

Savings, Quality Edge Up In Medicare Group Demo

BY SUSAN BIRK

CHICAGO — The Medicare Physician Group Practice Demonstration achieved modest cost savings and quality enhancements in the project's first 2 performance years, researchers reported at the annual research meeting of AcademyHealth. Data released in August reinforce that finding.

The project involves 10 large, geographically diverse physician group practices with a total of 5,000 physicians caring for 200,000 Medicare fee-for-service beneficiaries. The practices include multispecialty groups, integrated delivery systems, faculty groups, and a physician network.

During each year of the project, each group was retroactively assigned a population of Medicare beneficiaries, with an average of 20,000 patients per group (range 10,000-37,000). Each group was held accountable for total Part A and Part B expenditures for these patients.

Patients had complete freedom of choice in providers and were not required to receive care through the participating group practice. Only patients who received most of their outpatient evaluation and management for the year from the group practice were assigned to the group. Groups that kept increases in expenditures below 2 percentage points of their target growth rate shared up to 80% of the savings; Medicare retained 20%.

The group practices assumed all business risks associated with investments related to their participation, and there was no guarantee of savings.

"Savings are a function of the ability of the group to control growth in Medicare spending as well as changes in [health] status of their assigned population over time relative to their local market," said John Pilotte, a senior research analyst at the Centers for Medicare and Medicaid Services. The groups were free to make whatever investments and enhancements they felt were necessary to reach their quality and efficiency goals.

In the first year of the demonstration, two participating group practices earned a total performance payment of \$7.3 million and two lost a total of \$1.5 million, Gregory Pope of RTI International in Waltham, Mass., a nonprofit research and development firm working with the CMS, reported at the meeting. In the second year, four groups shared a total payment of \$13.8 million and one lost \$2 million. Savings to Medicare totaled \$677,000 and \$1.6 million for the first and second years, respectively.

Results for the third year were announced in August; five physician groups will receive performance payments totaling \$25.3 million as part of their share of \$32.3 million of savings generated for the Medicare Trust Funds in that year, the CMS announced.

Quality was assessed by the groups'

adherence to 27 measures as indicated by Medicare claims and clinical records data. The measures, developed by the CMS in collaboration with the American Medical Association and the National Committee for Quality Assurance, covered heart failure, diabetes, coronary artery disease, hypertension, and preventive care.

Two group practices complied with 10 of the quality markers in performance year one, while five groups complied with all 27 quality markers in the second year, said Musetta Leung of RTI International.

In the second year, all group practices met all of their quality targets for heart failure and coronary artery disease. Achieving the diabetes-related quality measures remained a challenge. Still, second-year performance data indicated significant improvements, she said.

In the third year, all 10 groups achieved benchmark performance on at least 28 of the 32 measures reported, according to the CMS. Two groups—Geisinger Clinic in Danville, Pa., and Park Nicollet Health Services in St. Louis Park, Minn.—achieved benchmark performance on all 32 performance measures.

Over the first 3 years of the demonstration, the physician groups increased their quality scores an average of 10 percentage points on 10 diabetes measures, 11 points on 10 heart failure measures, 6 points on 7 coronary artery disease measures, 10 points on 2 cancer screening measures, and 1 percentage point on 3 hypertension measures.

Additional research is needed to determine the keys to success, according to Mr. Pilotte of the CMS. "Trying to figure out how to make this work in a program that processes over 1 billion claims each year is not a small feat. ... It takes a while to get these projects up and running both from our side of the house and the provider side."

Although the group practices generally have sophisticated health information management systems and dedicated information technology leadership, "even that doesn't seem to be enough to control growth in expenditures. ... There are probably other things going on that we haven't fully identified that are necessary to be successful."

Overall, "the results show we're moving in the right direction, but bringing in expenditure growth under target is challenging under the existing target-setting methodology even for these large organizations," he said.

One key lesson learned so far during the demonstration is that "leadership and champions within the organization are really important," Mr. Pilotte said. "All of these groups have someone who is on point for monitoring and reporting the quality metrics to us every year and developing mechanisms ... to be able to capture the information." ■

Joyce Frieden contributed to this report.



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Study Examines Psychotropic Rx

Most antidepressants are prescribed by general practice physicians, including general practitioners, ob.gyns, and pediatricians, according to a study by sponsored by the Substance Abuse and Mental Health Services Administration. The study found that 62% of 232 million antidepressant prescriptions written between August 2006 and July 2007 were written by general practitioners, as were 59% of the 272 million prescriptions for psychotropic drugs. Pediatricians wrote 25% of all stimulant prescriptions. Psychiatrists and addiction specialists wrote two-thirds of the prescriptions for antimania medications, 49% of prescriptions for antipsychotics, 34% of prescriptions for stimulants, and 21% of prescriptions for antipsychotics. The researchers noted that "concerns remain about whether patients treated in the general medical setting are receiving treatment concordant with evidence-based guidelines, psychotherapy, adequate medication monitoring, and appropriate intensity of treatment," adding that a previous study found that about two-thirds of primary care physicians reported they were unable to obtain outpatient mental health services for patients. The study appears in the September issue of *Psychiatric Services*.

More HIPAA Goes to Rights Office

The Health and Human Services' Office for Civil Rights will now enforce the confidentiality of electronic health information as well as other patient records, HHS Secretary Kathleen Sebelius announced. The office already had responsibility for enforcing the HIPAA's privacy rule, which guards nonelectronic personal health information. But enforcement of the HIPAA security rule for electronic health information had been delegated to the Centers for Medicare and Medicaid Services. Legislation approved as part of the Recovery Act of 2009 mandated better enforcement of both rules. Ms. Sebelius noted in a statement that electronic and nonelectronic health information increasingly overlaps. "Combining the enforcement authority [for both rules] in one agency within HHS will facilitate improvements by eliminating duplication and increasing efficiency," she said. CMS will continue to have authority for the administration and enforcement of other HIPAA regulations.

HHS Issues Privacy Breach Rules

The federal government is requiring physicians and other HIPAA covered entities to notify individuals when their protected health information has been breached. The rule went into effect last month. Under the rule, physicians have up to 60 calendar days from when they detect unauthorized access of

protected health information to notify the patient. If the breach involves more than 500 individuals, the HHS secretary and a major media outlet in their area must be notified. "This new federal law ensures that covered entities and business associates are accountable to [HHS] and to individuals for proper safeguarding of the private information entrusted to their care," said Robinsue Frohboese, acting director of the Office of Civil Rights at HHS. "These protections will be a cornerstone of maintaining consumer trust as we move forward with meaningful use of electronic health records and electronic exchange of health information." There are exceptions: Notifications are not necessary if the information that was disclosed is unlikely to be retained. For example, if a nurse gives a patient the wrong discharge papers but quickly takes them back, it's reasonable to assume that the patient could not have retained that protected information, said HHS. More information is available at www.hhs.gov/ocr/privacy.

Lilly Payment Data Now Public

Eli Lilly & Co. has made good on its promise to publish how much it pays physicians and other health care professionals in consulting fees, honoraria, and the like. The drugmaker detailed the payments for the first quarter of 2009 at www.lillyfacultyregistry.com. It said it listed 3,400 people in the database. The average payment per service was \$1,000, and each professional conducted an average of six activities, according to Lilly. The company's "faculty" members provide a variety of services, including patient and professional education and advising Lilly on clinical trials and how to communicate results. In September 2008, Lilly said it would voluntarily make physician payments public, but by February this year, it was required to do so as part of a Corporate Integrity Agreement with the federal government.

Youth Tobacco Sales Drop More

Sales of tobacco to children have reached historic lows, the Substance Abuse and Mental Health Services Administration said. SAMHSA credited the Synar Amendment program, which requires states to prohibit the sale and distribution of tobacco to people under age 18. All 50 states and the District of Columbia have, for the third year running, achieved better than 80% compliance among tobacco product retailers, said the agency. "Continued state vigilance will build on our track record of success in protecting children from the public health menace of tobacco," said SAMHSA acting administrator Eric Broderick, D.D.S., in a statement.

—From staff reports