

Mini Summit VI

Building Successful Efficiency
Measurement:
Lessons from the Field

Building Successful Efficiency Measurement

Objectives:

1. Familiarize participants with components of an effective program to address cost efficiency
2. Share the approaches of three real time programs involving capitated groups, Medicaid Managed Care, CMS, and an Academic Integrated Delivery System
3. Solicit and address the challenges facing those measuring or thinking about measuring cost efficiency

Building Successful Efficiency Measurement

Agenda:

10:45 – 11:10 Elements of a Successful Efficiency Measurement Program – Howard Beckman, MD

11:10 – 11:45 Using Variation Analysis to Drive Change

Greg Partridge, Focused Medical Analytics

Chris Cammisa, MD, PHP of California

Michael Myers, MD, PCHC, Needham, MA

Building Successful Efficiency Measurement

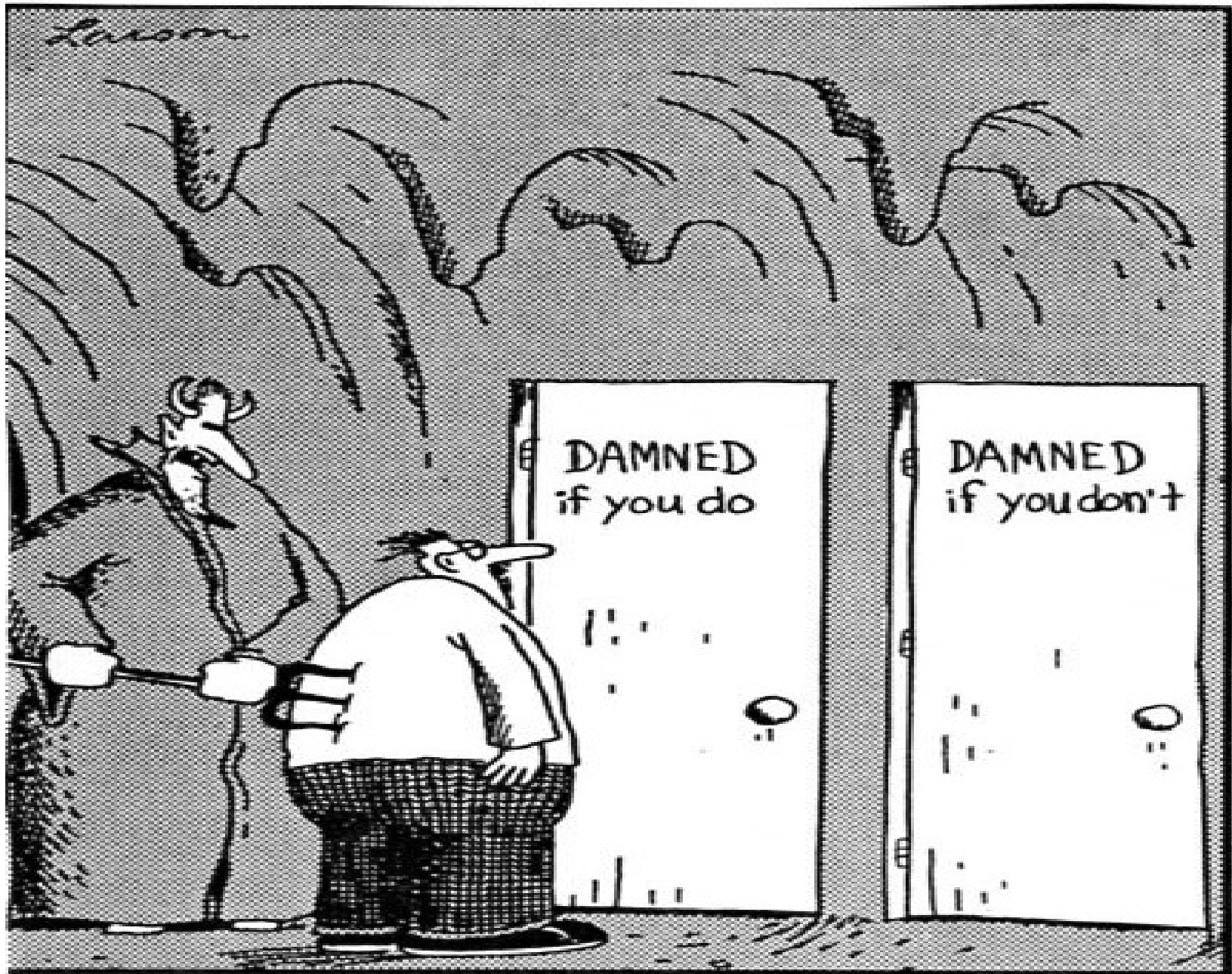
11:45 – noon – Lessons from the California
Medical Group Experience – Well Shoemaker,
MD, Medical Director, CAPG

Noon – 12:45 PM – Panel Discussion with Mr.
Partridge, Drs. Shoemaker, Cammisa, Myers
and Beckman PLUS Tom Valuck, MD from
CMS.

Format – Questions from the floor and the panel
moderator

Elements of a Successful Efficiency Measurement Program

Howard Beckman, MD
Medical Director
Rochester IPA
Clinical Professor
University of Rochester



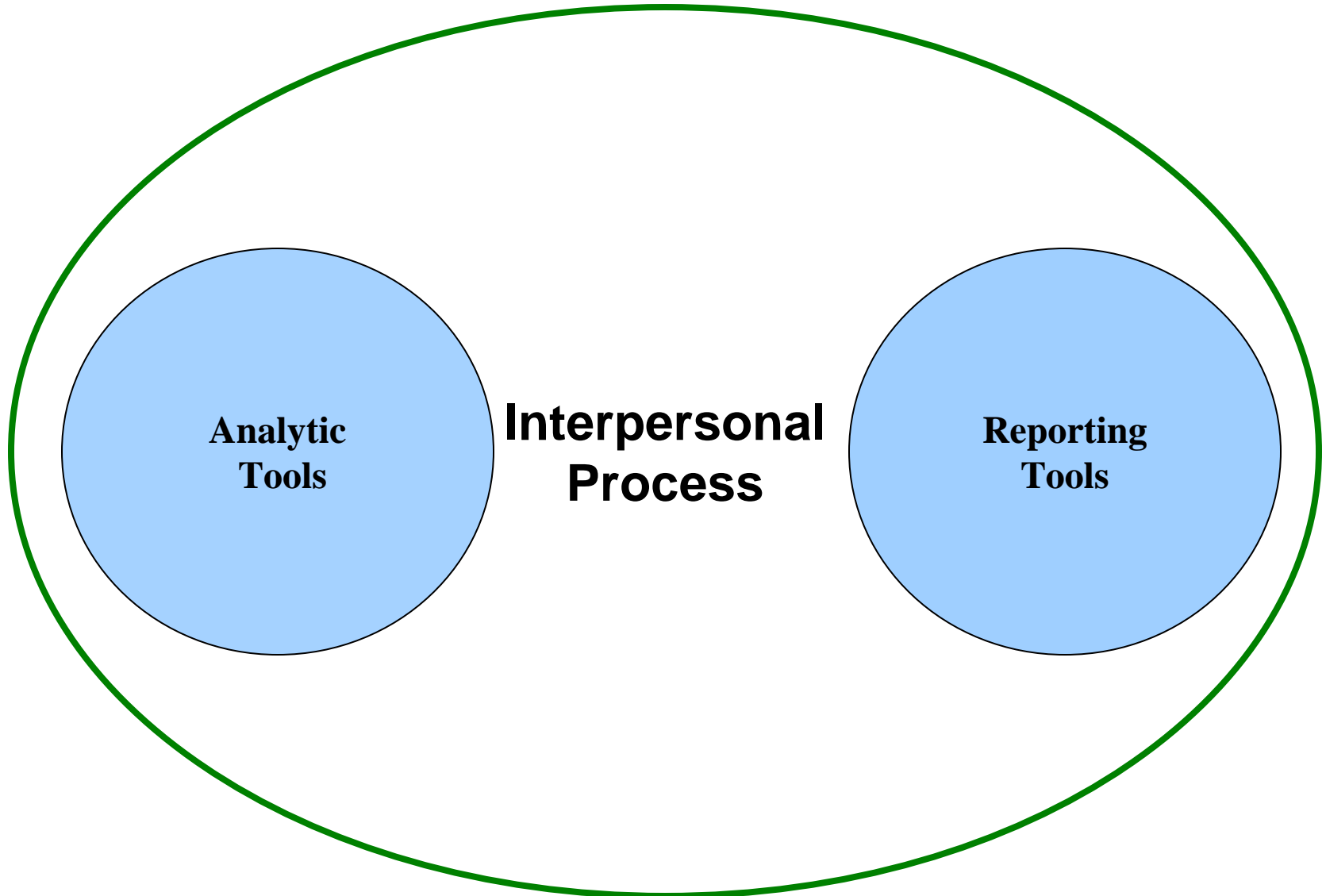
“C’mon, c’mon—it’s either one or the other.”

Building Successful Efficiency Measurement

The Essential Elements

- Focus on improvement, not judgment
- Pay attention to creating respectful, win-win relationships with stakeholders through realistic incentives/reimbursement policies and elegant process
- Focus on actionable measures of overuse, **not** cost
- Earn practitioner's trust using accurate data, elegant analytic tools, and respectful collaboration with practitioners
- Hold practitioners accountable for commitment to improvement

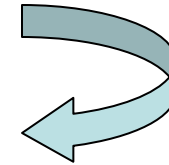
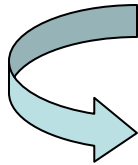
*Improving Practitioner Efficiency:
It Takes All Three*



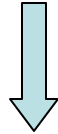
The Win – Lose Cycle

Payers

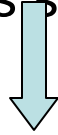
Plans



Partnership to reduce costs



Physicians, hospitals seek loopholes, alternatives

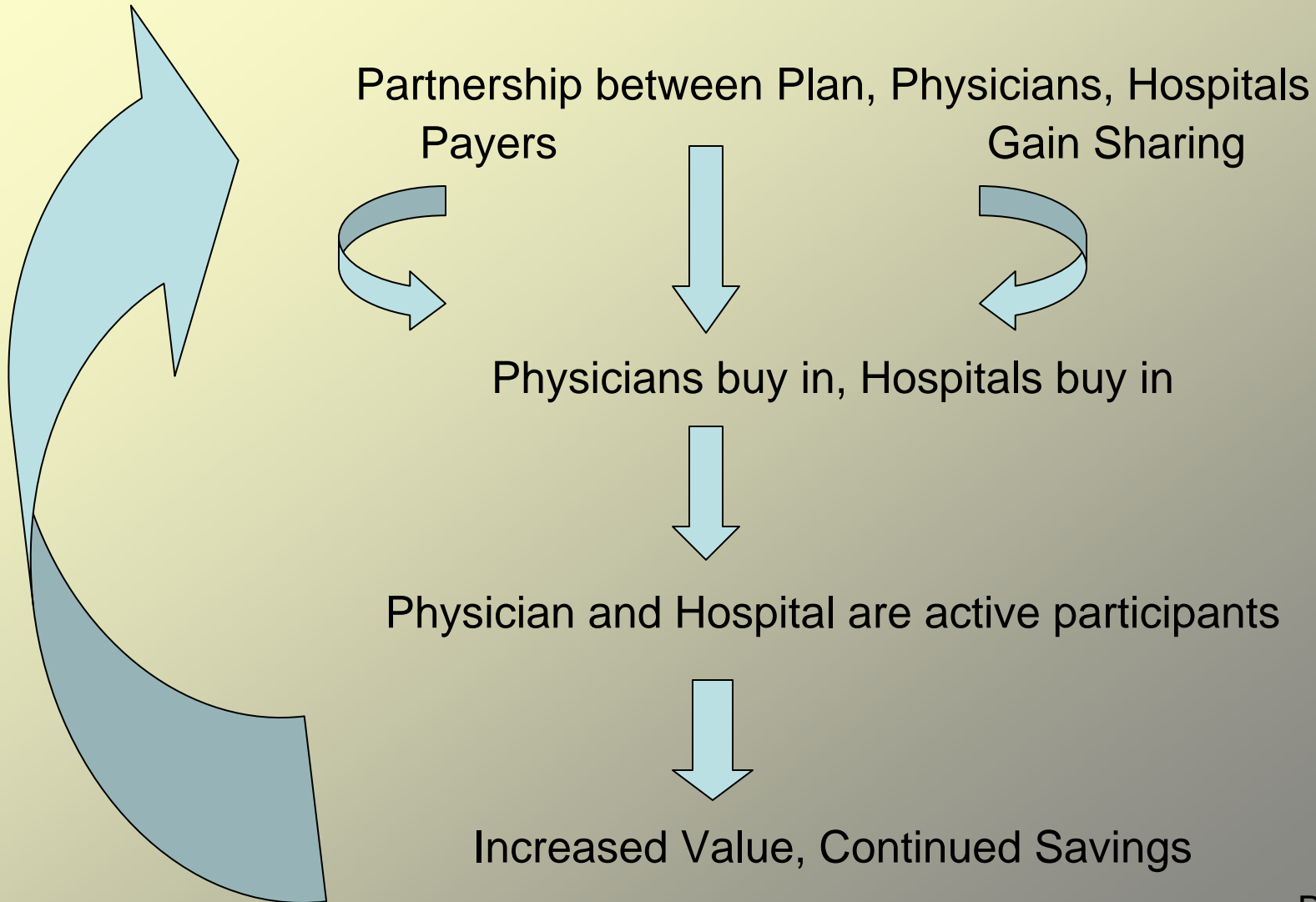


Providers withhold innovations, ideas. They spend time imagining how to beat the system



No feedback loop. Costs dip then escalate

The Partnership Cycle



Building Successful Efficiency Measurement

Framing reporting in a QI context

“First, this report lays a foundation for all of us....to build upon as a community, working together to improve health care quality and affordability”

“The results in this report create a baseline for understanding where we are and helping everyone to know where to focus their efforts to improve”

Community Checkup Report – Puget Sound Health
Alliance. 1/08

Creating a balanced portfolio of measures: Getting to win-win

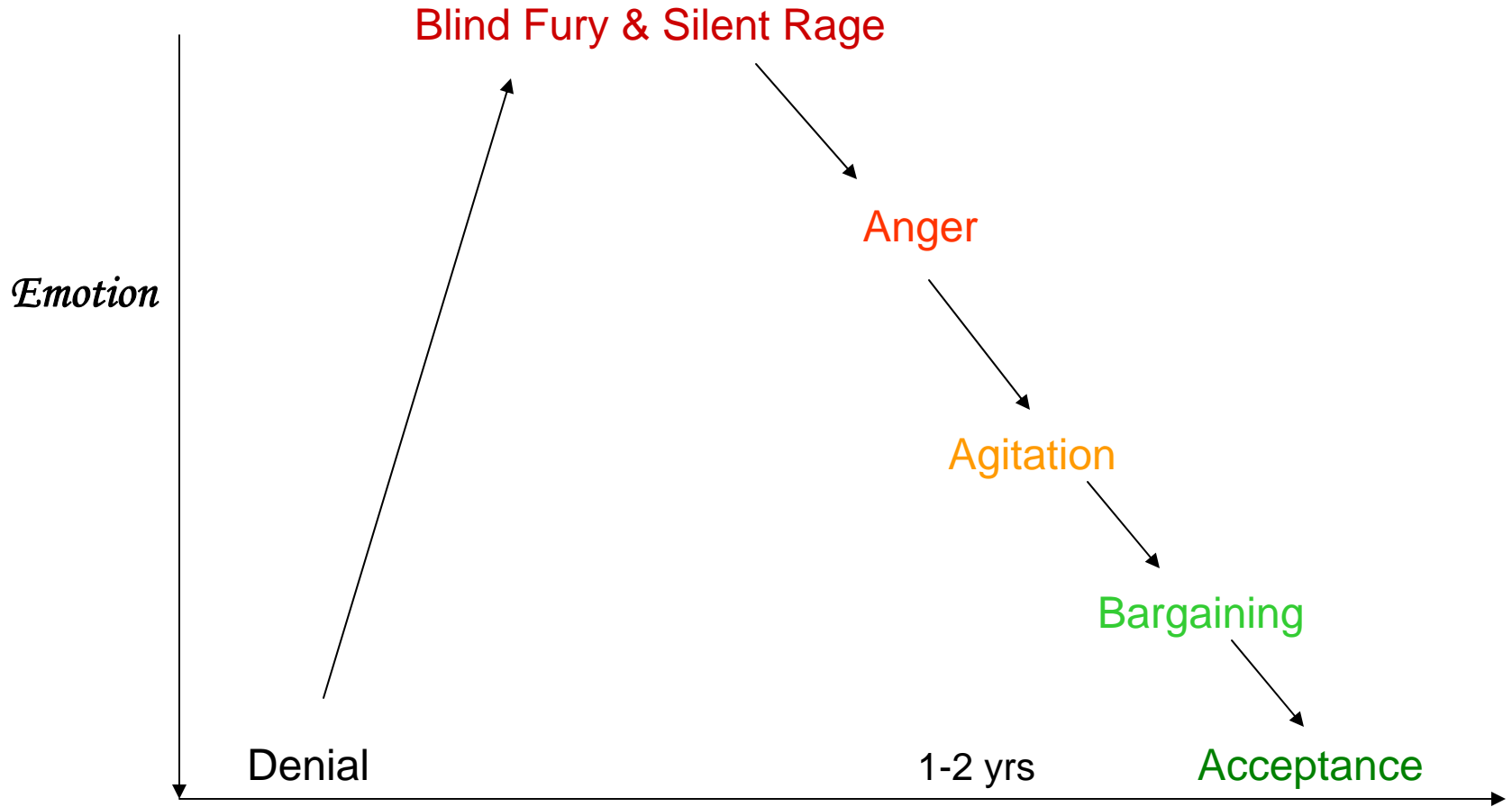
- Advocate for a mix of underuse and overuse/misuse measures
- Ensure both overuse and underuse measures are grounded in sound evidence of efficacy
- Reducing underuse requires initial investment (although ROI is quicker than you think, Curtin, Beckman et al. JHM, 2006)
- Reducing overuse/misuse generates savings right away
- Advocate for physicians to receive a share of the savings

Focus on actionable measures of overuse

- Direct attention to the overuse behavior contributing to unnecessary variation in costs
- Avoid the interference of judgment
- Consider unintended consequences of measurement choices – R. Hayward
 - Over generalizing benefits – do no harm
 - Encouraging selection bias with all or none targets
 - Track influence of attribution rules on referral patterns

Respectful Collaboration with Practitioners

The Stages of Change



H Beckman, MD, AJMQ, 2006

Time

Adapted from E. Kubler-Ross

Respectful Collaboration with Practitioners

- Listen carefully to the practitioners perspective – especially to anger
- Search for the kernels of collaboration – use “What if..” and “How about..”
- Acknowledge and respond to the power differentials in meeting with practitioners – attempt to make a more level playing field
- Provide practitioner specific data and pretest the reports to be sure they work for the target audience

What about the Move to High Stakes Programs? Beware the risk

- Forced rankings create winners and losers – losers work hard to get even
- 96% of inefficiency is the system, not the individual (Demming)
- Smaller practices and those serving the poorer communities may be at a competitive disadvantage
- Playing to targets has sometimes profound unintended consequences



Thank You

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