

# Making Health Care Performance Measurement More Meaningful

## *Integrated Healthcare Association (IHA) and Pacific Business Group on Health (PBGH) Partner on Commercial ACO Quality and Cost Measurement & Benchmarking Initiative*

### Background

*Given the high costs and uneven quality of U.S. health care, purchasers and payers increasingly are seeking to identify physicians, hospitals, and other providers that deliver high-quality care at an affordable price. Measuring and benchmarking provider performance is critical to improving health care quality and lowering costs. California is on the leading edge of both provider payment innovations, such as accountable care organizations (ACOs), and performance measurement and benchmarking initiatives to foster better care, better health, and smarter spending. At the same time, performance measures have proliferated nationally, increasing demands on providers and potentially working at cross purposes to advancing higher-value care.*

*To make performance measurement more meaningful and less burdensome, IHA and PBGH are partnering to develop a standardized measurement and benchmarking program for commercial ACOs in California, and ideally on a national basis. The effort builds on IHA's successful Value Based P4P (VBP4P) and Medicare Advantage (MA) Stars performance measurement programs for physician organizations participating, respectively, in commercial HMO/POS and MA provider networks.*

*The goal of the IHA-PBGH partnership is to develop and implement a standard measure set for commercial ACOs that meets the needs of participating purchasers, health plans, and providers while advancing national efforts for coordinated, meaningful performance measurement that promotes high-quality, affordable, patient-centered care—or high-value care.*

### Commercial ACO Measurement Objectives

Major objectives of the commercial ACO performance measurement program include aligning measurement efforts to improve the efficiency and effectiveness of physician organization (PO) and health plan performance improvement

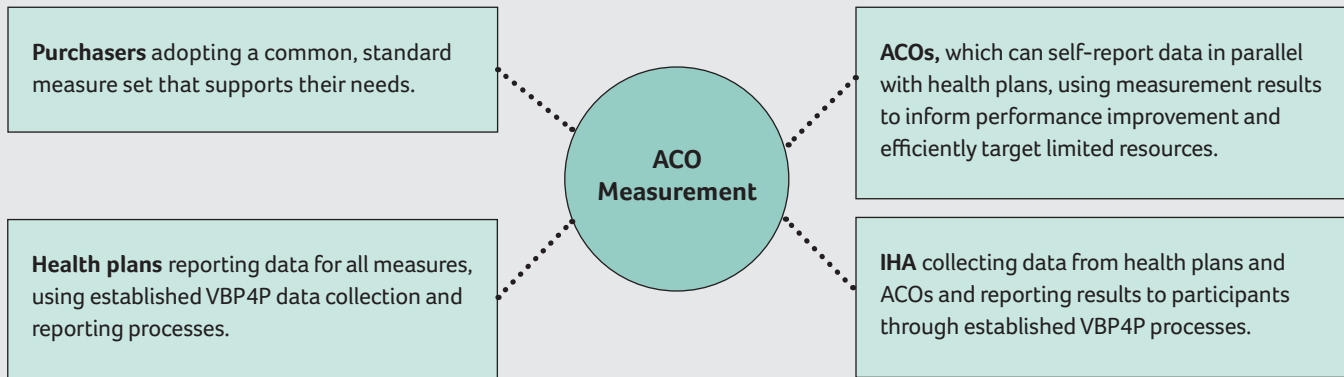
activities. Unlike the VBP4P program, commercial ACO performance measurement will not include a standard incentive design or be publicly reported. Rather, the emphasis is on standardizing performance measurement, reporting, and benchmarking to provide ACO participants with a comprehensive and meaningful understanding of commercial ACO performance.

A standardized approach to commercial ACO performance measurement that leverages existing IHA expertise and processes, developed through years of administering the VBP4P program, has the following benefits:

- **Aligning measurement.** A common measure set establishes standard metrics of accountability across participating physician organizations and health plans and is actively monitored, developed, and maintained by participant-led committees.
- **Establishing meaningful benchmarks.** Consistent commercial ACO performance measures and statewide and national benchmarks can help health plans, physician organizations, and purchasers target performance improvement activities that advance the goal of high-quality, affordable, patient-centered care. To that end, IHA and the National Quality Forum (NQF) are partnering to jointly fund and develop a national benchmarking standard for ACOs as well as developing next-generation ACO performance measures, including patient-reported outcomes.
- **Engaging broad physician organization participation.** Of the five California health plans with an ACO line of business, most of the physician organizations with ACO contracts—32 of 39, or 82 percent—already participate in IHA's VBP4P program.
- **Leveraging a trusted process and reducing burden.** IHA has a well-established process to collect and report quality, resource use, and cost performance results. IHA also is a trusted, neutral convener that can credibly collect, aggregate, and report clinical quality, utilization, and cost data.

## Participant Roles

Consistent with stakeholder energies and priorities, the proposed ACO measurement program targets initial reporting among participants in 2018, based on measurement year (MY) 2017 data. Expectations for participants during initial development and reporting include:



## Guiding Principles

Guiding principles for implementing the commercial ACO measurement and benchmarking initiative include:

- **Promoting high-value care.** By addressing both quality and total cost of care, this effort seeks to advance use of clinically impactful quality measures and reduce variation in care, while also focusing on affordability through measuring the total cost of care and key resource use and utilization indicators that impact cost and quality.
- **Aligning and harmonizing the initiative with many unaligned national ACO measurement efforts already underway.** Since many activities to define ACO measure sets are underway, the IHA-PBGH initiative must balance the need for standardization, innovation, and alignment among regional and national stakeholders, including payers, purchasers, and providers, with taking the lead on specific measure categories such as total cost of care.
- **Defining accountable care organizations broadly.** In the first year of implementation—MY 2017 data collected in 2018—IHA will include any arrangement a plan identifies as an ACO to inform subsequent discussions and decisions about standardizing ACO measurement. With this approach in mind, IHA staff will work with existing VBP4P governance and technical committees to identify and document ACO definitional categories independent of underlying HMO or PPO benefit design.
- **Using existing ACO attribution methodologies.** Attributing enrollees to a particular ACO for performance measurement needs to align with how health plans attribute enrollees

for business/contractual purposes. With this in mind, IHA's proposed attribution approach is to use health plans' existing attribution methodologies for MY 2017. IHA will document attribution methodologies to identify the extent of variation and associated limitations in how the results can appropriately be used, for example, in drawing comparisons and identifying comparable benchmarks.

- **Establishing equitable and diversified funding.** Given the emphasis on leveraging existing VBP4P data collection and other processes, the cost of incorporating ACO measurement into existing work streams is expected to be modest. To diversify funding streams that support IHA performance measurement programs, funding for ACO measurement on an ongoing basis will rely on those benefitting from commercial ACO measurement, including purchasers, health plans, and participating ACOs.

## Commercial IHA-PBGH ACO Measure Set

The measure set leverages the established VBP4P measure set development and communication processes crucial to participant buy-in, including:

- Responsive, continuously evolving measurement that allows for annual updates and ensures stakeholder perspectives are represented in development.
- Standard measure specifications that are published and available to participants free of charge.
- Established processes for participant review of results and resolution of appeals.
- Standard and consistently communicated collection process

## PROPOSED IHA-PBGH COMMERCIAL ACO MEASURE SET

### YEAR 1 MEASURES (MY 2017)

#### *Quality*

1. Asthma Medication Ratio
2. Breast Cancer Screening
3. Cervical Cancer Screening
4. Cervical Cancer Overscreening
5. Colorectal Cancer Screening
6. Controlling High Blood Pressure
7. Statin Therapy for Patients with Cardiovascular Disease
8. Comprehensive Diabetes Care (HbA1c Testing, HbA1c Poor Control <9%, Attention for Nephropathy, Eye Exam, Blood Pressure Control)
9. Statin Therapy for Patients with Diabetes
10. Use of Imaging Studies for Low Back Pain
11. Appropriate Testing for Children with Pharyngitis
12. Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis
13. Childhood Immunization Status: Combo 10
14. Chlamydia Screening in Women
15. Immunizations for Adolescents

#### *Resource Use & Cost*

16. All Cause Readmissions
17. ED Visits
18. Total Cost of Care

### DEVELOPMENTAL MEASURES (MY 2018 & BEYOND)

#### *Feasible for Testing*

19. Initiation and Engagement of Alcohol and Other Drug Dependence Treatment
20. Persistent Beta Blocker After Heart Attack
21. Potentially Avoidable ER Visits
22. Prenatal and Postpartum Care
23. Preventative Care & Screening: Tobacco Use: Screening & Cessation Intervention
24. AHRQ Prevention Quality Indicator #90: Ambulatory Sensitive Admissions
25. Use of Opioids at High Dosage OR Concurrent Use of Opioids & Benzodiazepines
26. Weight Assessment & Counseling for Nutrition and Physical Activity for Children/Adolescents

#### *Survey Measures*

27. CG-CAHPS (ACO)
28. Patient Reported Outcomes
29. Flu Vaccinations for Adults 18-64

#### *Electronic Clinical Data*

30. Adult BMI Screening & Follow Up
31. Depression Remission at 6 months
32. Screening for Clinical Depression & Follow Up Plan
33. Ischemic Vascular Disease: Aspirin Use
34. Optimal Diabetes Care Combination

#### *Additional Data Sources*

35. NTSV C-Section

and timeline supporting various levels of physician organization participation.

The 35 measures in the IHA-PBGH Commercial ACO Measure Set incorporate input from the IHA Board of Directors, including purchaser representatives (CalPERS, Covered California, Disney, and Google), the VBP4P governing committees, the Pacific Business Group on Health, and representatives from regional and national stakeholder groups, such as CAPG, NQF, and the CMS/AHIP Core Quality Measures Collaborative (CQMC). Consistent with the priorities identified by these industry-wide stakeholders for ACO measurement, the proposed measures are:

- **Aligned with the Value Based P4P Measure Set.** Over 80 percent of POs with ACO contracts already participate in VBP4P. Given the overlap in participation and target populations, the VBP4P measure set is an appropriate foundation for commercial ACO measurement in California, and will be the basis for the first year of measurement in MY 2017. The VBP4P measure set is highly aligned with other key measurement programs and targets clinically relevant and scientifically valid measures that can be used to drive both accountability and participant engagement in performance improvement.
- **Consistent with Purchaser Priorities.** IHA partnered with PBGH, which developed a Meaningful Measures set for

use by more than 60 purchaser members across the country, as well as with purchaser representatives on the IHA Board of Directors (CalPERS, Covered California, Disney, and Google) to develop the proposed ACO measure set. Further, the proposed ACO measures span the top 11 of 12 clinical priority areas that drive health care spending in the commercial population as identified by [Catalyst for Payment Reform](#).

- **Aligned with Other ACO Initiatives & Consistent with National Priorities.** To ensure relevance, the ACO measure set must meet the needs of health plans and purchasers with a national footprint. The proposed measure set includes almost half of ACO measures currently used by four health plans with commercial ACOs in California, and nearly 75 percent of measures from the CQMC ACO and patient-centered medical home (PCMH) [measure set](#), which is the leading effort to coordinate national measurement priorities. Alignment in the IHA-PBGH ACO measure set accelerates measurement in areas identified by CQMC for development, including total cost of care, patient-reported outcomes, and measures related to opioid overuse.

This approach promotes timely adoption by health plans, purchasers, and providers participating in commercial ACO arrangements, while supporting aligned measurement and driving regional and national performance improvement efforts.

## Accelerating Performance Measurement Through Developmental Measures

Recognizing purchasers' desire to advance more meaningful performance measures while minimizing reporting burden, the proposed commercial ACO measure set includes a number of "developmental" measures that currently cannot be collected through the VBP4P program. One of the challenges in advancing cutting-edge measurement in VBP4P has been the need for measures that are applicable across all 200+ participating physician organizations, which have varied infrastructure and capabilities. However, the physician organizations participating in California ACOs are a subset of engaged, mature, and innovative organizations with extensive infrastructure for performance measurement. Paired with the current purchaser energy and involvement in ACOs, the

commercial ACO measurement program is well positioned to develop and implement more progressive (and operationally challenging) approaches for targeting clinically powerful quality measures and prioritizing patient-centered approaches.

Additionally, the IHA-NQF partnership to develop a national benchmarking standard for ACOs and next-generation ACO performance measures will be critical in meeting stakeholders' needs for meaningful measurement that minimizes reporting burden. The developmental measures reflect high-priority areas for purchasers, provide opportunities for pioneering measurement as identified by CQMC, and align with priorities identified in the VBP4P [2016-2021 Measure Set Strategy](#). IHA envisions a phased, multi-year implementation process for developmental measures throughout years 2, 3, and 4 of commercial ACO measurement (MY 2018, MY 2019, and MY 2020, respectively).

## Proposed Implementation Timeline

To support baseline year reporting to participants in 2018, IHA will continue to work with PBGH, the VBP4P committees, and key stakeholders on the IHA Board of Directors to confirm program specifications and participant commitment. IHA will release final the MY 2017 Commercial ACO Measure Set, measure specifications, and guidelines for commercial ACO reporting by mid-December 2017 to support initial data collection in May 2018.

### About IHA

Based in Oakland, Calif., the nonprofit Integrated Healthcare Association (IHA) convenes diverse stakeholders—including physicians, hospitals and health systems, purchasers and health plans—committed to high-value, integrated care that improves quality and affordability for patients across California and the nation.

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