US Health Care Reform

Week Three:

Promoting Better Value and Quality of Care

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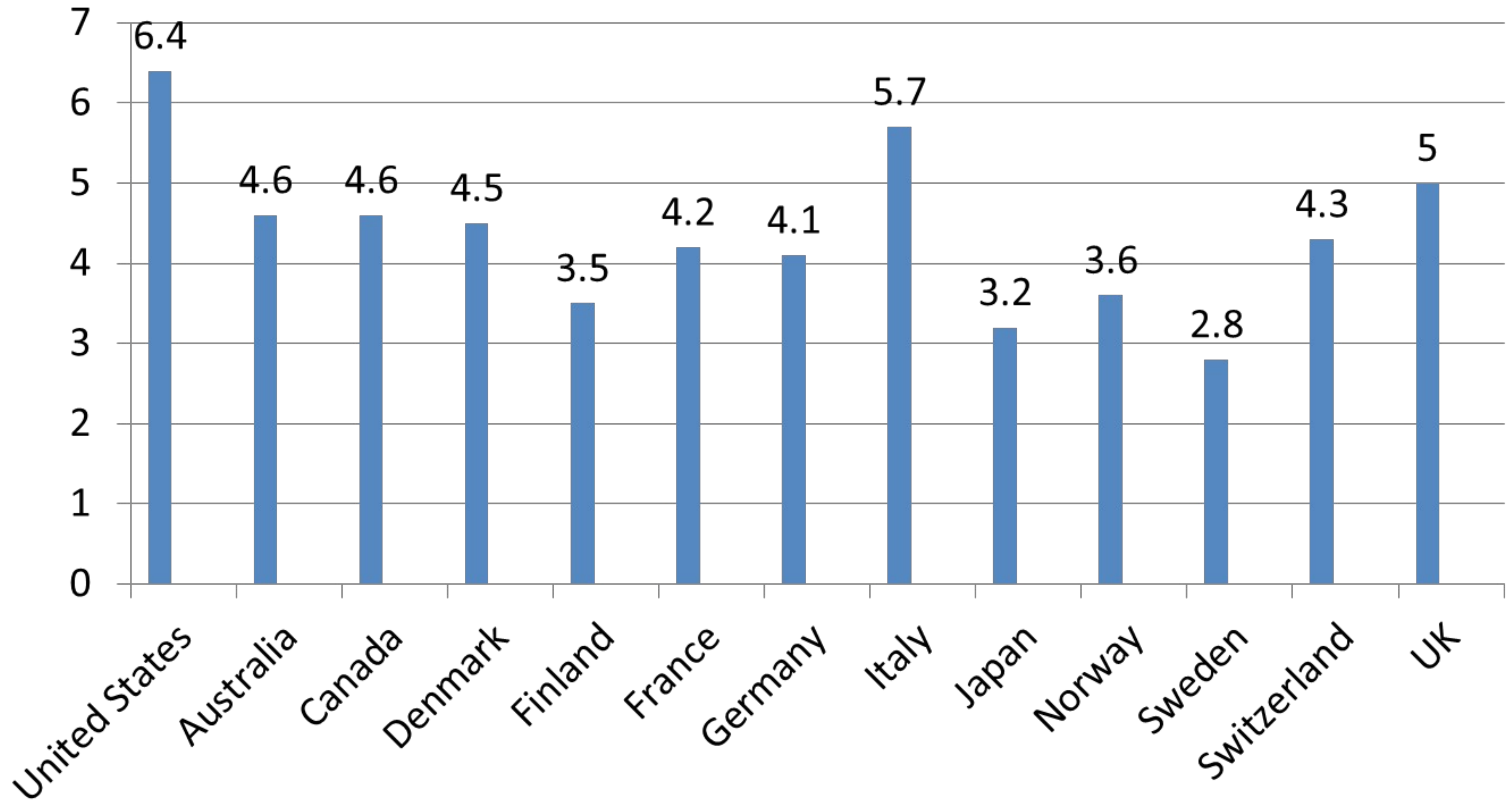
For

Osher Lifelong Learning Institute

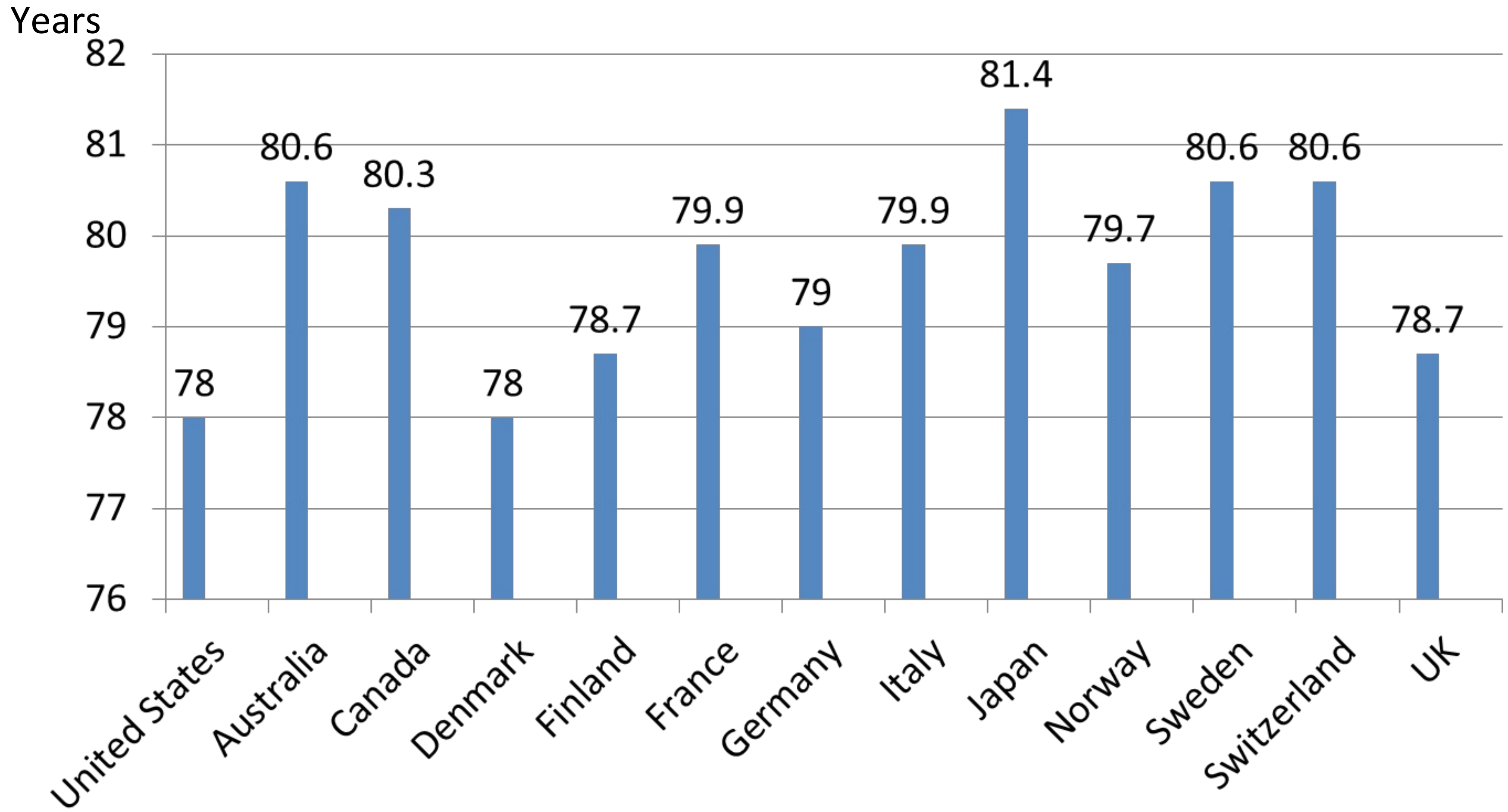
November 2010

- Issues with Quality and Value
  - Health Outcomes
  - Appropriate Care
  - Medical Errors
- Purchaser/Payer Driven Initiatives
  - Quality Reporting
  - Pay for performance
- Profession Driven Initiatives
  - Processes of care—Checklists/Technology
  - Maintenance of certification

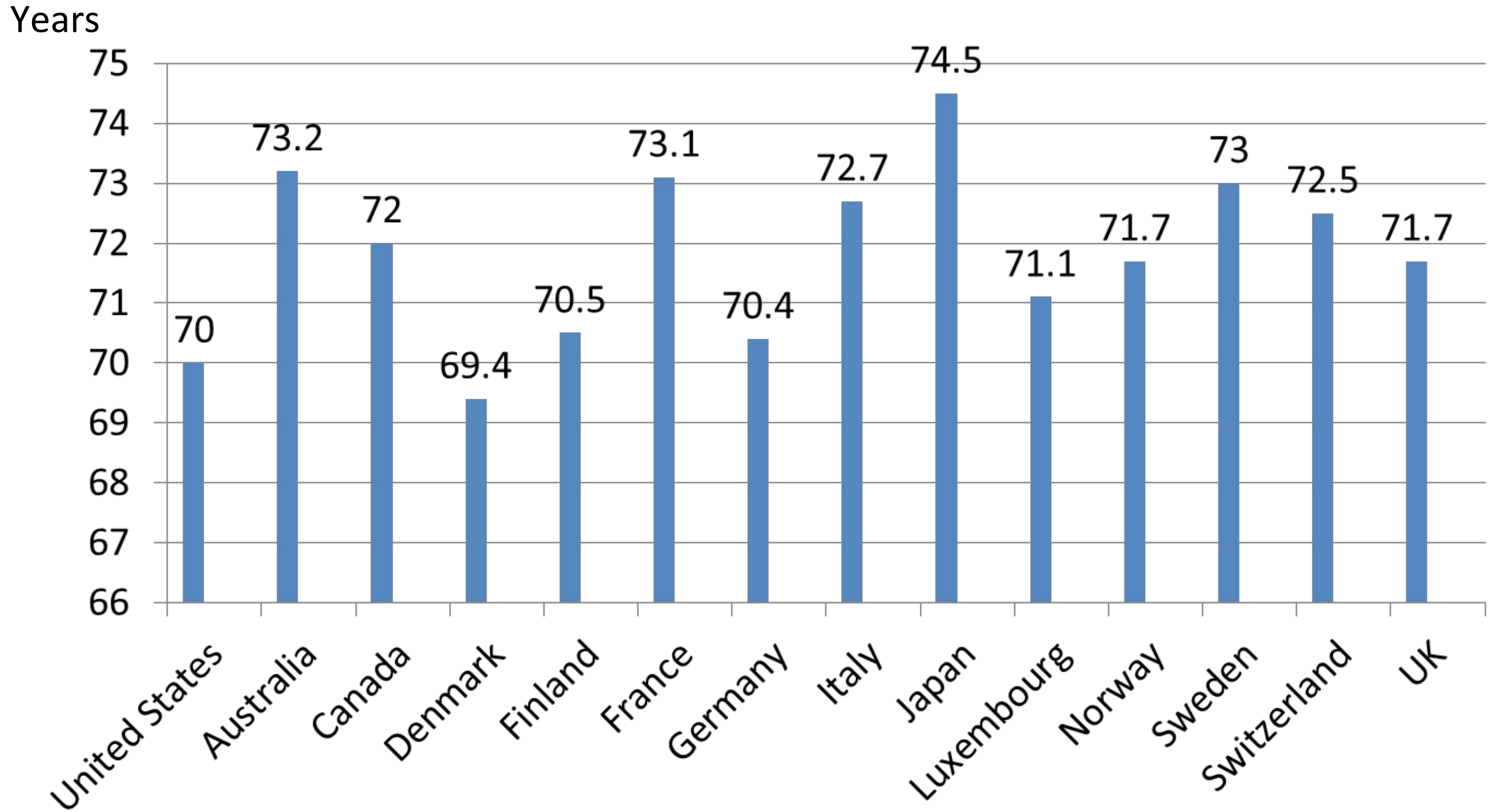
Infant Mortality Rate
Per 1,000 Live Births
2007



Life Expectancy at Birth



Disability Adjusted Life Expectancy



Recommended Care Received About 50 percent of the Time

Type of Care	Percent Receiving Recommended Care
Preventive	54.9 %
Acute	53.5 %
Chronic	56.1 %

Cataract	78.7 %	Osteoarthritis	57.3 %
Breast Cancer	75.7 %	Asthma	53.5 %
Hypertension	64.7 %	Diabetes	45.4 %
Cong. Heart Failure	63.9 %	Pneumonia	39.0 %
COPD	58.0 %	Atrial Fib.	24.7 %

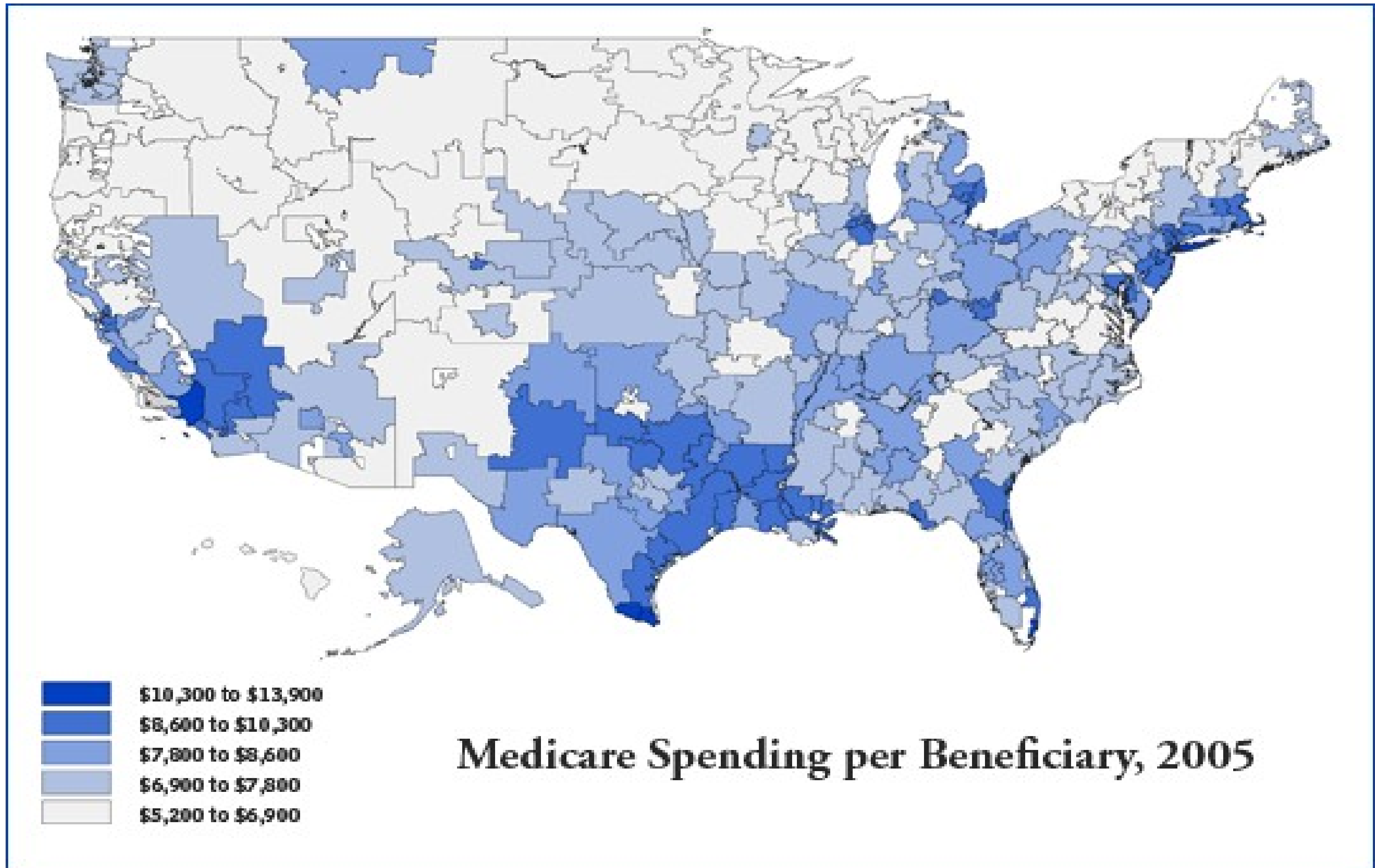
McGlynn, et. al., *New England Journal of Medicine* 2003

Medical Errors

- Hospitals
  - Studies in 3 states estimate
    - 3-4 percent of hospitalizations involve a medical error
    - 9-14 percent of errors result in death
  - Extrapolated to nation
    - 44,000-98,000 deaths annually due to hospital medical errors
- Medication Errors
  - Estimated 7,000 deaths annually

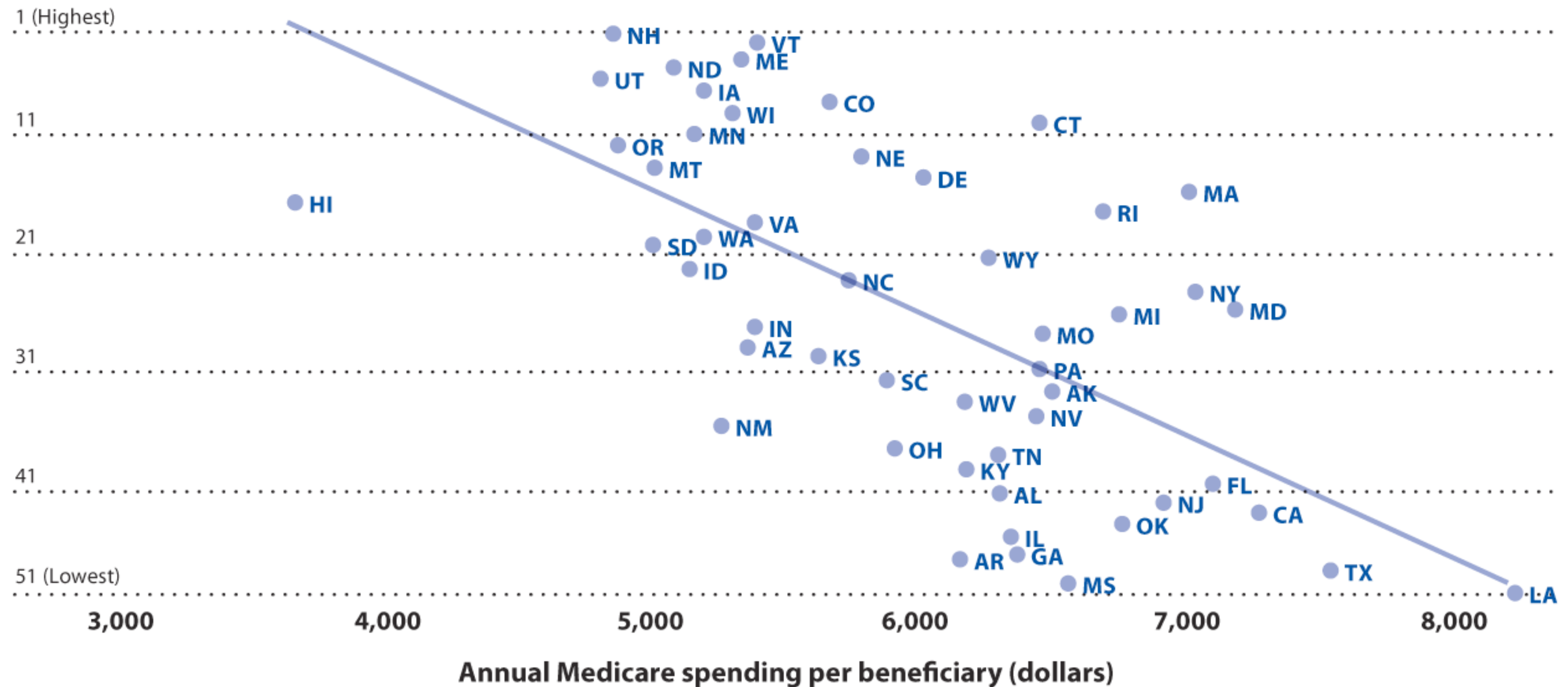
Institute of Medicine, *To Err is Human*, 1999.

Medicare Spending per Beneficiary Varies 167 Percent



Relationship Between Quality of Care and Medicare Spending

States with higher spending per Medicare beneficiary tended to rank lower on 22 quality of care indicators. This inverse relationship might reflect medical practice patterns that favor intensive, costly care rather than the effective care measured by these indicators.



Source: Medicare administrative claims data and Medicare Quality Improvement Organization program data, as analyzed by Baicker and Chandra (2004). The solid line shows that for every $1,000 increase in Medicare spending per beneficiary, a state's quality ranking dropped by 10 positions. Adapted and republished with permission of *Health Affairs* from Baicker and Chandra, "Medicare spending, the physician workforce, and beneficiaries' quality of care" (Web Exclusive), 2004. Permission conveyed through the Copyright Clearance Center, Inc.

THE COMMONWEALTH FUND

Leatherman and McCarthy, *Quality of Health Care for Medicare Beneficiaries: A Chartbook, 2005.* The Commonwealth Fund

Purchaser/Payer Driven Initiatives

– Public Quality Reporting

– Pay for performance

Public Quality Reporting

- Spotlight creates an incentive for providers to improve
  - Professionalism/Pride
  - Economics—Market Share
- Spotlight enables patients and purchasers to get better value
  - Better outcomes, more safety
  - Lower cost

Public Quality Reporting

- Early Examples
  - Medicare Hospital Mortality 1986–93
  - NY State Cardiac Surgery Reporting 1991—present
  - Pennsylvania Health Care Cost Containment Council—1994--present
  - HEDIS—H___ E___ Data and Information Set
    - HMO Employer—1991
    - Healthplan Employer--- 1993
    - Healthcare Effectiveness---2007

Public Quality Reporting

- More Recent Medicare Data Collection Initiatives
  - Reporting Hospital Quality Data for Annual Payment Update Program—50+ measures
  - Physician Quality Reporting Initiative—300+ measures
- Public Reports at www.healthcare.gov/compare
  - Hospital Compare
  - Nursing Home Compare
  - Home Health Compare
  - Plan Compare

Public Quality Reporting Example

New York State Cardiac Surgery Reporting System

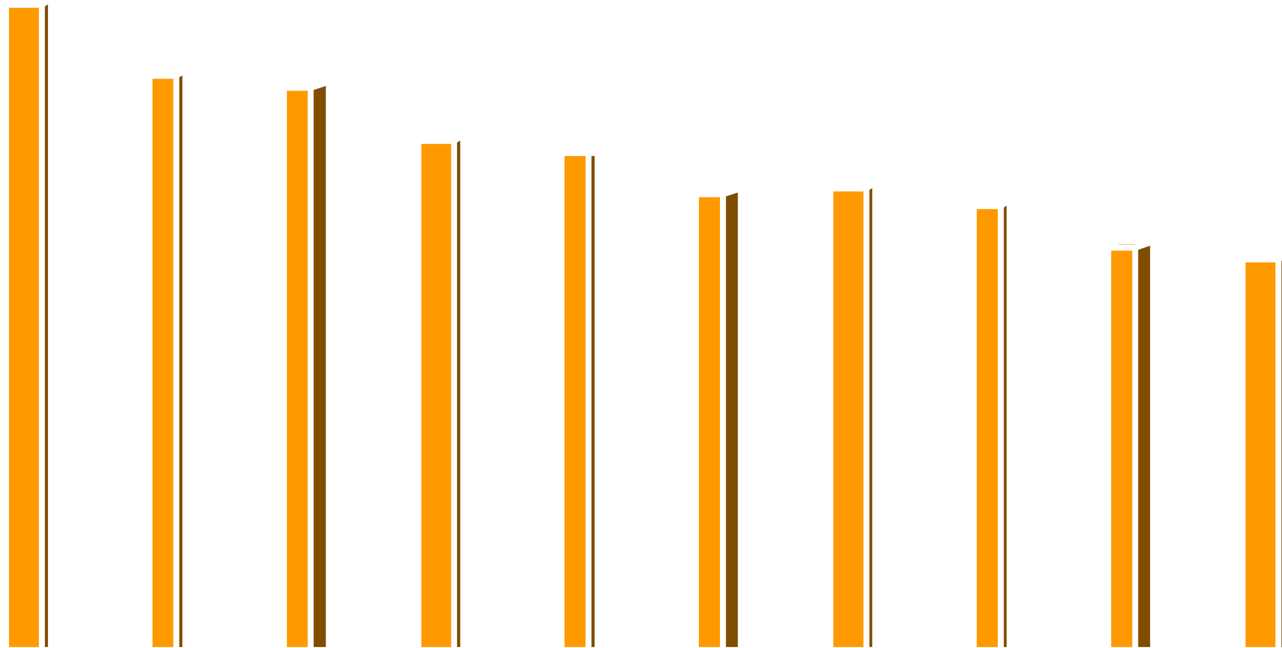
- Publication of risk adjusted mortality for cardiac bypass surgery by hospital and surgeon starting in 1991
  - 34 hospitals/ 160+ surgeons

Public Reporting
New York State Cardiac Surgery Reporting System

- Initial differences between top and bottom 10 percent
  - Hospitals—Mortality 60 percent higher in bottom 10 percent
  - Physicians—Mortality 100 percent higher in bottom 10 percent
- Hospital performance narrowed some over 10 years---Mortality 42 percent higher in bottom 10 percent
- Surgeon differences persisted, but 20 percent of bottom quartile stopped operating in NY State
  - About 1/3 of those operate in other states

New York State Cardiac Bypass Surgery

Observed Mortality Rates (%): 1989-1998



Link between Reporting and Changes in Processes of Care NY State

- **Possible causes of reduced mortality**
  - **Treatment and Timing of Surgery for Shock/AMI Patients**
  - **Monitoring of Post-Op. and ICU Care**
  - **Reduction of Return to Surgery for Post-Op. Bleeding**

There is at least anecdotal evidence that these changes would not have occurred without the public release of data

Source: Donna R. Doran, NY State DOH

Medicare Pay for Performance

- Hospital never events—Deficit Reduction Act 2005
- ACA—Value-based Purchasing
  - Hospitals starting in October 2012
  - Physicians in 2015
  - Proposals to be developed for:
    - Skilled nursing facilities
    - Home health agencies
    - Ambulatory surgery centers
- ACA---Re-hospitalization Penalty

Never Events

No Additional Medicare Payment for Complications Arising in the Hospital

Object Left in After Surgery

Blood incompatibility

Pressure sores

Surgical site infection

Blood infections

Ventilator acquired pneumonia

Air Embolism

Catheter related urinary tract infection

Vascular catheter infection

Injuries—fractures, burns, etc.

Blood clots in legs or lungs

Rehospitalizations

Reduced Medicare Payments for hospitals with more than expected rehospitalizations

- 20 percent of Medicare hospital stays result in a readmission within 30 days
- Discharge instructions (medications, follow-up care, etc.) perceived as frequently inadequate
- About 50 percent of non-surgical patient readmissions have not seen a physician since discharge

Medicare Hospital Based Value Purchasing Initiative

- Hospitals can earn bonuses for performance on selected measures
- Bonuses funded from 1-2 percent withheld from payment to participating hospitals
- Measures include:
  - Prompt treatment of heart attacks
  - Discharge instructions
  - Appropriate use of antibiotics with surgery
  - Patient satisfaction scores from a survey

Medicare Physician Quality Reporting Initiative Measures

- Total of 318 measures across all specialties
- Examples
  - Diabetes care—HgA1c and LDL under control, Periodic eye exams
  - Hypertension—Plan of care and adequate control
  - Coronary Artery Disease—anti-platelet therapy
  - Pre-operative antibiotics
  - COPD—Bronchodilator therapy
  - Pain assessments and follow-ups

Issues with Reporting and Pay for Performance

- Measures
  - Validity—does it make a difference
  - Comprehensiveness---avoid opportunities to teach to the test
  - Inclusive—all types of patients treated uniformly
  - Accuracy—reported data are accurate and verifiable
- Severity adjustment
  - Health status adequately measured
  - Relevant non-health factors controlled

Profession Driven Initiatives

- Processes of care
- Maintenance of certification

Checklists

Example

Preventing infections when inserting venous catheter

- Wash their hands with soap.
  - Clean the patient's skin with chlorhexidine antiseptic.
  - Put sterile drapes over the entire patient.
  - Wear a sterile mask, hat, gown and gloves.
  - Put a sterile dressing over the catheter site
  -

Peter Provonost, MD—Johns Hopkins

Proven Care
Geisinger Health System

Danville PA

- Bypass surgery
  - 40 steps reflecting consensus of surgeons , other professional staff
  - Computer monitored
  - Care for complications or readmissions is free
- Pre-implementation
  - Steps performed about 60 percent of the time
  - Now—90+ percent
  - 17-55% reduction in complications
- Expanded to angioplasty, hip replacement, cataracts, perinatal care, bariatric surgery, and low back pain

Assuring Physician Competence

- Licensure and continuing medical education(CME)

- Board Certification
  - Re-examination
  - Maintenance of Certification

- Credentialing

Maintenance of Certification

- 24 Specialty Boards agreed in 2000 to implement programs of maintenance of certification
- Core competencies
  - Medical knowledge and practice based learning
  - Patient care
  - Interpersonal skills and communication
  - Systems based practice
  - Professionalism
- Certification requirements
  - Licensure and no disciplinary actions
  - Lifelong learning and self assessment
  - Cognitive expertise
  - Practice based assessment

Questions