

Oncology Issues

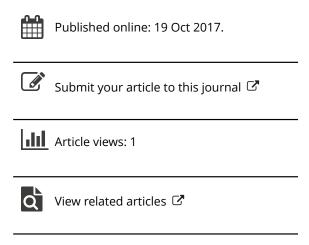


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NEW ACCC REPORT PROVIDES IN-DEPTH INFORMATION ON HOSPITAL CANCER DRGs

The newly published fourth edition of Cancer DRGs will be better than any of the previously published editions, with more comprehensive reporting on profit and loss analyses by region and hospital size, and a comparison of 'winner' and 'loser' DRGs

n the next few weeks, Association delegate members will receive the fourth edition of Cancer DRGs, the Association's monograph on 66 cancer and cancer-related Diagnosis Related Groups. This year's edition includes a greater depth of comparative information than any of the previous releases, and should prove to be a useful tool for cancer program administrators.

Edited by Association Executive
Director, Lee E. Mortenson, the report provides summary information on 66 DRGs
that comprise two-thirds of all cancer
patient admissions. This volume of
Cancer DRGs is the first to be provided to
all delegate members as part of the general
dues increase adopted by the Association's
House of Delegates last year.

"This year's volume has been expanded to include a variety of new analyses and studies," says Mortenson. "For example, we have looked at differences in DRG profit and loss by region and by hospital size, and we have developed averages for the volume of DRG use, as well as hospital averages. This means you can compare your program to others in your region and to hospitals of similar size throughout the nation. You can examine the average reimbursement or profit and loss for a DRG by all discharges or the average per institution."

Record Number of Data Contributors

A record number of institutions, 123, provided data on more than 51,000 cancer patient discharges from 1988-1989 for this year's volume. This represents almost a 75 percent increase in participation by ACCC delegate institutions. The large number of responses to the Association's call for data allowed for the development of regional analyses and comparative analyses that could not be provided in previous editions.

"We were forced to tell a number of programs that we could not accept their data," says Carol K. Johnson, the Association's Managing Director. "More than two dozen members called and asked if they could submit data after our initial deadline. We were able to accommodate most, but not all, of those requests."

Because 29 of the institutions providing information previously contributed data, the analyses were extended to determine if there were fluctuations in reimbursement, profit and loss, or the number of discharges from these institutions since the last study.

"Not surprisingly, the news is not good," says Mortenson. "Without a doubt, these 29 institutions are seeing fewer cancer patient discharges and a lower level of profitability than they were two years earlier. Of course," Mortenson points out, "the

How To Order

Cancer DRGs

The Fourth Edition of Cancer DRGs: A Comparative Report on Key Cancer DRGs is available through the Association of Community Cancer Centers at a cost of \$250 for nonmembers. ACCC members and nonmembers may obtain additional copies at a rate of \$225 per copy.

Send a check or money order to:

Cancer DRGs
Association of Community
Cancer Centers
11600 Nebel St., Suite 201
Rockville, MD 20852

total program could still be making a significant contribution to the bottom line."

Cancer as a Product Line

"These studies and other corollary studies that we are conducting continue to indicate how difficult it is for hospitals to accurately assess the contribution of oncology to the total hospital revenue structure," Mortenson says. "For instance, the only mechanism for tracking about one-third of cancer patient admissions is through the inter-relationship of cancer patient data from the tumor registry with financial data.

Mortenson cites a recent hospital study to further elucidate the problem. "In one case, data from a regional planning agency indicated that oncology patients accounted for four percent of a particular hospital's discharges. Data from the basic DRGs covered in this volume demonstrated that oncology actually accounted for close to eight percent of the hospital's discharges. But when we inter-related the data from the tumor registry with the hospital's financial information systems, we discovered that oncology accounted for close to 12 percent of the hospital's inpatient volume. That's quite a difference!"

Top 'Winners' and 'Losers'

The fourth edition of Cancer DRGs includes overview articles of the methodology and the major cancer DRGs in reimbursement, charges, and profit and loss. Those DRGs that are major winners and losers in this edition are compared to the last edition's winners and losers. Regional variations in profit and loss are also compared with previous winners and losers.

These are the type of trends that Mortenson says the Association will be tracking over the next few years in future editions of Cancer DRGs.