

## POST-ACUTE CARE AS A DRIVER OF EPISODE COST VARIATION FOR AMBULATORY STONE SURGERY

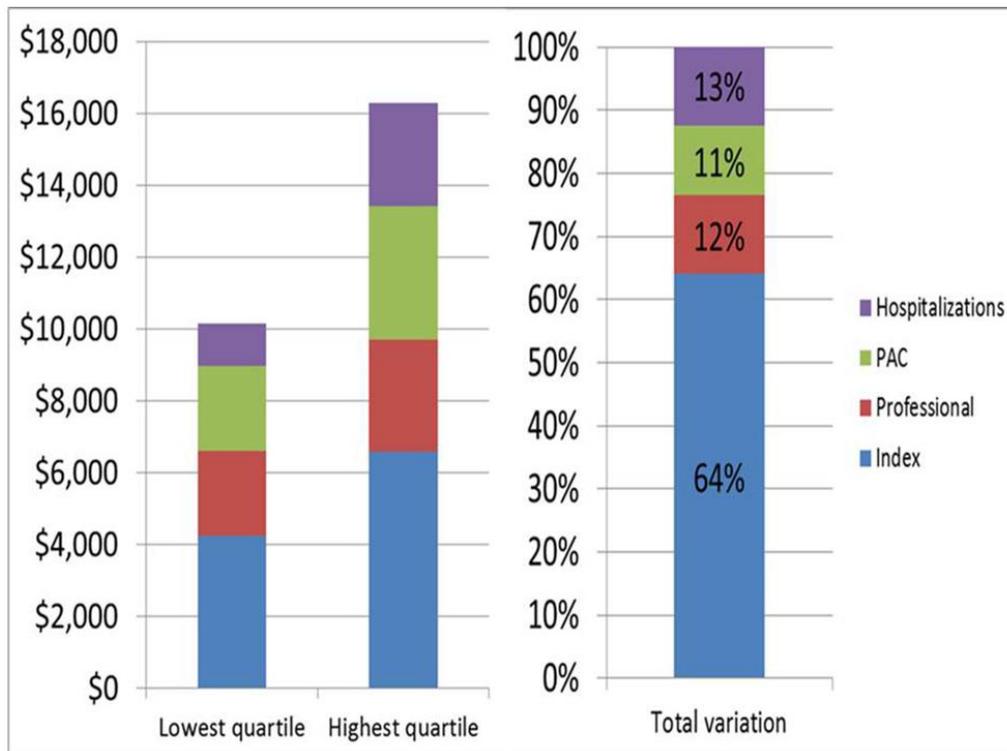
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**Introduction and Objective:** Because many post-acute care (PAC) services, including emergency department (ED) visits, after ambulatory stone surgery are potentially avoidable, they are coming under payer scrutiny. In this context, we analyzed claims data to describe variation in total episode costs for ambulatory stone surgery across a diverse set of hospitals, examining PAC as a driver of this variation.

**Methods:** We used Medicare and private insurer claims to identify patients who underwent ambulatory stone surgery (ureteroscopy or shockwave lithotripsy) at hospitals in Michigan (2012-2015). We defined surgical episodes that extended from the surgery date through 30 days post-discharge and totaled costs for all relevant services during this window. We then categorized component payments to the hospital for the index surgery, as well as those for professional services, subsequent hospitalizations, and PAC. Finally, after aggregating across episodes within a year by hospital, we placed hospitals into quartiles based on their mean total costs and compared component payments at high- versus low-cost hospitals.

**Results:** In total, we identified 7,807 patients who underwent ambulatory stone surgery at 69 hospitals in Michigan. The mean total cost for hospitals was \$9,538 (\$13,044 and \$9,037 for episodes associated with and without an ED visit after surgery, respectively) and ranged from \$7,317 to \$11,914 across hospital quartiles (62.8% difference,  $P < .001$ ). Payments were higher for hospitals in the highest cost quartile across all payment components (Figure). The index surgery payments contributed the most (64%) to the variation in total costs between high- and low-cost hospitals (Figure), followed by those for subsequent hospitalizations (13%), professional payments (12%), and PAC payments (11%).

**Conclusions:** We observed significant variation in total episode costs for ambulatory stone surgery, driven, in part, by payments for PAC. As such, efforts to reduce the use of PAC services, including ED visits, after ambulatory stone surgery is likely to improve cost-efficiency.



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