

## Minnesota Bridges to Excellence

National Pay for Performance Summit February 7, 2006 Los Angeles





# Agenda

- Minnesota Marketplace
- Local Pay for Performance Building Blocks
- What it looks like today
- What's in our future





## Minnesota Market

- Providers organized into care systems
- Locally based non-profit health plans
  - Consumer directed health care growing
  - All plans have tiered networks
- Home of UnitedHealth Group (no owned local presence)
- Home of multiple corporate headquarters
- Buyers Health Care Action Group (BHCAG) has been a catalyst for several advancements over last 15 years
  - Choice Plus/Patient Choice
  - ICSI
  - Leapfrog Group
  - Evalu8e
  - Smart Buy Alliance





# **BHCAG Members**

- 3M
- AMS
- Barry Wehmiller
- Bemis
- Cargill
- Carlson Companies
- Ceridian
- CHS
- ELCA
- General Mills
- Honeywell
- Jostens
- Land O' Lakes
- Medtronic
- Merck & Co.
- Minnesota Life

- MN DOER
- Northwest Airlines
- Olmsted County
- Park Nicollet
- Pfizer
- Resource Training and Solutions
- Rosemount
- SUPERVALU
- Target
- Tennant
- TCF Financial
- University of Minnesota
- US Bank
- Xcel Energy
- Wells Fargo





# **MN P4P Building Blocks**

- Providers and health plans develop consensus on evidence based guidelines, relevant measures, and provide implementation support
- Aggregate payer data, review physician performance according to ICSI measures, publicly report results
- Reward performance through existing health plan programs and BTE









### Institute for Clinical Systems Improvement



Institute for Clinical Systems Improvement Annual Report 2004

- •Formed in 1993
- Independent, non-profit
- •Members include 55 medical organizations representing over
- 7,500 physicians
- •Sponsored by six Minnesota health plans
- •Provides health care quality improvement services
  - Guideline development
  - •Support for implementation
  - Measures

•www.icsi.org







- Begun by Minnesota health plans in 2002
  - Review quality
  - Report results
  - Increase efficiency of reporting
- Aggregated data from 7 health plans
- Chart audits for clinical and administrative data
- Four years of reporting
  - 2002 diabetes
  - 2003 nine clinical topics, 20 measures
  - 2004 first public report
  - Latest report released November 2005
- www.mnhealthcare.org





November 2005



#### MN Community Measurement 2005 Health Care Quality Report



#### **Optimal Diabetes Care (revised targets)**



# Why BTE in Minnesota?

- Common direction community-wide return
- Builds momentum and greater rationale for physician re-engineering efforts
- Despite years of work by ICSI and measurement, it's still needed
  - the current "best" is poor
  - 6% of patients meet Optimum Diabetes Care (all 5 criteria) for 2004 performance





### Members of the Guiding Coalition

- BCBSMN
- HealthPartners
- Medica
- Preferred One
- MN Community Measurement
- Stratis-QIO

- Fairview
- MN Medical Association
- Carlson Companies
- United HealthGroup
- Resource Training and Solutions
- Securian
- *3M*

Health Plans Employers Providers Community





# Adapting Bridges to Excellence

- Program design
  - Which programs?
  - Which measures?
  - Where to set the bar?
  - Comparison to existing health plan P4P programs
  - Group v. individual rewards
- Employer recruitment
- Vendors
- Contracting





### **Rewards for ....**

### • All 5 measures must be met by each patient

- HbgA1c < 7</p>
- LDL < 100
- BP < 130/80
- Non-smoking status
- 40 y.o. + daily aspirin use
- Thresholds
  - Goal of 10% of diabetic patients for 2004
    - (9 out of 53 medical groups)
  - Goal of 15% in 2005
  - Goal of 20% by 2006





# **Employer Participation**

- Objections
  - Paying for this already through disease management (they don't reward physicians)
  - Health plans already have programs (but self funded employers aren't funding them)
  - Administrative costs too high (cut by 2/3 with local resources)
  - Too much on their plates
  - ROI not solid enough
- Participants so far include 91,300 covered lives from...
  - 3M
  - Carlson Companies
  - GE
  - Medtronic
  - UPS
  - Wells Fargo





### **MN BTE Contract Arrangements**





### **Comparing MN to "Vanilla" BTE**

#### Minnesota Model

- MN Community Measurement does chart review, data aggregation and attribution
- Annual review and report on 51 physician groups
- No physician recruitment
- Annual payments
- Optimal Diabetes care; must meet all 5 measures
- Random sampling of all patients
- Annual increase in targets

#### <u>BTE</u>

- Medstat does aggregation and attribution
- Physicians apply for rewards to NCQA at any time
- Report on rewarded physicians only
- Physicians must apply
- Quarterly payments
- NCQA criteria rewards single measures
- Patient sampling based on visit sequence
- Rewards for three years





## Where we are going

- January
  - Employer contracting
  - Obtaining data from health plans
- February
  - Health plans provide data
  - MN Community Measurement completes attribution and sends to Medstat
- March
  - Medstat invoices employers
  - Employers fund rewards
- April
  - Medstat cuts checks to providers
  - Provider Webcast announcing rewards
- May
  - BHCAG Annual Summit Pay for Performance





# Challenges

### • Past

- ROI not solid (enough)
- Getting attention of employers
- Role of competing health plans
- Lack of knowledge about what works
- Future
  - Debate about what needs to common across plans
  - How to include Medicaid and State employees
  - How to incorporate specialty care
  - Sustained funding for ongoing development





### Lessons Learned: Think Nationally; Act Locally

- National health care problems can turn into action by considering local health care market, resources, economics, and culture
- Build on existing initiatives and local strengths
- National quality standards (or higher)
- Local reporting (for now)
- Payment from local and national payers

