Improving HealthCare Quality and Accountability

Harvard Quality Colloquium

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Topics for Today

- Who's in the quality game?
- What's the Big Gorilla doing?
- The key questions that need resolution
- Pay For Performance – are we optimistic or pessimistic?
- California P4P experience – the business case for Quality
- Discussion

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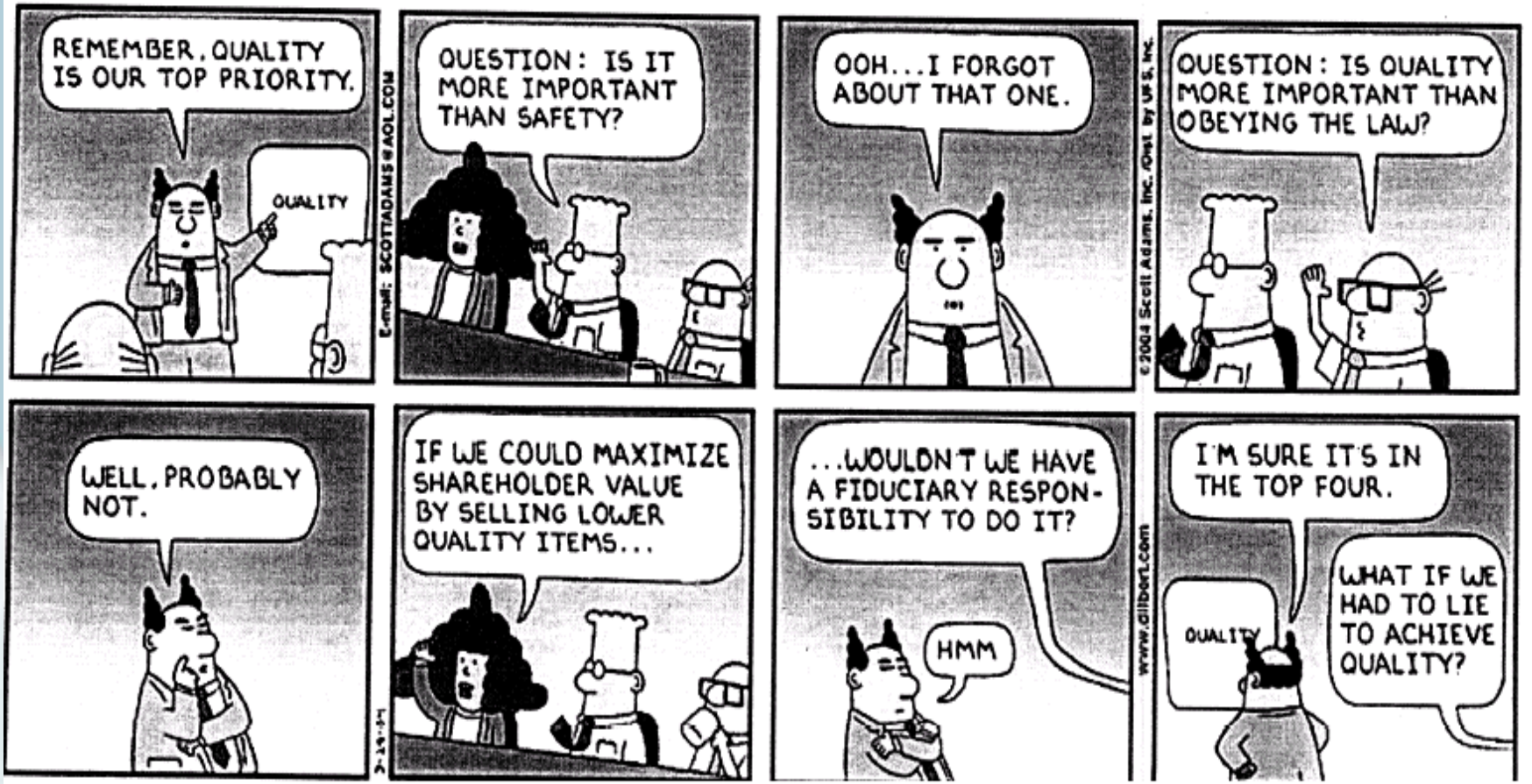
Dilbert: March 28, 2004



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Who's in the Quality Game?

- Too many, or not enough.
  - NCQA
  - NQF
  - AQA
  - AMA and every specialty society
  - Specialty Boards

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Who's in the Quality Game?

- **Every Health Plan**
- **Leapfrog**
- **Premier**
- **MediCare**
- **Medi-Cal / Medicaid**
- **Internet websites galore**

  e.g. Healthgrades, Subimo, etc.

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What's the Big Gorilla Doing?

- Baucus / Grassley bill
- Nancy Johnson bill
- CMS on its own
- Lobbying galore
- SGR problem
- Hospital updates

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The Other Big Gorilla?

The Institute of Medicine Committee on Redesigning Health Insurance Performance Measures, Payment and Performance Improvement Programs.

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The Other Big Gorilla?

- **Establish a National Quality Coordination Board (NQCB) with 7 key functions:**
  - **Specify to purpose and aims for American Healthcare**
  - **Establish short and long term national goals**
  - **Designate, or if necessary develop standardized performance measures and monitor progress**

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The Other Big Gorilla?

- Create data aggregation collection and validation process
- Ensure public reporting
- Fund a research agenda for new measures
- Evaluate the impact

Use $200 million from Medicare Trust fund to support these goals.

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Key Questions in Measurement Accountability and Payment

Metrics:

- What to measure
- How to develop valid measures
- Who standardizes, who validates
- Who computes / audits
- Public reporting

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Key Questions in Measurement Accountability and Payment

Rewards:

- What should be rewarded
- At which level – systemness vs. individual
- Absolute performance vs. improvement

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Key Questions in Measurement Accountability and Payment

- What creates a business case for quality?
- Non-monetary rewards / incentives
  - Reporting
  - Tiering
  - High value networks
  - Benefit design and market share

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Key Questions in Measurement Accountability and Payment

Efficiency:

- The hot topic
- How to measure
- How to reward
- How to weight vs. service and outcomes

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Key Questions in Measurement Accountability and Payment

Intended and Unintended Consequences:

- Politics of a public system
- Resistance to any new payment scheme
- Risk adjuster / avoidance of care
- Too many masters = none at all
- Not effective in current CDHP's
- Uneven health plan support: The race to the bottom
- Where are the consumer incentives?

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Pay for Performance
Pros and Cons

The Optimistic View:

- Current financing system broken
- Potentially rewards what patients deserve
- Will force ultimate consensus on measures
- Will stimulate measure development
- A measures validation system will emerge
- A consumer engagement will emerge
- A public reporting scorecard of use will emerge
- Healthcare financing will be directed away from Pay for Volume

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Pay for Performance
Pros and Cons

The Pessimistic View:

- Consumers don't use data for healthcare choices
- Physicians and hospitals successfully resist
- MediCare, as a political animal, can't get it done
- MD's (and hospitals) avoid risky or non-compliant patients
- Premiums level off and the steam goes out of the kettle

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The California Pay For Performance – Progress to date

- Dozens of other smaller programs plus Bridges to Excellence do exist

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P4P Program Overview

- **Large scale collaboration:** comprehensive quality incentive program for physicians: 7 health plans, 14 million commercial HMO members, 215 medical groups and 40,000 doctors

- **Common measure set:** for evaluation, public reporting and payment leverages market power and allows comparability

- **Incentive Payment:** each health plan uses its own methodology and formula to calculate bonus

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P4P Program Overview

- **Public Reporting:** consumers have brand new information publicly available to compare groups on factors important to them via OPA report card on state website (www.opa.ca.gov)
- **Performance counts:** Consumers deserve good information on healthcare services and quality
- **Variation in care demonstrated, important to consumers, purchasers**
- **Resources for better care and service:** Physician groups gain information and resources to benchmark performance and invest in systems for care

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P4P Performance - Principles

- ***Measures must be valid, evidence-based, get harder over time, be clinically relevant, important to public health in California, within the control of medical groups and physicians, be economical to collect, stable and meaningful to consumers***

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P4P Results - Payment by Health Plans

- ***Estimated $90 million paid to California physician groups for P4P performance in 2003 and 2004***

- ***Estimated total of $100+ million paid to California physician groups for quality in 2004*** **(includes all products and efficiency, e.g. including use of generics vs. brand)**

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Context

- ***The goal of P4P, as established by P4P stakeholders in 2001, is 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**

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Plans and Medical Groups – Who's Playing?

- **Health Plans***
  - Aetna
  - Blue Cross
  - Blue Shield
  - CIGNA
  - Health Net
  - PacifiCare
  - Western Health Advantage (2004)

- **Medical Groups/IPAs**
  - Over 215 groups / 45,000 physicians

14 million HMO commercial enrollees

* Kaiser Permanente participating in clinical scores in 2005

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Measurement Year Domain Weighting

	2003	2004	2005
Clinical	50%	40%	50%
Patient Experience	40%	40%	30%
IT Investment	10%	20%	20%
Individual Physician Feedback program			10% "extra credit"

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2005 Clinical Measures

- **Preventive Care**
  - Breast Cancer Screening
  - Cervical Cancer Screening
  - Childhood Immunizations
  - Chlamydia screening
- **Chronic Disease Care**
  - Appropriate Meds for Persons with Asthma
  - Diabetes: HbA1c Testing & Control
  - Cholesterol Management: LDL Screening & Control
- **Acute Care**
  - Treatment for Children with Upper Respiratory Infection

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2005 Patient Experience

- Communication with doctor
- Overall ratings of care
- Care Coordination
- Specialty care
- Timely Access to care

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Individual Physician Feedback Program

To qualify for bonus:

- Approved policy on physician feedback and performance-based rewards
- Regular feedback to individual physician on performance on clinical and patient experience
- Feedback and rewards (financial or non-financial) instituted by Dec. 31, 2005

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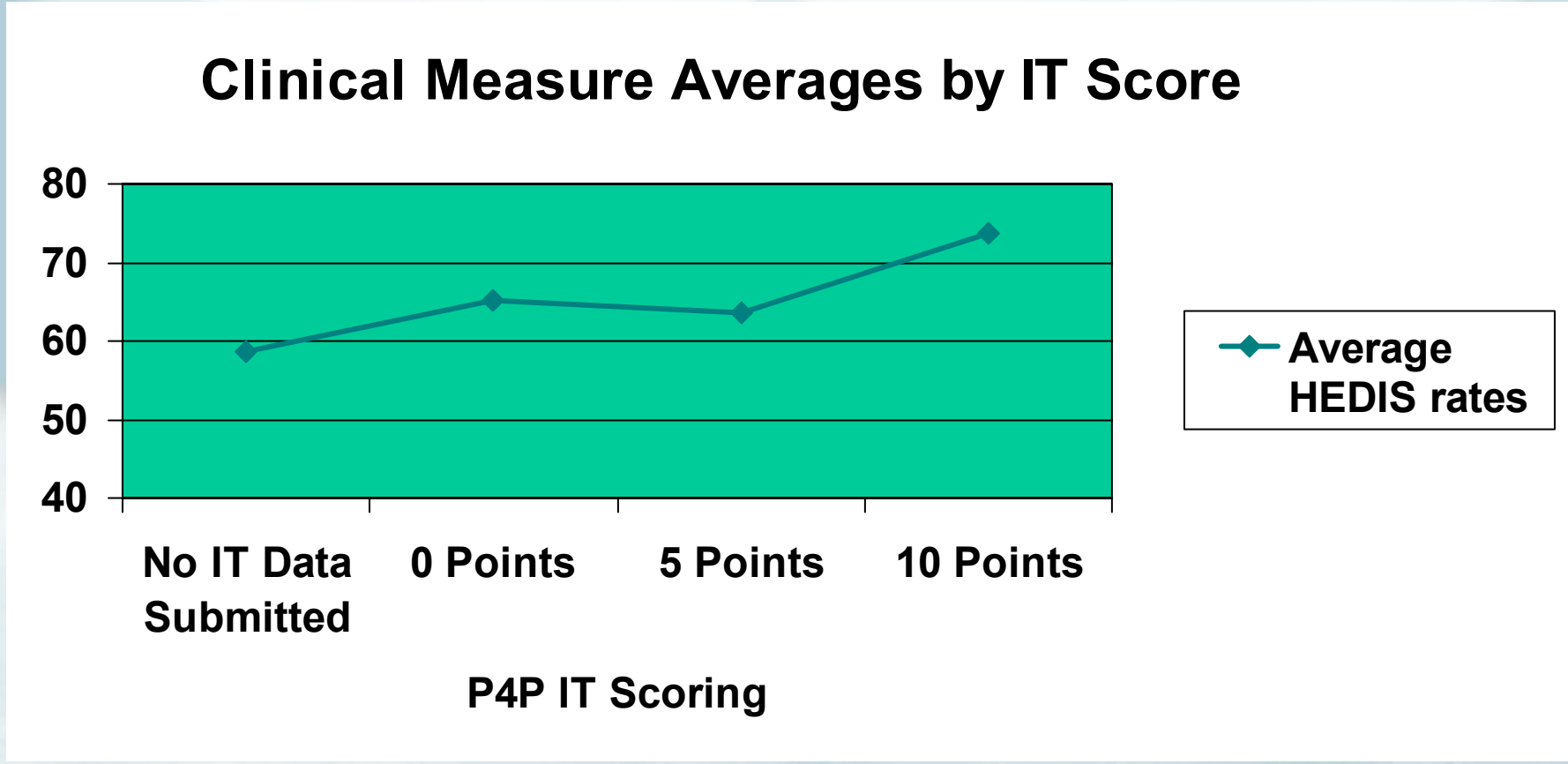
Stronger IT Yields Better Quality



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California P4P Clinical, IT, and Patient Satisfaction Measures, 2003-2005

Number of Physician Organizations with Reportable Rates (N) and Measure Means, 2003, 2004, and 2005

Table 1: Clinical Results

		MY 2003		MY 2004		MY 2005	
	Measure	**N**	**Mean**	**N**	**Mean**	**N**	**Mean**
A	Appropriate Meds. For Upper Respiratory Infection					164	80.5
B	Asthma: Age 5-9 (1)	61	68.3	66	74.2	44	95.8
C	Asthma: Age 10-17 (1)	80	65.5	83	67.3	58	91.3
D	Asthma: Age 18-56 (1)	136	67.8	137	70.6	119	87.1
E	Asthma: All Ages (1)	145	66.7	149	68.9	132	88.4
F	Breast Cancer Screening	183	64.4	182	66.4	178	68.4
G	Cervical Cancer Screening	185	62.4	187	67.5	184	69.3
H	Childhood Immunizations: DTP (6)	148	33.4	126	61.5	124	67.4
I	Childhood Immunizations: HBV (6)	148	28.6	126	53.0	124	60.8
J	Childhood Immunizations: HIB (6)	148	42.6	126	69.4	124	81.0
K	Childhood Immunizations: IPV/OPV (6)	148	37.6	126	67.5	124	71.9
L	Childhood Immunizations: MMR (6)	148	73.1	126	83.5	124	86.4
M	Childhood Immunizations: VZV (6)	148	69.0	126	80.9	124	83.5
N	Chlamydia Screening: All Ages			174	31.8	168	36.6
O	Chlamydia Screening: Ages 16-20			145	30.3	144	34.2
P	Chlamydia Screening: Ages 21-25			160	33.6	160	38.8
Q	Cholesterol Management: LDL <130 (3)(4)(5)			168	37.7	178	39.1
R	Cholesterol Mgmt: LDL Screening (3)(5)	53	67.7	181	78.3	178	79.5
S	Diabetes Care: HbA1c Poor Control (2)(4)			168	62.6	178	56.5
T	Diabetes Care: HbA1c Screening	184	66.8	181	69.3	178	73.4
U	Diabetes Care: LDL <130 (4)					178	40.2
V	Diabetes Care: LDL Screening					178	82.7

(1) Changes to specifications caused rates to be much higher for 2005; they are not comparable to previous years
(2) Lower is better for this measure
(3) Includes cardiac patients only for MY 2003. Includes cardiac and diabetic patients for MY 2004 and 2005
(4) Health plan data is very incomplete for the lab results measures
(5) The Cholesterol Management population for cardiac patients expanded to include those with diagnoses of cardiac disease for 2005
(6) Childhood Immunization specifications changed between 2003 and 2004; those two years are not comparable

Table 2: Patient Experience Results (1)

		MY 2003		MY 2004		MY 2005 (2)	
	Measure	N	Mean	N	Mean	N	Mean
A	Communication with Doctor	133	86.58	144	86.98	137	87.29
B	Coordination of Care (3)					137	74.07
C	No Problem Seeing Specialist	131	59.46	135	61.32	68	71.85
D	Rating of Doctor	131	80.03	144	80.73	135	86.19
E	Rating of Healthcare	133	69.98	144	71.35	137	83.19
F	Rating of Specialist	126	70.98	132	71.90	135	84.24
G	Timely Care and Service/Access (4)	133	69.53	144	74.56	137	73.97

(1) MY 2003 and MY 2004 results from Consumer Assessment Survey (CAS) data; MY 2005 results from Patient Assessment Survey (PAS) data

(2) Results from MY 2004 to MY 2005 are not trendable due to methodological changes

(3) New measure for MY 2005

(4) Measure was named "Timely Care and Service" in MY 2003 and MY 2004; renamed "Timely Care and Access" in MY 2005

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Table 3a: IT Results - Number of POs Receiving Credit for Each Activity

Measure 1 Activities:	Num. of POs for MY 2004	Num. of POs for MY 2006	Percent Change
1. Actionable Report	88	93	5.7%
2. Data Warehouse	58	92	58.6%
3a. HEDIS Results - Cardiac LDL<130	84	71	-15.5%
3b. HEDIS Results - Diabetic LDL<130	85	73	-14.1%
3c. HEDIS Result - HbA1c Poor Control	86	81	-5.8%
3d. HEDIS Result - Controlling High Blood Pressure	0	15	
Measure 2 Activities:			
1. Electronic Prescribing	20	24	20.0%
2. Electronic Drug Checks	29	33	13.8%
3. Electronic Lab Results	61	81	32.8%
4. Accessing Clinical Notes of Other Practitioners	48	65	35.4%
5. Physician Preventive & Chronic Care Reminders	27	36	33.3%
6. Accessing Clinical Findings such as Blood Pressure	22	25	13.6%
7. Electronic Messaging	21	55	161.9%
Any IT Data Submitted	122	118	-3.3%

Each activity present is worth 5%. The maximum score for Measure 1 is 10%. The maximum P4P Total Score is 20% .

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Table 3b: IT Results - Scoring Distribution

Score	Num. of POs for MY 2004	Num. of POs for MY 2006
0%	3	4
5%	26	7
10%	24	20
15%	12	11
20% (full score)	57	76
Total number of PO's that participate in IT	122	118

Each activity present is worth 5%. The maximum score for Measure 1 is 10%. The maximum P4P Total Score is 20% .

For 2006, 56% of POs (118/212) reported IT data representing 81% of P4P enrollment; 36% (76) attained full score
For 2004, 54% of POs (122/226) reported IT data representing 81% of P4P enrollment; 25% (57) attained full score

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HCP Pilot to 2005 Reporting

Measure (Group)	2003 Pilot	2003 Measurement – 2004 Reporting	Reporting 2004 Measurement –2005 Reporting	% of change 2002 - 2003	% of change 2002 - 2004
HbA1c testing	50.9%	90.08%	84.63	77.0%	66.3%
LDL	34.2%	65.88%	87.10%	92.6%	154.7%
CC Screening	49.2%	81.77%	83.44%	66.2%	69.6%
Mammography	65.5%	77.83%	79.8%	18.8%	21.8%
Asthma Overall	76.8%	67.87%	74.87%	-11.6%	-2.5%
MMR VZV	74.6% 72.6%	87.87% 82.96%	89.36% 86.60%	17.8% 14.3%	19.8% 19.3%

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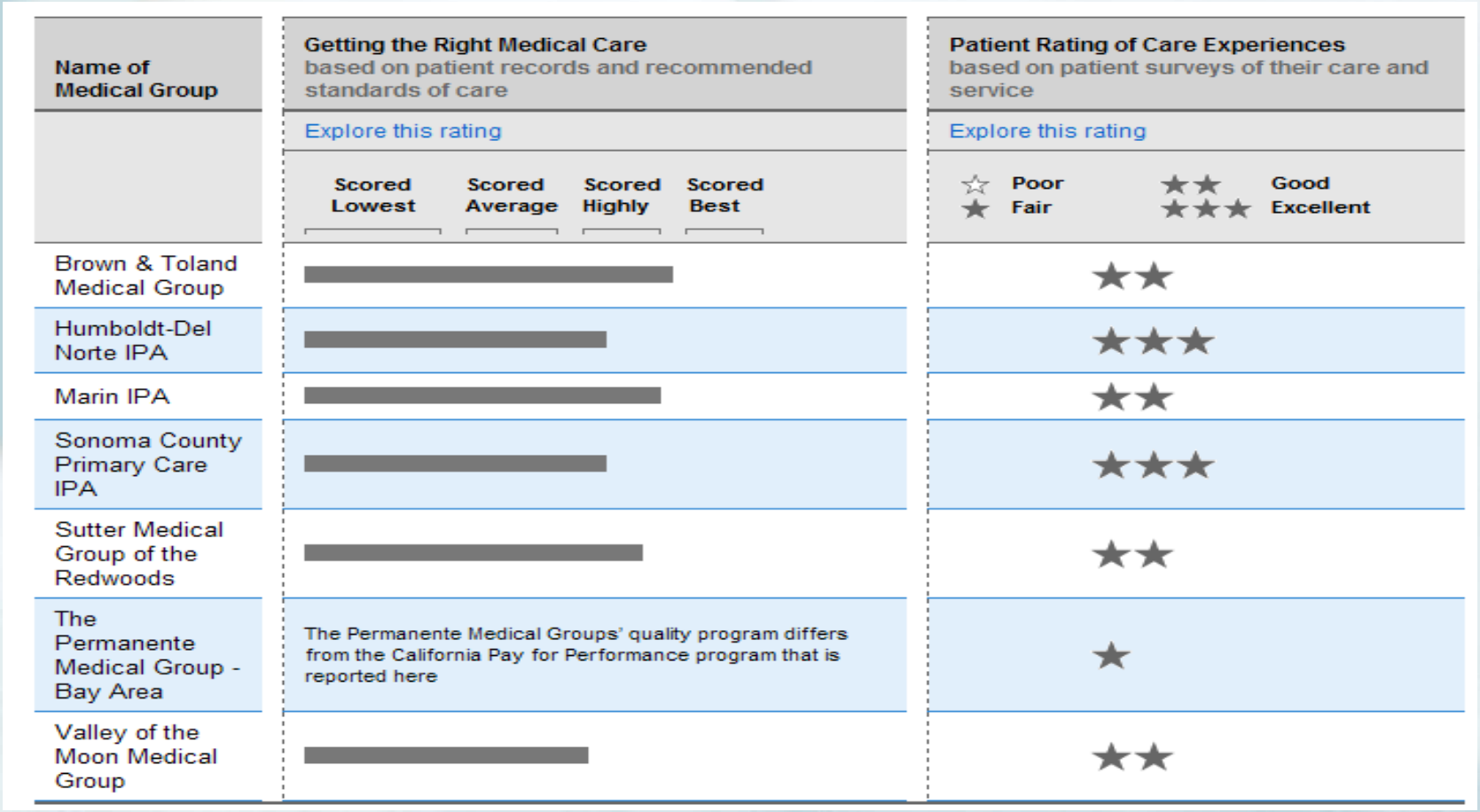
OPA Public Reporting



Name of Medical Group	Getting the Right Medical Care based on patient records and recommended standards of care Explore this rating Scored Lowest / Scored Average / Scored Highly / Scored Best	Patient Rating of Care Experiences based on patient surveys of their care and service Explore this rating ☆ Poor / ★ Fair / ★★ Good / ★★★ Excellent
Brown & Toland Medical Group		★★
Humboldt-Del Norte IPA		★★★
Marin IPA		★★
Sonoma County Primary Care IPA		★★★
Sutter Medical Group of the Redwoods		★★
The Permanente Medical Group - Bay Area	The Permanente Medical Groups' quality program differs from the California Pay for Performance program that is reported here	★
Valley of the Moon Medical Group		★★

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Reporting Results First Two Years – Consumer Impact

- ***What does this mean for California consumers?***
  - Nearly 210,000 more women received cervical cancer screenings
  - 140,000 more women received breast cancer screenings
  - An additional 40,000 California kids got 2 needed immunizations
  - 30,000 more people received a diabetes test (based on comparison with test year 2002

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Next Steps: 5 Year Plan

- *Scope and pace of expanding measure set*
- *Appropriate % of capitation for P4P*
- *Ground rules for contracting*
- *Self-sustaining business model*
- *Improvement vs. absolute performance*
- *Addition of efficiency measure(s)*
- *Expansion to Medicare Advantage*
- *Alignment with national initiatives*

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Discussion

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