CHIA.

Massachusetts Acute Care Hospital Outpatient Observation Data—Quarterly Update:

October 2018 through December 2023 (Preliminary)

Introduction

The Massachusetts Center for Health Information and Analysis (CHIA) provides analyses of health system utilization to inform payers, providers, policymakers, and the public using information from its Acute Hospital Case Mix Datasets. To date, CHIA has published acute hospital inpatient discharge and treat-and-release emergency department dashboards quarterly to provide timely patterns and trends on key utilization measures. However, in addition to inpatient stays and emergency department (ED) visits, observation visits also represent an important component of acute hospital utilization. Observation visits, like ED visits, are classified as outpatient care and these visits may serve a variety of functions, including the assessment of patients who may require additional diagnostic or therapeutic treatment beyond care in the ED, but do not require admission to the inpatient setting.

In January 2022, CHIA first published Massachusetts Acute Care Hospital Outpatient Observation Data (FFY 2016-2019). This report provided information and analyses of hospital outpatient observation utilization patterns in the period leading up to the COVID-19 pandemic and presented measures of observation utilization overall and by hospital, patient, and visit characteristics.

Building upon that report, CHIA has developed a new quarterly update series to complement existing inpatient and treat-and-release ED reporting focused on outpatient observation visits, which includes an interactive dashboard and an accompanying databook. This first quarterly report includes data from October 2018 through December 2023.

Key Findings

- There were approximately 200,000 observation visits annually between FFY 2019 and FFY 2023.

- The average length of stay in outpatient observation has increased from 30 hours to 36 hours from FFY 2019 to FFY 2023.

- Similar to trends in inpatient hospitalizations and treat-and-release ED visits, the volume of outpatient observation visits has remained lower than pre-pandemic levels.

- The percentage of total observation visits related to any behavioral health condition increased from 7.8% to 12.7% between FFY 2019 to FFY 2023.

- Pediatric patients (aged 0-17) accounted for approximately 10% of observation visits between FFY 2019 and FFY 2023. Non-elderly adults (aged 18-64) accounted for about 50% of visits, and elderly adults (aged 65+) accounted for around 40% of visits.

- Medicare was the most common expected primary payer type for observation visits ranging from 38%-42% between FFY 2019 to FFY 2023. Visits with a commercial expected primary payer accounted for 28%-29% of visits and Medicaid covered 23%-26% of visits between FFY 2019 to FFY 2023.

The data used in quarterly dashboard updates are preliminary. The OOD dashboard and databook will be updated at each release with more complete information as it becomes available and as CHIA continues to work with providers and payers to process and confirm data submissions through the annual data collection process.

This dashboard includes data from October 2018 to December 2023 and is organized in the following six sections:

- Statewide Utilization
- Utilization by Hospital

- Visit Characteristics
- Average Length of Stay and Visit Characteristics

- Diagnoses
- Behavioral Health

Statewide Utilization

The utilization section includes the statewide total number of outpatient observation visits and average length of stay by hospital cohort and high public payer (HPP) status.

Utilization by Hospital

This section presents hospital-level observation utilization measures on a quarterly basis for all acute care hospitals in Massachusetts. The measures included are total visits and average length of stay.

Visit Characteristics

This section shows statewide observation utilization patterns by age group, sex, race/ethnicity, and expected primary payer type.

Average Length of Stay and Visit Characteristics

This section shows statewide average length of stay, in hours, by age group, sex, race/ethnicity, and expected primary payer type.

Diagnoses

This section presents common primary diagnoses associated with observation visits by age group at a statewide level. Additionally, the average length of stay for each primary diagnosis category is provided.

Behavioral Health

This section shows total visits and average length of stay for outpatient observation hospital visits associated with any behavioral health conditions and by specific diagnosis categories. These estimates are presented for all visits statewide and by age group.