In the matter of
Evanston Northwestern Healthcare Corporation,
a corporation

Docket No. 9315

AMENDED GLOSSARY OF TERMS

At the Court’s request, the parties are submitting an Amended Glossary of Terms, which
amends the Glossary of Terms filed on February 10, 2005. This amendment includes all of the
terms previously submitted in the original Glossary of Terms, as well as additional relevant
terms. This glossary is being provided as a reference only and does not constitute an admission
by either party.

- **ACUTE CARE HOSPITAL SERVICES** - Services furnished to patients with acute
  needs for health care services, as distinguished from services furnished for chronic
  physical conditions through the provision of long-term inpatient care. Some acute care
  hospitals also provide some long term care services such as skilled nursing or
  rehabilitation.

- **ACUTE MYOCARDIAL INFARCTIONS (AMI)** - AMI, or heart attack, occurs when
  the supply of oxygen to a portion of the heart muscle is insufficient, due to reduced
  supply or increased demand or both, leading to the death of muscle (myocardial) cells in
  that area. Most commonly, an acute MI is due to atherosclerosis partially or completely
  blocking the heart arteries, thereby reducing the blood and oxygen flow to the heart
  muscle.

- **ADJUDICATION** - The activity associated with the processing of claims according to
  the contract between a provider and an insurer.

- **ADMINISTRATIVE DATA** - Data submitted by hospitals to various payors for billing
  or to public agencies as part of their routine operations. Administrative data contain
  various information about patients, including demographic information, specific
diagnoses, and procedures
• **ADMINISTRATIVE SERVICES ORGANIZATION (ASO)** - A company that administers a managed care plan on behalf of an entity, usually an employer or union, that is self-insured, *i.e.*, that directly bears the risk for the costs of the health care services required by the company’s employees. Typically, an ASO will provide back office services (claims administration, enrollment verification, etc.), and medical management and network development services (network access, contract negotiation and provider relations) for self-insured employers. In particular, an ASO will typically negotiate contracts with hospitals, doctors, and other providers and then, through its contract with the self-insured employer, provide the employer and its employees access to those providers under the negotiated contracts. Many managed care companies will market their product both as an “ASO,” in which the employer or union retains the liability for all services that are furnished to enrollees, and as an insurer, in which the managed care company assumes some or all of the liability for all services furnished to enrollees of the health care plan.

• **AGENCY FOR HEALTH CARE POLICY AND RESEARCH (AHRQ)** - A government agency within the U.S. Department of Health and Human Services that sponsors and conducts research on health care quality, outcomes, cost, and patient safety. Its web address is [www.ahrq.gov](http://www.ahrq.gov).

• **AHRQ INPATIENT QUALITY INDICATORS (IQIS)** - A set of inpatient quality indicators developed by the Agency for Healthcare Research and Quality (AHRQ). IQIs use administrative data to calculate risk-adjusted rates of inpatient mortality for certain procedures and medical conditions; the level of utilization of procedures for which there are questions of overuse, underuse, and misuse; and the total volume of procedures for which there is evidence that higher volume is associated with lower mortality.

• **AHRQ PATIENT SAFETY INDICATORS (PSIS)** - A set of inpatient quality indicators developed by the Agency for Healthcare Research and Quality (AHRQ). PSIs use administrative data to calculate risk-adjusted rates of in-hospital complications and adverse events following surgeries, procedures, and childbirth.

• **AHRQ PREVENTION QUALITY INDICATORS (PQIS)** - A set of measures developed by the Agency for Healthcare Research and Quality (AHRQ) that focus on identifying potentially avoidable hospitalizations (also known as ambulatory care sensitive admissions), based on the premise that timely access to high-quality outpatient care could prevent many of these hospitalizations. The PQIs differ from the other quality indicators developed by the Agency for Healthcare Research and Quality (IQIs and PSIs) in that the PQIs are intended to assess quality of care at the general population level, not the hospital level.

• **AMBULATORY FEE SCHEDULE** - A table of fixed rates for outpatient services.

• **AMBULATORY SURGERY GROUPERS (ASG)** - A categorization system for outpatient surgery procedures that groups those services into a limited number of payment categories. In most cases, commercial ASGs follow the Medicare guidelines for categorization and most commercial payors reimburse providers on a percent of Medicare reimbursement schedule basis.
• **AMERICAN COLLEGE OF CARDIOLOGY (ACC) /AMERICAN HEART ASSOCIATION (AHA) CLINICAL PRACTICE GUIDELINES** – Clinical practice guidelines are developed through a rigorous methodological approach that mandates the review and consideration of the available medical literature. Practice guidelines define the role of specific diagnostic tests and therapeutic interventions, including non-invasive and invasive procedures, in the diagnosis and treatment of patients with cardiovascular (heart) diseases. These evidence-based guidelines are intended to assist physicians in clinical decision making by describing a range of generally acceptable approaches for the diagnosis, management, or prevention of specific diseases or conditions. They attempt to define practices that meet the needs of most patients in most circumstances by categorizing the recommendations into a classification system. The development of clinical practice guidelines for cardiology is the domain of the ACC/AHA Task Force on Practice Guidelines. Its web address is: 
http://www.acc.org/clinical/definitions/definitions.htm

• **AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS (ACOG)** – The leading national association of health care professionals specializing in obstetric and gynecological medicine. ACOG defines and promotes best practice standards and administers the specialty board examination and renewal process for physician specialists in this field. Its web address is: www.acog.org.

• **ANCILLARY SERVICES** – Support services provided in conjunction with medical or hospital care; they can include laboratory, radiology, pharmacy, physical rehabilitation, social work, and dietetics.

• **BENCHMARKING** – A method of measuring performance against established standards of best practice.

• **BIRTH TRAUMA** – Refers to physical injury to the newborn infant sustained during the birth process.

• **BOARD CERTIFICATION** – Board certification is an examination physicians undergo designed to assess the knowledge, skills, and experience physicians have acquired in a particular specialty. Different medical boards have different requirements. Requirements often include a specified number of years of residency (and fellowship training for certain subspecialties), passing oral and written exams that demonstrate knowledge and skill for a particular specialty. In addition, many medical boards require recertification every five to ten years. They are administered by a Board which governs that specialty. The mission of the Board is to maintain and improve the quality of medical care by developing and implementing educational and professional standards to evaluate and certify physician specialists.

• **CAPITATION OR CAPITATION RATE** – A fixed amount that a managed care plan periodically pays to a provider for all covered services that its enrollees might require, regardless of the actual services that the enrollees ultimately consumes. Typically, the amount paid is expressed as a payment “per covered life” or as an amount “per member per month.”

• **CARDIOTHORACIC SURGERY** – The practice of medicine directed toward the surgical management of diseases of the blood supply to the heart, heart valves and the
arteries and veins in the chest. This surgical field also focuses on surgical treatments for lung and esophageal problems, such as lung or esophageal cancer, emphysema, esophageal swallowing problems, and gastroesophageal reflux.

- **CARVE OUT OR EXCLUSION CLAUSES** – A clause in a contract between a managed care plan and a hospital that specifies that particular procedures or services (either inpatient or outpatient) are not included under the standard reimbursement formula of the contract. For example, an agreement between a managed care plan and a hospital might specify that the managed care plan will pay for services received by enrollees on a per diem basis. Nevertheless, the contract might specifically “carve out” particular procedures from this general formula and specify, instead, that the managed care plan will pay for those services using a different payment formula. Alternatively, under an exclusion clause, a contract might provide that the managed care plan will compensate a hospital for all inpatient services furnished to an enrollee, subject to an “exclusion clause” that specifies that the managed care plan will not compensate a hospital for specific procedures under any circumstances.

- **CASE MIX INDEX** – An estimate of the average complexity of the medical and surgical treatments provided by a hospital to its inpatients. In its most simple form, the case mix index identifies and groups patients based on the various types of medical conditions on a very broad basis (such as medical, surgical, and obstetric patients). On a more detailed basis, case mix index can be measured by categorizing patients into Diagnostic Related Groups (“DRGs”), as defined below.

- **CASE RATE REIMBURSEMENT** – A financial method of payment where reimbursement is a pre-determined amount for a particular type of patient, such as an obstetrics patient or an open heart surgery patient, without regard to the hospital services that the patient actually receives.

- **CHARGES**– The published or list prices for services provided by a hospital. These rates are found in the hospital’s “chargemaster,” which reflects tens of thousands of predetermined itemized amounts to be billed for each good or service the hospital provides. Each hospital maintains its own chargemaster.

- **CHICAGO HOSPITAL RISK POOLING PROGRAM (CHRPP)** – A self-insurance retention trust which provides insurance coverage for participating hospitals against malpractice claims by pooling hospital resources. It also implements risk management programs by encouraging its members' compliance with clinical requirements and recommendations. It is managed by the Metropolitan Chicago Healthcare Council, www.mchc.org.

- **CLINICAL** – Anything relating to the observation and treatment of patients.

- **CLINICAL DATA** – Clinical data include data elements that describe a patient’s condition throughout a medical encounter. Such data includes patients’ symptoms and complaints, physical exam findings, laboratory and radiology results, and medical staff assessments. Clinical data is collected by medical chart review.
• **CLINICAL DECISION SUPPORT SYSTEMS (CDSS)** – An electronic system that can make clinical suggestions to a physician by applying information on patient care, from a variety of sources, to patient-specific clinical variables.

• **COMORBIDITY** – The presence of co-existing or additional diseases with reference to a patient’s initial diagnosis or condition. A comorbidity is an additional disease or condition that developed prior to the treatment of the patient’s initial diagnosis. For example, a patient with diabetes may come to the emergency department with a heart attack. Diabetes is considered a comorbid illness because the patient had the disease prior to the current episode of care. Comorbidity may affect the ability of affected individuals to function and also their survival; it may be used as a prognostic indicator for length of hospital stay, cost factors, and outcome or survival.

• **COMPLICATIONS** – A complication is a disease or injury that develops during the treatment of a pre-existing disorder. The complication frequently alters the original prognosis of the patient based on the pre-existing disorder. A complication is a condition that was not present at the time the episode of care commenced and develops following a procedure, treatment, or illness. It may represent a development in response to a treatment or intervention.

• **COMPUTERIZED PHYSICIAN ORDER ENTRY (CPOE)** – Electronic systems in which physicians can enter and transmit medication and prescription orders as well as orders for radiology, laboratory work, and other ancillary services, eliminating the need for handwritten orders. It is used for both inpatient and outpatient services.

• **CONTRACT YEAR** – A period of twelve consecutive months under which an agreement between a managed care organization and a provider is in effect. This period may constitute a calendar year beginning on January 1 and ending on December 31 of that year, or it may be based on the fiscal year of either the provider or the managed care company, as agreed to by the parties.

• **CORE MEASURES** – A set of quality measures that the Joint Commission for the Accreditation of Health Care Organizations (JCAHO) has established for Acute Myocardial Infarction (Heart Attack), Heart Failure, Pregnancy and Related Conditions, and Community Acquired Pneumonia.

• **CORONARY ARTERY BYPASS GRAFT SURGERY (CABG)** – CABG surgery is a procedure in which a vein or artery from another part of the body is used to create an alternate path for blood to flow to the heart, bypassing the arterial blockage. Typically, a section of one of the large (saphenous) veins in the leg, the radial artery in the arm or the mammary artery in the chest is used to construct the bypass. One or more bypasses may be performed during a single operation, since providing several routes for the blood supply to travel is believed to improve long-term success for the procedure.

• **COVERED LIVES** – Another way of referring to the enrollees, members, or participants, in a health plan, generally referring to an employee group and their families.

• **CURRENT PROCEDURAL TERMINOLOGY (CPT)** – A standardized list of numeric codes that includes a five digit code for each medical service and procedure to allow for standardization of claims processing throughout the health care industry. CPT
codes are most commonly used by physicians for billing purposes; sometimes they are also used for outpatient services provided by facilities. Rarely they are used to categorize inpatient services.

- **DIAGNOSIS RELATED GROUP (DRG)** - A grouping of inpatients into hundreds of separate categories based on their diagnoses and the procedures they undergo while hospitalized. Each DRG is assigned a case weight based on the average resources among many hospitals required to treat patients in that DRG.

- **DIAGNOSIS RELATED GROUP (DRG) REIMBURSEMENT** - A method of payment in which the reimbursement for inpatient hospital services is set based on the DRG into which a patient is classified. As a general rule, the amount of payment will not vary if the hospital renders significantly greater or less services in treating the patient than is the estimated average, or if the hospital incurs costs that are greater or less than the typical cost incurred by hospitals.

- **DISCOUNT FROM CHARGES OR DISCOUNT OFF CHARGES REIMBURSEMENT** - A method of payment where reimbursement for inpatient services, outpatient services or both is based upon a discount from the hospital’s published charges, as set forth in its chargemaster.

- **ELECTRONIC MEDICAL RECORD (EMR)** - Patient clinical information that is electronically recorded and stored.

- **EPIC CLINICAL INFORMATION SYSTEM (EPIC)** - An electronic clinical information system that includes an electronic medical record, a computer order entry system, and a clinical decision support system. The corporation’s web site is www.epicsys.com

- **EXPECTED MORTALITY RATE** - The sum of the predicted number of deaths for all patients in a defined group (for example, the projected number of deaths of patients undergoing a specific procedure or with a specific diagnosis) divided by the total number of patients (that is, all patients undergoing that same procedure or hospitalized with that same diagnosis).

- **FEE SCHEDULE** - A listing established by a managed care plan of accepted fees or established allowances for specified services. Under a managed care contract it represents the maximum amounts that the insurer will pay for specific services (usually identified by ICD-9 (see below) or CPT codes).

- **FEE-FOR-SERVICE REIMBURSEMENT** - A method of payment for health services where payment is made based upon a provider’s fee schedule as set forth in its chargemaster or another specified fee schedule.

- **FOURTH DEGREE PERINEAL LACERATION** - This is a perineal laceration that extends further than a 3rd degree laceration and disrupts the anal lining. It may predispose patients to subsequent problems with defecation.

- **HEALTH CARE FINANCING ADMINISTRATION BILLING FORM 1500 (HCFA-1500)** - The Health Care Financing Administration standard form for submitting
provider outpatient services claims to third party companies or insurance carriers. HCFA is now known as the Centers for Medicare and Medicaid Services (CMS).

- **HEALTH MAINTENANCE ORGANIZATION (HMO)** – Traditionally, a managed care plan that contracts with a limited number of hospitals, doctors, and other providers, and which specifies that an enrollee of the HMO will bear a significant portion of (and, possibly, all) fees for services that he or she receives from a provider with which the HMO does not contract. In recent years the lines between HMOs and other forms of managed care organization, such as Preferred Provider Organizations (PPOs) have blurred as consumer demand for increased choice of providers has dominated the market place.

- **HEALTHGRADES** – A health care quality ratings and services company that uses administrative data (such as Medicare claims data and state abstract data) to rate the performance of many hospitals in the United States engaged in cardiac surgery, cardiology, orthopedic surgery, pulmonary care, vascular surgery, critical care, and obstetrics. Using risk-adjustment models to take into account variations in the severity of illness of patients cared for by different hospitals, HealthGrades applies a five-star rating system and posts these ratings on its web site, www.healthgrades.com.

- **ICU (Intensive Care Unit)** – The ward in a hospital where critically ill patients are continuously monitored. An ICU contains highly technical and sophisticated monitoring devices and equipment. Typically, the patient-staff ratio in an ICU is low.

- **INPATIENT HOSPITAL SERVICES** – Hospital services that are furnished to a patient who, to obtain the services, must stay overnight at the hospital.

- **INPATIENT MORTALITY RATE** – Deaths that occur during a hospital admission for patients with a specific diagnosis (or procedure) divided by the total number of patients admitted with the same diagnosis (or procedure) for a specified time period. For example, CABG inpatient mortality rate for 1999 at any given hospital would equal the number of deaths that occurred in patients who underwent a CABG and died during the same hospital admission (in 1999) divided by the total number of patients who underwent a CABG (in 1999).

- **INTENSIVIST** – A physician who specializes in the care and treatment of patients in an intensive care unit (ICU). These physicians focus primarily on the care of the critically ill or injured patients admitted to a hospital to either a surgical, medical or pediatric ICU.

- **INTERNATIONAL CLASSIFICATION OF DISEASES, NINTH REVISION (ICD-9)** - A universal coding method used to document the incidence of disease, injury, mortality and illness. This system is used to assist hospitals and physicians in the preparation of billings and claims. Classification is achieved through the development of a six-digit identifier for each diagnosis.

- **INTERVENTIONAL RADIOLOGY** – A specialty within the field of radiology which uses various radiological techniques (e.g., x-ray, computed tomography (CT) scans, magnetic resonance imaging (MRI) scans, and ultrasounds) to place wires, tubes, or other instruments inside a patient to diagnose or treat an array of conditions.
• **MANAGED CARE ORGANIZATION** - A company that provides access to health care services on an insured, partially insured or a self-insured basis, including plans such as health maintenance organizations, preferred provider organizations, and point of service plans. A managed care company may be a licensed insurer or an administrative services organization, or both. The services may include network access and development, contract negotiation with providers, provider relations, medical and utilization management and claims administration.

• **MANAGED CARE PLAN** – Health insurance plans offered by Managed Care Organizations. These plans include “health maintenance organizations,” “point of service plans,” and “preferred provider organizations,” which are defined below. Nevertheless, the different types of managed care plans are difficult to distinguish because, over time, the managed care organizations have modified each type of plan to incorporate different elements of the other plans that consumers demand.

• **MAXIMUM ALLOWABLE PAYMENT** - The maximum amount that a payor would pay a hospital for a particular service or procedure as stipulated in the contract between the payor and the hospital, even if the hospital’s costs exceed this amount.

• **MEDICAL CONSUMER PRICE INDEX ("M-CPI")** – An index published by the Bureau of Labor Statistics which measures the monthly average change in price for hospital and related services (inpatient, outpatient and nursing home services), professional medical services (physicians' services, dental services, eye care and services by other medical professionals) and medical care commodities (prescription drugs, nonprescription drugs and medical equipment and supplies). This price index (which is also reported by the Bureau of Labor Statistics for geographic areas smaller than the entire United States) is a measure of the inflation rate for medical costs. In addition the Bureau of Labor Statistics publishes a price index for the hospital component of the M-CPI.

• **MEDICARE COST REPORT** - An annual report required of all hospitals participating in the Medicare program. The Medicare cost report records each institution’s total costs and charges associated with providing services to all patients, the portion of those costs and charges allocated to Medicare patients and Medicare payments received.

• **MORBIDITY** – The rate of illness, injury, or disability in a population.

• **MORTALITY** – The rate of death in a population.

• **NATIONAL PERINATAL INFORMATION CENTER (NPIC)** – A non-profit organization which, among other activities, gathers perinatal data from member hospitals – based upon hospital administrative data – from which it provides quarterly comparative data reports. Its web address is www.npic.org.

• **NEONATAL MORTALITY** – Death rate for infants in the first 28 days of life. It includes infant deaths that occurred in the first 28 days of life divided by all live infant births.

• **NETWORK** – The group of hospitals, doctors and ancillary health service providers (laboratories, home health agencies, diagnostic radiology facilities, etc.) that have signed
contracts to provide services to enrollees of a health benefit plan (HMO, PPO, POS, etc.) for the contractually-determined prices.

- **OBSERVED MORTALITY (OMR)** – Is the observed number of deaths (for patients who underwent a specific procedure or had a specific diagnosis) divided by the total number of patients (who underwent the same procedure or had the same diagnosis).

- **OBSTETRIC TRAUMA** – Refers to injuries suffered by women during delivery. In the setting of a vaginal delivery, it usually refers to perineal lacerations.

- **OUTLIER** – A condition where the services that must be rendered to a patient with a particular diagnosis are significantly greater than the services that typically must be rendered to a patient with that diagnosis. Depending on the system, this measurement can be made on the basis of the number of days of inpatient care that are required or the charges or costs of the services that actually must be furnished to that particular patient. Under Medicare’s DRG payment system, for example, a hospital that treats an “outlier” patient, defined either by a long length of stay or unusually high charges, receives an incremental payment for the services it must render to the patient, in addition to the fixed payment that it receives for patients in the same diagnosis related group.

- **OUTLIER THRESHOLD** – The point at which a hospital would receive additional reimbursement for an outlier patient.

- **OUTPATIENT SERVICES** – Services that are furnished to patients who do not require an overnight stay at the facility.

- **PER DIEM REIMBURSEMENT** – A formula for payment in which reimbursement for inpatient services is based upon a fixed all-inclusive amount for each day that the patient is in the hospital, regardless of the amount of services or the costs or charges for the services that actually must be rendered to that patient.

- **PERCUTANEOUS CORONARY INTERVENTIONS (PCI)** – A family of procedures performed by interventional cardiologists whose purpose is to restore normal blood flow to the heart muscle by removing or compressing plaque within blocked coronary arteries. This was originally done using a balloon-tipped catheter to dilate blocked arteries and squeeze plaques within them (i.e., percutaneous coronary transluminal angioplasty or PTCA), but newer techniques involve drilling through blockages and inserting stents to reduce the risk of later recurrence.

- **PERCUTANEOUS TRANSLUMINAL CORONARY ANGIOPLASTY (PTCA)** – PTCA is used to dilate (widen) narrowed arteries. A doctor inserts and advances a catheter with a deflated balloon at its tip into the narrowed part of an artery. Then the balloon is inflated, compressing the plaque and enlarging the inner diameter of the blood vessel so blood can flow more easily. Then the balloon is deflated and the catheter removed.

- **PERINATAL** – Pertaining to or occurring in the period shortly before or after childbirth.

- **PERINEAL LACERATIONS** – These are lacerations that occur in the perineum (the area between the vagina and the anus). They are classified into four categories depending
on severity (1st degree, 2nd degree, 3rd degree, and 4th degree). These tears are associated with vaginal deliveries, particularly operative vaginal deliveries.

- **PICTURE ARCHIVING AND COMMUNICATION SYSTEM (PACS)** – Picture Archiving and Communication System collects radiographic images digitally and allows them to be distributed electronically and interpreted at computer workstations.

- **PLAN CODE** - The identifying symbol used by a hospital in its computer system billing software to determine which contract and which contract rate will be used for billing for a specific admission or set of medical services provided.

- **POINT OF SERVICE PLAN (POS)** - A managed care plan that, typically, contracts with a limited number of hospitals, doctors, and other providers and extends terms of coverage to enrollees based on terms that will vary depending on the provider from which the enrollee seeks care.

- **PREFERRED PROVIDER ORGANIZATION (PPO)** – A managed care plan that contracts with a group of hospitals, doctors and other health care providers that usually is somewhat larger than the groups with which an HMO may contract. In many PPOs, the enrollees in the plan are offered a financial incentive, such as a lower deductible or co-payment obligation, to obtain care from the “preferred providers,” but the enrollees may use providers outside the panel at an additional cost. As noted above, the distinctions between HMOs and PPOs have blurred in the last several years.

- **PRESS GANEY** – A survey research firm focusing on patient satisfaction with health care. Approximately 800 US hospitals contract with Press Ganey to obtain systematic feedback about processes of care, typically focusing on those that are perceptible to patients. Its web address is [www.pressganey.com](http://www.pressganey.com).

- **PYXIS** – An automated drug dispensing system available from Cardinal Health, which can be used in hospitals and pharmacies. Pyxis machines are locked cabinets, containing prepackaged medications, which are connected to a computer system. More information on the Pyxis line of products can be found on the web site, [www.pyxis.com](http://www.pyxis.com).

- **QUALITY ASSURANCE** – Hospital operated set of activities that identify and address specific quality failings. Quality assurance (QA) deals with complaints, patient injuries caused by errors, regulatory agency investigations, and lawsuits. It is also charged with protecting patients from incompetent or impaired doctors, nurses, and other practitioners. QA programs investigate cases in which patients suffer injuries in order to determine whether and how serious errors or faulty systems contributed to causing the adverse event. QA is typically reactive and disciplinary.

- **QUALITY IMPROVEMENT** – Hospital operated set of activities primarily focused on multidisciplinary efforts to improve specific aspects of patient care. Targets for improvement activities are identified by various sources. These activities aim for measurable improvements as documented by data on valid quality measures.

- **RISK ADJUSTED MORTALITY RATE (RAMR)** – Is the best estimate, based on the statistical model, of what the provider’s mortality rate would have been if the provider had a mix of patients identical to the statewide mix. It is obtained by first dividing the observed mortality rate by the expected mortality rate, and then multiplying by the
relevant statewide mortality rate (for example 2.25% for isolated CABG patients in 1999-2001 or 7.13% for Valve or Valve/CABG patients in 1999-2001).

- **RISK-ADJUSTMENT** - A statistical technique that is used to account for differences in patient characteristics when comparing hospital performance. Different hospitals tend to treat different types of patients. For example, some hospitals treat sicker and older patients than other hospitals. Risk-adjustment is a technique to account for these differences in patient characteristics at different hospitals. Risk-adjustment models try to account for a number of risk factors that might influence the outcome of medical care for patients.

- **SEVERITY OF ILLNESS** - A measure of how sick a particular patient is. Severity of illness is not identical to the concept of case mix. Severity of illness can be one factor used in determining the “case mix” of a hospital. Depending on the illness, the severity of the illness may affect the “diagnosis related group” to which that patient is assigned.

- **SOCIETY OF THORACIC SURGEONS (STS) NATIONAL ADULT CARDIAC SURGERY DATABASE** - A voluntary national database and benchmarking program sponsored by the Society of Thoracic Surgeons, which includes detailed hospital-reported clinical data about the use of preferred techniques during CABG surgery. Its web address is www.sts.org.

- **STOP LOSS** - A provision in a contract between a managed care plan and a hospital under which the hospital receives additional reimbursement for cases in which the hospital incurs specified costs of furnishing services to an enrollee of the managed care plan. There are two primary forms of stop loss payments.

  Under “first dollar” coverage, a managed care plan will compensate the hospital at the contractually specified rate. Once the payment amount exceeds a specified threshold, however, the managed care plan payment formula will be changed so that the managed care plan compensates the hospital an additional amount for all services furnished to that patient, including those that were furnished before the threshold was met.

  Under “second dollar” coverage, a managed care plan will compensate the hospital pursuant to the contractual formula until the dollar threshold is met. Under this approach the managed care plan will pay the hospital under a different formula, but only for the services that are in excess of the threshold amount.

- **THE LEAPFROG GROUP** - An employer-led effort to establish standards for improving patient safety in hospitals, and to reward hospitals that meet those standards. Its web address is www.leapfroggroup.org.

- **THIRD DEGREE PERINEAL LACERATION** - This is a perineal laceration that extends through the skin, mucous membrane, perineal body, and the muscles but leaves the anal lining intact.

- **THORACIC SURGERY** - A branch of medicine dealing with the use of surgery to treat diseases of the chest and lungs.

- **UNIFORM BILLING CODE OF 1992 (UB-92)** - Bill form used to submit inpatient hospital claims for payments to third parties.
• **VAGINAL BIRTH AFTER CESAREAN (VBAC)** – A vaginal delivery after a previous caesarean delivery. One of the most common reasons for cesarean sections is the presence of a uterine scar from a previous cesarean section. A previous uterine scar can tear or open up during a labor with a subsequent pregnancy. Some physicians attempt a VBAC in their patients in order to avoid repeat cesarean sections (because of the increased morbidity associated with cesarean sections).

• **VOLUNTARY REVIEW OF QUALITY OF CARE (VRQC) PROGRAM** – An ACOG program that assists hospitals and physicians in assessing the quality of care provided in their departments of obstetrics and gynecology. Through this program, ACOG can supply, upon request, a team of qualified obstetrician/gynecologists to evaluate the clinical performance in the area of obstetrics and gynecology.
Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on April 22, 2005, a copy of the foregoing Amended Glossary of Terms was served by hand, email and first class mail, postage prepaid, on:

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