The Idaho Regional Project

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Medicare's Effects on Medical Care

FOLLOWING the passage of Public Law 89–97 and before its effective date, physicians and hospital administrators in Idaho became concerned with the mechanics of implementing the utilization review requirements, particularly in small hospitals. Sixty-six percent of the hospitals in Idaho have less than 50 beds.

For many years utilization review had been an integral part of the functions of most hospital medical staffs in the combined efforts of chart, tissue, and auditing committees. Yet, the number of patients admitted to health care institutions and the limited number of physicians made utilization review appear to be an additional burden to many institutions and physicians.

Enactment of Public Law 89–97 with its regulations concerning conditions of participation necessitated developing specific and active utilization review committees in all hospitals and in the newly designated extended care facilities. With directives of the law and the assistance of the Idaho Department of Health, physicians and hospital staffs in Idaho began the task of developing specific utilization review procedures.

Understandably, this effort was accompanied by numerous difficulties in an essentially rural State. Hospitals in the metropolitan area of Boise were able to establish the committees with minimal disturbance of staff routines. In the rural communities, however, hospitals with from 12 to 100 beds and medical staffs of from two to 20 physicians experienced serious problems, even in establishing committees.

With the assistance of the medical profession, utilization review was begun in certified extended care facilities by personnel from hospital utilization review committees. In time, however, the combined efforts led to widespread dissatisfaction.

It seemed that the utilization review function could be carried out much more effectively and efficiently if physicians organized on a regional basis to design, implement, and maintain a utilization review program specifically geared to the needs of the area where they practice. In addition, utilization review functioning on a regional basis could greatly facilitate planning for more appropriate use of existing health facilities and new health resources which may be needed within the area.

The 22,000 square-mile region selected included the Treasure Valley counties of Southwestern Idaho. This agricultural area is served by 10 short term general hospitals, one Veterans' Administration Hospital, and two chronic disease hospitals, with a total of 800 beds for short term patients. The status of short term general hospitals ranges from a community with

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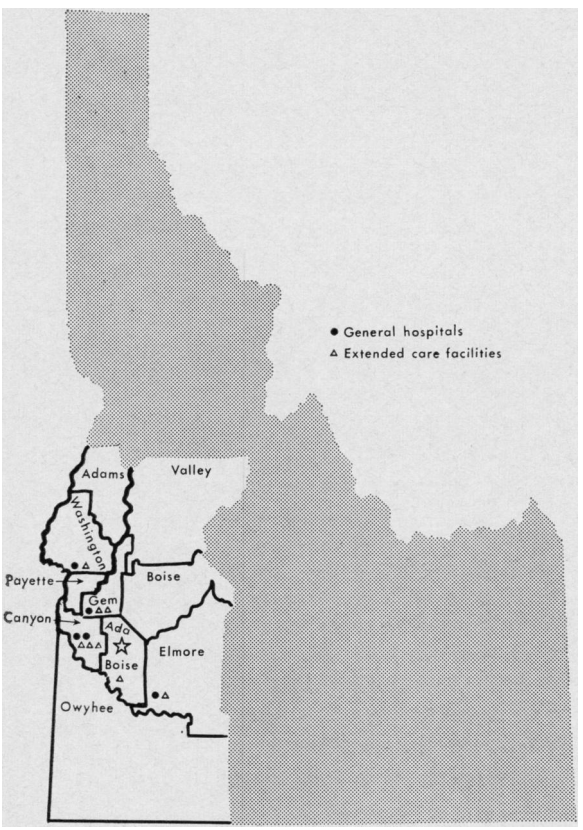
12 beds with two staff physicians to a community with a total of 307 beds served by a staff of 127 physicians. Eighteen extended care facilities with 1,037 beds and essentially no medical staff organization also are available to the population in the area.

Planning the Project

A regional utilization review coordinating committee composed of physicians, nurses, hospital and extended care facility administrators, and fiscal intermediaries was created with personnel selected from the area. The committee met in June 1967 to discuss problems in implementing utilization review. Some reticence was expressed by hospital staffs, while in direct contrast, extreme interest was expressed by the extended care facility administrators.

Drawing on the discussions with representatives of other regional utilization review projects at a meeting sponsored by the Public Health Service's Division of Medical Care Administration in May 1967 and on a review of the rapidly accumulating literature, an overall plan for the region was promulgated. In many instances implementing the plan would necessitate duplicating the work of chart, tissue, and audit committees and consuming considerable physicians' time and effort. Therefore, it was proposed that the Idaho project work toward improving health services to the people in a designated area of the State by the following methods.



General hospitals and extended care facilities in the Idaho Regional Utilization Review Project

1. Evolving an automated utilization review screening procedure using material extracted from patient records by clerical employees. The success of the procedure was to be dependent on improving physicians' records in hospitals and in extended care facilities. This procedure was intended to provide the utilization review committee with an appreciably smaller number of cases requiring individual review and, in addition, to delineate the cause for review.

2. Extracting data on hospital utilization and treatment procedures during the screening and developing performance profiles for medical staffs, hospital administrators, and fiscal intermediaries involved in providing care in rural areas.

3. Improving the overall health services by reducing administrative work of practicing physicians and coincidentally making available more time for individual patient care.

In July considerable time was spent in developing two utilization review forms, one for hospitals and another for extended care facilities. These forms could be completed by nonprofessionals and used for automated reporting to a central office. In preliminary conferences with health research personnel associated with the Health Sciences Information System Study of the Idaho Foundation for Medicine and Biology, Inc., the forms were deemed adequate for extraction of basic data for statistical reports and profiles essential to effective utilization review.

Early in August representatives of the regional utilization review coordinating committee visited most hospitals and extended care facilities in the designated area to discuss the proposed plans with the administrators and physicians. The administrators and physicians

were enthusiastic in their acceptance, reasoning that the use of record room clerical personnel to produce the necessary data would effectively reduce the physicians' burden in accomplishing a satisfactory review process for the small, isolated hospitals and extended care facilities.

Physicians, nursing personnel, and certain lay people expressed reservations concerning the increasing involvement of Government in private practice of medicine. All agreed, however, that some standards were necessary and these would be implemented best by appropriate professionals. Concern about the legal implications of the review process was frequently expressed. This concern was associated with "invasion of privacy" as it relates to both patients and physicians.

Conversations with physicians frequently led to a change in their attitudes toward the "infringements" of utilization review. Physicians needed to become aware of the interdependence of hospitals, physicians, and extended care facilities in a utilization review program as a precursor to maintaining continued adequate bedspace and high-quality patient care.

During these meetings an attempt was made to introduce criteria studies for various diagnostic categories. Also discussed was a proposal to establish two medical society-sponsored subregional utilization review committees to serve the 10 hospitals and 18 extended care facilities in the Treasure Valley area.

Pilot Projects

Late in August 1967 several pilot studies were made in three extended care facilities and two hospitals. A daylong conference was held with a systems engineer to evaluate the adaptability of electronic communication devices and computer analysis to the plan. Although the mechanics seemed feasible and economical, consideration of activating the project was deferred until the pilot studies could be reviewed.

A small group of case records, 75 from extended care facilities and 50 from hospitals, was obtained and reviewed in late August. The forms were completed easily by hospital record librarians and their assistants with the average time per record of 3 to 5 minutes. Each experience indicated that greater familiarity with this procedure would shorten the worktime. To facilitate data processing, minor changes were made in the forms.

In the fall of 1967, a second pilot run using 500 patients' records from extended care facilities and 500 from hospitals was completed, and only minor corrections in the systems flow chart were necessary for the selection of cases for review. The computer program includes a correlation routine on some 20 variables. This program provides statistical data in easily interpreted bar graphs, affording performance analyses of each institution and comparisons between institutions.

Future Projection

The Treasure Valley project (see map) is developing a new and feasible method of data collection and processing and is exploring a new utilization review screening mechanism for medical care facilities in rural communities. It is planned to offer this procedure to all interested institutions in Idaho. The project will also provide consultation to institutions and assist them in implementing administrative procedures of a utilization review program.

Ultimately, a telecommunications system for automated analysis will be used for 24- to 36-hour mail out-return service. The telecommunications system is now operating on a demonstration basis serving one short term general hospital and four surrounding extended care facilities, while the other involved facilities (four short term general hospitals and four extended care facilities) are being served by mail. The configuration would be available for utilization review committee's work as well as for periodic statistical studies and correlations. The project is designed to aid hospital and extended care facility administrators, medical staffs, and fiscal intermediaries in upgrading medical care in isolated areas.