

# What is the Variation Your Blueprint to Action

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# FMA

## Who We Are

- Began as staff of 3200 physician IPA in upstate New York
- Our work is based on 8 years of individual practitioner performance measurement
  - Cost-effectiveness measures
  - Quality measures
- Formed Focused Medical Analytics, LLC in 2005 to bring our tools to a wider audience

# Why Not Just Use Efficiency Indexes?

- An efficiency index does not differentiate among appropriate use, underuse, overuse, or misuse
- EI does not suggest specific action items
  - “*What do others do?*”
  - “*What do you want me to do?*”
- Physicians may do the *wrong thing*
- Analyses to find action items for individual physicians are time consuming (= costly) to produce
- Often find little that is actionable, or just find noise (e.g. one ER visit raising costs)
- Too reductionistic: everyone is cost-efficient at some things and not at others

# Example Efficiency Index

Condition	Dr.'s number of episodes	Dr.'s actual costs	Specialty avg cost per episode	Expected Cost
Sinusitis	10	<b>\$1450</b>	\$110	\$1100
Esophagitis	5	\$2000	\$400	\$2000
Hypertension	6	<b>\$2000</b>	\$350	\$2100
Totals:		<b>\$5450</b>		<b>\$5200</b>
Efficiency Index = actual/expected = <b>\$5450/\$5200</b> , or <b>1.05</b>				

# What We Needed

- By condition, find the **variation** in specific services
- Understand if the variation represents overuse or underuse – have the quality conversation
- Find action items for a whole specialty
- Create a series of measures or interventions based on best practice
- Reduce costs while improving quality

# Creating a Blueprint for Action and Change

Microsoft Excel - Blueprint Sample 2006-12-19

File Edit View Insert Format Tools Data Window Help

Type a question for help

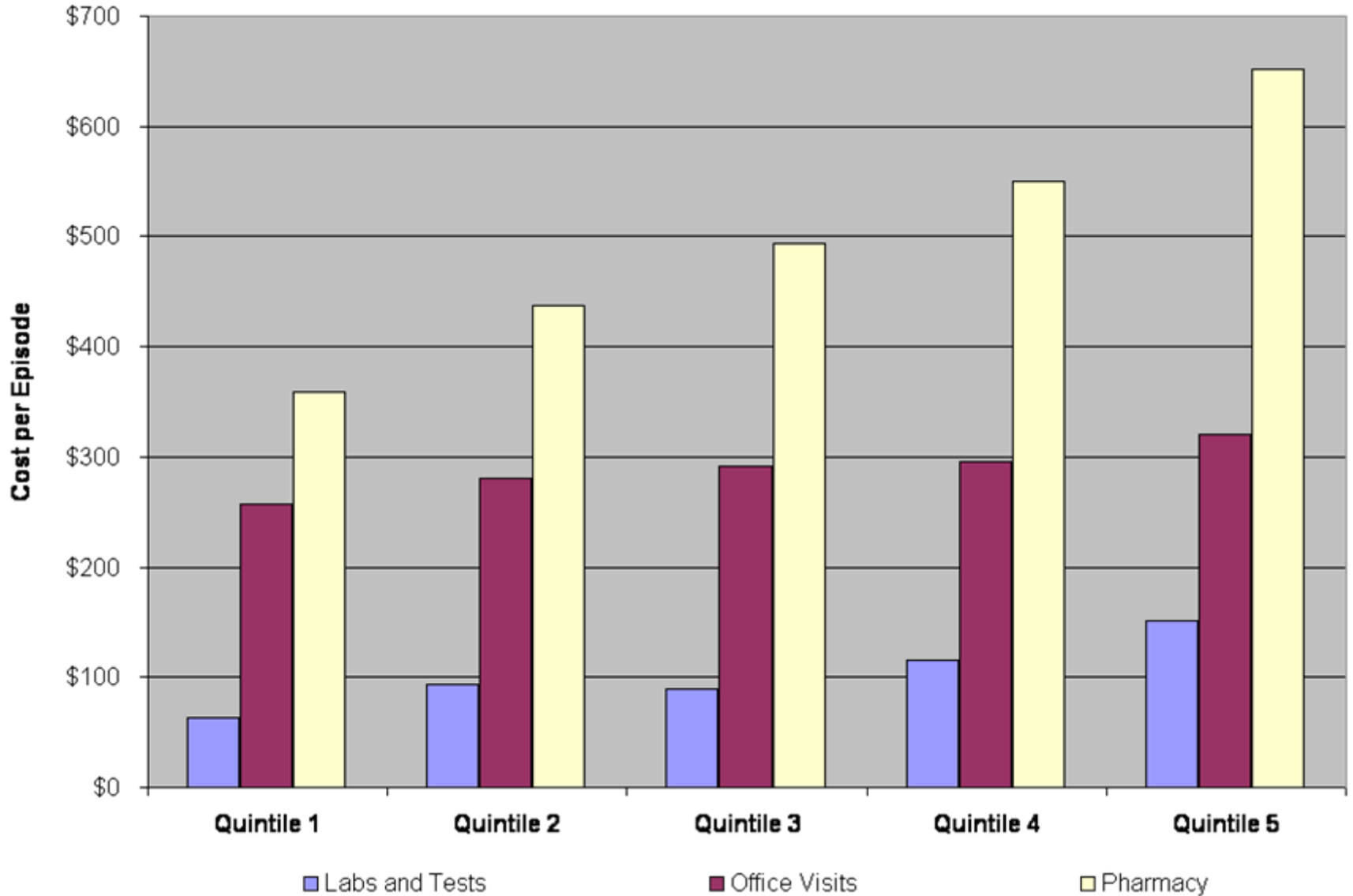
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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y											
1	<b>Medical Management Blueprint</b>										<b>Confidential</b>																									
2																																				
3	<b>Key:</b>	<b>Condition, ETG number</b>			Data based on dates:										Copyright 2006, Focused Medical Analytics, LLC. All rights reserved.																					
4		Costs	Rank	% Spec Costs											Patent pending.																					
5		Findings																																		
6		Strategy Ideas																																		
7		Potential savings			If all physicians practiced like the lowest quartile																															
8																																				
9																																				
10	<b>Internal Medicine</b>				Total \$\$ in top ETGs: *****				Percent of specity \$\$: xx%				Total specialty \$\$: *****																							
11	<b>Benign hypertension, w/o comorbidity, 0281</b>				<b>Non-insulin dependent diabetes, with comorbidity, 0029</b>				<b>Inflammation of the esophagus, w/o surgery, 0433</b>				<b>Insulin dependent diabetes, with comorbidity, 0027</b>				<b>Acute sinusitis, 0333</b>				<b>Dermatitis</b>				<b>Acute bronchitis, w/o comorbidity, age 5+, 0384</b>				<b>Minor depression, 0096</b>				<b>Ben</b>			
12	#####	1	xx%	#####	2	xx%	#####	3	xx%	#####	4	xx%	#####	5	xx%	#####	6	xx%	#####	7	xx%	#####	8	xx%	#####	#####										
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18	<b>Family Practice</b>				Total \$\$ in top ETGs: *****				Percent of specity \$\$: xx%				Total specialty \$\$: *****																							
19	<b>Non-insulin dependent diabetes, with comorbidity, 0029</b>				<b>Benign hypertension, w/o comorbidity, 0281</b>				<b>Acute sinusitis, 0333</b>				<b>Inflammation of the esophagus, w/o surgery, 0433</b>				<b>Tonsillitis, adenoiditis or pharyngitis, w/o surgery, 0331</b>				<b>Dermatitis</b>				<b>Minor depression, 0096</b>				<b>Acute bronchitis, w/o comorbidity, age 5+, 0384</b>				<b>Otit</b>			
20	#####	1	xx%	#####	2	xx%	#####	3	xx%	#####	4	xx%	#####	5	xx%	#####	6	xx%	#####	7	xx%	#####	8	xx%	#####	#####										
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26	<b>Pediatrics</b>				Total \$\$ in top ETGs: *****				Percent of specity \$\$: xx%				Total specialty \$\$: *****																							
27	<b>Tonsillitis, adenoiditis or pharyngitis, w/o surgery, 0331</b>				<b>Otitis media, w/o surgery, 0329</b>				<b>Uncomplicated neonatal management, 0780</b>				<b>Attention Deficit Disorder, 0101</b>				<b>Dermatitis</b>				<b>Other major neonatal disorders, perinatal origin, 0786</b>				<b>Acute sinusitis, 0333</b>				<b>Asthma, w/o comorbidity, age less than 18</b>				<b>Ot</b>			
28	#####	1	xx%	#####	2	xx%	#####	3	xx%	#####	4	xx%	#####	5	xx%	#####	6	xx%	#####	7	xx%	#####	8	xx%	#####	#####										
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33																																				
34	<b>Ob-Gyn</b>				Total \$\$ in top ETGs: *****				Percent of specity \$\$: xx%				Total specialty \$\$: *****																							
35	<b>Benign neoplasm of the female genital tract, with surgery, 0646</b>				<b>Conditions associated with menstruation, w/o surgery, 0649</b>				<b>Benign neoplasm of the female genital tract, w/o surgery, 0647</b>				<b>Infectious conditions during pregnancy, delivers w/o C-section, 0617</b>				<b>Complicated pregnancy, deliver w/o C-section, 0613</b>				<b>Uncomplicated neonatal management, 0780</b>				<b>Conditions associated with menstruation, with surgery, 0648</b>				<b>Complicated pregnancy, deliver with C-section, 0612</b>				<b>In duri</b>			
36	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	xx%	#####	#####										
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42	<b>Ear, Nose, and Throat</b>				Total \$\$ in top ETGs: *****				Percent of specity \$\$: xx%				Total specialty \$\$: *****																							

Blueprint /

# MPPT Analysis of Hypertension

(ETG 0281, Benign HTN w/o comorbidity, among 260 internists)



Hypothetical Costs for Illustration Only

# Cost Variation – All in Pharmacy



Opportunity: Over \$2,000,000 per year

Labs and Tests

Office Visits

Pharmacy

Hypothetical Costs for Illustration Only



# Possible Actions to change

- Move the physicians to a discuss about pharmacy
- Avoid focus on non-essential behaviors
  - Evaluation and Management
  - Labs and Tests

# Summary

## A New Approach

- Focus on reducing overuse instead of relying on efficiency indexes
- Find specific action items
- Direct attention to meaningful action items to engage practitioners as partners
- Change physician behavior, don't punish "bad" doctors

# Practical Applications and Experiences from the field

# Thank You!

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