PBGH

Resolving Challenges in Physician-Level Measurement

David S. P. Hopkins, Ph.D.
Pacific Business Group on Health

Pay for Performance Summit
February 28, 2008

OVERVIEW

- Why measure at the physician level?
- What measures?
- How will they be used?
- What data sources?
- Vehicles for physician performance measurement
- California vehicle: CPPI
- Challenges
- Overcoming the challenges
- Conclusions

© Pacific Business Group on Health, 2008

Why Measure at the Physician Level?

- Patients seeking information about their physicians
- Most atomic unit
  - Can always roll up to group (but not *vice versa*)
- Wide variation in physician practices
- Individual MDs responsible for providing/ordering care
- "Team care" isn't reality yet in most areas of the country

© Pacific Business Group on Health, 2008

What Measures?

Follow IOM 6 Quality Aims:

- *Safe, Timely, Effective*: process and outcome measures
- *Efficient*: cost of care measures
- *Patient-centered*: survey-based measures
- *Equitable*: measures stratified by subpopulations

Standardization is key!!!

© Pacific Business Group on Health, 2008

What Uses?

- Consumers seeking valid performance information to choose providers and treatments
- Purchasers building performance expectations into their contracts, payments, and benefit designs
- Health plans and physician groups creating physician incentives and rewards
- Physicians making referral decisions
- Physicians acting on their desire to improve

© Pacific Business Group on Health, 2008

Vehicles for Physician Performance Measurement

- CMS Physician Quality Reporting Initiative
- Physician groups
- Health plans
- Multi-stakeholder collaboratives
  - "Care Focused Purchasing:"

    employers + commercial plans
  - BQI pilots: commercial plans + CMS
  - RWJF Aligning Forces for Quality community collaboratives
  - Chartered Value Exchanges

© Pacific Business Group on Health, 2008

What Data Sources?

- Encounters/Claims
  - Diagnoses + what’s done/not done
- “Clinically enriched claims”
  - Claims + Rx + lab + registries, etc.
- EHR
- Patient charts
- Patient surveys

© Pacific Business Group on Health, 2008

Why Aggregate Data?

- Increase sample size
  - E.g., most PCPs have approx. 5% patients with diabetes
    - need 600, or approximately 1/3 of all patients to get sample of 30
    - Unlikely single payer accounts for that much of physician's practice
- Produce standardized performance information for use by all

© Pacific Business Group on Health, 2008

California Physician Performance Initiative (CPPI)

- Grows out of Calif. BQI pilot
- Multi-payer claims database: CMS + commercial plans + (maybe) Medi-Cal
- Start with FFS – little studied, little understood
- Staged measurement approach:
  - Cycle 1 (2004-05 data): 5 quality measures
  - Cycle 2 (2004-06 data): 12 quality measures + cost-efficiency
  - Cycle 3 (2005-07 data): 70^{+} quality measures + cost-efficiency
- Opportunity to supplement with patient experience data already being collected
- Sponsored by multi-stakeholder collaborative:

  California Cooperative Healthcare Reporting Initiative (CCHRI)

© Pacific Business Group on Health, 2008

Challenges

- Small "n"
- Physician attribution
- Limitations of claims data
- Small number of usable standardized measures
- Cost, but no quality measures
- Quality, but no cost measures
- Physician resistance

© Pacific Business Group on Health, 2008

Overcoming Challenges

- Small "n"
  - Aggregate data
  - Aggregate measures (= composites)
- Physician attribution
  - Test alternative rules:
    1. "one-touch"
    2. X% of visits/charges
    3. limited specialties
  - Validate with physicians
    - "yes, my patient"

© Pacific Business Group on Health, 2008

PBGH

Overcoming Challenges (Cont.)

- Limitations of claims data
  - Improve coding
  - Supplement with other sources: Rx, lab, registries, etc.
  - (eventually) Migrate to EHR
- Too few measures
  - Use all available nationally endorsed claims-based measures (n = 10-30)
  - Test additional evidence-based measures from other sources
    - If successful, put through national endorsement process (NQF)

© Pacific Business Group on Health, 2008

Overcoming Challenges (Cont.)

- Cost, but no quality
  - Key question: is cost alone better than nothing?
  - Considerations
    - "Cost is an outcome" (B. James)
    - Concern that focus on cost alone will drive down quality
    - What if cost variation is due to lack of evidence on efficacy/effectiveness?
- Quality, but no cost
  - Report cost along with quality
- Physician resistance
  - Include them in the process

© Pacific Business Group on Health, 2008

Conclusions

- Physician-level measurement is here to stay
- Many challenges remaining to be overcome
- Many experiments under way
- Jury is out
- Fallback: roll up measures to small groups (e.g., practice sites)

© Pacific Business Group on Health, 2008