



U.S. Department of Health and Human Services



Agency for Healthcare Research and Quality
Advancing Excellence in Health Care • www.ahrq.gov

Achieving Value

Evidence from Public and Private Payment Programs

Pay for Performance Summit

March 2, 2015



Defining Value

- **Better Care**
 - ▶ Improve patient experience, quality and safety of care
- **Healthy People, Healthy Communities**
 - ▶ Improve population health
- **Affordable Care**
 - ▶ Reduce per capita cost of care; burden on individuals, families and society
- ***Reduce Disparities*** in all three areas



What's the Problem?

- National health expenditures \$2.9+ trillion, 17+% of GDP.
- Large variations in access, quality and cost of care across providers and regions.
- Americans receive only 70% of recommended care.
- Disparities remain and in some cases have worsened, particularly for low-income individuals and certain minority groups.

National Health Expenditure Fact Sheet, CMS, 2014. <http://www.cms.gov/>

National Healthcare Quality and Disparities Report, AHRQ, 2014. <http://nhqrnet.ahrq.gov/inhqrdr/>



Bright Spots

- Affordable Care Act is expanding coverage, particularly in Medicaid expansion states
- Health care spending growth has slowed in recent years (...but may be rising again)
- Many national indicators of quality and safety have improved in recent years
- Still much potential for improvement in quality, access, disparities, and costs



What's Changing?

- *“Our goal is to have 85% of all Medicare fee-for-service payments tied to quality or value by 2016, and 90% by 2018. Perhaps even more important, our target is to have 30% of Medicare payments tied to quality or value through alternative payment models by the end of 2016, and 50% of payments by the end of 2018.”*
 - ▶ Sylvia Burwell, U.S. Secretary of Health and Human Services. *New England Journal of Medicine*, January 26, 2015.
- Public and private payers all moving toward more value-based payments.



What is AHRQ Doing?

- *AHRQ's mission is to produce evidence to make health care safer, higher quality, more accessible, equitable, and affordable, and to work within the U.S. Department of Health and Human Services and with other partners to make sure that the evidence is understood and used.*
 - ▶ Increased funding for research on affordability and access to care (ahrq.gov/funding)
 - ▶ Centers of Excellence initiative on comparing health care system performance
 - ▶ Connecting researchers with program and policy leaders through meetings, conferences and webinars
 - ▶ Public Access Plan



Session Overview

- **Hospitals & Physicians**
 - ▶ Andrew Ryan, University of Michigan
- **Nursing Homes**
 - ▶ Tamara Konetzka, University of Chicago
- *Break*
- **Primary Care**
 - ▶ Naomi Bardach, University of California San Francisco
- **Full Panel & Audience Discussion**