Appendixes

Appendix A.— Method of the Study and Case Studies

This assessment of "Medical Technology and Costs of the Medicare Program" was preceded by a 2-month planning effort that identified areas on which to concentrate and established a tentative study approach. The planning phase took place in April and May 1982, and resulted in a study proposal for the full assessment.

The full assessment began on June 1, 1982. One of the first tasks undertaken was the selection of the advisory panel. Most of the studies undertaken at OTA rely *on* the advice and assistance of an advisory panel of experts. The advisory panel for a particular assessment suggests source materials, subject areas, case studies, and perspectives to consider; assists in interpreting information and points of view that are assembled by OTA staff; and suggests possible findings and conclusions based on the accumulation of information produced by the study. The panel members review staff and contract materials for accuracy and validity, discuss policy options of the study, and present arguments for and against the options and conclusions. They do not determine the report's final form, however, and are not responsible for its content, direction, or conclusions.

The advisory panel for the present assessment consisted of 20 experts with backgrounds in health policy, hospital administration, health economics, medicine, health insurance, State- and Federal-level Government, industry, and academia. Several panel members also represented consumers of the Medicare program. The panel was chaired by Stuart Altman, Dean of the Florence Heller School of Brandeis University (in December 1983, Dr. Altman became chairman of the congressionally mandated Prospective Payment Assessment Commission).

The first panel meeting was held on October 22, 1982. Panel members discussed the overall study plan for the assessment based on the proposal and preliminary modifications and helped OTA staff refine the goals for the project. The panel examined the project boundaries and definitional issues and was key in sharpening the study's focus. The panel was also helpful in reviewing the primary issue areas to be covered and in providing suggestions of individuals and organizations to contact for information and assistance. Case studies of four medical technologies that were specifically requested by Congress were discussed, and the panel provided ideas for possible additional cases. The case study approach was intended to provide additional (e. g., efficacy, safety, and costs) information on specific medical technologies in order to analyze their possible effects on Medicare. The requested technical memorandum on the proposed use of Diagnosis Related Groups (DRGs) as Medicare's hospital payment method was also discussed.

Following the panel meeting, contracts were let for some of the additional case studies. Drafts of the first three case studies were received by OTA staff and subsequently mailed out for the review. This process involved the advisory panel and 50 to 80 additional reviewers, depending on the case study. In addition, OTA staff prepared staff papers on the main issues of the assessment. A draft of the technical memorandum on DRGs was also prepared by the staff and sent to the panel for their review. Only 2 weeks after the first draft of the technical memorandum was completed, the Social Security Amendments of 1983 (Public Law 98-21) mandated a change in Medicare's hospital payment system to a prospective system based on DRGs. A decision was made to focus the technical memorandum on implications for medical technology under DRG payment. Previously, the focus had been on whether a DRG system would be appropriate. Finally, during this period, the case study on alcoholism treatment was also completed. It was released by the Senate Finance Committee, Subcommittee on Health in March 1983.

The second panel meeting was held on March 22, 1983. At that meeting, progress of the study was reviewed, and the panel explored modifications in the emerging conceptual approach of the project. Considerable time was spent discussing ways to analyze and synthesize the material that had been collected. The panel also provided comments on the technical memorandum, the case studies, and OTA staff papers.

In July 1983, the technical memorandum on DRGs, entitled ***Diagnosis Related Groups and the Medicare Program: Implications for Medical Technology,*** and the case study on therapeutic apheresis were completed and released by OTA. Additional case studies were received from contractors and mailed out for review. In August 1983, the case study on the variations in hospital lengths of stay was completed and released by OTA. The staff also prepared a first draft of the main report for the panel's review.

The third and final meeting of the advisory panel was held on August 2, 1983. The primary focus of the meeting was on the draft of the final report prepared by OTA staff. The panel identified its strengths, weaknesses, and omissions and also defined areas for developing policy options for congressional consideration.

The first draft of the main report was revised by OTA staff to reflect the extensive suggestions and comments of the advisory panel. The second draft was then sent for a further round of review by a much broader

range of experts in a diversity of settings: Federal agencies, private and nonprofit organizations, academic institutions, practicing health professionals, and other selected individuals, Altogether, more than 200 individuals or organizations were asked to comment on drafts of the main report, the technical memorandum, or individual case studies of this assessment. The second draft of the main report, containing policy options, was sent for review to approximately 90 individuals. After appropriate revisions based on comments received were made, the report was submitted to the Technology Assessment Board.

This project resulted in a number of documents: the main report, of which this appendix is a part; a technical memorandum on DRGs; and six case studies on specific medical technologies:

- ***The Effectiveness and Costs of Alcoholism Treatment:*** Leonard Saxe, Denise Dougherty, Katharine Estes, and Michelle Fine. Requested by the Senate Committee on Finance; Subcommittee on Health.
- ***The Safety, Efficacy, and Cost Effectiveness of Therapeutic Apheresis:*** John C. Langenbrunner (Office of Technology .4ssessment). Requested by the Senate Committee on Finance; Subcommittee on Health.
- ***Variations in Hospital Length of Stay: Their Relationship to Health Outcomes:*** Mark R. Chassin. Requested by the Senate Committee on Finance, Subcommittee on Health.
- ***Intensive Care Units (ICUs): Costs, Outcomes, and Decisionmaking:*** Robert A. Berenson.
- ***Effectiveness and Costs of Continuous Ambulatory Peritoneal Dialysis (CAPD):*** William B. Stason and Benjamin A. Barnes. Requested by the Senate Committee on Finance and its Subcommittee on Health.
- *The Cost Effectiveness of Digital Subtraction Angiography (DSA) in the Diagnosis of Cerebrovascular Disease:* Matthew Menken, Gordon H, DeFriese, Thomas R. Oliver, and Irwin Litt.

Several contractors' reports were also prepared. The main report, the technical memorandum, and the case study on apheresis were prepared by OTA staff. The remaining case studies were commissioned by OTA, performed under contract by experts, and reviewed extensively under the direction of OTA.

The case studies are part of OTA's Health Technology Case Study Series. The case study selection process involved OTA staff and consultations with the congressional staffs, the advisory panel for this assessment, the Health Program Advisory Committee, and other experts in various fields. Four of the case studies were specifically requested by congressional committees. The remaining two were selected to provide information and ideas for the main report and to serve as individual analyses of particular issues and technologies. Like this report, the case studies and the DRG technical memorandum are available through the U.S. Government Printing Office.