

Value: Improving Cost and Quality at the Same Time

By Diane Stewart, MBA
*Senior Director
Pacific Business Group on Health*



In medical school, there is an old adage shared by physicians in training – “see one, do one, teach one.” The saying deftly underscores today’s steep learning curve and accelerated engagement by physician groups and health systems in the value-based health care landscape, where innovation is being shared by best practice collaborators up and down the state through a health care improvement initiative.

In an unprecedented announcement earlier this year, the U.S. Health

and Human Services Department (HHS) said it plans to change the way it reimburses Medicare providers, shifting demonstrably away from volume-based service reimbursement structures (so called fee-for service) toward more value, or quality-based payment structures.

In line with this new plan, HHS set a goal to tie 30 percent of fee-for-service Medicare payments to value-based models such as Accountable Care Organizations (ACOs), bundled payments and other quality programs by the end of 2016.

By 2018, it plans to expand that to 50 percent. It also intends to tie 85 percent of traditional Medicare payments to value through programs like Hospital Readmissions Reduction and Hospital Value Based Purchasing by 2016 and 90 percent by 2018.

Value-based payments, which have origins in the private sector with the Integrated Healthcare Association (IHA)’s Pay for Performance program 10 years ago, are now proliferating across all business

lines: commercial, Medicare and Medi-Cal. In addition, three million new adults joined Medi-Cal in 2014, to bring total enrollment to nine million.¹

The performance measurement landscape has become more complicated, however, and it takes an increasing amount of time to understand the value-based payment programs, then assess and design interventions to assure continual improvement in the quality of care.

What are savvy California provider groups doing and developing to meet the changes in reimbursement? Plenty. Are there programs or resources available for those interested in getting ahead of the curve? Yes there are.

Many successful provider groups are building systems to improve patient care for measures common across business lines and for all patients. Many quality measures for chronic illness are common across most, if not all, measurement sets and the California Quality Collaborative (CQC), a healthcare improvement organization

dedicated to advancing the quality and efficiency of health care delivery systems in California, has been helping provider groups design and set up systems to improve their performance over the last several years. The CQC is a healthcare improvement organization that is administered by the non-profit Pacific Business Group on Health, based in San Francisco. CQC seeks to advance the adoption of system changes to make measurable improvement for patients in clinical outcomes, patient satisfaction and affordability. CQC offers training programs for physician organizations, clinics, hospitals and health plans.

Sponsors of the program include Health Net of California, Anthem Blue Cross, Blue Shield of California, United HealthCare, Pacific Business Group on Health and the California Association of Physician Groups.

Is it working? In the 14-month

Compass program, one of the initiatives developed and facilitated by the CQC, offered physician groups peer-to-peer learning, coaching, and tools to improve performance on clinical measures spanning multiple measurement sets.

14 California physician groups caring for 1.2 million patients participated in the first offering of the program. The results speak for themselves as you can see from the chart below. 7 of the 9 measures improved significantly in a little over a year for program participants.

As part of the participation in the CQC program, physician groups learned to:

- Stratify patient populations and conduct effective outreach programs in support of their primary care offices
- Produce actionable reports for physician offices

- Run wellness clinics and health fairs in the community to draw in patients
- Offer services to home bound patients

As the march to a value-based system accelerates, there will be much more innovation and design improvements from both collective and individual stakeholders. For more details on changes implemented by the physician groups, you can visit the CQC website: <http://www.calquality.org/resources/toolkits>

Diane Stewart, MBA, is senior director of the Pacific Business Group on Health and oversees its healthcare improvement initiative, the California Quality Collaboration.

¹<http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDMonthlyEnrollment.aspx>

California Quality Collaborative Clinical Measurement Results: 14 Month Compass Program Aggregate Baseline 2011 compared to Aggregate Results 2012			
Measure	Aggregate Baseline 2011	Aggregate Results 2012	20% Relative Improvement Result
People with Diabetes: Blood Sugar Control	83.03%	85.00%	Achieved
People with Diabetes: Cholesterol Control	53.29%	57.06%	Achieved
People with Diabetes: Blood pressure control	50.25%	60.10%	Achieved
People with Diabetes: Glaucoma screening	50.44%	52.04%	
People with Diabetes: Screening for Kidney disease	91.26%	90.09%	
Blood Pressure Control	50.25%	60.10%	Achieved
Colorectal Cancer Screening	64.19%	67.64%	Achieved
Breast Cancer Screening	77.42%	78.45%	Achieved
Screening for Obesity: Body Mass Index	22.70%	90.90%	Achieved

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