



The Physician Charter: *Friend or Foe???*

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AMA original concerns with the Patient Charter



- **Focuses more on achieving transparency than ensuring the accuracy of the rating results;**



- **Lacks specificity as to how the reviews of the rating process would be done and how potential deficiencies in the processes would be addressed and hopefully enforced; and,**



- **Does not prohibit the use of cost/efficiency measurement without also measuring quality of care.**





AMA Supports the Patient Charter



“The work of the Consumer-Purchaser Disclosure Project reinforces the need to protect access to care and the patient-physician relationship by requiring insurers to open their physician rating programs for careful evaluation to assess accuracy, integrity and fairness.



“Although additional work must be done to accurately and fairly evaluate the individual work of physicians, the AMA sees the Patient Charter as an important step in the right direction and we offer our assistance in ensuring its criteria are appropriate and measurable.”



Nancy H. Nielsen, MD, PhD AMA President-Elect







NY AG Cuomo Groundbreaking Settlement Language



- **Transparency, accuracy and oversight**
- **No cost (efficiency) ratings w/o quality**
- **Evidence-based national quality standards**
- **Accurate results**
 - valid sample sizes
 - appropriate risk adjustment
 - accurate attribution





NY AG Cuomo Groundbreaking Settlement Language (cont.)



- **Disclose limitations of physician profiling programs**
- **Process for patients to register complaints**
- **Process for physicians to appeal incorrect rankings**
- **Independent Ratings Examiner to report to the NY AG every six months**





NY AG Settlements and the Patient Charter



Good first steps but need to go farther!

- Settlements binding only in New York
- Charter is voluntary
- No standards defining:
 - validity of methodologies;
 - transparency levels of processes;
 - accuracy of results; and
 - criteria used in program review.





Importance of defining these terms



- **Patient understands information**
- **Physicians understand the program**
- **Patients understand program limitations**
- **Physician reputations are at stake**
- **Patient decisions based on valid information**





Ratings Examiner (Rx): *Where the rubber meets the road*



Retain, at their own expense, the services of a nationally-recognized, independent health care quality standard-setting organization to review the plan's programs for consumers that measure, report, and tier physicians based on their performance. This review should include a comparison to national standards and a report detailing the measures and methodologies used by the health plan. The scope of the review should encompass all elements described in the *Criteria for Physician Performance Measurement, Reporting and Tiering Programs*



Patient Charter



Ratings Examiners:

They will hold the key to define:



- **What constitutes transparency?**
- **How accurate is accurate?**
- **What criteria will they use?**





#1 concern is accuracy of results



Problems with “Efficiency” Measurement

- The “N”
- Physician Attribution
- Patient Demographics and Compliance
- Comorbidities
- Severity of Illness
- Risk Adjustment





The Inefficiencies of “Efficiency” Measurement



“For cardiologists, 28% of physicians would be misclassified as inefficient with minimum episodes samples of 10, while the misclassification rate with 40 episodes would be 20%. For general surgeons, the misclassification rate would be 33% and 25% and for neurosurgeons, the rates would be 30% and 24%, respectively.”



*Source: J. William Thomas, PhD, Institute for Health Policy, Muskie School of Public Service, University of Southern Maine







Conclusions



- **Patient Charter and NY Settlements are a giant step forward**
- **Ratings examiner is the key**
- **Must be able to validate health insurers physician profiling process**
- **Reliability not perfection**



