

Integrated Healthcare Association: Statewide Pay for Performance (P4P) Collaborative

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IHA Formation - 1996

- *Origination:* State Hospital Association
- *Impetus:* Cross-sector tension from managed care / cost pressures
- *Member Interest:* Work together and/or protect self-interest
- *Legal Status:* Non profit, 501(c)(6)

IHA Vision/Mission - 2004

Vision:

Health care that promotes quality improvement, accountability, and affordability, for the benefit of all California consumers.

Mission:

To create breakthrough improvements in health care services for Californians through collaboration among key stakeholders.

IHA Role

Accountability

IHA promotes accountability and transparency

Breakthrough Collaboration

IHA fosters innovation through both individual and collaborative efforts

Education and Information

IHA supports a visible, ongoing effort to promote health care improvement

Policy Innovation

IHA seeks to influence public healthcare policy issues

Project Development

IHA serves as a catalyst by initiating and coordinating projects

IHA Sponsored Pay for Performance (P4P) Program

The goal: To create a compelling set of incentives that will drive breakthrough improvements in clinical quality and the patient experience through:

- ✓ Common set of measures
- ✓ A public scorecard
- ✓ Health plan payments

The California P4P Players

- 8 health plans
 - Aetna, Blue Cross, Blue Shield, Cigna, Health Net, Kaiser, PacifiCare, Western Health Advantage
- 40,000 physicians in 228 physician groups
- HMO commercial members
 - Payout: 6 million
 - Public reporting: 12 million*

* Kaiser medical groups participated in public reporting only starting 2005

P4P Supporters

- California Association of Physician Groups
- California HealthCare Foundation
- Consumer Advocates NCQA
- Purchasers – Pacific Business Group on Health
- State of California
 - ✓ Department of Managed Health Care
 - ✓ Office of the Patient Advocate

P4P Program Governance

- Steering Committee – determine strategy, set policy
- Planning Committee – overall program direction
- Technical Committees – develop measure set
- IHA – facilitates governance/project management
- Sub-contractors
 - ✓ NCQA/DDD – data collection and aggregation
 - ✓ NCQA/PBGH – technical support
 - ✓ Medstat – efficiency measurement

Multi-stakeholders “own” the program

Gaining Buy-in

- Adoption of Guiding Principles
- Multi-step measure selection process
- Opportunity for all stakeholders to give input via public comment
- Open, honest dialog
- Frequent communication via multiple channels

P4P Administrative Costs

The following program components require funding:

1. **Technical Support** – measure development and testing
2. **Data Aggregation** – collecting, aggregating and reporting performance data
3. **Governance Committees** – meeting expenses and consulting support services
4. **Stakeholder Communication** – web casts, newsletters and annual meeting
5. **Program Administration** – direct and indirect staff and related expenses
6. **Evaluation Services** – program evaluation and consultative services

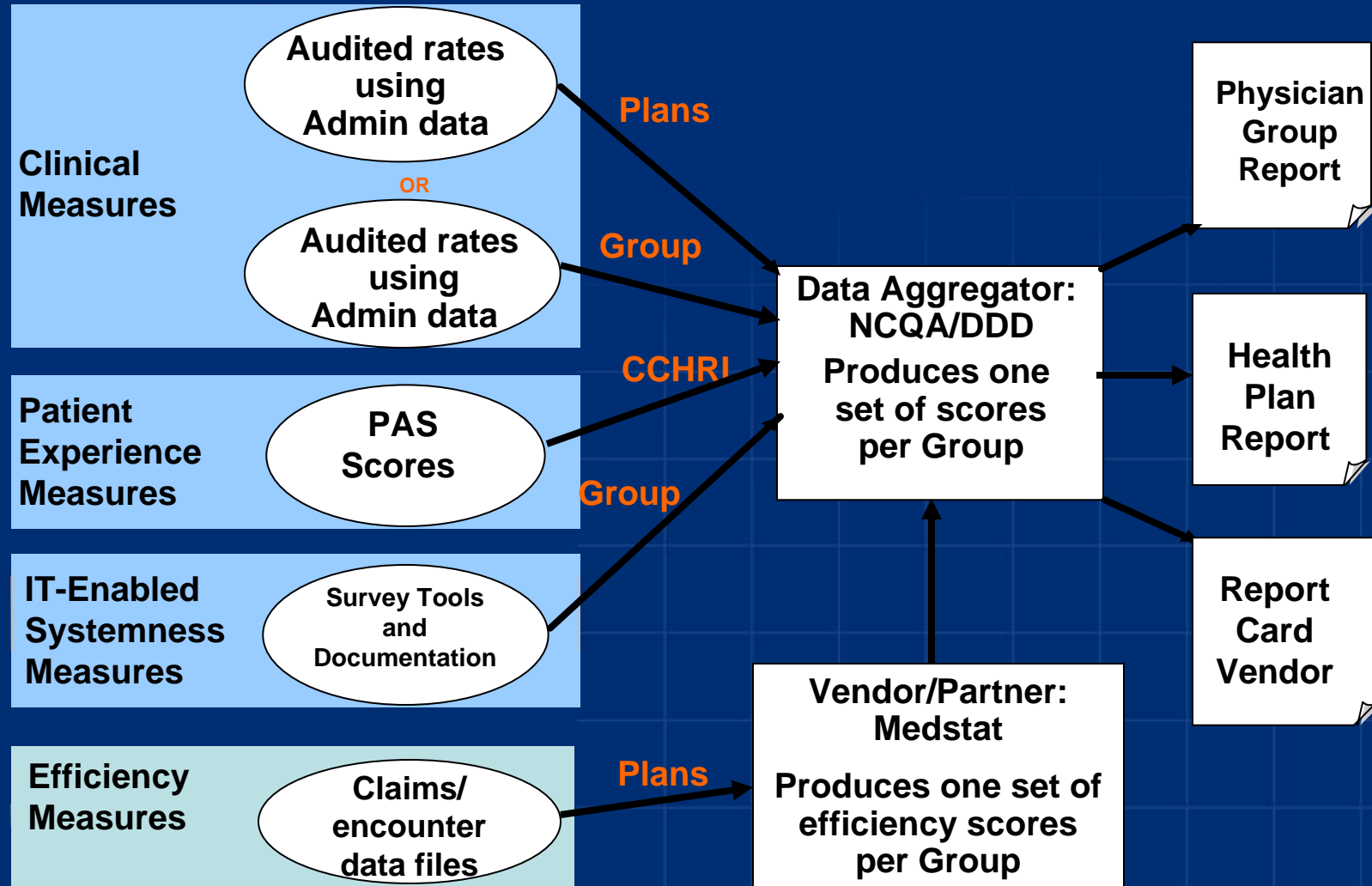
P4P Funding Sources

- Grants from California HealthCare Foundation
 - Initial development and technical expansion
 - Evaluation
- Sponsorship from Pharma company
 - Committee meetings
 - Stakeholder Communications
- Health Plan Administrative Surcharge
 - Everything else

P4P Organizing Principles

- Measures must be valid, accurate, meaningful to consumers, important to public health in CA, economical to collect (admin data), stable, and get harder over time
- New measures are tested and put out for stakeholder comment prior to adoption
- Data collection is electronic only (no chart review)
- Data from all participating health plans is aggregated to create a total patient population for each physician group
- Reporting and payment at physician group level
- Financial incentives are paid directly by health plans to physician groups

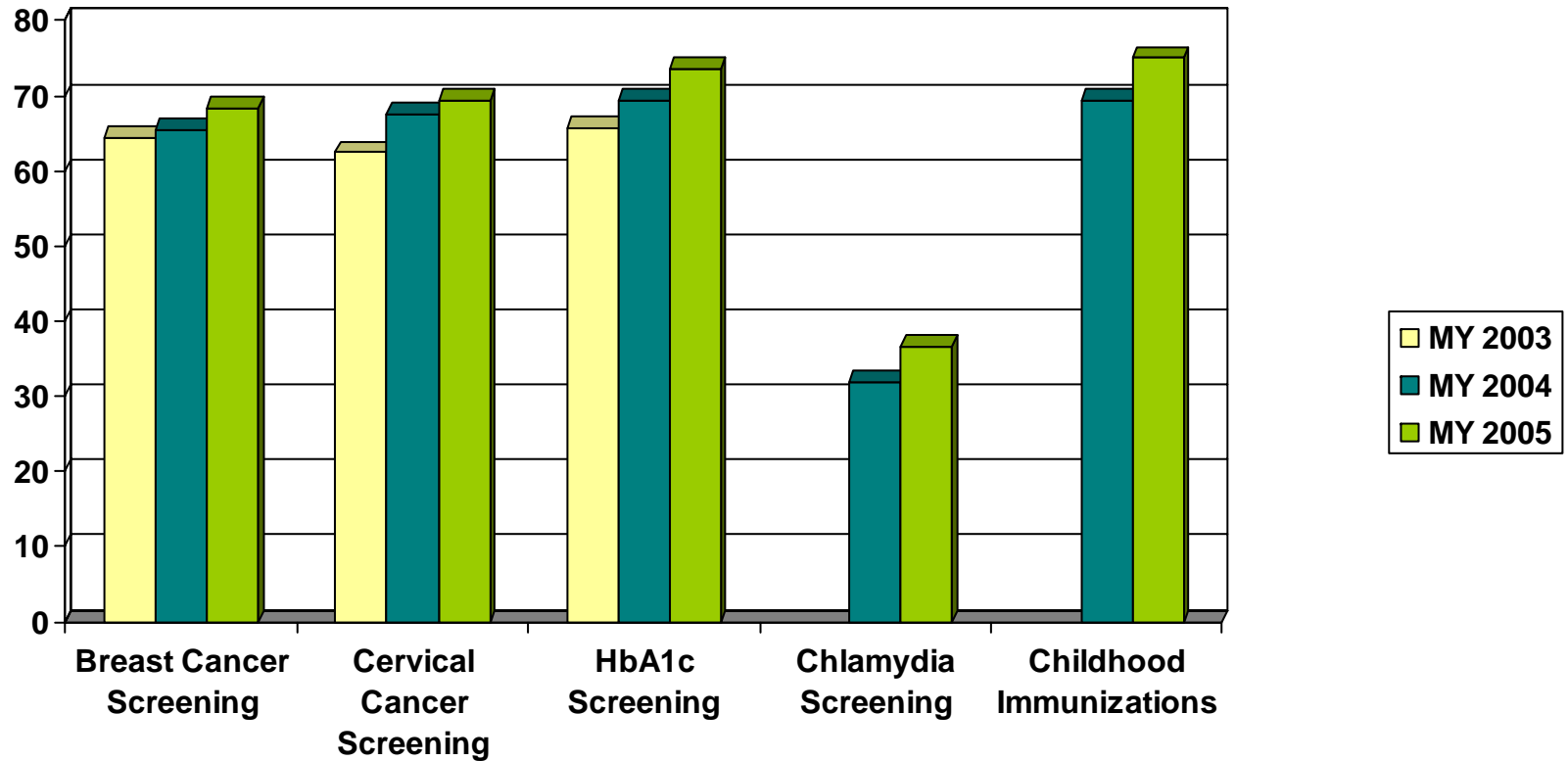
P4P Data Collection & Aggregation



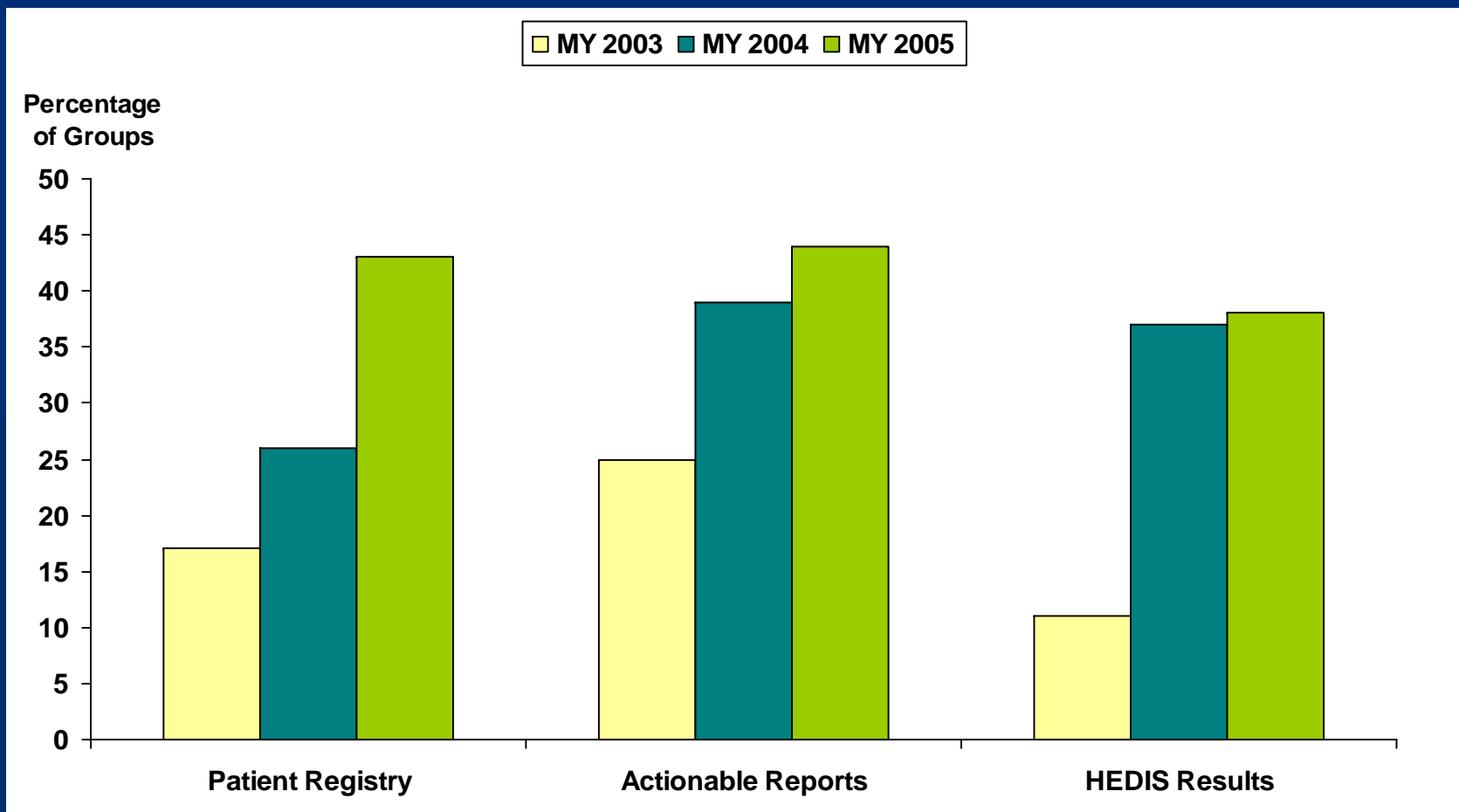
Overview of Program Results

- Year over year improvement across all measure domains and measures
- Single public report card through state agency (OPA) in 2004/2005 and self-published in 2006
- Incentive payments total over \$140 million for measurement years (MY) 2003-2005
- Physician groups highly engaged and generally supportive

P4P Clinical Results MY 2003-2005



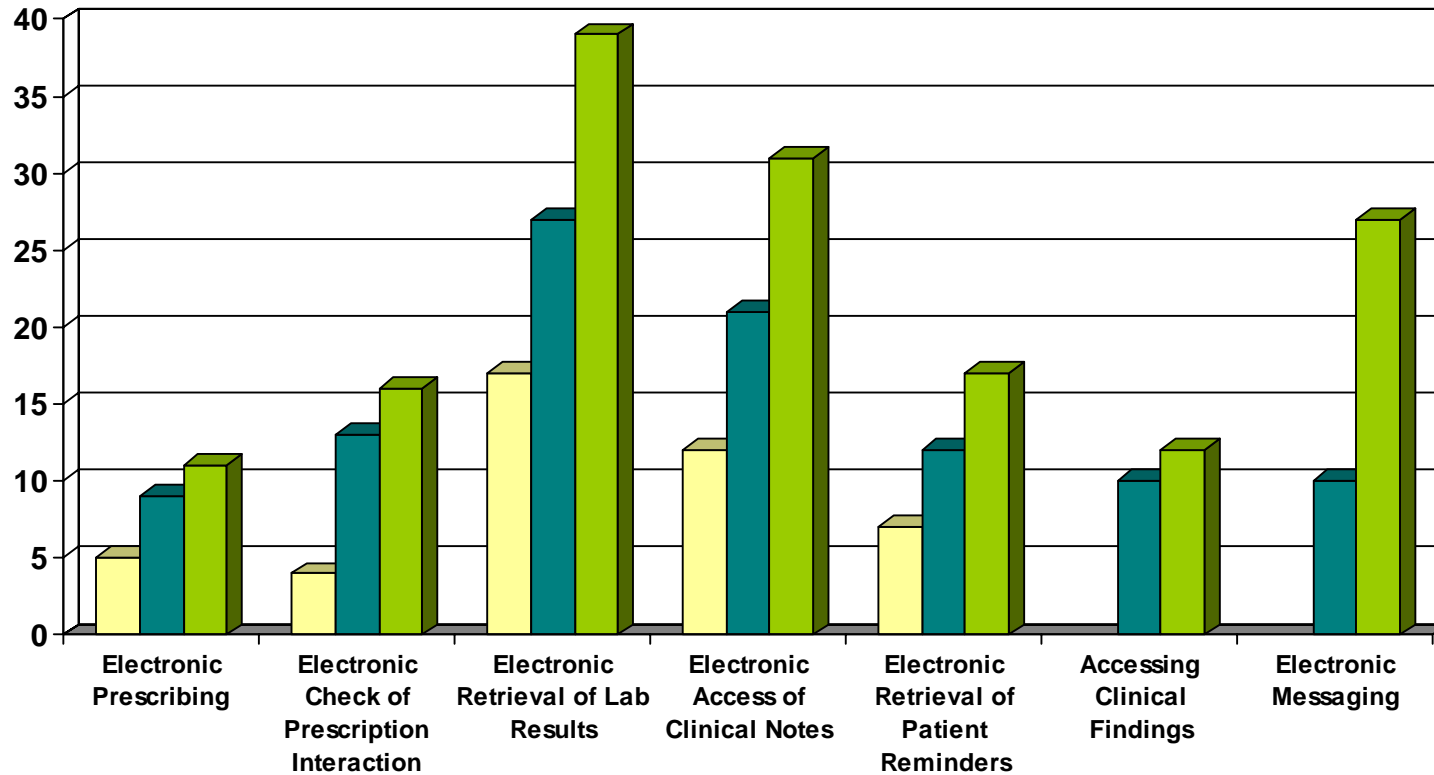
IT Measure 1: Integration of Clinical Electronic Data



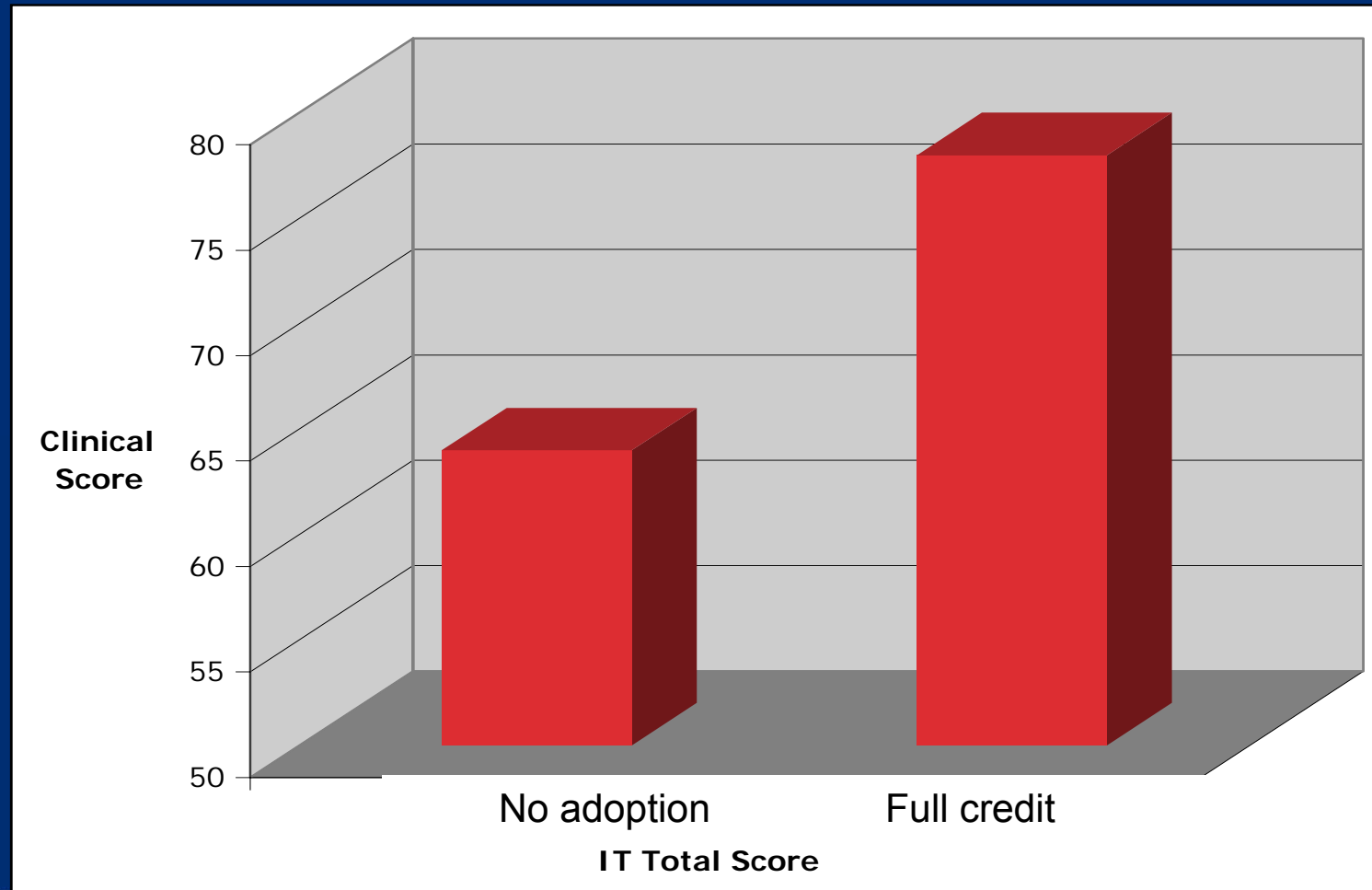
IT Measure 2: Point-of-Care Technology

Percentage
of Groups

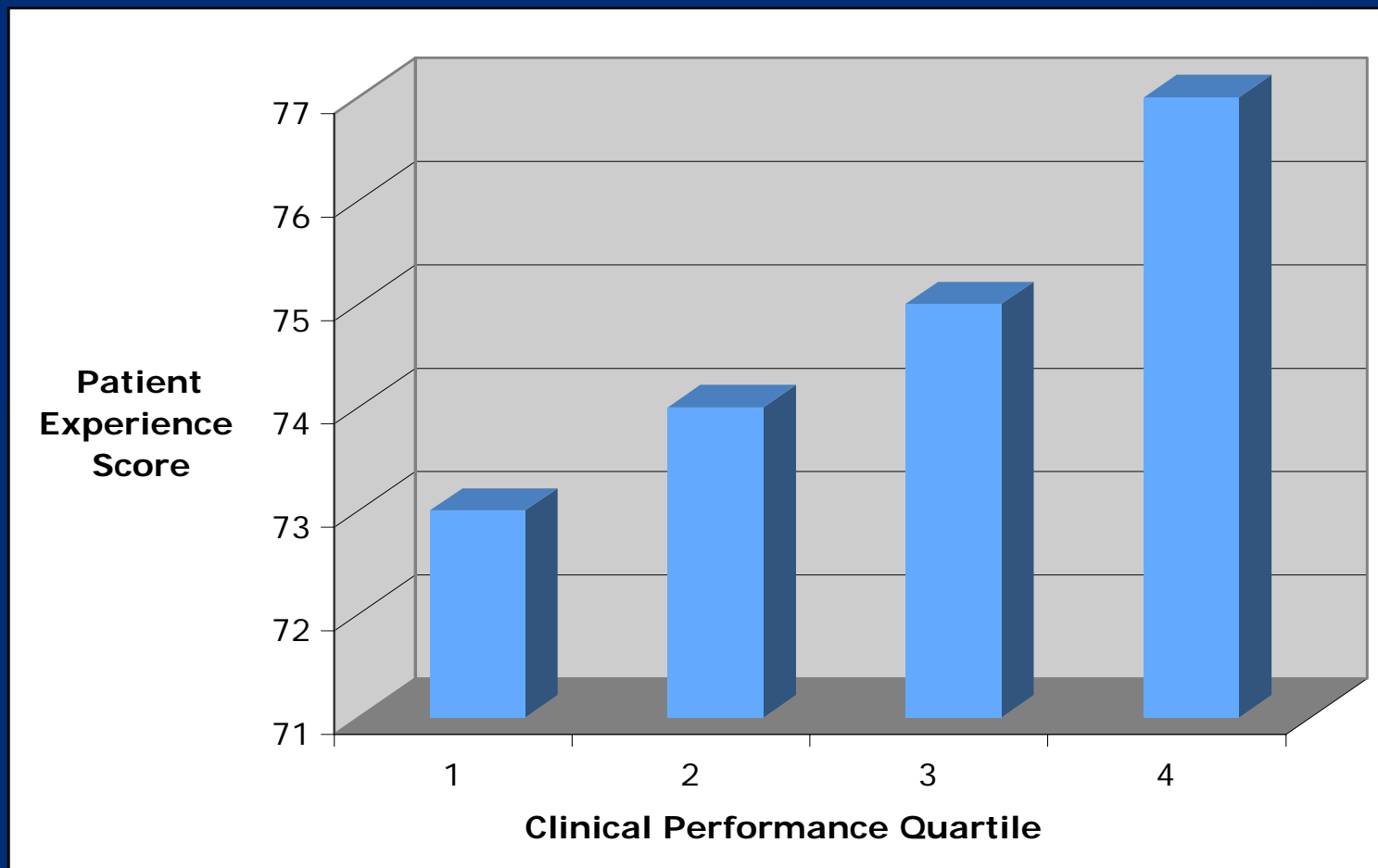
2003 Measurement Year 2004 Measurement Year 2005 Measurement Year



Correlation Between IT Adoption and Clinical Performance



Correlation Between Clinical Performance and Patient Satisfaction



Results: Impact of Program

- Better chronic care management programs
- Greater attention to patient satisfaction
- Improved patient outreach
 - Patient reminders, increased screenings
 - Educational materials
- Increased data collection and reporting
- Significant adoption of patient registries

Public Reporting

- Transparency and public reporting are key elements of the P4P program
- Results and top performing groups reported on IHA website, www.iha.org, and California Office of the Patient Advocate website, www.opa.ca.gov
- Measure specifications, payment methodology, and incentives paid posted on IHA website

IHA Report Card

iha.ncqa.org/reportcard

Integrated Healthcare Association (IHA)
Pay for Performance

Alameda County

[Compare Overall Physician Group Ratings](#)

Clinical Results: (Click To View)

- [Appropriate Treatment For Children With Upper Respiratory Infection](#)
- [Asthma Management](#)
- [Breast Cancer Screening](#)
- [Cervical Cancer Screening](#)
- [Childhood Immunizations](#)
- [Chlamydia Screening](#)
- [Diabetes Care - Blood Sugar Testing](#)
- [Diabetes Care - Cholesterol Control](#)
- [Diabetes Care - Cholesterol Screening](#)
- [Diabetes Care - Poor Blood Sugar Control \(Lower Rate Indicates Better Performance\)](#)



Excellent



Good



Fair



Poor

Related Links:

- [About the Physician Group Ratings](#)
- [IHA Home Page](#)

Compare Overall Physician Group Ratings (Alameda County)

Physician Group	Rating
Affinity Medical Group	
Alta Bates Medical Group	
Bay Valley Medical Group	
Hill Physicians Medical Group - East Bay	
Northern California Permanente Medical Group - East Bay	

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This tool is currently best viewed with Internet Explorer 6.0 or higher and a screen resolution of 1024 x 768.

OPA Report Card

www.opa.ca.gov

2006 Healthcare Quality Report Card
Rating California's HMOs and Medical Groups

Glossary Directory English Español □□ A A A

Home 1 HMO Ratings 2 Medical Group Ratings

Medical Group Ratings

Medical Group Rating | About These Ratings | Print

Alameda
[Choose a different county](#)

★★★★★ Excellent
★★★★ Good
★★★ Fair
★ Poor

Patients Rate Medical Group
How medical groups scored on a patient survey of care and service

Affinity Medical Group	★★★★★
Alta Bates Medical Group	★★★★★
Bay Valley Medical Group	★★★★★
Hill Physicians Medical Group - East Bay	★★★★★
Palo Alto Medical Foundation, PA Division	★★★★★
The Permanente Medical Group - East Bay Area	★★★★★

Ratings That Matter To You | Print All

Patients Rate Medical Group

- Communicating with Patients
- Coordinating Patient Care
- Helpful Office Staff
- Timely Care and Service

Patients Rate Medical Group: This report card rates medical groups on what patients, people like you, say about their care and service in the medical group. More stars mean patients reported better experiences. We compared each medical group's patient survey results to the survey results of the best performing medical groups in California.

Related Links

- [What Is a Medical Group?](#)
- [How to Choose a Medical Group](#)
- [About the Medical Group Ratings](#)
- [California Association of Physician Groups \(CAPG\) □](#)
- [Integrated Healthcare Association \(IHA\) □](#)

Health Plan Payments

- Health plans pay financial bonuses to physician groups based on relative performance against quality benchmarks
 - \$92 million paid out in first two years
 - \$54 million pay out estimated for 2005
 - 1-2% of compensation
 - Average PMPM payment varies significantly by plan, ranging from \$0.25 to \$1.55 PMPM
- Methodology and payment varies among plans
- Upside potential only

Looking Ahead: What stakeholders want

- Physician groups want higher payments to fund investments, but slower expansion of measures
 - Physician groups want evidence of ROI and transparency of payment methods
- Health plans and purchasers want improved HEDIS scores and more measures -- including efficiency -- to justify increased payments
 - Health plans want measures to address outcomes, misuse, overuse
 - Purchasers want efficiency domain and assurances of systemic improvement, rather than “teaching to the test”
- Expansion of P4P to Medicaid and Medicare

Lessons Learned

#1: Building and maintaining trust

- Neutral convener and transparency in all aspect of the program
- Governance and communication includes all stakeholders
- Independent third party (NCQA) handles data collection

#2: Securing Physician Group Participation

- Uniform measurement set used by all plans
- Significant, incentive payments by health plans
- Public reporting

Lessons Learned

#3: Securing Health Plan Participation

- Measure set must evolve / expand
- Efficiency measurement essential

#4: Data Collection and Aggregation

- Facilitate data exchange between groups and plans
- Aggregated data is more powerful and more credible

Integrated Healthcare Association

For more information:

www.iha.org

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