
TITLE : REPORTING CONTRACTED PATIENTS

DISTRIBUTION: ALL PUBLIC HOSPITALS IN WESTERN AUSTRALIA

1. Purpose

The purpose of this bulletin is to provide the guidelines for the management and reporting of inter hospital contracted patient services.

Important Definitions

Contracting hospital - the hospital purchasing the service.
Contracted hospital - the hospital performing the service on behalf of the contracting hospital.

2. Background

The provision of patient services is organised in a variety of ways. Most commonly, services are provided in a hospital by staff of that hospital. Sometimes services are provided to the patient of one hospital by another hospital. The service providers may be either public or private. The service may be either an admitted patient service or an ambulatory service.

Institutions may decide to purchase services from another institution for a variety of reasons including the availability of special equipment, specialist clinicians or theatre time. The contracted service may include the entire service or part of it. Examples of these arrangements are listed below. Many other configurations are possible.

- A contract may include endoscopy and dialysis services being performed at one hospital for a patient of another hospital where the patient presents only at the hospital where the service is provided and not at the hospital that has contracted the service.
- Step down care can also be contracted by hospitals. In these cases the procedure may occur in one hospital but the post operative care is contracted and occurs at another hospital. The contract may be for routine care only and if complications occur the patient may be transferred back to the hospital which performed the surgery.

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- The patient may be a patient of one hospital for the pre operative care, be transferred to another hospital under contract for a surgical procedure and then transferred back to the original hospital for the post operative care.

It is essential to ensure that adequate and appropriate recording and reporting of the service provided occurs in **both** the hospital performing the procedure and the hospital contracting the service.

For the measurement of workload for purposes such as management, planning and research, the actual service is counted as hospital activity only once and the data reported by the hospital performing the activity are used.

For funding purposes the data recorded by the hospital responsible for the patient care are used. This hospital must record and report its own activity as well as the activity purchased from another hospital under contractual arrangement. This is the hospital or health service with whom the Department of Health (DOH) has a purchasing agreement for the care of the patient.

In order for the correct data to be reported to different end users it is essential that the stated guidelines for reporting the information at both hospitals be followed.

3. Information

3.1 Counting and Reporting Activity

For the purposes of this bulletin the hospital purchasing the service is called the **contracting** hospital while the one performing the service on behalf of the contracting hospital is called the **contracted** hospital. In other words the hospital which initiates the process of care is referred to as the **contracting** hospital and when it makes arrangements with another hospital to perform a service the second hospital is known as the **contracted** hospital.

The DOH purchases the services from the **contracting** hospital. The **contracting** hospital then reimburses the **contracted** hospital for all or part of the service providing the service. For budget construction purposes only the **contracting** hospital should seek compensation for the activity from the DOH purchaser. For workload measurement for management, planning and research purposes however the information from the hospital at which the activity occurred will need to be used.

There must be a clear differentiation between the roles of the two hospitals when reporting to the morbidity system. Both hospitals must record and report their own activity. In addition, the **contracting** hospital must record and report the activity purchased from the **contracted** hospital (dummy record).

Records from both the **contracted** and **contracting** hospitals are to be coded and sent to the Hospital Morbidity Data System (HMDS). In order to satisfy the needs of the different users of the information there are necessary changes in reporting on the HMDS.

These changes are summarised as follows:

Client Status

Another code has been added for use in the *client status* field. This is a code 0 (zero) to be used by the **contracting** hospital only to indicate that the record is being reported by a **contracting** hospital for activity done at another (**contracted**) hospital.

The valid values are:

0. Funding Hospital (Service Performed Elsewhere)
1. Qualified Newborn
2. Unqualified Newborn
3. Boarder
4. Nursing Home Type
5. Contracted service (for another hospital)
6. Admitted Client
7. Organ Procurement

The definitions for Client Status are found in an update to the Hospital Morbidity Data Manual 2001.

Funding Hospital (Service Performed Elsewhere) (0) is a new value. The inclusion of this value in the data set will enable the identification of funding (dummy) records reported by a **contracting** hospital relating to the activity purchased from and performed by a **contracted** hospital. This will be, in addition to the use of 'dummy' wards, a practice which should continue.

Dummy Wards

Dummy ward numbers used by **contracting** hospital to identified the type of service contracted must start with leading characters "ZZ". Please note that dummy ward is only used by the **contracting** hospital for reporting dummy records.

Contracted/Contracting Hospital

The "contracted hospital" data item is now extended to allow the recording of **contracted** and **contracting** hospital numbers. The field is therefore to be called *contracted/contracting hospital*.

3.2 Business Rules for reporting of contracted services

Contracted/ Contracting Hospital

The following rules apply when entering information into this field.

- The **contracting** hospital should enter the **contracted** hospital number when recording for the funding (dummy) record.
- The **contracting** hospital should enter the code 999 (not applicable) when the episode of care in the **contracting** hospital precedes or follows a contracted episode.
- The **contracted** hospital should enter the **contracting** hospital number. (The hospital performing a service on contract for another hospital must enter the **contracting** hospital's number in the **contracted/contracting** hospital field).
- Wherever there is a contracted service relationship between hospitals, all records must have the **contracted/contracting** hospital field completed.

Note:

- A reporting hospital may not enter its own hospital number into this field.
- This field must be completed if the record relates to any part of contractual relationships between hospitals.
- This field will be left blank when no contractual relationship exists.
- The hospital number entered into the contracted/contracting hospital field must never be the same as the reporting hospital's number.

Client Status

The following rules apply when entering information in this field:

- The **contracted** hospital performing a service on contract for another hospital must use a code '5' in the client type field.
- The **contracting** hospital must use a code '0' (zero) in the client type field to record a non-activity funding (dummy) record.

Other rules

- The **contracting** hospital must record a dummy ward which identifies the type of service contracted, and which must start with leading characters of 'ZZ'.

- The hospital recording a funding (dummy) record must use 999 (NOT APPLICABLE) on the *Admitted From* and *Discharged To* fields. This should be used by the **contracting** hospitals only.
- Wherever a patient is admitted and cared for in a hospital, the ward where the patient is accommodated is to be coded.
- All the fields listed below must be completed as directed. A blank field is not acceptable:

Hospital number
 Admitted from
 Discharge to
 Client type
 Contracted hospital (**except when no contracting arrangements apply**).
 Ward

3.3 Exceptions

Some services fall under the heading of special services. Designated institutions are funded especially to provide service to the whole State. These services are not subject to contractual arrangements between hospitals. In these cases only the hospitals providing the service should report the activity.

Examples of these exceptional services are:

- Hyperbaric chamber at Fremantle Hospital
- Paediatric burns unit at Princess Margaret Hospital
- Specialist HIV patient services

Note: The Records and Procedures Audit will review contracting and contracted information.

Hospitals should ensure that the staff who forward the completed morbidity record to HMDS are aware of the contract agreements and the different types of contracts which occur. They should also be aware of the types of services provided by Statewide service providers. These services are not subject to interhospital contracting rules.

APPENDIX I

Examples of four different types of Contracted Episodes of Care are defined below and the important data items listed for the different types of services at both the **contracting** and the **contracted** hospital.

1. A patient is admitted for endoscopy at Swan Districts Hospital under contract to RPH.
2. A patient has a procedure at SCGH and is then transferred to Osborne Park for step-down care under contract to SCGH.
3. A patient has a procedure at SCGH and is then transferred to Osborne Park for step-down care, under contract to SCGH. There are complications and the patient is transferred back to SCGH for another procedure and the remainder of care.

SUPERSEDED

Example 1

A patient is admitted for endoscopy at Swan Districts Hospital under contract to RPH.

The activity occurs at Swan District Hospital. Royal Perth Hospital creates a non-activity funding episode at Swan District Hospital, but this is a dummy record.

	Swan District Hospital	RPH
Type of record	Workload	Funding
Hospital Number	244	101
Admitted from	Home	999
Discharged to	Home	999
Client Type	5	0
Contracted/Contracting Hospital	101	244
Ward	Swan ward	ZZ Dummy Ward

The Swan District Hospital record will be used for work load activity reporting.

The RPH record will be used for funding activity purposes.

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Example 2

A patient has a procedure at SCGH and is then transferred to Osborne Park for step-down care under contract to SCGH.

There is an activity record for the episode at SCGH, a record of the activity at Osborne Park. SCGH has a record of the activity at Osborne Park but this is a non-activity dummy record.

	SCGH (1)	Osborne Park	SCGH (2)
Type of record	Workload and funding	Workload	Funding
Hospital Number	105	239	105
Admitted from	Home	105	999
Discharged to	239	Home	999
Client Type	6	5	0
Contracted/ Contracting Hospital	999	105	239
Ward	SCGH ward	Osborne Park ward	ZZDummy ward

The SCGH(1) and Osborne Park records will be used separately for workload activity reporting.

The SCGH(1) and SCGH(2) records will be combined to report the episode for funding activity purposes.

Example 3

A patient has a procedure at SCGH and is then transferred to Osborne Park for step-down care, under contract to SCGH. There are complications and the patient is transferred back to SCGH for another procedure and the remainder of care.

There is an activity record for the episode at SCGH, a record of the activity at Osborne Park, a second record of activity at SCGH. SCGH also has a record of the activity that occurs at Osborne Park but this is a non-activity funding (dummy) record.

	SCGH (1)	Osborne Park	SCGH (2)	SCGH (3)
Type of Record	Workload and funding	Workload	Funding	Workload and funding
Hospital Number	105	239	105	105
Admitted from	Home	105	999	239
Discharged to	239	105	999	Home
Client Type	6	5	0	6
Contracted/ Contracting Hospital	999	105	239	999
Ward	SCGH ward	Osborne Park ward	ZZ Dummy ward	SCGH ward

The SCGH(1), Osborne Park and the SCGH(3) records will be used separately for workload reporting.

The SCGH(1), SCGH(2) and SCGH(3) records will be combined into a single episode record for funding activity purposes.