Pay for Performance: on the Race Track

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Agenda

- **P4P Current Direction**

- **Clinical IT Adoption Incentives**

- **Challenges and Successes**

- **Predictions**

- **Transition, Transformation, Transparency**

The Race is on for a Value-Driven Health System

The Leapfrog Group Urges Employers to Publicly Support Executive Order on Health Care Transparency
 - *Leapfrog Group*
November 17, 2006

Quality Plus: An Overview
Physician and Hospital Quality

The *Physician and Hospital Quality* standards evaluate how health plans measure the quality and cost of care provided by network physicians and hospitals.

Four principles serve as the foundation for standards:
- **Standardization**
- **Transparency**
- **Collaboration**
- **Action**

The Washington Post

Grades to transform U.S. healthcare, Secretary says
By Maggie Fox, Health and Science Editor
Monday, November 13, 2006; 6:03 PM

WASHINGTON (Reuters) - A scorecard that lays out how well a hospital or doctor does on a treatment -- and how much they charge for it -- can help transform U.S. health care, Health and Human Services Secretary Mike Leavitt said on Monday.
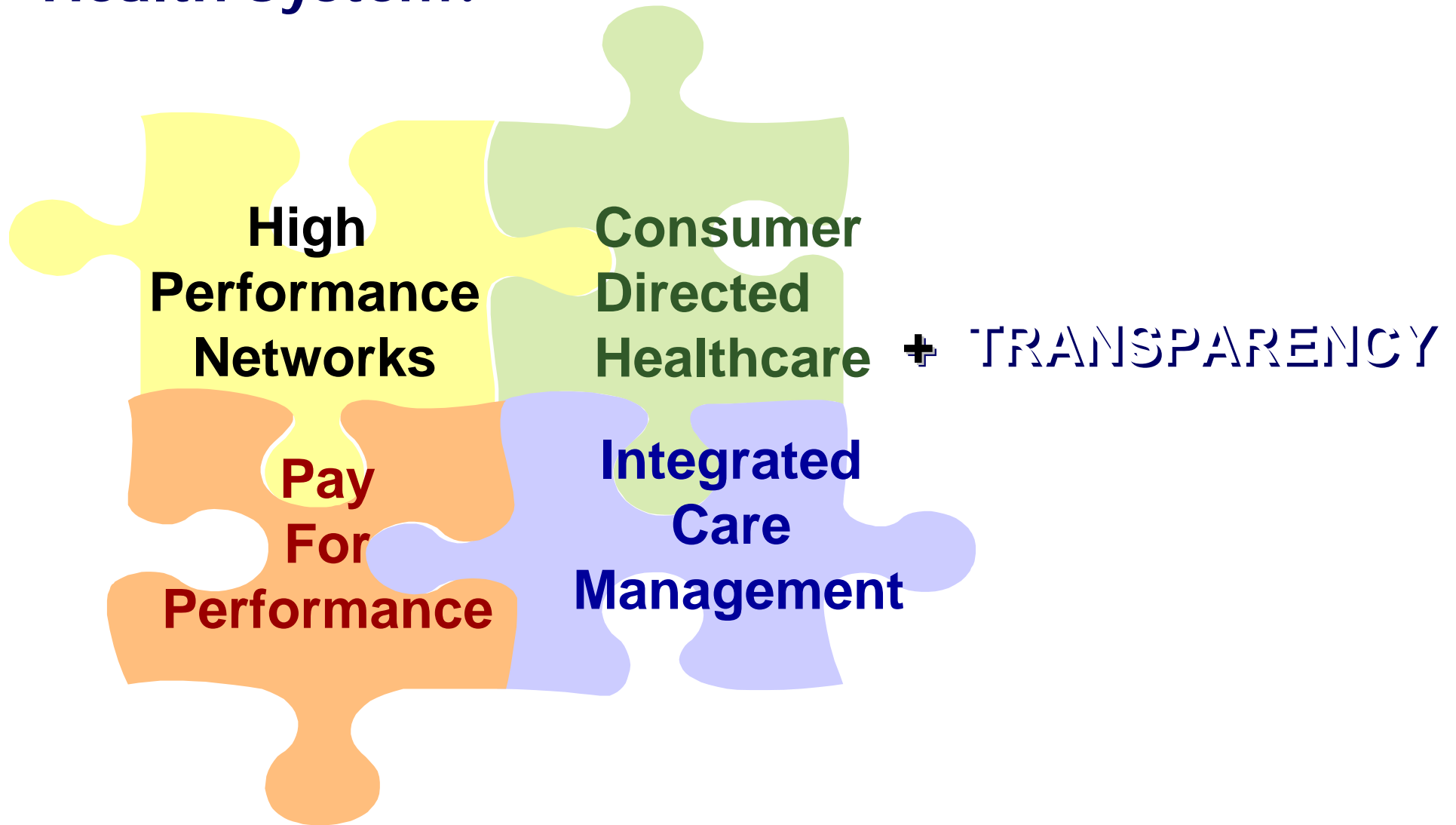
BenefitNews.com

Bush Orders Federal Agencies To Rate Quality Of Health Care
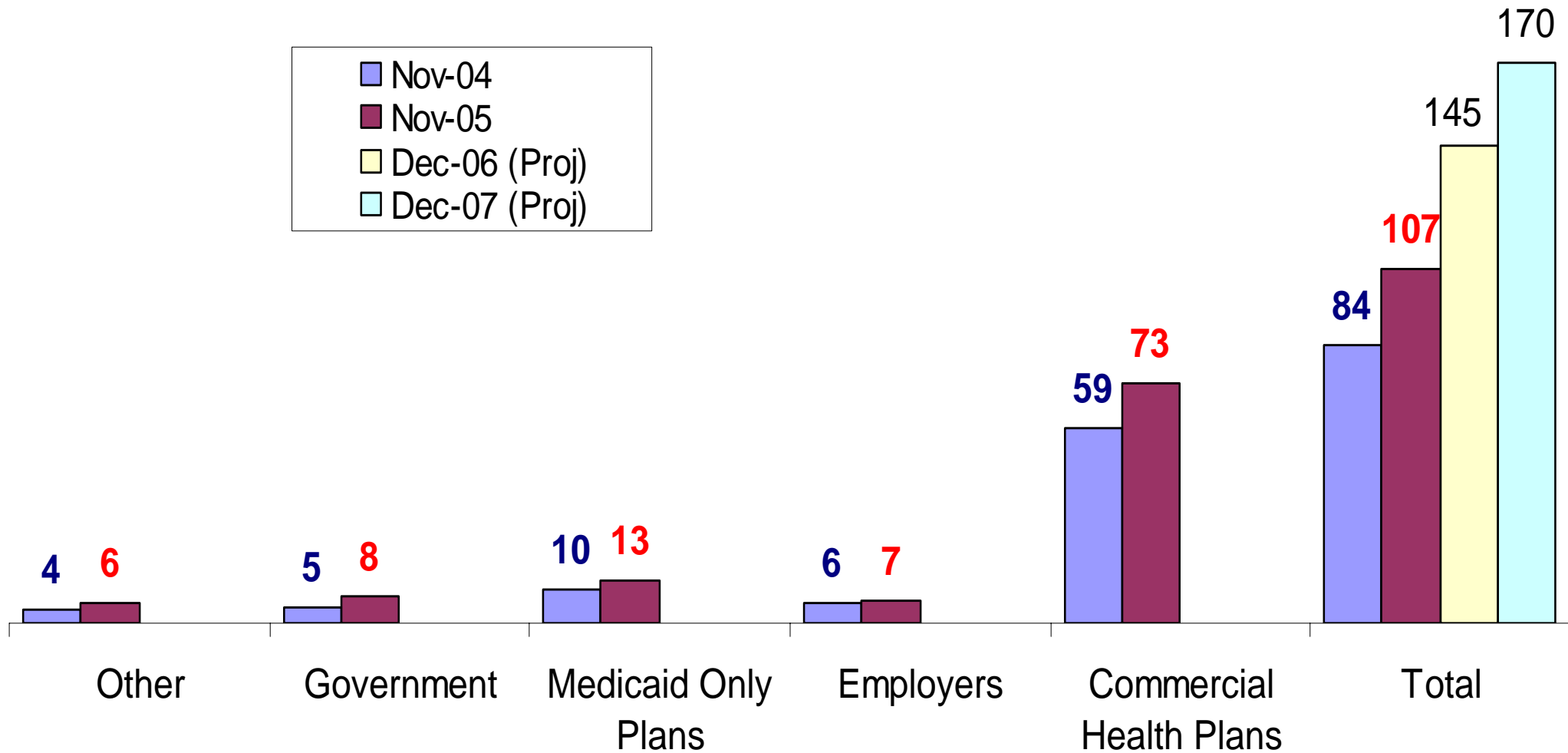Leah Carlson Shepherd *Employee Benefit News • November 2006*

President George W. Bush's executive order to promote quality and price transparency in health care for federal beneficiaries has garnered mostly positive reactions from employer groups and insurers.

The executive order requires four federal agencies to use health information technology that meets interoperability standards, measure quality of health care providers, develop practices that encourage high-quality care and give patients information about the prices of common treatments and procedures and the quality of services provided by doctors, hospitals, and other health care providers.

How Does P4P Connect with a Value-Driven Health System?

High Performance Networks

Consumer Directed Healthcare

Pay For Performance

Integrated Care Management

+ TRANSPARENCY

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Med-Vantage Survey of P4P Programs

Legend:
- Nov-04
- Nov-05
- Dec-06 (Proj)
- Dec-07 (Proj)

Category	Nov-04	Nov-05	Dec-06 (Proj)	Dec-07 (Proj)
Other	4	6		
Government	5	8		
Medicaid Only Plans	10	13		
Employers	6	7		
Commercial Health Plans	59	73		
Total	84	107	145	170

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Is P4P Progressing ?

| Stage 1 1996-2003 | Stage 2 2004-2006 | Stage 3 2007-2010 |

Features

Stage 1
- PCP HEDIS measure
- Hospital measures
- Minimal consumer reporting
- HMO product line
- Withhold or Bonus based payouts

Stage 2
- PCP + Facility measures, Multiple specialties
- Balanced Scorecard
- EB quality and affordability measures
- All products
- Differential fee schedules

Stage 3
- Enhanced data collection
- Clinical data exchanges + aggregation
- Standardized (+ outcomes) measures
- Actionable MD info - registries, reminder alerts
- PHR – EHR integration
- Transparency

Benefits

Stage 1
- Informational
- Low impact on cost
- Preventive care
- Existing data sets

Stage 2
- Static consumer report cards
- Safety and medication errors
- Provider IT investment
- Collection of non-claims data (lab values, etc.)

Stage 3
- Enhanced Provider Directories (Provider ratings)
- Demonstrable ROI
- Member engagement (PHR)
- Point of care notification

2005 Physician P4P Domains

	2003 Survey n = 34	2004 Survey n = 50	2005 Survey n = 76
Clinical	89%	94%	91%
Patient Satisfaction	79%	56%	37%
Efficiency/Utilization	57%	46%	50%
IT/Infrastructure	39%	54%	42%
Administrative	54%	40%	25%
Other	32%	22%	26%
Patient Safety	n/a	n/a	12%

NOTE: in 2003 and 2004 both hospital and physician P4P programs were included in this question

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1. Interoperability Standards - (CMS, AHRQ)

2. Data Aggregation / Exchange

   - Seeding of provider health data connectivity (RHIOs, AHRQ, BCBSMA)

3. P4P for IT Adoption / Use of Clinical Systems

   - POL/PPC and MassPRO survey used for BTE rewards (Carefirst, Cigna, Aetna)

   - Non-proprietary IT survey tools that leverage PPC standards (Horizon, Anthem, Highmark, Maine Health Management Coalition, others)

4. E-Rx - Significant Traction (generic brand, formulary compliance)

5. Consumer Engagement (enhanced provider directory)

Challenges

- Complex program requirements

- Complex technical requirements

- Complex methodological issues

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Complex Technical Requirements

1. Database construction – ex. MV RDBMS Platform
2. Built EBM measures, configurable for multiple specialties
3. Target setting (mean, absolute, relative) using statistically sound methods
4. EBM references (grade of evidence, citations)
5. Patient registry, Electronic patient health record
6. Cost of care indexing and drill-downs (drug & procedure)
7. Non- admin data results reporting and chart results entry
8. Statistical validity checks (sample size, confidence intervals, percentile ranking, scoring)
9. Scoring and payment calculation
10. Balanced scorecard construction with domain weighting
11. Web design, electronic and non-electronic delivery
12. Exception reporting & data correction
13. Care alert generation (omissions/commissions, gaps, DDI checks)
14. Point of care – provider workflow

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Complex Methodological Issues
for Quality & Cost

1 Identify Relevant Quality Measures and Cost of Care Indicators

→

2 Define Units of Measurement

→

3 Business Rules & Statistical Requirements

→

4 Display Scorecard Results & Patient Registry

P4P Challenges
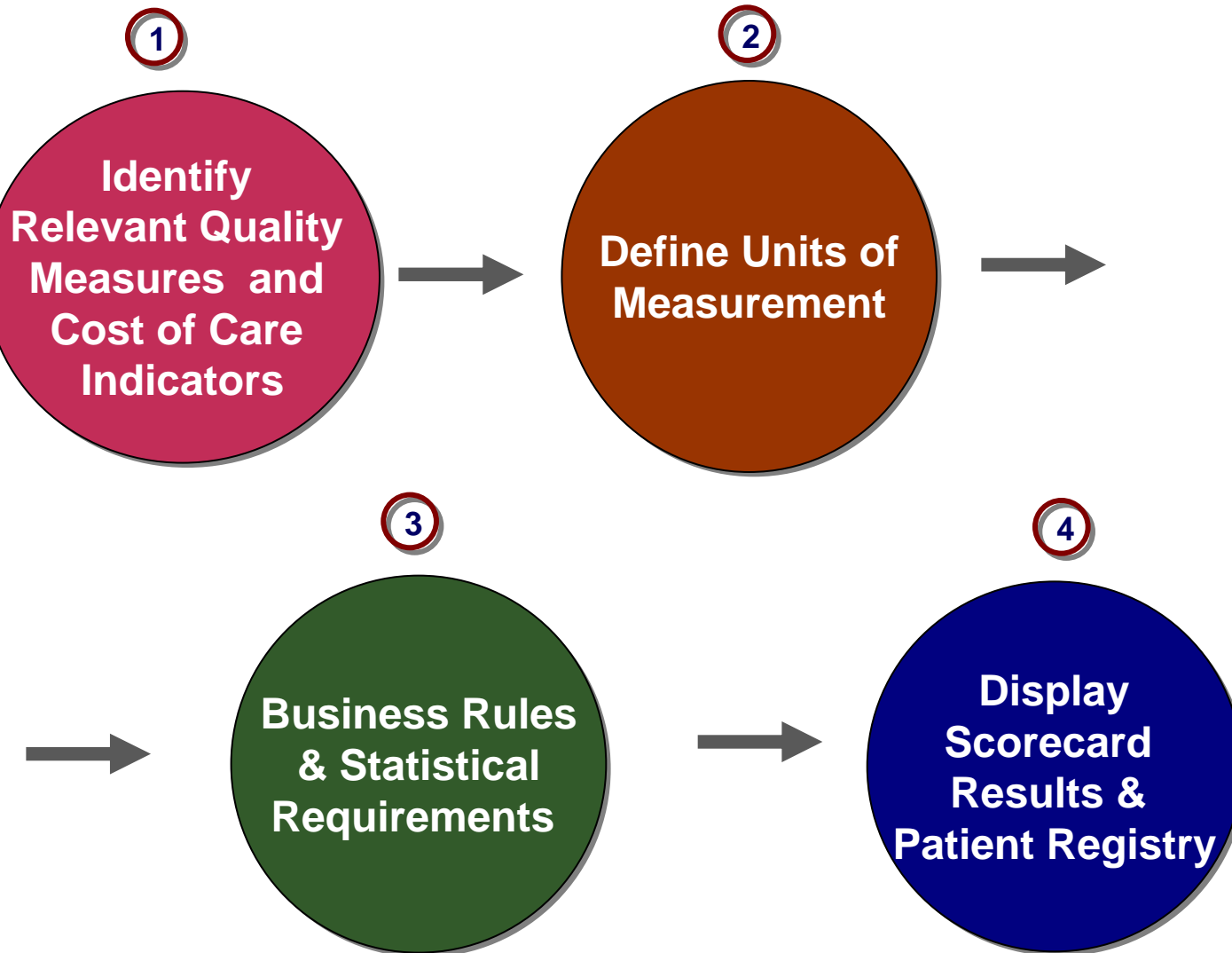
Plans Report Constraints	Responses	%
Small numbers problem	49	63%
Timeliness of the data	46	59%
Accuracy of the data	40	51%
Availability of lab data	39	50%
Assigning patients to doctors	25	32%
Need to use chart data	24	31%
Sharing/exchange of data with MDs	22	28%
Risk adjustment	21	27%
Availability of pharmacy data	18	23%
Defining a phys. practice/group	16	21%
Auditing the data	16	21%

n = 78

Successes

- Business rules to address technical issues

- Advances in measurement methodologies

- Programmatic improvements

- Provider engagement tools

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EBXchange Measures

National Measures

Measures by Classification

Measures by Condition

Measures by Specialty

EBXchange Reports

Survey   ▸

IT Survey   ⊟

Electronic Medical Record: a term~~~~~~~~~~~puter-based patient medical records. It may contain clinical note~~~~~~~~~~~~~prescriptions, automated checks for drug and allergy interacti~~~~~~~~~~~ok up of patient data by clinical staff at any given location, sending~~~~~~~~~~~~~~~r physicians participating in the patients care, and provides accurate and complete claims processing to insurance companies. Comprehensive electronic medical records include electronic disease registry functions and electronic prescribing.

Electronic Prescribing: A personal computer or handheld system for writing prescriptions that provides formulary alerts, checks for drug interactions, provides the patient's prescription history of filled prescriptions when available and transmits prescriptions to the patient's pharmacy or prints prescriptions in physician's office.

Electronic Disease Registry: an electronic clinical information system used by physicians to identify and track information on patients with preventive service needs or chronic diseases for the purpose of reaching out to patients with gaps in care.

Tax Identification Number: *

[   ]

Name of Physician Group: *

[   ]

Medical Records	**IT Survey Questions**
Prescribing	
Disease Registry	1. **Do you have an electronic disease registry?**
Complete	○ Yes

Road Ahead: Key Trends for P4P

- Getting "actionable information" to physicians

- Better support tools

- Data aggregation and clinical exchange

- Multiple outreach mediums

- Increased communication frequency

- Clinical trends are changing

- Budget neutral - shared savings models

- CMS is now in business

- Push for standardization

- Rush towards transparency (beware)

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P4P Data Results Aligned with Transparency

Consumer

Provider

Please Participate in the '06 P4P Survey!

http://survey.medvantageinc.com/2006Survey/

Endorsing/Supporting Organization	Status
The Commonwealth Fund	*Supporter
The Robert Wood Johnson Foundation	*Supporter
The Agency for Healthcare Research and Quality (AHRQ)	*Supporter
Maine Health Management Coalition	Endorser
Bridges to Excellence	Endorser
National Business Coalition on Health	Endorser
National Committee on Quality Assurance (NCQA)	Endorser
National Quality Forum	Endorser
Pacific Business Group on Health (PBGH)	Endorser
Rewarding Results National Evaluation Team	Endorser
Center for Health Care Strategies, Inc.	Endorser

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