

## **Methodology Used to Risk-Adjust Data**

WHA Information Center, LLC (WHAIC) uses computer software (3M™ Core Grouping Software which includes 3M™ APR- DRG Software) to assign the APR-DRG to each hospitalization.

The APR-DRGs are an expansion of DRGs, a patient classification system used by the Centers for Medicare and Medicaid Services to relate hospital case mix to cost, or hospital resources consumed. The APR-DRGs were developed in response to the demand for a patient classification system with applicability beyond assessments of resource use - one that can be used to evaluate differences in outcomes such as inpatient mortality.

APR-DRGs expand basic DRGs through the addition of four subclasses that address distinct patient attributes related to severity of illness and risk of mortality.

Severity of illness denotes the extent of physiologic de-compensation or organ-system loss of function experienced by the patient, while risk of mortality refers to the likelihood of dying. The four severity-of-illness subclasses and four risk-of-mortality subclasses denote minor, moderate, major and extreme severity of illness and risk of mortality. Patients with the highest severity of illness and/or risk of mortality are characterized by the presence of multiple serious diseases.<sup>1</sup>

Assignment to APR-DRG severity-of-illness and risk-of-mortality subclasses takes into consideration principal diagnosis, secondary diagnoses and their combinations (comorbidities), patient age and sex, and the presence of certain OR (operating room) and non-OR procedures.

The 3M™ Core Grouping Software uses patient attributes to calculate a severity-of-illness score and a risk-of-mortality score for each relevant patient data record in a hospital inpatient data file. These scores are added to the record and are used as variables in the calculation of risk-adjusted mortality and utilization rates for hospitals.

To calculate the risk adjusted value the following methodology was used. The Actual Average Charge for each APR-DRG statewide is calculated using the four severity-of-illness levels. Then the Actual Average Charge and the Expected Average Charge are calculated using the four severity-of-illness levels for each APR-DRG for three groups; 1) each hospital, 2) each Analysis Area, and 3) each Volume Group. Then the Actual Average value for each APR-DRG for each of the three groups is divided by the Expected Average Charge for that APR-DRG/group, then multiplied by the Statewide Actual Average Charge for that APR-DRG. This produces a Risk Adjusted Charge for each of the APR-DRG/groups.

Comparison of these values will point out variations due to factors other than differences in patient risk. Groups of patients, such as those in different hospitals, may be compared as if they were all like the average patient in their APR-DRG.

## **Technical Notes**

The total for Firearms, Assault in Table 13 differs from the total for Firearms & Explosives in Table 24 because Table 13 includes all Assaults by Firearms including those that were due to Legal Intervention (police action). Table 24 includes Assaults by Firearms excluding those that were due to Legal Intervention and also includes Assaults by Explosion.

<sup>1</sup> Averill RF, et al.. Development of the All Patient Refined DRGs (APR-DRGs). 3M Health Information Systems Research Report. 1997.

## U.S. Census Population

Population rates throughout this report were calculated from U.S. Census Bureau Information.

Table 1: PEPANNRES 2018 Population Estimates for Wisconsin Counties

Source: Population Division, U.S. Census Bureau <http://www.census.gov>

Release Date: May 2019

County	Analysis Area Code	Analysis Area Description	Population Census	Analysis Area Total
Columbia	1	Southern	57,358	
Dane	1	Southern	542,364	
Dodge	1	Southern	87,847	
Grant	1	Southern	51,554	
Green	1	Southern	36,929	
Iowa	1	Southern	23,771	
Jefferson	1	Southern	85,129	
Lafayette	1	Southern	16,665	
Richland	1	Southern	17,377	
Rock	1	Southern	163,129	
Sauk	1	Southern	64,249	
		<b>Southern</b>		<b>1,146,372</b>
Kenosha	2A	Southeastern	169,290	
Ozaukee	2A	Southeastern	89,147	
Racine	2A	Southeastern	196,584	
Walworth	2A	Southeastern	103,718	
Washington	2A	Southeastern	135,693	
Waukesha	2A	Southeastern	403,072	
		<b>Southeastern</b>		<b>1,097,504</b>
Milwaukee	2B	Milwaukee County	948,201	
		<b>Milwaukee County</b>		<b>948,201</b>
Calumet	3	Lake Winnebago	50,159	
Fond du Lac	3	Lake Winnebago	103,066	
Green Lake	3	Lake Winnebago	18,918	
Marquette	3	Lake Winnebago	15,434	
Outagamie	3	Lake Winnebago	187,365	
Waupaca	3	Lake Winnebago	51,128	
Waushara	3	Lake Winnebago	24,263	
Winnebago	3	Lake Winnebago	171,020	
		<b>Lake Winnebago</b>		<b>621,353</b>
Brown	4	Northeastern	263,378	
Door	4	Northeastern	27,610	
Kewaunee	4	Northeastern	20,383	
Manitowoc	4	Northeastern	79,074	
Marinette	4	Northeastern	40,434	
Menominee	4	Northeastern	4,658	
Oconto	4	Northeastern	37,830	
Shawano	4	Northeastern	40,796	
Sheboygan	4	Northeastern	115,456	
		<b>Northeastern</b>		<b>629,619</b>

County	Analysis Area Code	Analysis Area Description	Population Census	Analysis Area Total
Barron	5A	West Central	45,164	
Chippewa	5A	West Central	64,135	
Clark	5A	West Central	34,709	
Dunn	5A	West Central	45,131	
Eau Claire	5A	West Central	104,534	
Pepin	5A	West Central	7,289	
Pierce	5A	West Central	42,555	
Polk	5A	West Central	43,598	
Rusk	5A	West Central	14,147	
St. Croix	5A	West Central	89,694	
		<b>West Central</b>		<b>490,956</b>
Buffalo	5B	Southwestern	13,125	
Crawford	5B	Southwestern	16,291	
Jackson	5B	Southwestern	20,478	
La Crosse	5B	Southwestern	118,230	
Monroe	5B	Southwestern	46,051	
Trempealeau	5B	Southwestern	29,442	
Vernon	5B	Southwestern	30,785	
		<b>Southwestern</b>		<b>274,402</b>
Adams	6	North Central	20,348	
Florence	6	North Central	4,321	
Forest	6	North Central	8,991	
Juneau	6	North Central	26,617	
Langlade	6	North Central	19,268	
Lincoln	6	North Central	27,689	
Marathon	6	North Central	135,428	
Oneida	6	North Central	35,470	
Portage	6	North Central	70,942	
Taylor	6	North Central	20,412	
Vilas	6	North Central	21,938	
Wood	6	North Central	73,055	
		<b>North Central</b>		<b>464,479</b>
Ashland	7	Western Lake Superior	15,600	
Bayfield	7	Western Lake Superior	15,042	
Burnett	7	Western Lake Superior	15,392	
Douglas	7	Western Lake Superior	43,208	
Iron	7	Western Lake Superior	5,676	
Price	7	Western Lake Superior	13,397	
Sawyer	7	Western Lake Superior	16,489	
Washburn	7	Western Lake Superior	15,878	
		<b>Western Lake Superior</b>		<b>140,682</b>
			<b>5,813,568</b>	<b>5,813,568</b>

Table 2: PEPAGESEX 2018 Age/Sex Population Estimates for Wisconsin  
Source: Population Division, U.S. Census Bureau <http://www.census.gov>  
Release Date: June 2019

<b><u>Both Sexes</u></b>				
<b>Age Group</b>	<b>Population Estimate</b>	<b>Inpatient Age Group Total</b>	<b>Ambulatory Surgery Data Age Group Total</b>	<b>Emergency Department Data Age Group Total</b>
Under 5 years	334,382			
5 to 9 years	349,799			
10 to 14 years	369,348	1,053,529	1,053,529	1,053,529
15 to 19 years	378,418	378,418		
20 to 24 years	395,921	395,921		774,339
25 to 29 years	374,435			
30 to 34 years	362,942	737,377		
35 to 39 years	371,797			
40 to 44 years	332,919	704,716	2,216,432	1,442,093
45 to 49 years	352,344			
50 to 54 years	385,213	737,557		
55 to 59 years	425,757			
60 to 64 years	394,820	820,577	1,558,134	1,558,134
65 to 69 years	329,181			
70 to 74 years	242,442	571,623		571,623
75 to 79 years	169,120			
80 to 84 years	116,094	285,214		
85 years and over	128,636	128,636	985,473	413,850
	5,813,568	5,813,568	5,813,568	5,813,568

<b><u>Male</u></b>				
<b>Age Group</b>	<b>Population Estimate</b>	<b>Inpatient Age Group Total</b>	<b>Ambulatory Surgery Data Age Group Total</b>	<b>Emergency Department Data Age Group Total</b>
Under 5 years	171,036			
5 to 9 years	178,917			
10 to 14 years	188,956	538,909	538,909	538,909
15 to 19 years	193,230	193,230		
20 to 24 years	201,013	201,013		394,243
25 to 29 years	193,420			
30 to 34 years	184,584	378,004		
35 to 39 years	188,315			
40 to 44 years	168,401	356,716	1,128,963	734,720
45 to 49 years	177,384			
50 to 54 years	192,156	369,540		
55 to 59 years	210,643			
60 to 64 years	194,865	405,508	775,048	775,048
65 to 69 years	161,017			
70 to 74 years	116,405	277,422		277,422
75 to 79 years	77,104			
80 to 84 years	50,093	127,197		
85 years and over	44,734	44,734	449,353	171,931
	2,892,273	2,892,273	2,892,273	2,892,273

<b><u>Female</u></b>				
<b>Age Group</b>	<b>Population Estimate</b>	<b>Inpatient Age Group Total</b>	<b>Ambulatory Surgery Data Age Group Total</b>	<b>Emergency Department Data Age Group Total</b>
Under 5 years	163,346			
5 to 9 years	170,882			
10 to 14 years	180,392	514,620	514,620	514,620
15 to 19 years	185,188	185,188		
20 to 24 years	194,908	194,908		380,096
25 to 29 years	181,015			
30 to 34 years	178,358	359,373		
35 to 39 years	183,482			
40 to 44 years	164,518	348,000	1,087,469	707,373
45 to 49 years	174,960			
50 to 54 years	193,057	368,017		
55 to 59 years	215,114			
60 to 64 years	199,955	415,069	783,086	783,086
65 to 69 years	168,164			
70 to 74 years	126,037	294,201		294,201
75 to 79 years	92,016			
80 to 84 years	66,001	158,017		
85 years and over	83,902	83,902	536,120	241,919
	2,921,295	2,921,295	2,921,295	2,921,295

## External Cause Code Category Assignment

Categories and subcategories were assigned in the following manner:

1. The code ranges used in prior years were evaluated for additions, changes and deletions.
2. The descriptions of the external cause codes currently in use were scrutinized at the category grouping levels to verify accurate grouping.
3. Subcategories were assigned to delineate the differences in intent: Accidental, Self-Inflicted, Assault, or Undetermined.
4. Category assignment of external cause codes fell into the following categories/subcategories for purposes of this report:

Category	Subcategory
Assault, not elsewhere classified	Assault
Caught/Crush, not elsewhere classified	Accidental
Cut/Pierce	Accidental Self-Inflicted Assault Undetermined
Drown/Submersion	Accidental Self-Inflicted Assault Undetermined
Electric Current	Accidental Undetermined
Explosion	Accidental Self-Inflicted Assault
Falls	Accidental Self-Inflicted Assault Undetermined
Fire/Flames	Accidental Self-inflicted Assault Undetermined
Firearms	Accidental Self-Inflicted Assault Undetermined
Hot Objects/Scalds	Accidental Self-Inflicted Assault Undetermined
Jumping	Undetermined
Legal Intervention	Legal
Machinery	Accidental

<b>Category</b>	<b>Subcategory</b>
Motor Vehicle Traffic	Accidental Self-Inflicted Assault Undetermined
Natural/Environmental	Accidental Self-Inflicted Undetermined
Other Motor Vehicle Non-traffic	Accidental
Other Pedal Cycle	Accidental
Other Transport	Accidental Self-inflicted Undetermined
Other Injury, not elsewhere classified	Undetermined
Overexertion	Accidental
Poisoning	Accidental Self-Inflicted Assault Undetermined
Radiation	Accidental
Self-Inflicted, not elsewhere classified	Self-Inflicted
Striking/Struck by	Accidental Assault
Terrorism	Terrorism
War	War

## Payer Code Assignment

Payer Codes for the primary and secondary payers who are expected to pay for the inpatient stay, ambulatory surgery, or emergency department visit. Only primary payer codes are utilized for this report. The primary payer data element has a field length of 5 characters and consists of two components – the payer identifier and the payer type. The primary payer is required and compatibility between the payer identifier and the payer type components is verified.

### Code Structure for Payer Identifier

Code	Description
MED/T18	Medicare
T19	Wisconsin Medical Assistance (Medicaid)
nnn/BCS	3-digit plan code – Non-Medicaid Blue Cross/Blue Shield
CHA	CHAMPUS or CHAMPVA
BGR	Badger Care
OTH	Payer not identified above

### Code Structure for Payer Type for use with MED, T19, nnn (Blue Cross/Blue Shield), CHA, or BGR

Code	Description
01	Fee-for-service, non-HMO Medicare, or non-HMO Medicaid
02	Alternative Health Care Insurance Plans (HMO, PPO)
03	CHAMPUS or CHAMPVA
09	Unable to determine insurance type.

### Code Structure for Payer Type for use with OTH

Code	Description
11	Commercial or private insurance - fee-for-service
12	Commercial or private insurance - alternative health care insurance plan (HMO/PPO)
19	Commercial or private insurance - unable to determine insurance type
21	Employer self-funded - fee-for-service
22	Employer self-funded - alternative health care insurance plan (HMO/PPO)
29	Employer self-funded - unable to determine insurance type
31	Other organization self-funded - fee-for-service
32	Other organization self-funded - alternative health care insurance plan (HMO/PPO)
39	Other organization self-funded - unable to determine insurance type
41	Workers' Compensation
51	Non-Wisconsin Medicaid
52	51.42/ 51.437/ 46.23 County Board
54	WisconCare
55	TRICARE (CHAMPUS) supplement
59	Other government agency or program
61	Self-pay
71	Research Grant
98	Other
99	Unknown

Primary payer data submitted are converted to payer groups prior to release of data, which are included in the purchased data rather than original data submitted. The following payer groups were utilized in this report for the inpatient data individual hospital tables:



# Code Structure for Payer Code Assignment

Payer Identifier	Payer Type	Payer Group	Description
MED/T18	01	1	Medicare
MED/T18	02	1	Medicare
MED/T18	09	1	Medicare
BGR	01	2	Medicaid/BadgerCare
BGR	02	2	Medicaid/BadgerCare
BGR	09	2	Medicaid/BadgerCare
T19	01	2	Medicaid/BadgerCare
T19	02	2	Medicaid/BadgerCare
T19	09	2	Medicaid/BadgerCare
nnn <sup>1</sup> /BCS	01	4	Commercial or Private Insurance
nnn/BCS	02	4	Commercial or Private Insurance
nnn/BCS	09	4	Commercial or Private Insurance
OTH	11	4	Commercial or Private Insurance
OTH	12	4	Commercial or Private Insurance
OTH	19	4	Commercial or Private Insurance
OTH	21	4	Commercial or Private Insurance
OTH	22	4	Commercial or Private Insurance
OTH	29	4	Commercial or Private Insurance
OTH	31	4	Commercial or Private Insurance
OTH	32	4	Commercial or Private Insurance
OTH	39	4	Commercial or Private Insurance
OTH	41	4	Commercial or Private Insurance
CHA	03	3	Other Government
OTH	51	2	Medicaid, Other State
OTH	52	3	Other Government
OTH	54	3	Other Government
OTH	55	3	Other Government
OTH	56	3	Other Government
OTH	59	3	Other Government
OTH	61	5	Self-Pay
OTH	71	6	Other or Unknown
OTH	98	6	Other or Unknown
OTH	99	6	Other or Unknown

<sup>1</sup> nnn represents Blue Cross/Blue Shield plan number

## **Diagnostic Category Assignment – Rehabilitation Services**

Source: Department of Health & Human Services (DHHS), Centers for Medicare & Medicaid Services (CMS).

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/index.html>