



## **Mini-Rotation on the Health Care System**

### **Theme: Quality Measures and Perspectives**

#### **Topic: Health Plans and Quality**

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#### **Objectives:**

By the end of this session, participants should be able to:

- Identify sources of accepted quality measures and understand the process of measure development.
- Understand the role of health plans in the measurement and promotion of quality.
- Recognize the role of quality measurement in payment reform as illustrated by BCBSMA's Alternative Quality Contract (AQC) initiative.
- Understand the importance of quality measurement in improving care delivery.

#### **Overview of the presentation** (August 2015):

##### Overview

- Overview of nationally recognized organizations in quality measurement
- Performance Measurement: Framework, Principles and Pitfalls
- "Real World" example of quality measurement: BCBSMA's Alternative Quality Contract (AQC)

##### Nationally recognized organizations in quality measurement

- National Quality Forum
- Agency for Healthcare Research and Quality
- Choosing Wisely
- National Committee for Quality Assurance (NCQA)
  - HEDIS measures, process to select, develop, and approve measures
  - NCQA and national rankings: 3 components
    - CAHPS, HEDIS, NCQA Survey

## Measurement pitfalls

- Illustration: Hospitals' surgery ratings published in Consumer Reports

## Guiding principles in selecting performance measures for "high stakes" use (BCBSMA)

- List of 6 principles, e.g., the measure must reflect something that is broadly accepted as clinically important.

## Quality measurement in the "real world": BCBSMA's Alternative Quality Contract (AQC)

- Context for AQC Development
  - Economic imperative in a global economy
  - High levels of spending in Massachusetts
  - High costs of health care in MA compared to other public spending priorities
  - Twin goals: improving quality and slowing spending growth
- Overview of AQC model
  - Global budget
  - Quality incentives: measure set for performance incentives:
    - Process, outcome, patient experience
    - Ambulatory and hospital
  - Long-term contract
    - Performance payment model: provider share of surplus increases as quality improves
- AQC results: the first four years
  - Physician participation
  - Improvements in the 2009 cohort of AQC groups in adult chronic care, pediatric care, and adult health outcomes
  - Formal evaluation findings: greater quality improvements, lower spending growth
  - Total cost results
- AQC support and improvement analytics: four-pronged support model:
  - Data and actionable reports (with illustrations):
    - Daily, weekly, monthly, quarterly, annually, recurring
    - Practice pattern variation analysis
    - Change in performance over time
  - Consultative support
  - Best practice sharing and collaboration
  - Training and educational programming

## Summary

- Payment reform gives rise to significant delivery system reform
- Rapid and substantial performance improvements are possible in the context of:
  - Meaningful financial incentives
  - Rigorously validated measures & methods
  - Ongoing and timely data sharing and engagement

- Committed leadership
- For payment reform, deep provider relationships and significant market share are advantageous
  - For national payers, remote provider relationships pose engagement challenges; member-facing incentives (benefit design) an attractive lever

Priority issues ahead

- Expanding payment reform to include PPO presents unique challenges
  - Gaining strong employer buy-in & support will be important; and this means models must offer value from day-1
- Continued evolution of performance measures to fill priority gaps
  - Focus on outcomes, including patient reported outcomes (functional status, well being)
- Continued evolution of the delivery system:
  - Evolving the role of hospitals in the delivery system
  - Building deeper engagement of specialists
  - Bringing incentives (financial & non-financial) to front lines
  - Advancing innovations in virtual care
- Payment incentives to front line clinicians need continued attention