

Anesthesiology Business Group Risk Adjustment Strategy – CY2016

1. **Summary:** This report outlines the risk adjustment process the Anesthesia Business Group (ABG) will perform for CY2016.
2. **Purpose:** Risk adjustment is a corrective tool used to level the playing field regarding the reporting of patient outcomes by adjusting for the differences in risk among specific patients.
3. **Factors Considered:** ABG will initially perform risk adjustment by considering the following factors:
 - a. ASA physical status
 - b. Patient Age
 - c. Patient Gender
 - d. Time of day of surgery
4. **Surgical Outcome:** Surgical outcome is assessed as either positive or negative. When any bad outcome is reported (e.g. death, heart attack, etc.), the surgical outcome is considered negative.
5. **Primary Model:** ABG will initially implement a logistic regression model to predict surgical outcomes.
6. **Subsequent Modeling:** ABG aims to conduct thorough research on risk adjustment and the prediction of surgical outcomes. It will do so using a data-driven analysis in combination with best practices learned from scientific literature. ABG will consider adding additional variables to the model and will also consider other prediction methods in addition to logistic regression. If ABG develops a risk adjustment methodology that better reflects surgical outcomes, ABG will replace the logistic regression model with the new methodology.
7. **Instantaneous Risk Adjustment:** ABG intends to develop instantaneous risk adjustment of cases for its members on its website in order to facilitate comparison of patient outcomes among different providers and groups within ABG. Research on this project will be ongoing throughout 2016 and we hope to have it available before the end of the year.