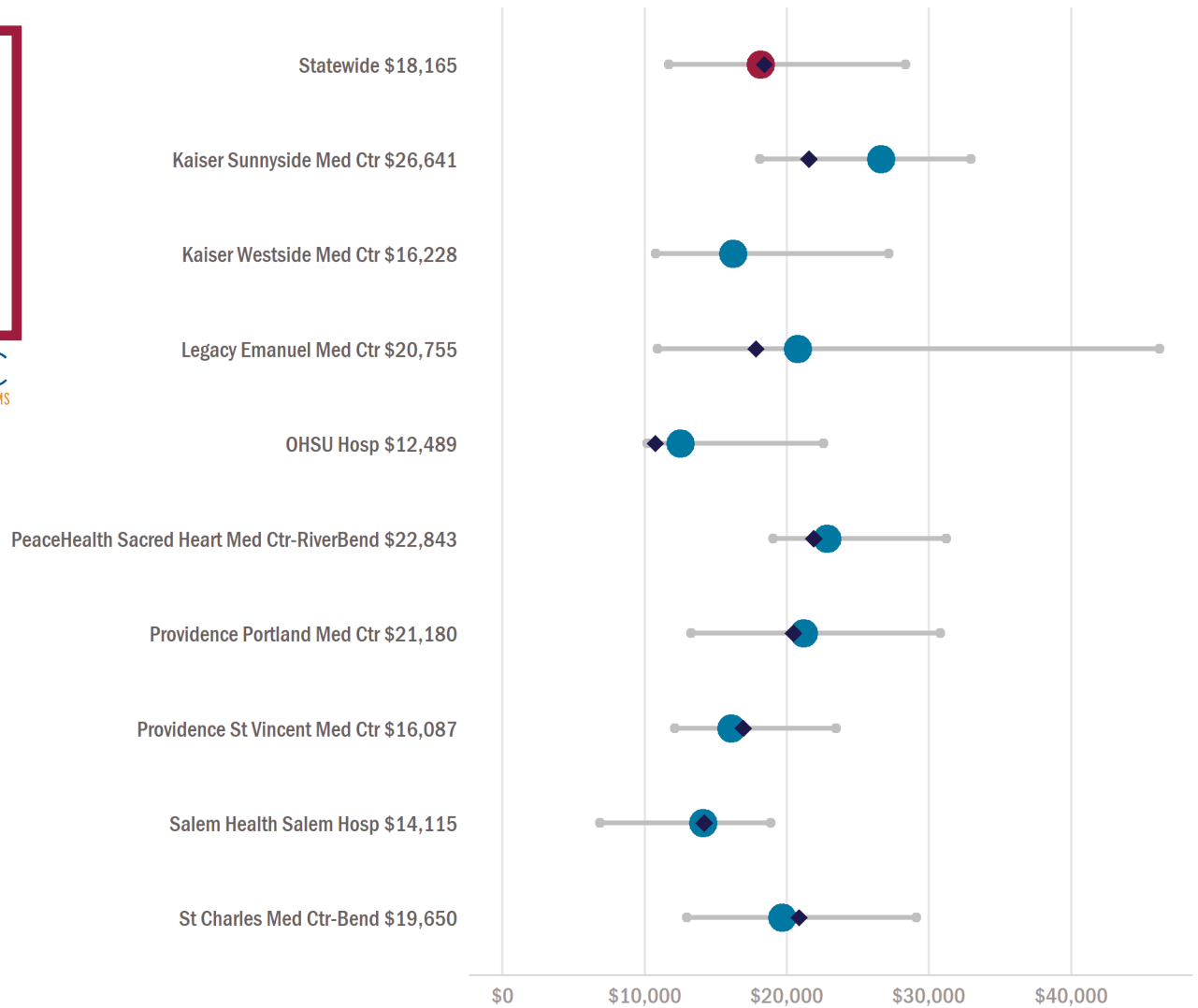
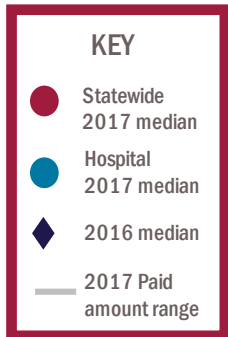
# Spinal Fusion

Spinal fusion is a procedure used to permanently join two or more vertebrae in the spine together using bone grafts. Strips of bone are removed from the patient's pelvis and used to form a bridge across two vertebrae. When the grafts heal, the result is a permanent fusion of the bones. Spinal fusion is used in cases of spinal instability either due to injury, or disease that degenerates the discs in the back.



# Spinal Tap

A spinal tap, also called a lumbar puncture, is a procedure to extract a fluid from around the spinal cord using a needle placed in between the vertebrae in the spine. The extracted fluid is used to diagnose diseases, such as meningitis. If there is blood in the fluid, it may indicate there is bleeding in the brain.

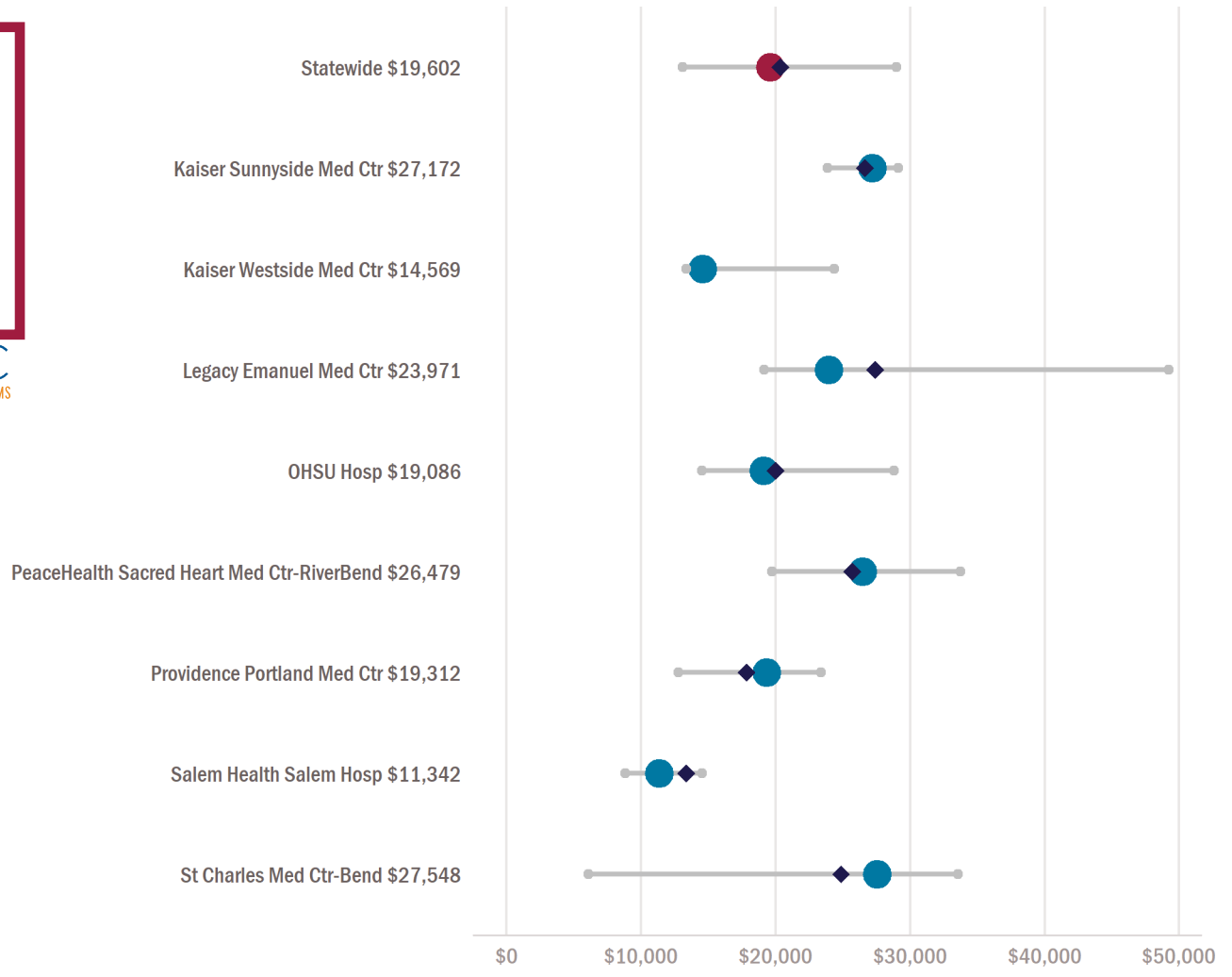


# Thoracentesis

Thoracentesis is the removal of liquid that has accumulated in the pleural space - the cavity surrounding the lungs. This is done by introducing a hollow needle into the pleural space, commonly using ultrasound guidance. Liquid accumulating in this space is known as a pleural effusion, and the most common causes are cancer, congestive heart failure, pneumonia, or a recent surgery.

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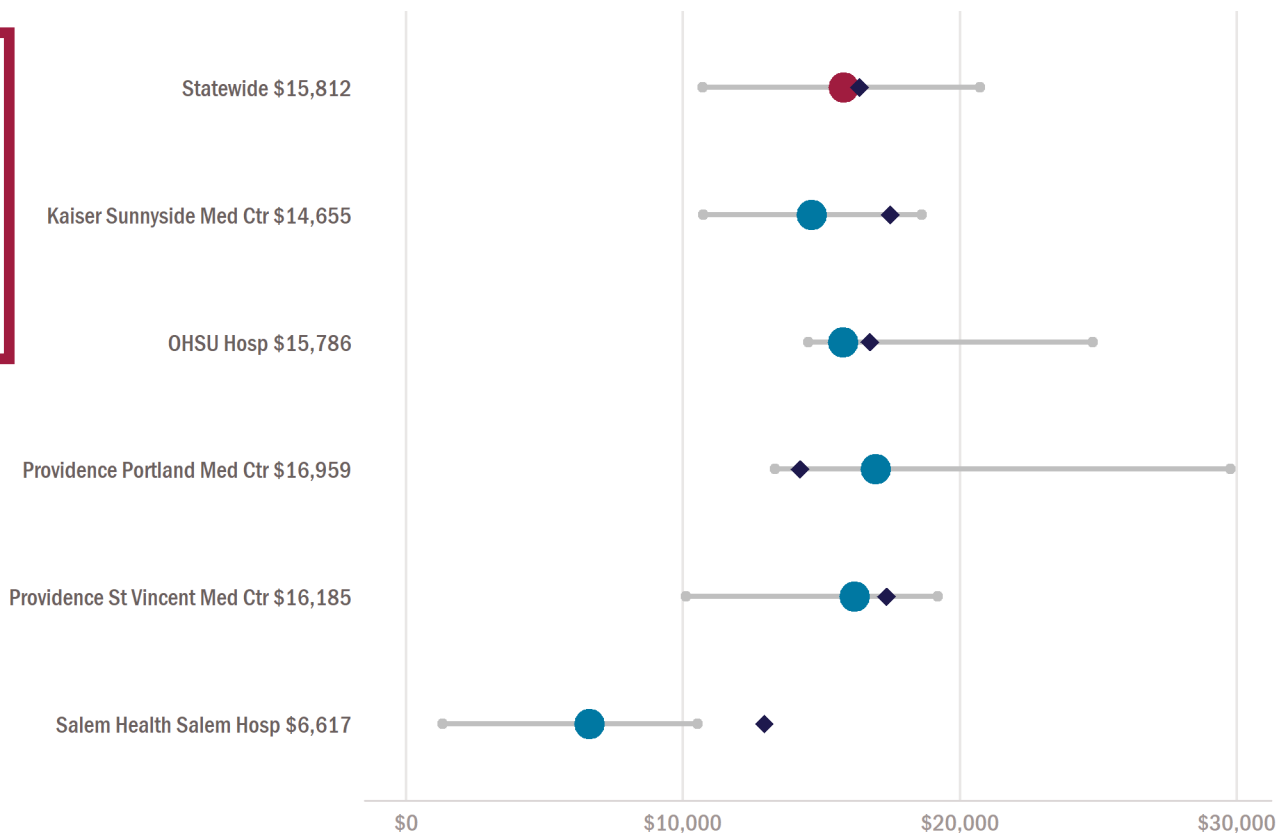


# Upper Endoscopy

An upper endoscopy is a surgical examination of the stomach or small intestines using an endoscope. An endoscope is a slender device that is inserted into the mouth or nose and down the throat to examine internal organs by capturing video and displaying it on a monitor for the doctor. An upper endoscopy is performed in the inpatient setting when a patient's condition requires additional monitoring or recovery time.

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# Wound Debridement

Wound debridement is the surgical removal of dead, damaged, or infected tissue to improve the healing potential of the remaining healthy tissue.

