California Pay for Performance: A Model for Measuring Accountable Care

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National ACO Congress
Los Angeles, CA
October 27, 2010

Agenda

- Areas of Performance Measurement
- Evolution of California P4P Performance Measures
- Bridging the Outpatient-Inpatient Silos
- Role of Health Plans

Areas of Performance Measurement: California P4P

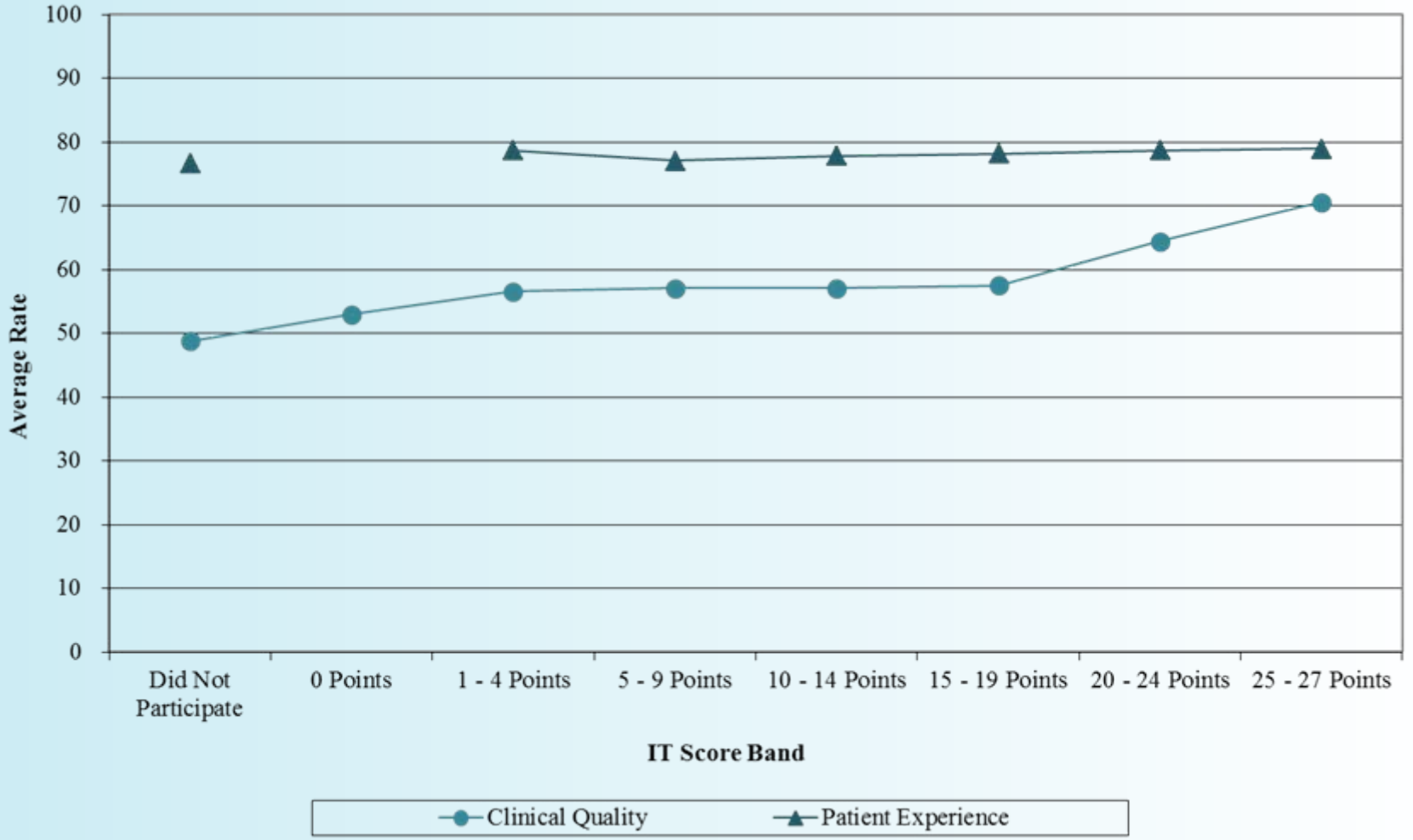
- Clinical Quality
- Use of IT
- Patient Experience
- Resource Use

Areas of Performance Measurement: Use of IT and Clinical Performance

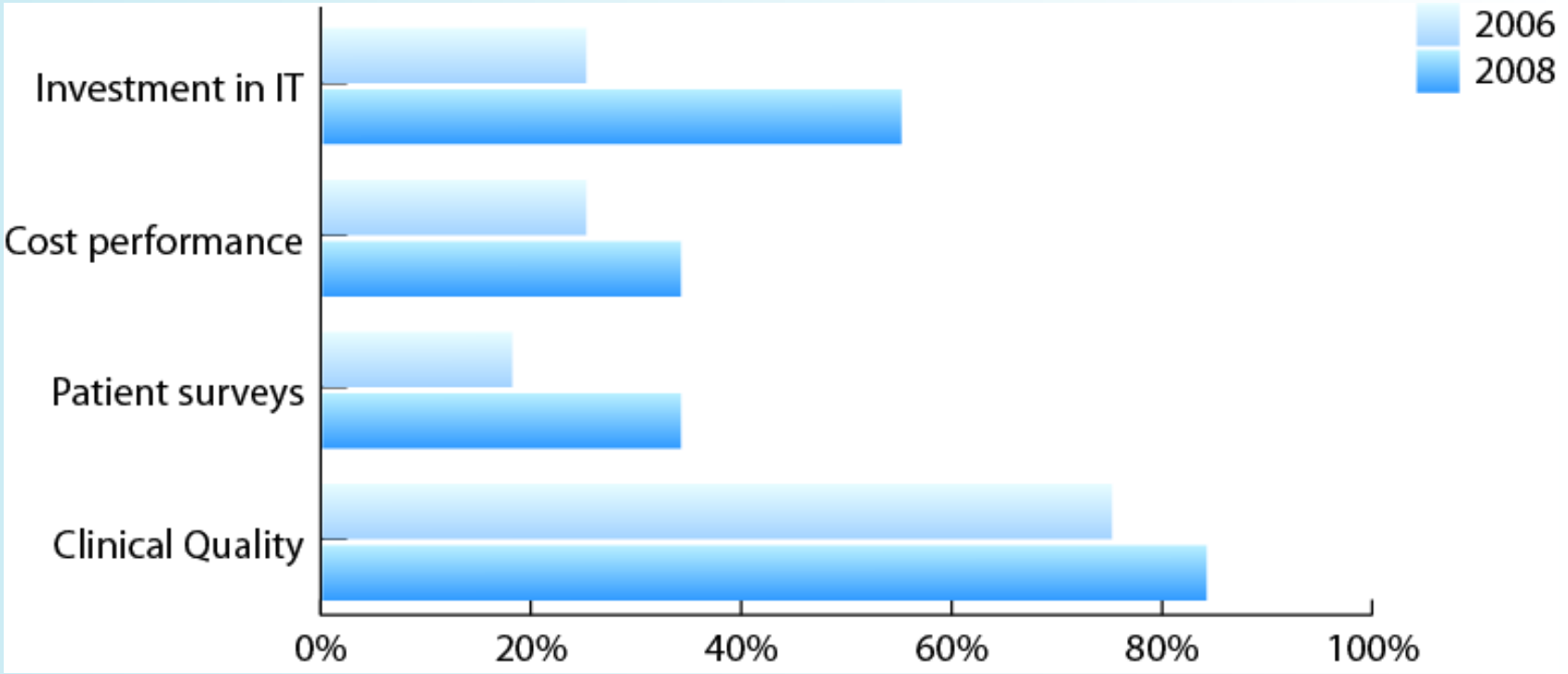
- POs with advanced IT show better Clinical performance
  - Over 20 percentage point difference in overall Clinical score between POs earning full IT score and those with score of zero (0)
  - Jump in Clinical performance with initial adoption of IT; next big jump not until advanced IT capability is in place, suggesting benefits from fully embracing IT
- No association between Patient Experience and IT
- Providing incentives for Use of IT accelerates adoption

Use of IT and Clinical Performance

Clinical Quality and Patient Experience Average Rates by IT Score Band – California P4P 2009



Areas of Performance Measurement: National P4P Survey



Source: MedVantage–Leapfrog Group–IHA 2008 P4P Survey

Areas of Performance Measurement: National Quality Forum

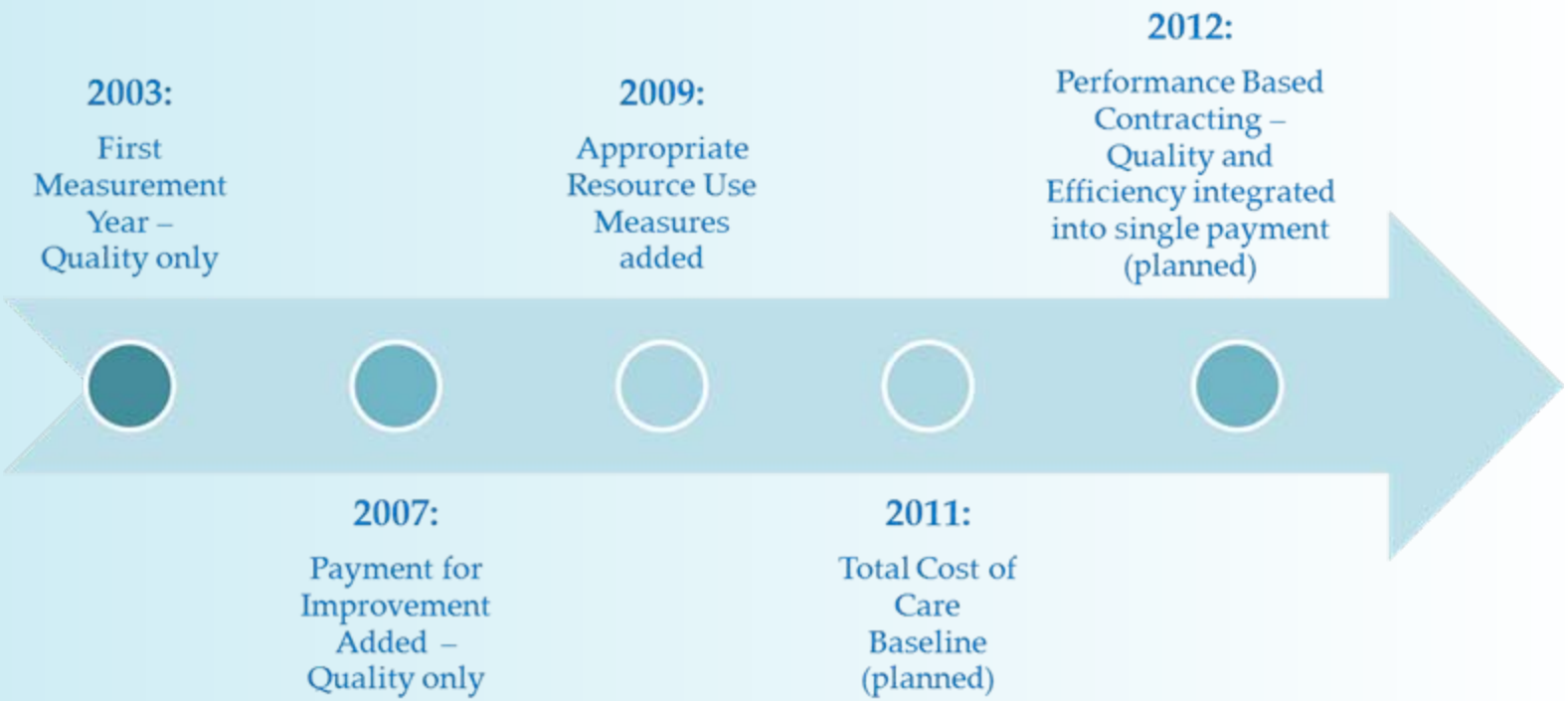
- Developing "Community" Measurement Dashboard
- Started with 6 priority areas of National Priorities Partnership and types of measures

National Priority Areas:
Patient & Family Engagement
Population Health
Safety
Care Coordination
Palliative & End-of-Life Care
Overuse

Measurement Types:
Access
Cost and Utilization
Structure
Process
Outcome

Evolution of California P4P Performance Measures

Evolution of California P4P Measures



Program Participants

Eight CA Health Plans:

- Aetna
- Anthem Blue Cross
- Blue Shield of CA
- CIGNA
- Health Net
- Kaiser*
- PacifiCare/United
- Western Health Advantage

Medical Groups and IPAs:

- 221 Physician Organization
- 35,000 Physicians
- 10 million commercial HMO/POS members

** Kaiser medical groups participate in public reporting only, starting 2005*

Evolution of California P4P Measures: Clinical Quality

Clinical Quality

Use of IT

Patient Experience

Resource Use

Step 1:
Preventive, Chronic, and Acute Care

Step 2:
Coordinated Diabetes Care

Step 3:
Priority Areas

Evolution of California P4P Measures: Clinical Quality – Step 1

- **Preventive Care**
  - Childhood Immunizations
  - Chlamydia Screening
  - Evidence-Based Cervical Cancer Screening
  - Breast Cancer Screening
  - Colorectal Cancer Screening
  - Adolescent Immunizations
- **Chronic Disease Care**
  - Cholesterol Mgmt: LDL -C Screening & Control <100
  - Monitoring of Patients on Persistent Medications
  - Asthma Medication Ratio
- **Acute Care**
  - Appropriate Testing for Children with Pharyngitis
  - Treatment for Children with Upper Respiratory Infection
  - Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis
  - Use of Imaging Studies for Low Back Pain

Evolution of California P4P Measures: Clinical Quality – Step 2

- Diabetes Clinical Measures
  - HbA1c screening, poor control >9, control <8, control <7
  - LDL-C screening, control <100
  - Nephropathy Monitoring
  - Blood Pressure Control for People with Diabetes <140/90
  - Optimal Diabetes Care Combo 1 (LDL-C control <100, HbA1c control <8, Nephropathy Monitoring)
  - Optimal Diabetes Care Combo 2 (Combo 1 plus BP <140/90)
- Diabetes Registry and Related Activities
  - Diabetes Registry (including blood pressure)
  - Actionable Reports on Diabetes care
  - Individual Physician Reporting on Diabetes measures
- Diabetes Care Management

Evolution of California P4P Measures: Clinical Quality – Step 3

- 6 priority areas selected based on clinical importance, potential of addressing resource use variation, and interest to consumers
  - Prevention
  - Cardiovascular
  - Diabetes
  - Maternity
  - Musculoskeletal
  - Respiratory
- Increase impact on outcomes through systems of care
- Build measurement "suites" in priority areas
- Potential for composite measurement

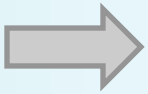
Evolution of California P4P Measures: Use of IT

Clinical Quality

Use of IT

Patient Experience

Resource Use



Step 1:
Information
Technology

Step 2:
IT-Enabled
Systemness

Step 3:
Meaningful Use of
Health IT

Evolution of California P4P Measures: Use of IT – Step 1

- Data Integration for Population Management
  - Actionable reports/query lists
  - Computerized registries
  - Generating measures with lab results/clinical findings
- Electronic Clinical Decision Support at Point of Care
  - E-prescribing
  - E-drug checks for safety and efficiency
  - E-lab results
  - Accessing e-clinical notes of other providers
  - Receiving e-care reminders during patient visit
  - Accessing clinical findings electronically
  - E-messaging

Evolution of California P4P Measures: Use of IT – Step 2

- Data Integration for Population Management
- Electronic Clinical Decision Support at Point of Care
- Care Management
  - Coordination with practitioners
  - Chronic care management
  - Continuity of care after ER or hospitalization
- Electronic Reporting of Blood Pressure for People with Hypertension
- Physician Measurement and Reporting

Evolution of California P4P Measures: Use of IT – Step 3

- Align with CMS/ONC "meaningful use" measures to improve clinical outcomes by leveraging technology
  - Adopt 15 CMS "core" measures for MY 2011
  - Adopt 8 CMS "menu" measures for MY 2012
- Preserve rigor of current measurement areas
  - Maintain current chronic care management measures for diabetes, depression, and one other significant condition
- Score at organization level by % of physicians that meet CMS criteria, by measure

Evolution of California P4P Measures: Patient Experience

Clinical Quality

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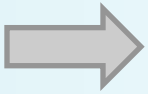
Resource Use



Step 1:
Basic Ratings, Access, and Coordination of Ambulatory Care

Step 2:
Special Focus on Chronically Ill

Evolution of California P4P Measures: Patient Experience – Step 1

- Overall Rating of Care
  - Rating PCP
  - Rating Healthcare
- Specialty Care
  - Getting Appointment with Specialist
  - Rating of Specialist
- Timely Care and Service composite
- Quality of Doctor-Patient Interaction composite
- Coordination of Care composite
- Office Staff composite
- Health Promotion composite

Evolution of California P4P Measures: Patient Experience – Step 2

- Focus on care experience for chronically ill
  - Patient Centered Medical Home survey
  - Functional Status
  - Care coordination between settings of care

Patient Experience Measures: AHRQ and NCQA

- Developing a CAHPS® Clinician & Group Survey to measure the Medical Home
  - Access
  - Communication
  - Coordination
    - Care or other providers
    - Care from other on the care team
  - Shared decision making
  - Whole person orientation
  - Self management support
    - Chronic disease management
    - Health promotion

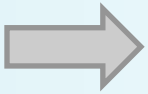
Evolution of California P4P Measures: Resource Use

Clinical Quality

Use of IT

Patient Experience

Resource Use



Step 1:
Episode
Measurement

Step 2:
Appropriate
Resource Use

Step 3:
Total Cost of Care

Evolution of California P4P Measures: Resource Use – Step 1

- Original Intent
  - Episode-based measures
  - Standardized and actual costs
- Findings
  - Data limitations
  - Small numbers issue
- Conclusion
  - Data does not support episode measures for purposes of incentive payment

Evolution of California P4P Measures: Resource Use – Step 2

- Appropriate Resource Use Measures
  - Inpatient Acute Care
    - Discharges Per Thousand Member Years (PTMY)
    - Bed Days
    - Average Length of Stay (ALOS)
  - Maternity Discharges PTMY and ALOS
  - Inpatient Readmissions within 30 Days
  - Emergency Room Visits PTMY
  - % Outpatient Procedures in Preferred Facility
  - Generic Prescribing
    - 7 Therapeutic Areas
    - Overall Generic Prescribing

Evolution of California P4P Measures: Resource Use – Step 3

- Total Cost of Care Measure
  - Total amount paid to any provider (including facilities) to care for all members of a PO for a year
  - Adjusted for health status, geography, and possibly other factors such as affiliation with teaching hospital or other market impacts
  - Specifications developed by P4P Technical Efficiency Committee
  - Growing national consensus supporting measurement of total costs

Resource Use Measures: National Quality Forum

- NQF White Paper on Resource Use Measures
  - Utilization
  - Cost

- Call for Resource Use measures Fall/Winter 2010
- Endorsed Resource Use measures 2011

Bridging the Outpatient-Inpatient Silos

Bridging the Outpatient-Inpatient Silos

- Interoperability of Data Systems
- Care Transitions
- Total Cost of Care

Bridging the Outpatient-Inpatient Silos: Interoperability of Data Systems

- Current
  - Sharing clinical data challenging
    - Trust/political issues
    - Technical issues
    - Patient privacy/governance issues
- Future
  - CMS Meaningful Use "Core" Measure on Data Exchange
    - Capability to exchange key clinical information (for example, problem list, medication list, medication allergies, diagnostic test results), among providers of care and patient authorized entities electronically

Bridging the Outpatient-Inpatient Silos: Care Transitions

- Current
  - Coordinating/Monitoring Follow up Care After Hospitalization or ER Visit
    - 74 of 193 Physician Organizations (PO) have systematic process
  - Readmissions within 30 Days Measure
- Future
  - Perform medication reconciliation for patients received from another setting of care or provider of care or at relevant encounters
  - Provide summary of care record for each transition to another setting of care or referral to another provider of care

Bridging the Outpatient-Inpatient Silos: Total Cost of Care

- Current
  - Only focus for full risk groups
- Future
  - POs pick hospital partners to collaborate with on bending total cost trend and improving quality
  - Provide POs with reports on hospital quality (and cost, when available)
  - Working together will presumably allow greater impact on cost trend
  - Incentive payment shared between PO and hospital partners
  - PO and hospital partners begin to accept downside risk as well as upside potential

Role of Health Plans

Role of Health Plans

- Incentive Structures
- Network/Benefit Design

Role of Health Plans: Incentive Structures

- Current – two completely separate incentive pools for quality and for utilization
- Future – Integrate quality and utilization incentives
  - Attainment and improvement on Total Cost of Care and trend performance
  - Attainment and improvement on Quality performance
  - Must perform well on both to earn maximum incentive

Role of Health Plans: Network/Benefit Design

- Current
  - Some health plans have "value network"
  - Based mainly on costs
  - No standardization
- Future
  - Calculate standard performance score
  - Develop standard tiering criteria
  - Health plans create new benefit designs
    - Incorporate differential premium contribution, copayments and/or coinsurance levels based on performance score of PO selected
  - Engage consumers to consider out-of-pocket costs
  - Create market competition among providers

For more information:

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