

ABSTRACT

Presented at Heart Failure Society of America Meeting, Seattle, WA, 2009.

Relationships between co-morbidities, reimbursement and cost in the treatment of heart failure

Heart Failure is one of the leading causes of admission to US Hospitals. Based on current reimbursement and the complexity of many heart failure patients, it is assumed that hospitals lose money on heart failure patients. An analysis of DRG 127, co-morbidities, reimbursement and cost was performed at a large, multi-hospital system in 2007. Out of 18,614 total hospitalizations, 2430 patients had a primary or secondary diagnosis of heart failure and 634 were coded as DRG 127.

Table I: Financial impact of DRG 127 and selected co-morbidities

Sub group	N	Average Reimbursement	Average Cost/sd	Average profit/loss	Average LOS
DRG 127	634	\$5,045	\$5,590.63/ 3,761	(\$545.73)	5.07 +- 3.59
Diabetes	798	\$6,663	\$8,095	(\$1,432)	5.53
Hypertension	1407	\$6,693	\$8,142	(\$1,449)	5.38
Heart disease	1214	\$7,788	\$9,142	(\$1,355)	5.59
Lipid disorder	429	\$6,895	\$7,883	(\$989)	4.57
Asthma	124	\$6,124	\$8,410	(\$2,286)	6.09
Depression	76	\$5,616	\$6,909	(\$1,292)	5.75

A total of 141 (22%) patients with DRG 127 had a total cost greater than \$7,000 and in 120 (18.9%) of the cases the reimbursement was 0. In 352 cases (55%) the total reimbursement was greater than the cost. Hypertension, heart disease and diabetes were the most common co-morbidities, while heart disease and asthma accounted for the greatest increase in cost.

Conclusions: By reducing the number of readmissions, the number of un-reimbursed care will decrease and average reimbursement will increase. By reducing the number of outliers, which are patients that have a cost of > \$7,000, the average cost will significantly decrease.

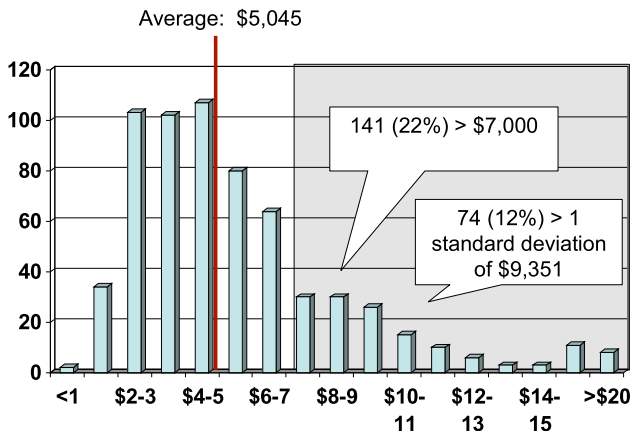


Figure 1: Distribution of cost for DRG 127

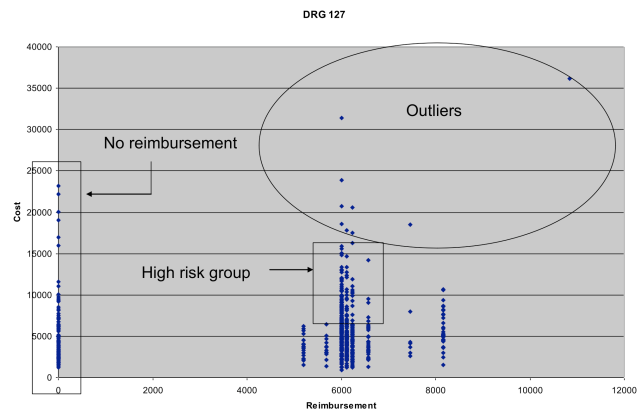


Figure 2: Distribution of reimbursement DRG 127