Making the Case for Pay for Performance

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President

Alliance for Health Reform Briefing
July 15, 2005
• Private, non-profit health care quality oversight organization
  – Independent since 1990

• Measures and reports on health care quality

• Accredits 50% of MCOs accounting for 75% of covered lives
NCQA’s Mission and Vision

Mission:
To improve the quality of health care

Vision:
To transform health care through measurement, transparency and accountability
What is Quality?

“Quality is never an accident. It is always the result of intelligent effort.”

John Ruskin

“[Quality is] the degree to which health services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge.”

Institute of Medicine
Crossing the Quality Chasm

• We must create an environment that fosters and rewards improvement by:
  – (1) creating an infrastructure to support evidence-based practice,
  – (2) facilitating the use of information technology,
  – (3) aligning payment incentives
  – (4) preparing the workforce to better serve patients in a world of expanding knowledge and rapid change.
“The Congress should adopt pay-for-performance programs for hospitals, home health agencies, and physicians. . .Medicare Advantage plans and dialysis providers.”

“We have identified measures that are ready to be used: for hospitals, a set of process, structural, and outcomes measures; for home health agencies, a set of outcomes measures; and for physicians, a set of structural measures related to use of information technology (IT), and, after a transition, process measures.”

March 2005
NCQA & Pay for Performance

Includes BTE, DOQ, CMP, DOQ-IT, IHA, and others
NCQA Provider Recognition Programs

- AHA/ASA/NCQA
  - HEART/STROKE
- NCQA
  - PRACTICE CONNECTIONS
- NCQA/AIADA
  - DIABETES
Many Uses for Provider Recognition Programs

- Health plans show seals in Provider Directory
  - Aetna
  - CIGNA
  - GeoAccess
  - Humana
  - Medical Mutual (OH)
  - United

- Help practices with data collection
  - Blue Care Network (MI)
  - BTE (KY, MA, OH, NY)
  - Oxford (NY)
  - United (4 areas)

- Pay rewards and/or applications fees to recognized MDs
  - Anthem (VA)
  - Blue Care Network (MI)
  - BTE (KY, MA, NY, OH)
  - CareFirst (DC-MD-VA)
  - ConnectiCare
  - HealthAmerica (PA)
  - Oxford (NY)
  - First Care (FL)

- Actively steer patients to recognized MDs
  - BTE (KY, OH)
  - Oxford (NY)

- Use for network entry
  - Aetna, CIGNA
What Medical Practice Looks Like Now

- 85% of physicians can’t generate registry lists by test results or current medications
- 33% of physicians repeat tests because results are unavailable
- 15% observed abnormal test results not followed up
- Only 18% of physicians have data on patients’ outcomes
- Only 13% can generate their own performance measures

The Systematic Practice

Systematic Inputs
- Medical evidence on what works
- Patient’s complete data and history
- Customized reminders for physicians
- Self-management resources

Doctor/Patient Relationship
- an ongoing partnership for health

Systematic Follow-up & Outcomes
- Patient reminders
- Test and referral follow-up
- E-Prescribing
- Disease management
- Performance measurement and feedback
- Quality improvement

Medical evidence on what works
Patient’s complete data and history
Customized reminders for physicians
Self-management resources

NCQA
Measuring the Quality of America’s Health Care
How Do Systems Lead To Quality Improvement?

• Automated reminders to physicians can reduce prescribing errors

• Patient self-management support leads to better outcomes with chronic conditions

• Improving clinical information through registries etc. can improve care

• Systematic measurement and feedback to physicians improved quality of care in a variety of conditions
Physician Practice Connections

Recognizes physician practices that use systematic processes and H-IT

Measures
- Registry functions
- Care management
- Patient self-management support
- Performance measurement & improvement

Measures
- Test tracking and management
- Referral tracking & management
- E-Prescribing
- Integration of information
PPC: How it Works

- Practice collects data using Web-based tool (simple survey can be used)
- Practice submits documentation to NCQA
- NCQA evaluates & scores all submissions
- NCQA conducts additional audit of sample of practices
- NCQA reports those that pass, gives certificate and issues a press release
- Data feed goes to BTE and health plans monthly
Screen Shot: Web-Based Survey Tool

**ELEMENT E**

**ELECTRONIC SYSTEM FOR PATIENT FOLLOW-UP**
The practice uses an electronic system to assist in tracking test results as follows:

1. Tracking all laboratory tests until results return to the practice
2. Tracking all radiology tests until results return to the practice
3. Distinguishing abnormal test results
4. Prompting follow-up with patients who have abnormal test results

<table>
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<th>100%</th>
<th>75%</th>
<th>50%</th>
<th>0%</th>
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</thead>
<tbody>
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<td>Practice uses system with 3 factors</td>
<td>Practice uses system with 2 factors</td>
<td>Practice uses system with 0 - 1 factors</td>
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**Data Source:** Reports

**Scope of Review:** ONCE--NCQA scores this element once for the organization.

**Reference Information:** [Explanation] | [Examples]
PPC Basics

• Who rewards recognized practices now?
  – Growing number of employer coalitions, health plans, and others

• How big are the rewards?
  – $1.1 million paid in first 16 months

• Who is recognized?
  – Over 600 physicians in 75 practices

• What’s next?
  – Version 2, national standards being developed
One Physician’s View

“Jumping through the NCQA hoops is good motivation for me to take extra special care of the diabetics and others as well.” – a PPC Recognized physician
PPC Version 2: Basic, Intermediate or Advanced

**BASIC**
Standards assess the use of evidence-based standards of care, maintenance of patient registries, and provision of educational resources to patients.

**INTERMEDIATE**
Standards require use of electronic systems to maintain patient records, provide decision support, enter orders for prescriptions and lab tests, and provide patient reminders.

**ADVANCED**
Standards require a practice’s electronic systems interconnect to be “interoperable,” and able to automatically send, receive, and integrate data.
Cautionary Notes

• Physician involvement is necessary but you can’t turn it over to those being measured.

• Keeping measurement and payment activities separate is important.

• Behavior cannot change overnight but the bar must be continually raised.

• Allow for innovation. Don’t lock into one set of measures.