



Pay for Performance Overview

December 2012

Agenda

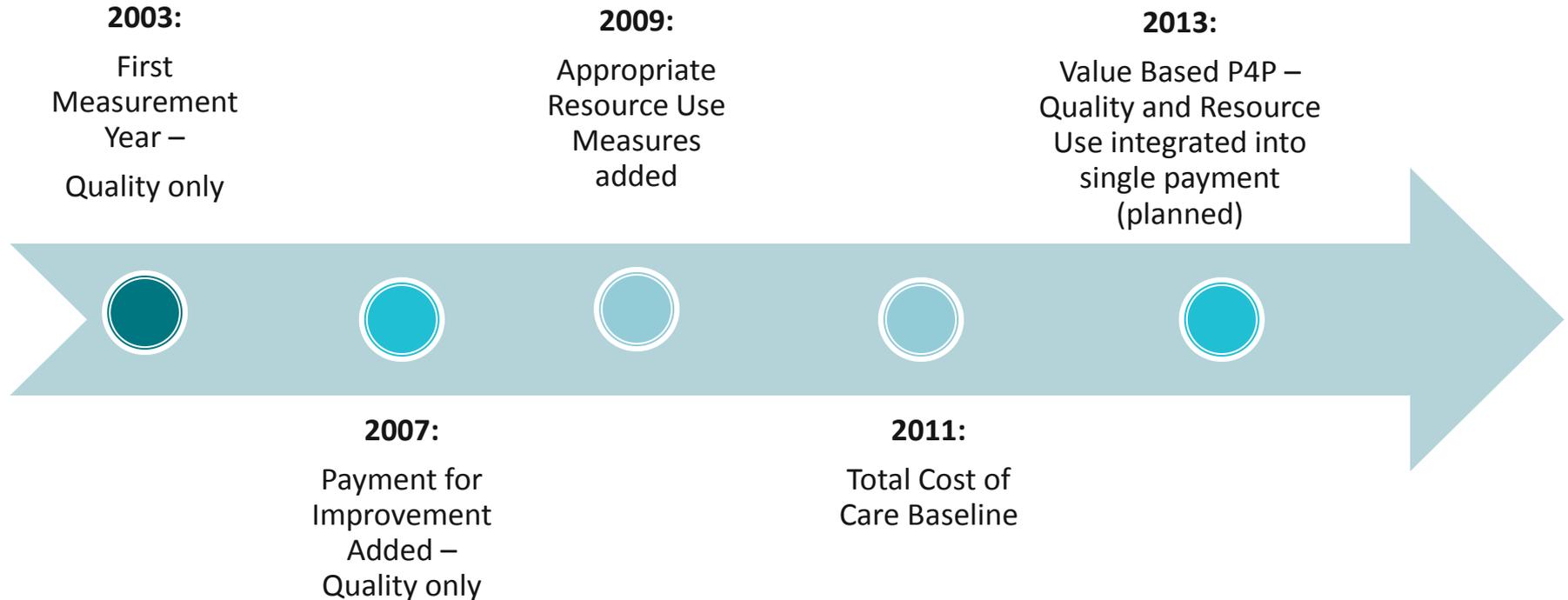
- P4P Program Overview
- P4P Common Measure Set
- P4P Program Results
- Transition to Value Based P4P

California P4P Overview: Original Program Goals

To create a compelling set of incentives that will drive breakthrough improvements in clinical quality and the patient experience through:

- Common set of measures
- Health plan payments to physician organizations
- A public report card

California P4P Overview: Program Evolution



Program Participants

Eight CA Health Plans:

- Aetna
- Anthem Blue Cross
- Blue Shield of CA
- Cigna
- Health Net
- Kaiser Permanente*
- UnitedHealthcare
- Western Health Advantage

Medical Groups and IPAs:

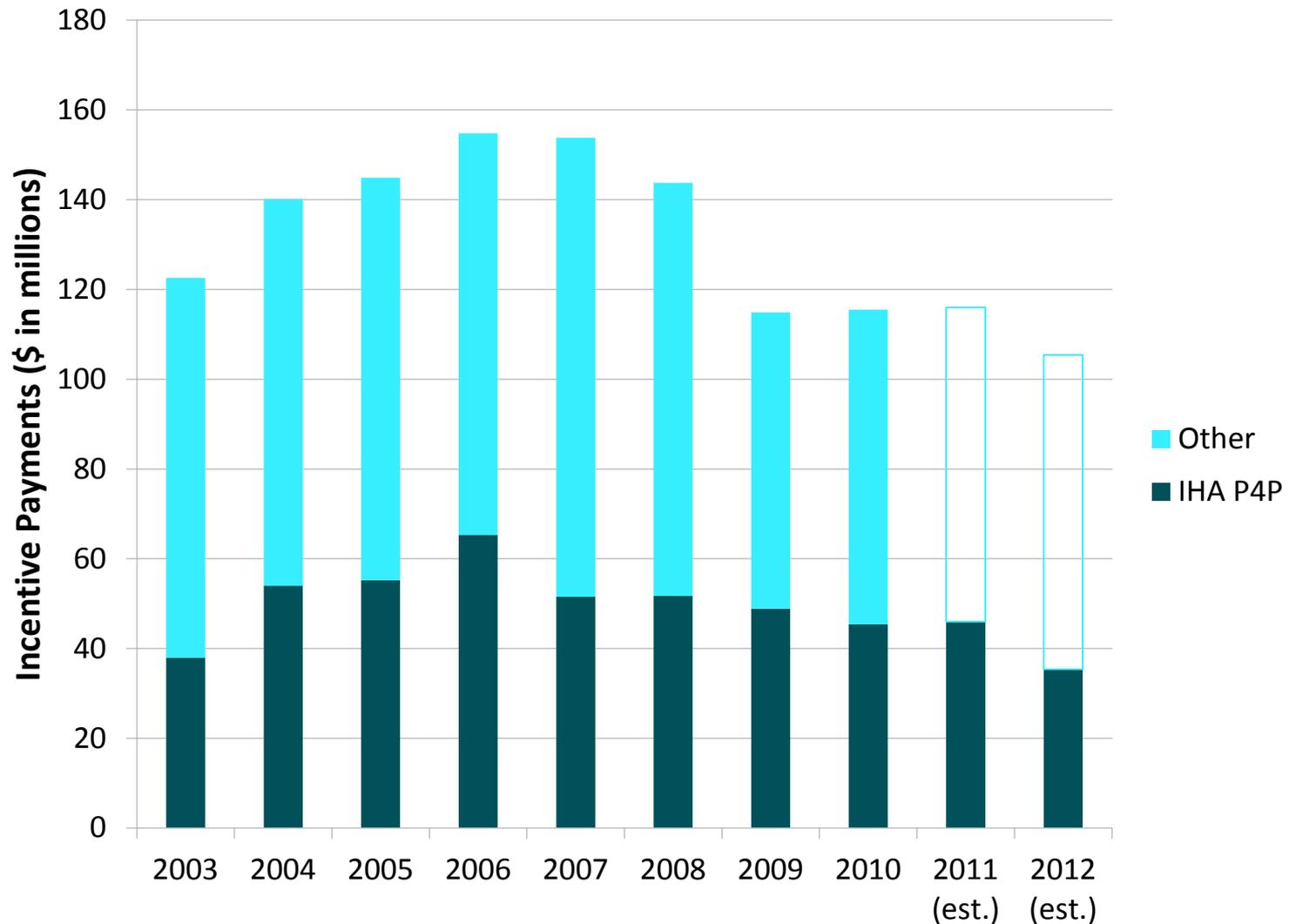
- Over 200 Physician Organizations (PO)
- 35,000 Physicians
- 10 million commercial HMO/POS members

* Kaiser Permanente medical groups participate in public reporting only, starting 2005

California P4P Overview: P4P Guiding Principles

- Measures:
 - Use nationally vetted, standardized measures whenever possible
 - Test new measures and seek public comment prior to adoption
 - Move toward outcome measures
- Data Collection:
 - Only allow electronic data for full eligible population
 - Health plan data is supplemented by physician organization data
- Data Aggregation:
 - Combine results across plans to create a total patient population for each physician organization
 - Allows more complete and robust measurement and reporting

California P4P Overview: Total Incentive Payments by Year



California P4P Overview: Public Report Card

http://www.opa.ca.gov/report_card/medicalgroupcounty.aspx

[Medical Groups](#) ▶ [Medical Group Ratings](#) ▶

Medical Group Ratings 2012 Edition

Alameda

[Choose a different county](#)

- ★★★★★ Excellent
- ★★★★ Good
- ★★★ Fair
- ★ Poor

	Meeting National Standards of Care	Patients Rate Medical Groups
Affinity Medical Group	★★★★	★★★★
Alta Bates Medical Group	★★★★	★★★★
Bay Valley Medical Group	★★★★	★★★★
Hill Physicians Medical Group - East Bay	★★★★	★★★★★
John Muir Physician Network	★★★★	★★★★
Kaiser Permanente Medical Group - Diablo Service Area	★★★★	★★★★
Kaiser Permanente Medical Group - East Bay Service Area	★★★★★	★★★★
Kaiser Permanente Medical Group - Greater Southern Alameda Area	★★★★★	★★★★

Meeting National Standards of Care

We compared each medical group's patient records in 2010 to a set of national standards for quality of care.

- ▶ Asthma Care
- ▶ Checking for Cancer
- ▶ Chlamydia Screening
- ▶ Diabetes Care
- ▶ Heart Care
- ▶ Treating Children: Getting the Right Care
- ▶ Treating Bronchitis: Getting the Right Care
- ▶ Checking Patients on Long-Term Medications
- ▶ Testing for Cause of Back Pain

Patients Rate Medical Groups

We compared how medical group patients rate their care and service during 2010.

- ▶ Communicating with Patients
- ▶ Coordinating Patient Care
- ▶ Helpful Office Staff

P4P Common Measure Set

P4P Common Measure Set: 2012 Domains and Weightings

Quality Measures

Clinical

50%

Patient
Experience

20%

Meaningful
Use of
Health IT

30%

Resource
Use

Shared
Savings

P4P Common Measure Set: Measurement Expansion

Original **25** measures have expanded to **85** measures

Measurement Domains	2003	2005	2007	2009	2011
Clinical – Preventive	8	10	12	14	18
Clinical – Chronic	3	9	10	12	17
Clinical – Acute	0	1	1	4	4
Patient Experience	6	7	7	9	9
Meaningful Use of Health IT	8	10	19	21	20
Efficiency/Resource Use	0	0	0	16	17
Total	25	37	49	76	85

P4P Common Measure Set: Measure Set Strategy, 2012 - 2015

Align

- Harmonize with existing measures and initiatives

Expand

- Include Cost and Resource Use
- Specialty Care
- Inpatient Measures

Strengthen

- Development of Measurement Suites
- Outcomes Measures

P4P Common Measure Set: Priority Clinical Areas and Measurement Suites

- Priority Clinical Areas

Six clinical categories determined to be of high interest for the P4P program

- Cardiovascular
- Diabetes
- Maternity
- Musculoskeletal
- Prevention
- Respiratory

- Measurement Suites

Comprehensive sets of measures that address a range of aspects of clinical care

- Prevention and risk factors
- Care processes
- Appropriateness of care
- Utilization
- Cost and efficiency
- Patient Experience
- Outcomes

P4P Program Results

Overview of P4P Results

- **Performance Improvement**

- Year-over-year improvement on almost all measures and domains
 - Greatest gains in chronic care (average of 3.3 percentage points per year)
 - Least gains in patient experience (average of 0.3 percentage points per year)
- Improvements generally larger for new measures
- Lower performing physician organizations (PO) are closing the gap

- **Performance Attainment**

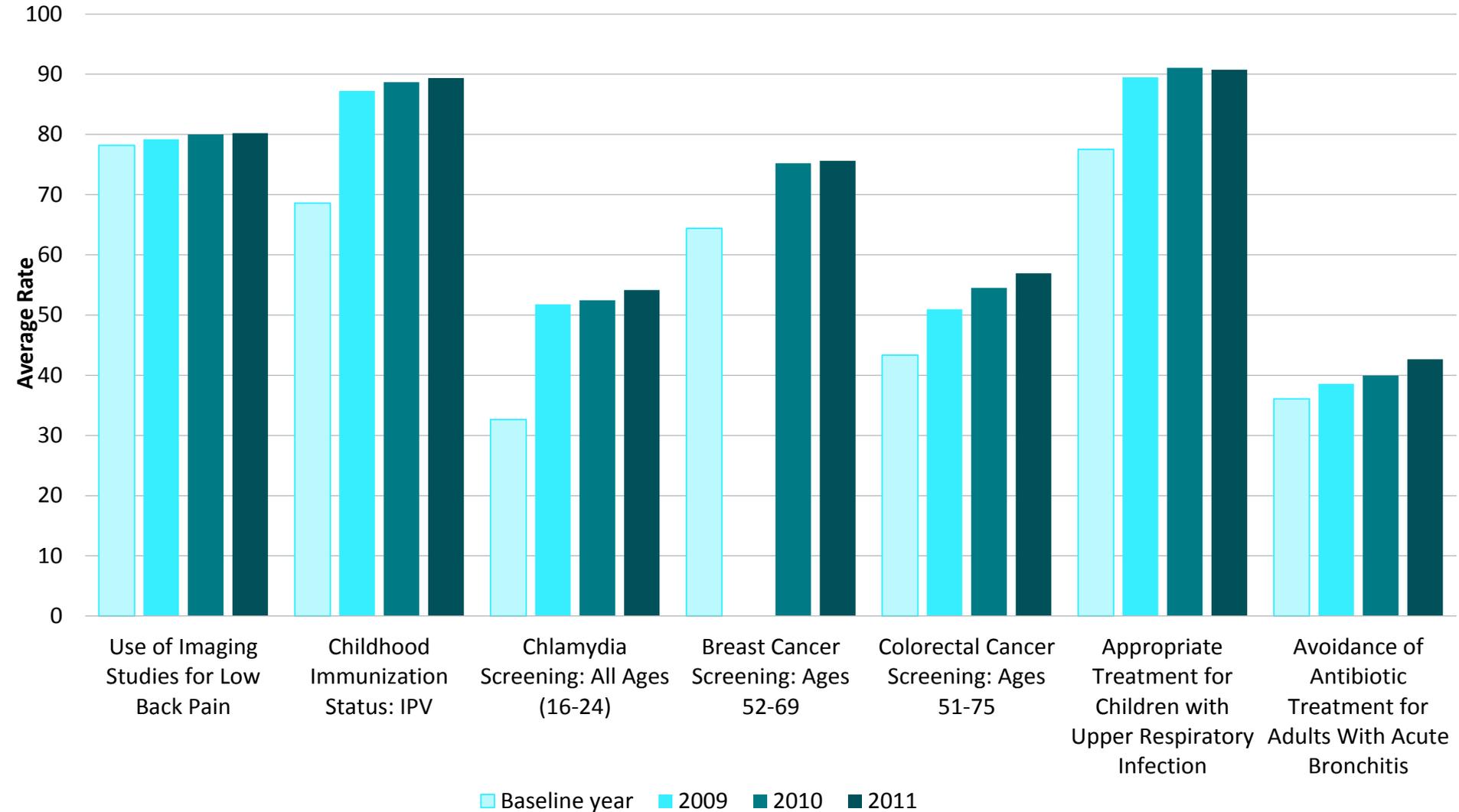
- Clinical results mixed compared to national HEDIS benchmarks
- Inpatient measures close to Milliman “Well Managed” benchmarks

- **Impact of Information Technology (IT)**

- Great uptake of health IT
- High percent of total enrollment is served by POs with advanced IT
- POs with more advanced IT have the higher Clinical performance

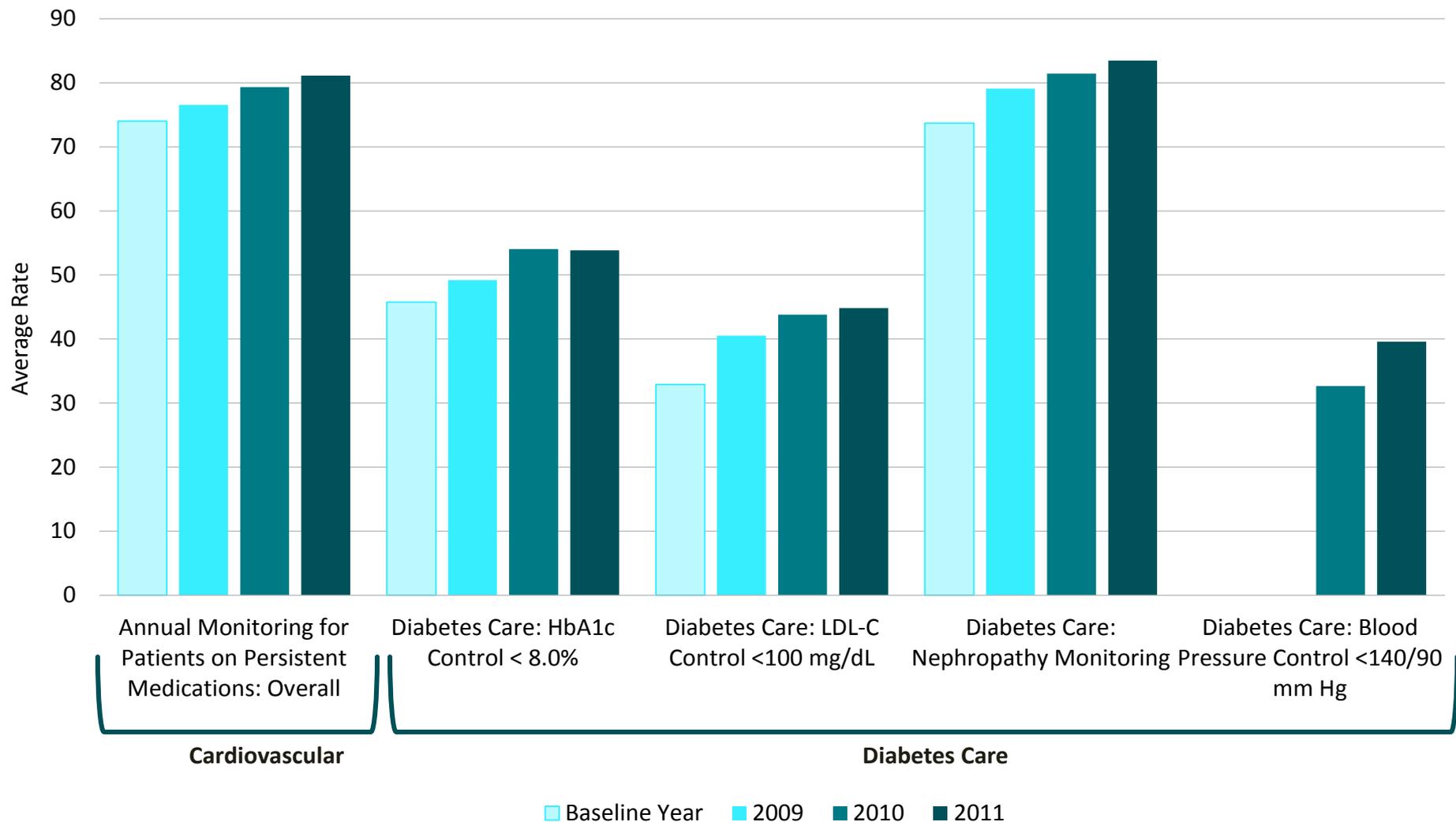
Acute and Preventive Care Show Steady Improvement

Average Improvement
Baseline Year –
Measurement Year
2011: **+2.3**



Chronic Care Improvements Most Significant

Average Improvement:
Baseline Year –
Measurement Year
2011: **+3.3**

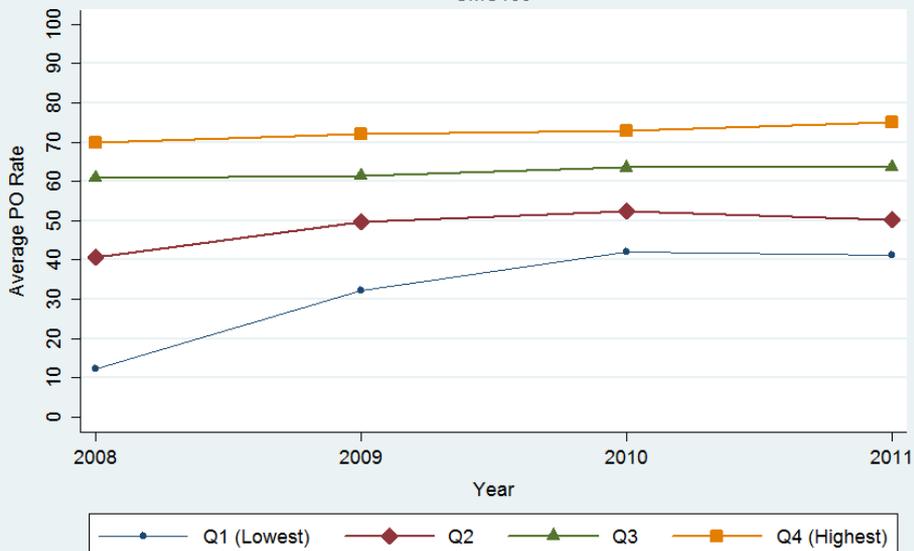


Low-Performing POs “Catching Up”: Increased Performance, Decreased Variation

Cholesterol management for Patients with
Cardiovascular Conditions:
LDL-C Control < 100 mg/dL

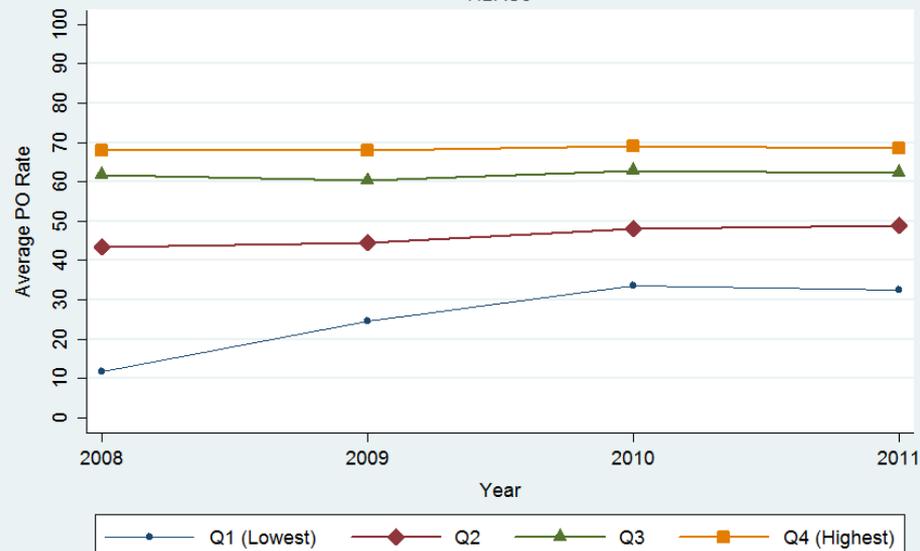
Diabetes Care: HbA1c Control <8.0%

Average PO Rate by MY2008 Quartile
CMC100



Note: Includes 28 Kaiser Permanente groups. Quartiles are based on PO rates in MY 2008.

Average PO Rate by MY2008 Quartile
HBAC8

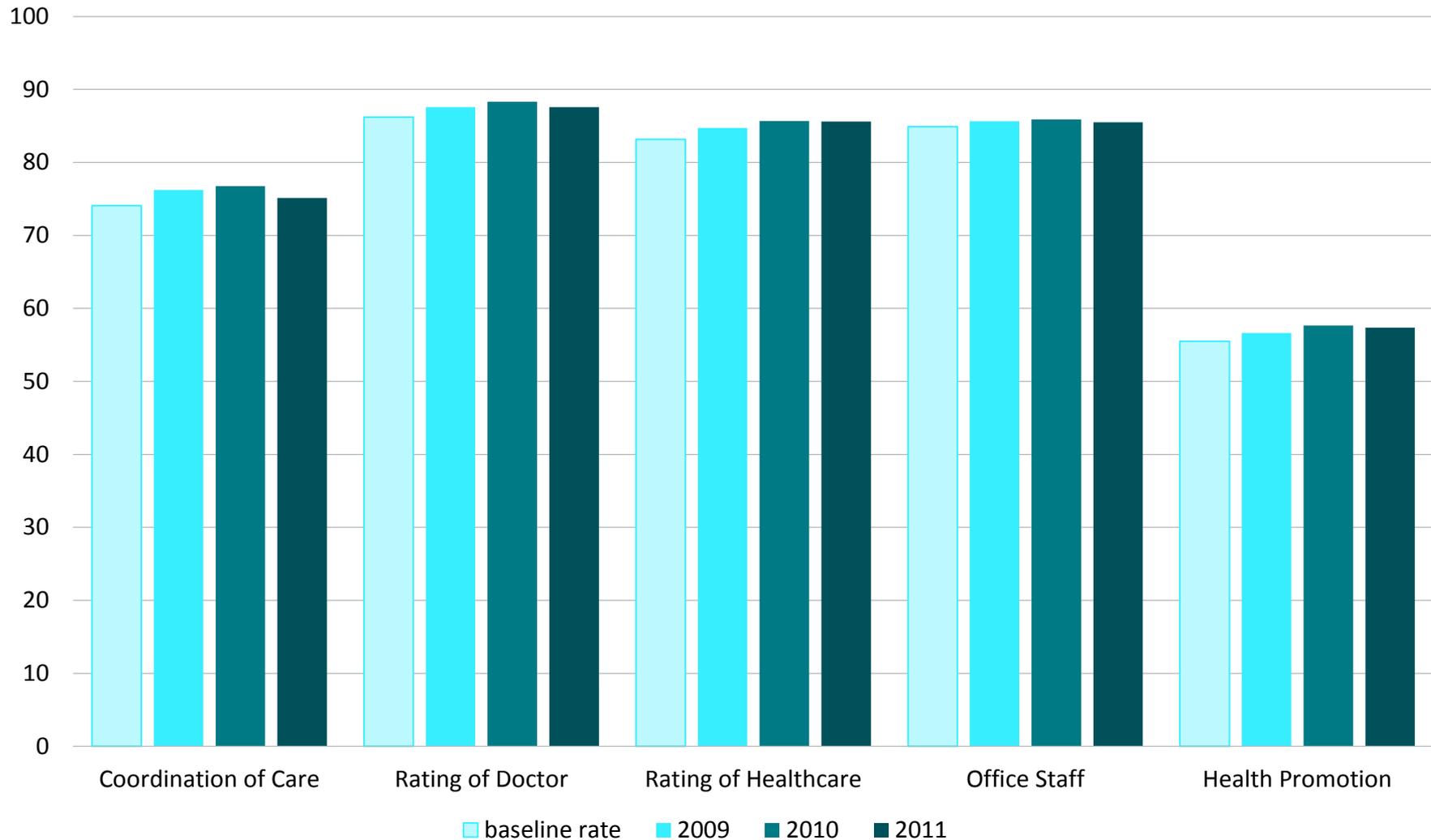


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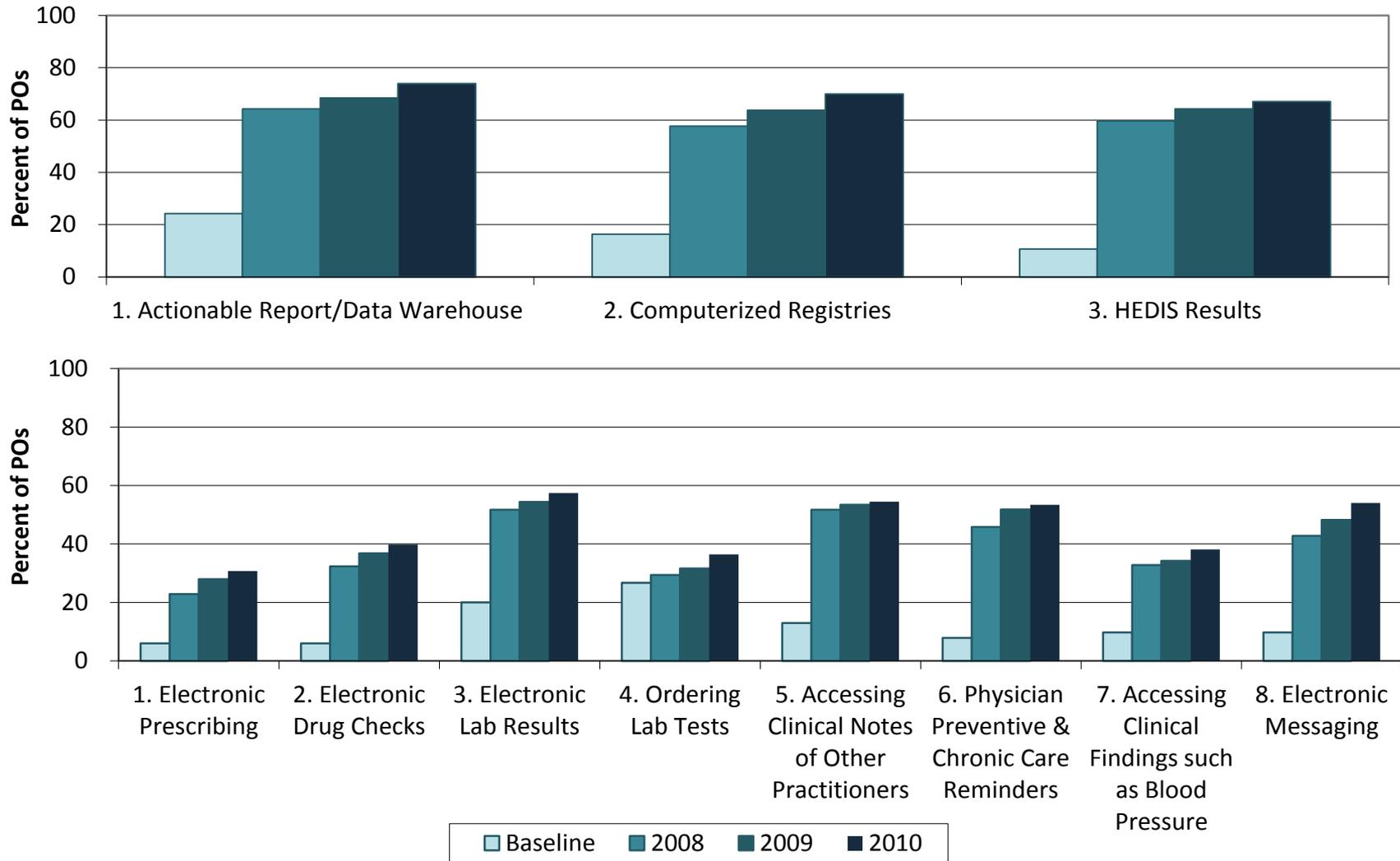
Patient Experience Scores Inch Up

Average Improvement
Baseline Year-
Measurement Year 2011:

+0.3

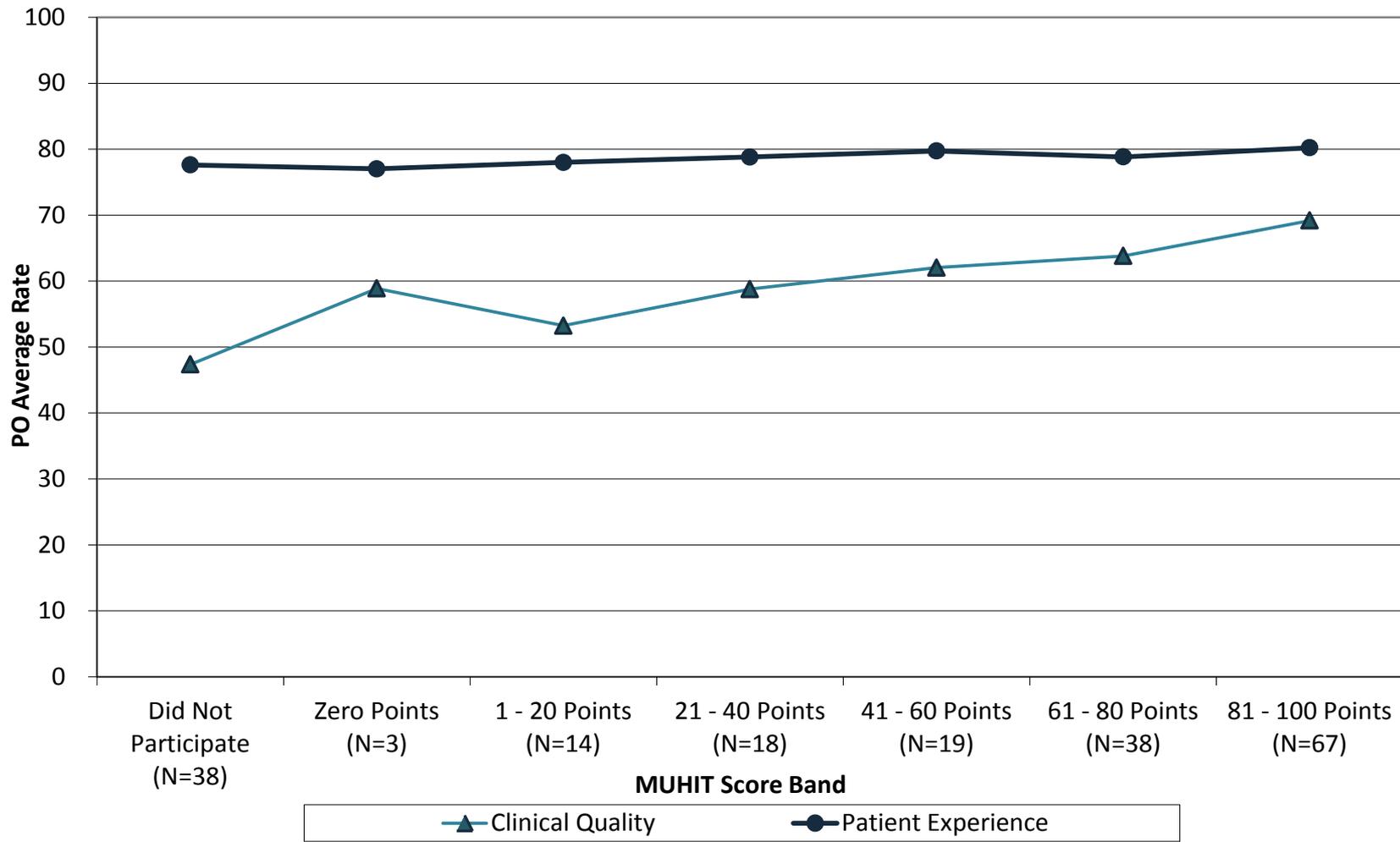


Dramatic Uptake of Population Management and Point of Care Activities



Baseline year is MY 2003. The baseline years for activities 4, 7, and 8 were 2007, 2004, and 2004, respectively, which are the years the measures were first introduced.

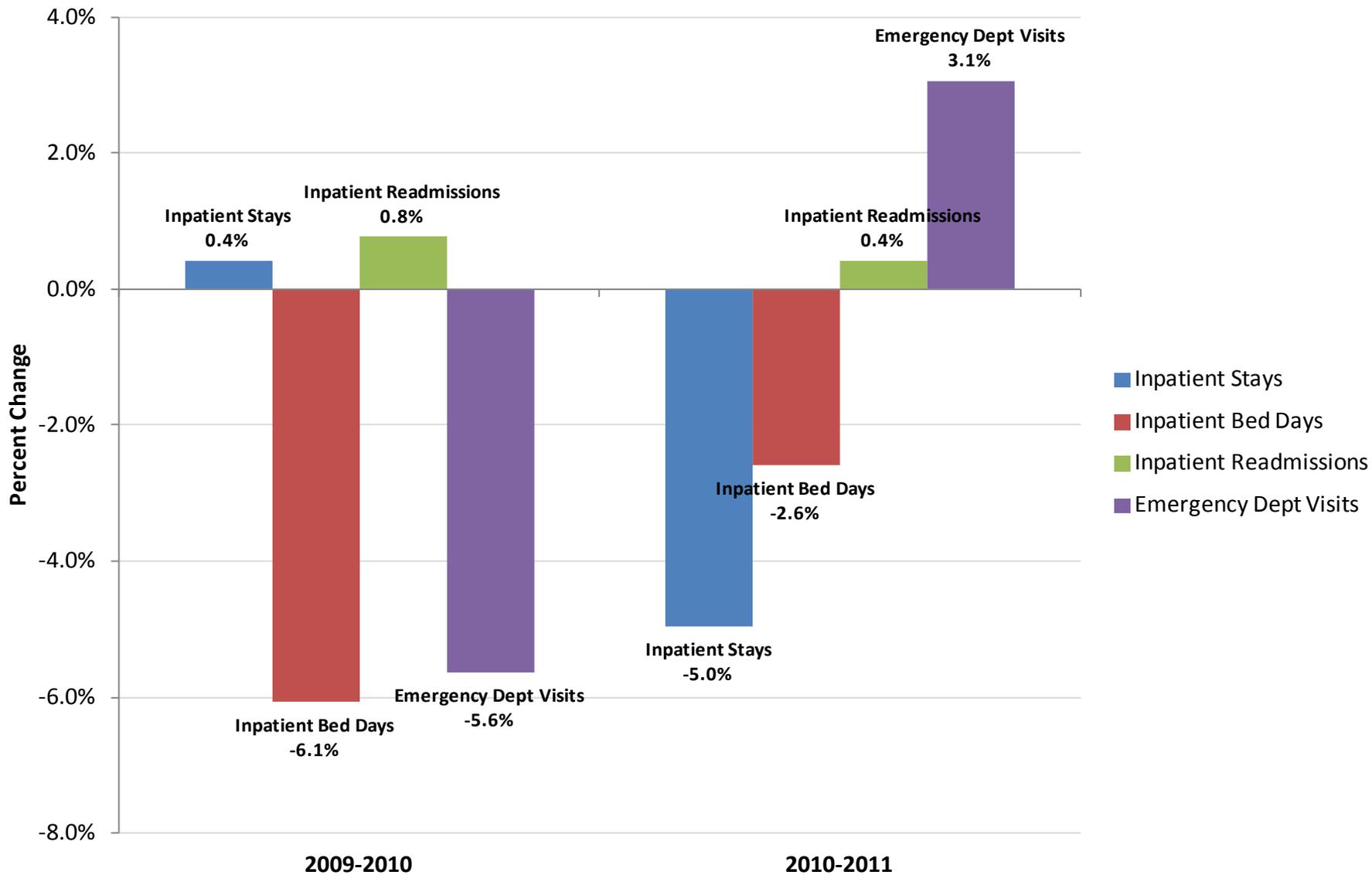
POs with More Use of Health IT have Higher Clinical Quality



Clinical Quality and Patient Experience average rates are calculated using the adjusted half-scale rule.

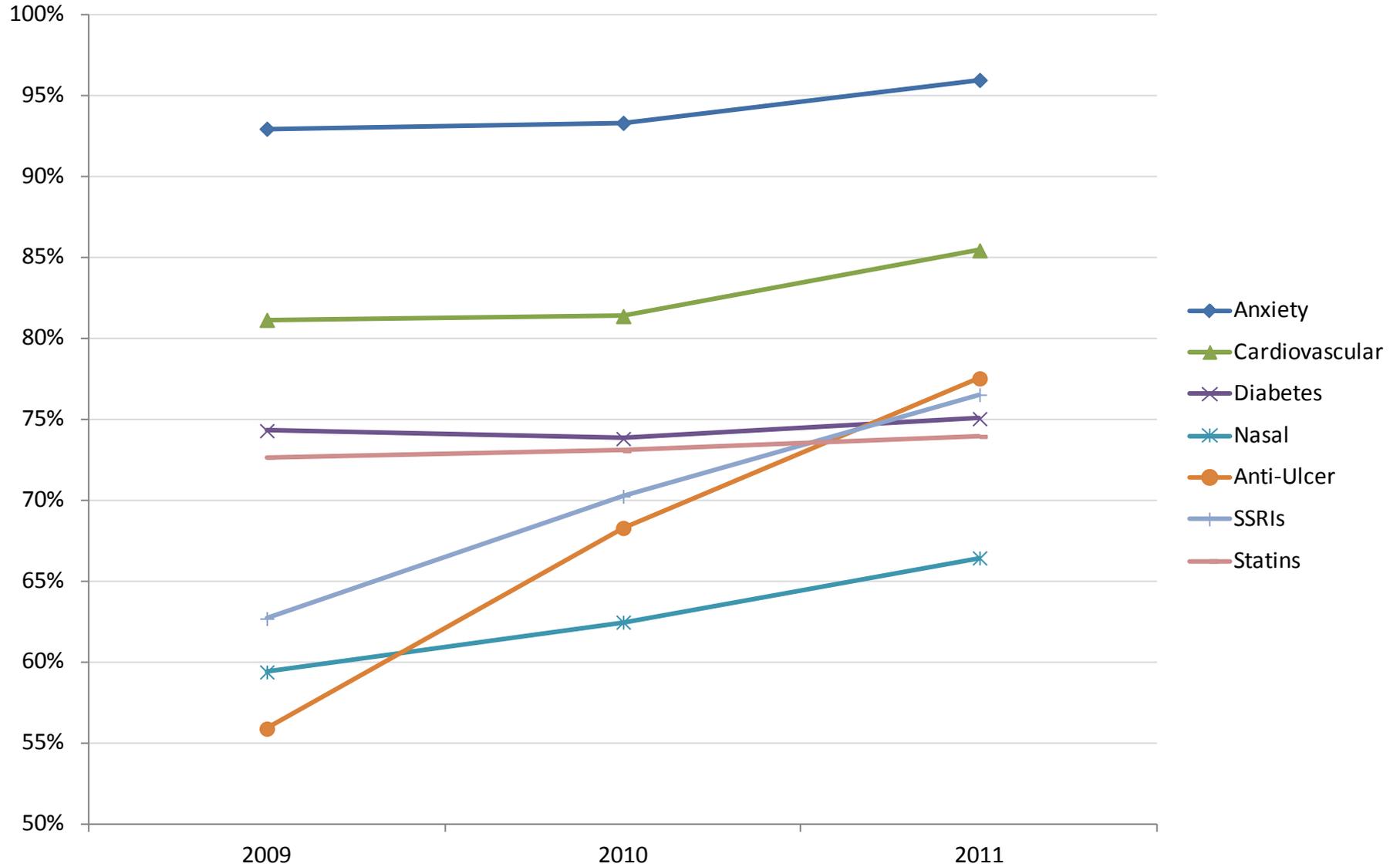
Inpatient and Emergency Department Use

Lower is Better

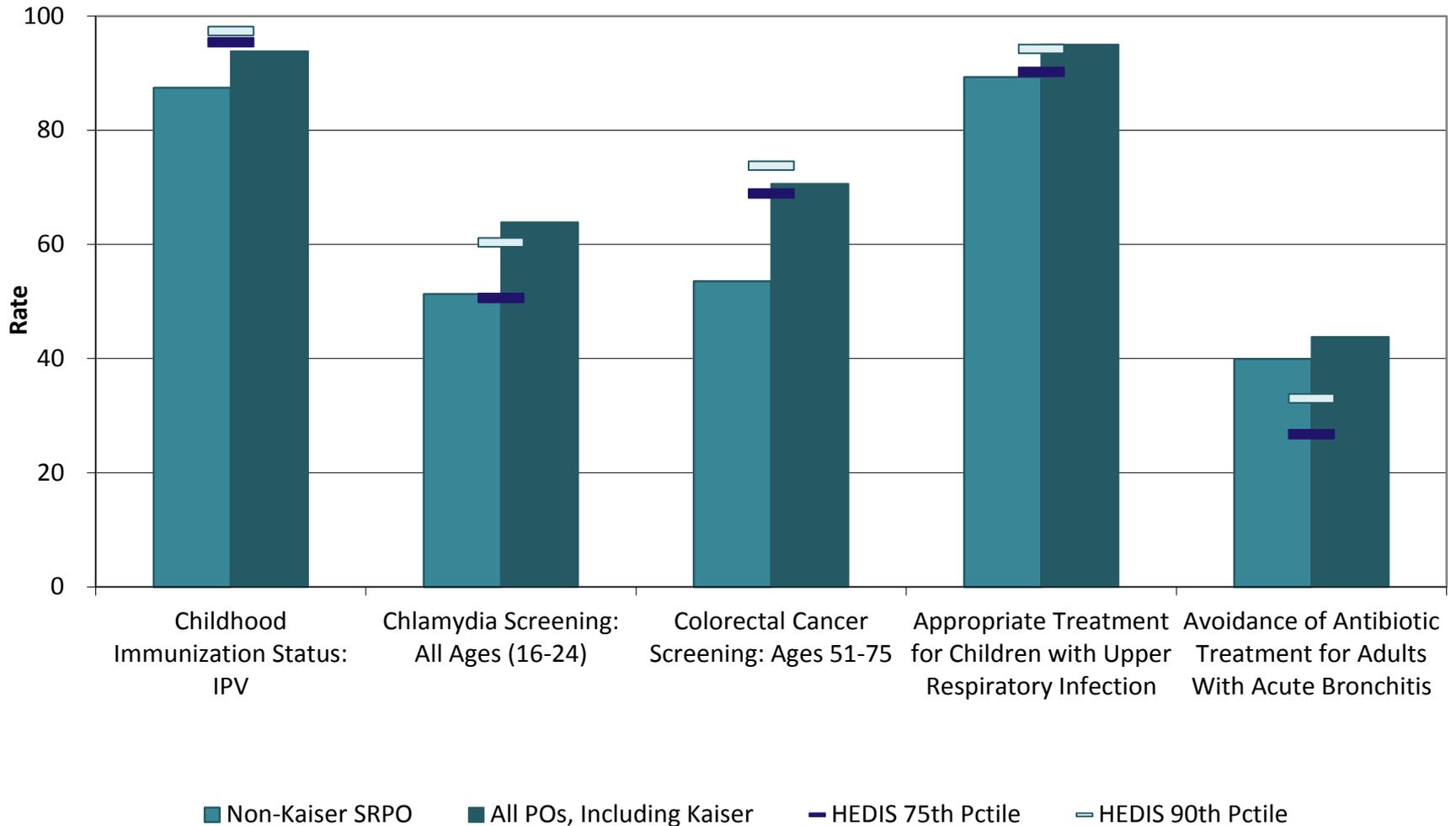


Generic Prescribing Rates

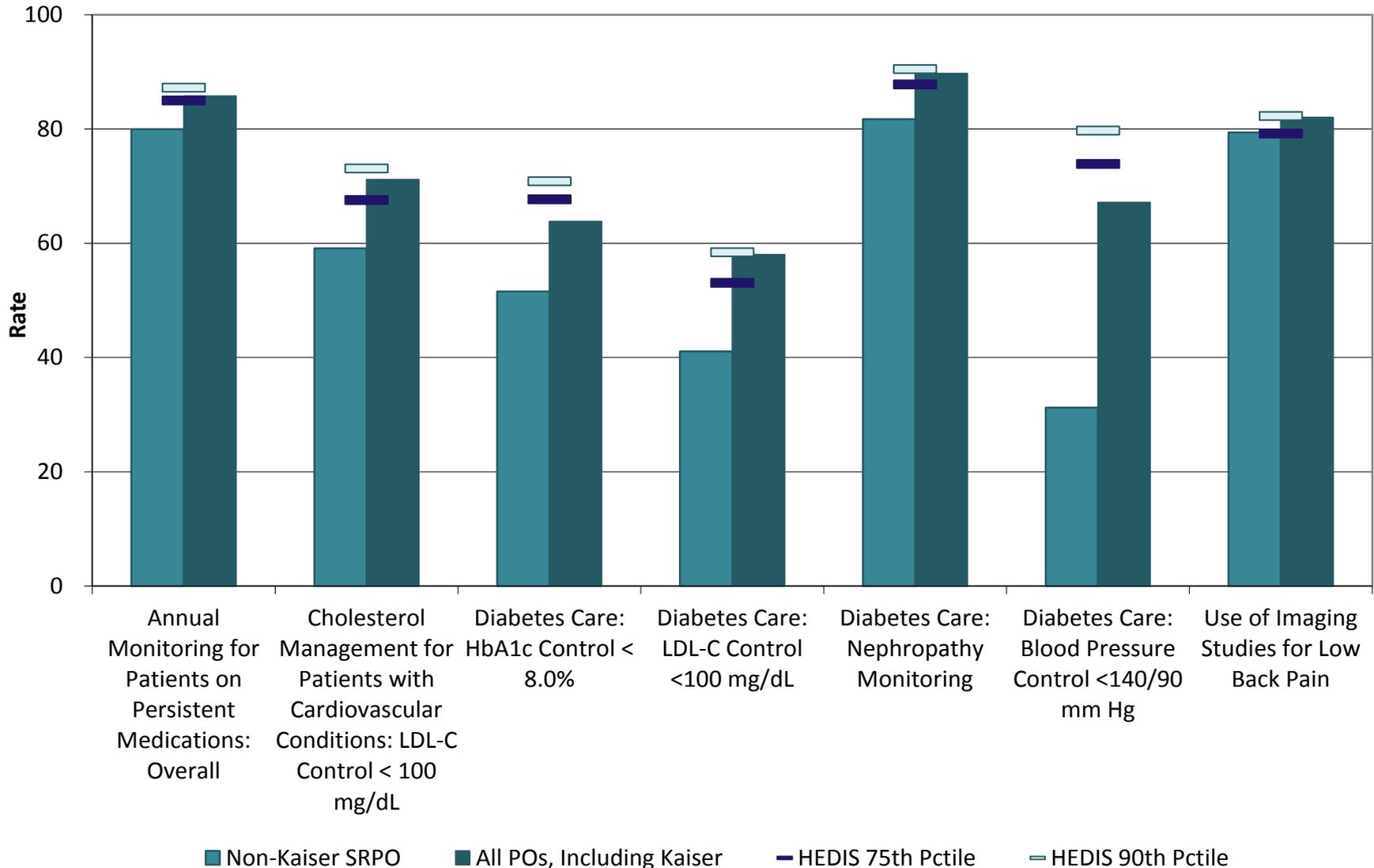
Higher is Better



Results vs. National Benchmarks are Mostly Favorable for Acute and Preventive Care

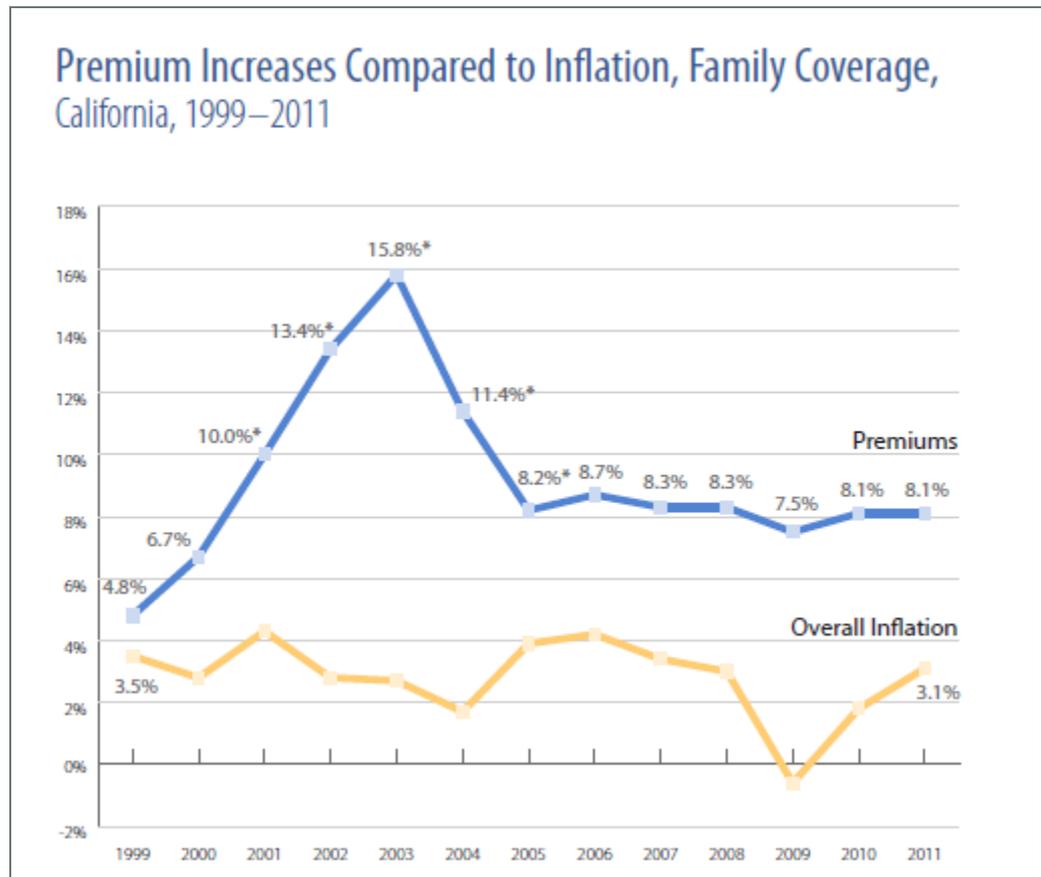


Results vs. National Benchmarks are Mixed for Chronic Care



Continued Quality and Cost Challenges

- We've come a long way, but...
 - *Breakthrough* gains in quality have remained elusive
 - The costs of HMO premiums in California have jumped over 150% over the life of the P4P program
- Need to do something fundamentally different



Source: California Employer Health Benefits Survey, CHCF, December 2011