

**American Association of Integrated
Healthcare Delivery Systems
2009 Fall Managed Care Forum
November 12-13, 2009**

**“Hospital and Physician Collaboration in
Quality Initiatives”**

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Overview of Presentation

- Provider challenges in delivering quality healthcare
- Barriers to collaboration
- Current initiatives aligning quality incentives
- Models of hospital-physician collaboration
- Successful collaborations
- Strategies for collaboration
- Collaboration opportunities
- How to succeed in providing quality healthcare

Challenges to Providers in Providing Quality Healthcare in the Current Healthcare Environment

- Fragmented healthcare delivery among providers (lack of care coordination)
- Inadequate systems to support efficient, coordinated, high-quality care
- Lack of alignment of financial incentives in volume-based payment system
 - High-quality efficient care reduces volume, thereby reducing providers' payments
 - Competition for high-margin services leads to oversupply and overuse
 - Poor outcomes lead to more treatment and more payments
- Growth in medical technology
- Comparative effectiveness research, value proposition, clinical efficacy and cost/benefit analysis

What is Quality?

- *“Organizational definition: Quality is meeting or exceeding expectations at a cost that represents value to the customer.”¹*
- *“Quality..... is always a result of high intension, sincere effort, intelligent direction, and skillful execution. It represents a wise choice of many alternatives.”²*

^{1,2} Quotes from 2006 MGMA Report: [Pay-for-Performance as a Medical Quality Initiative](#) by Michael Goler, MD, MBA, FACMPE; ¹ from Report Glossary of definitions; ² William A. Foster quote

Barriers to Hospital – Physician Collaboration on Quality

- 70-80% of hospital admissions and patient visits are influenced by individual physician's recommendation, yet only 59% of physicians are loyal to the hospitals where they practice
- Hospitals do not have extensive control over physicians who practice in their facilities, other than hospital-based or employed physicians
- Tenuous relationships between physicians and hospital administrators
- Hospital and physician incentives and reimbursement are not aligned

Initiatives to Align Quality Incentives (Examples)

- CMS Incentive Programs
 - The Hospital Quality Initiative (data reporting)
 - Premier Hospital Quality Incentive Demonstration (HQID)
 - \$12M in shared bonuses to 230 hospitals for 17.2% increase in quality for 30 selected quality measures
- Medicare Physician Group Practice (PGP) Demonstration Program
 - \$32.3M in shared bonuses to all 10 participating groups

Initiatives to Align Quality Incentives (Examples) – Continued

- BCBS Plans (hospital P4P)
 - Quality-in-Sights Hospital Incentive Program (Wellpoint, CA)
 - Michigan Blues: P4P for small hospitals
- The Leapfrog Group
- Bridges to Excellence

Leapfrog Group

- Voluntary program based on healthcare safety and quality
- Demonstrates the value of hospital and physician collaboration
- Practices reflected in hospital rating surveys
 - Computer physician order entry (CPOE)
 - Evidence-based hospital referral
 - ICU staffing standards
 - Other risk-reducing practices
 - Survey results at www.leapfroggroup.org

Leapfrog's Highest Value Hospital: Mercy Medical Center, Redding, CA

- 13 of 1,220 hospitals reviewed were designated nation's "Highest Value Hospitals" in 2008
- Deemed "highest value" based on top efficiency scores (i.e., quality and resource utilization) for the following procedures/conditions: CABG, PCI, AMI and pneumonia care
- Mercy Medical Center's ED focused on mobilizing local cardiologists to improve response time for cardiac emergencies (e.g., hospital-physician collaboration)

Leapfrog Hospital Survey – Public Quality and Safety Reporting Initiative

- Computerized Physician Order Entry (CPOE)
 - Standard: 75% medication orders by CPOE
 - Standard: Inpatient CPOE system alerts physicians to at least 50% of common, serious prescribing errors
- Evidence Based Hospital Referral
 - CABG, PCI, aortic valve replacement
 - Abdominal aortic aneurysm repair
 - Pancreatic resection
 - Esophagectomy
 - Bariatric surgery
 - High-risk deliveries

Leapfrog Hospital Survey – Public Quality and Safety Reporting (Continued)

- ICU Physician Staffing (board-certified intensivists)
- National Quality Forum-Endorsed Safe Practices (34 practices), examples:
 - Leadership structures and systems
 - Identification and mitigation of safety risks and hazards
 - Care of the caregiver
 - Order read-back and abbreviations
 - Discharge systems
 - Hand hygiene
 - Catheter-associated UTI prevention
 - Wrong-site, wrong-procedure, wrong-person surgery prevention
 - Pressure ulcer prevention
 - Falls prevention

Mercy Medical Center, Redding, CA: Attaining Highest Scores

- Leadership is crucial; commitment at all staffing levels is essential
- Establish dashboard metrics (Leapfrog can provide these)
- Focus on best practices to reduce errors (e.g., medication, surgical)
- Collect and analyze data to identify areas needing improvement
- Quality scores based on meeting appropriate process of care measures
- Quality scores for CABG and PCI received for hospital volume and risk-adjusted mortality
- Resource use measured by hospital's severity-adjusted ALOS for the procedure adjusted by the readmission rate
- Focus resources on areas needing improvement

Bridges to Excellence (BTE)

- BTE promotes quality of care through a national P4P model
- BTE Programs reward physicians for practice reengineering, adopting HIT and delivering good patient outcomes as determined by
 - Role as primary caregiver
 - Scores on Performance Assessment Organizations' (PAO), a physician performance measures programs
- BTE used by health plans, National Business Coalition on Health members, and regional/state employer/health plan/provider consortiums

Conclusion

Quality care cannot be achieved without the commitment and collaboration of key providers of care in conjunction with health plan participation.

Hospital and Physician Collaboration

- Full integration
- Partial integration
- No structural integration

“The systematic coordination of key management functions concerned with the planning and design of quality processes, as well as the measurement, analysis, and improvement of patient care and services provided by the organization.”¹

¹ From the Glossary in the 2006 MGMA Report: [Pay-for-Performance as a Medical Quality Initiative](#) by Michael Goler, MD, MBA, FACMPE

No Formal Structural Integration

- Hospitalists manage inpatient care of patients admitted by community-based physicians
- Hospitalists thereby allow community-based physicians more time to attend to outpatient/office-based patient care
- Model of shared patient care is informal, lacking structure
- Hospitalists discharge patients; this can create a discontinuity of information/patient care at discharge

Saint Francis HealthCare Partners, a Successful PHO

- Proactively evolved from a contracting vehicle to a partnership for *“improving quality through integration”*
- Promotes communication among all community providers and the Hospital for population-based case management
- Serves member physicians and facilitates providing resources for patient care coordination
- *Actively* addresses patient care issues (e.g., ER access)

Saint Francis HealthCare Partners: Steps to Success

- Actively identify physician needs; become a “value-added” service to member physicians
- Communicate with payors regarding quality measurements (e.g., P4P); provide in-service education to physicians to prepare for P4P programs
- Focusing on JCAHO hospital core measures, link/coordinate inpatient care with outpatient care provided by physicians
- Develop timely information sharing between hospital’s Medical Management, PCPs and payors to coordinate care (i.e., minimize re-admissions)
- Implement technologies for system integration, i.e., practice management systems and EMR; Personal Health Records for patient self-management

Integrated Healthcare Association (IHA), a California IPA

- Leadership group that promotes quality improvement, accountability and affordability in healthcare
- IHA is the largest non-governmental physician incentive program in the US
- Includes 8 health plans and 35,000 physicians providing care for 11.5M HMO members
- Mission: *“To create breakthrough improvements in healthcare services for Californians through collaboration among key stakeholders.” (i.e., consumers, providers, payors)*
- Principal projects include:
 - P4P (note: \$212M paid to physicians in 2003-2006)
 - Measurement and reward of healthcare efficiency
 - Medical technology value assessment and purchasing
 - Healthcare affordability

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IHA P4P Measurement Domains and Measures

- Clinical Quality – Preventive (13 measures)
- Clinical Quality – Chronic (6 measures)
- Clinical Quality – Acute (4 measures)
- Clinical Quality Measures, examples of outcome measures
 - HbA1c control
 - LDL control
 - Blood pressure control
- Patient Experience (9 measures)
 - Pacific Business Group on Health survey

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IHA P4P Measurement Domains and Measures (Continued)

- Information Technology (11 measures)
 - Clinical data integration at the group level
 - Clinical decision support at the point-of-care
- Systemness (8 measures)
 - Identification of patients needing additional services
 - Use of evidence-based metrics
- Coordinated Diabetes Care (11 measures)
 - Use of established measures for management and care of diabetes
- Efficiency / Resource Use (6 measures)
 - Episode-of-care using aggregated health plan data

IHA: P4P – Collaboration between Health Plans and Physicians

- Program begins with Vision, Goals, Core Principles and Project Objectives
- Defined Governance: Technical and Steering Committees
- Address staffing, technical support, funding, program evaluation
- Program performance-based measure set is designed by collaboration and consensus
- Measures may evolve, reflecting program priorities
- IT adoption correlated with better clinical performance
- Incentive payments need to be sufficient to generate relevant quality improvement
- Performance recognition fosters improvement
 - Top performers and “most improved” recognized by IHA

Boston Medical Center: Partnership for Patient Safety

- Collaboration with HHS Agency for Healthcare Research and Quality (i.e., grant)
- Discharge workflow re-engineered to develop a new patient care model to improve patient care and safety
- Established communication vehicle for hospitalists and community physicians
- Established databases of community physician information
 - Community physicians' preferences documented to minimize paging to answer questions
- Coordination of care promoted continuity of care, preventing re-admissions and improving patient care and safety
- Hospitalists can function as hospital "champions" to PCPs, promoting collaboration and quality

Hospital – Physician Collaboration Initiatives: First Steps

- Meet with key participants interested in collaboration
- Identify common goals
- Confirm shared values ("Vision")
- Design and conduct a feasibility study
 - Survey key opinion leaders
 - Survey potential participants
- Survey: Defines what potential participants need/want
- Establish timetable with regular progress reports

Collaboration: What Physicians and Hospitals Want

- Physicians
 - Trust in leadership and in processes
 - Collaboration that is worthwhile
 - Meaningful goals
 - Simple process(es) to improve quality
- Hospital
 - Commitment and actions to improve care, services and processes
 - Delegation to clinicians
 - Clean, usable, meaningful data

Collaboration Opportunities

- Funding for adoption of electronic health records (EHRs)
- Creating Centers of Excellence
 - Embody best practices, promoting efficiency, effectiveness and quality outcomes
- Develop a comprehensive integrated delivery system approach
- Engage the commercial and government payors to properly align care delivery and reimbursement methodologies/incentives
- Identify and maintain integrated delivery system benchmarks (e.g., quality and cost of care)

Medical Device Industry: Strategic Partnership Opportunities

- Case and cost management
- Demand matching
- Discharge planning and aftercare
- Patient safety
- Research initiatives
- Patient education
- Hospital and physician credentialing
- P4P

Biotechnical Industry: Collaboration with Hospitals and Health Plans

- Demonstration Project sponsored by biotech company: reduction of HAIs compared to baseline period
 - Impact on hospital resources and costs
 - Impact on health plan costs
 - Impact on patient health outcomes
- P4P shared savings (from avoided infections) model for participating hospitals and health plans

Comments on Current Healthcare Reform

- Changing incentives; moving toward global payments
- Addressing quality and alignment of provider incentives
- Need reliable, meaningful, consistent measures of quality
- Collaboration among providers, along with preventive care and adherence to evidence-based practices, may be goals of reformed payment system
- Provider integration will be critical to effectively compete during the near and long-term

To be Successful in Providing Quality Healthcare, Hospitals and Physicians Need to Work Together

- Hospital(s) and physicians leaders must collaborate to implement quality initiatives and achieve quality goals

Implementation Agenda

- Communicate with, and obtain commitment from staffing at all levels
- Develop a plan for setting and achieving quality goals
- Consider participating with existing initiatives to facilitate quality processes (e.g., Leapfrog, BTE)
- Consider partnering with agencies (e.g., AHRQ) for funding (i.e., grants)
- Obtain consensus on quality measures
- Communicate with, and involve payors
- Develop financial incentives based on performance and cost savings

To be Successful in Providing Quality Healthcare, Hospitals and Physicians Need to Work Together (Continued)

- Communicate quality initiative throughout the delivery system
- Coordinate functions for planning and design of quality processes
- Implement best practices
- Promote connectivity and data collection through health information technology
- Collect data measuring quality, safety and efficiency
- Analyze data relative to goals and benchmarks
- Survey patients to monitor value and satisfaction, and solicit feedback
- Communicate improvements demonstrated in the quality of care
- Identify areas needing improvement, and implement corrective action plan(s)
- Review/revise quality goals, processes, practices as needed

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