



Minnesota Pay for Performance:

Where it's Come From and Where it's Going

***P4P Summit
February 15, 2007
Carolyn Pare
CEO BHCAG***



buyers health care action group

BHCAG



Agenda

- Purchaser Perspective and Activity - Carolyn Pare, CEO BHCAG
- Role of Government - Cal Ludeman, Commissioner, MN Department of Human Services
- Importance of Measurement - Jim Chase, CEO Minnesota Community Measurement
- Provider Perspective - Barry Bershow MD, Medical Director for Quality and Informatics, Fairview Health Services



buyers health care action group

BHCAG



Purchasers

- Who are we?
- What is our role?
- What have we done?



buyers health care action group

BHCAG



Who are we?

- *Buyers Health Care Action Group -Reforming the market since 1988*
 - Patient Choice
 - HealthFront
 - ICSI
 - LeapFrog Group
 - Evalu8
 - BTE
- *Members include large employers*
- *Represent voice of employers in multiple venues*
 -



buyers health care action group

BHCAG



Purchasers: Who are we?

Smart-Buy Alliance: Members pool their purchasing power to drive value in the health care delivery system. Their goals are to improve quality and lower costs by reducing inappropriate and unnecessary care, encouraging evidence-based medicine and use of highest-performing providers, and reducing providers' administrative costs through common reporting requirements. That is, the Alliance hopes to achieve savings in the long run through coordinating their members' expectations on quality and value.



buyers health care action group

BHCAG



Smart Buy Alliance Principles

- ***Reward or require "best in class" certification.***
- ***Adopt and utilize uniform measures of quality and results.***
- ***Empower consumers with easy access to information.***
- ***Require use of information technology***



buyers health care action group

BHCAG



The MN BTE Champions of Change

The Champions of Change are early adopters of MN BTE. These entities are taking the lead in publicly signaling the medical community that health care purchasers want to pay and reward providers for optimal care, not quantity of services performed.

2006 Participants

- 3M
- Carlson Companies
- General Electric
- Honeywell
- State of Minnesota Department of Employee Relations
- Wells Fargo

2007 Additions

- MN Department of Human Services (Medicaid)
- Resources Training and Solutions (teachers and government Central MN)
- Target Corporation
- University of MN
- Visant (formerly Josten's)*



buyers health care action group

BHCAG



Purchasers: What is our role?

- *Value Based Purchasing*
 - *Measure* – consistent defined set for all payers, all providers
 - *Report* – public scorecard for comparing performance on measures across multiple payers
 - *Reward* – incentives for providers to improve performance
- *Market Alignment*
 - *Consistent Measures across all health plans* - Optimal Diabetes Care
 - *Direction* - which measures, conditions, procedures
 - *Stakeholder convener* - Guiding Coalition, Community Dialogue
- *Signal Strength*



buyers health care action group

BHCAG



What have we done?

- Value Based Purchasing - BHCAG brought BTE to Minnesota
 - February 2005 introduction
 - Designed diabetes program to incorporate local building blocks
 - Recruited early “Champions of Change”
 - First rewards paid in June 2006 to nine medical groups for Optimal Diabetes Care
 - Composite measure of 5 scores
 - Outcomes, not process
 - Builds on existing, locally accepted measures, processes, methodology - accelerating provider buy-in
 - Enhancing rewards for providers who submit performance data at the clinic site level
 - Considering CVD, depression and use of radiology for next year



buyers health care action group

BHCAG



The MN BTE Guiding Coalition

MN BTE is governed by representatives from key community stakeholders to ensure collaboration, consensus and the success of the program.

- Champions of Change
- 3M
- BHCAG
- Blue Cross Blue Shield
- Carlson Companies
- Fairview Medical Group
- HealthPartners
- Institute for Clinical System Improvement (ICSI)
- Medica
- Minnesota Medical Association
- MN Community Measurement
- Preferred One
- Stratis
- State of Minnesota Department of Employee Relations
- State of Minnesota Department of Human Services



buyers health care action group

BHCAG



What have we done?

- Market Alignment
 - Smart Buy
 - Alignment of measures
 - Prioritization of next steps
 - Benefit plan design
 - Efficiency measures
 - Community Dialogues
- Signal Strength
 - Best Practices Study
 - Providers aware, motivated, measuring
 - Safety, quality, efficiency, value



buyers health care action group

BHCAG