Pay-for-Performance Demos Are Revealing

BY JOYCE FRIEDEN
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WASHINGTON — Provider groups are behind the curve when it comes to anticipating acceptance of pay-for-performance programs, Jeff Flick said at a health care congress sponsored by the Wall Street Journal and the CNBC.

Take, for instance, the Premier Hospital Quality Incentive Demonstration program funded by the Centers for Medicare and Medicaid Services, under which hospitals report data on 34 quality measures, said Mr. Flick, the CMS regional administrator in San Francisco. The program gives a bonus each year to the 20% of hospitals with the highest score, but those who have not improved a certain amount after 3 years are penalized.

When the program was launched several years ago, "The American Hospital Association said, 'No hospital is going to do this,' " Mr. Flick said. "But there were 300 hospitals on board immediately."

Similarly, the American Medical Association recently said it did not support CMS's new physician voluntary reporting program, under which physicians would report 36 pieces of data on their practices.

The AMA's opposition "is not a shock; those kinds of organizations are very nervous about this," said Mr. Flick. "But it is a very important step that CMS is taking, and it is physicians saying, 'I want to report information because I'd like to know if my performance varies in a significant way from my peers.' "

Many physicians are ready to start focusing on quality, he continued. "They want to publish information, they want to know how they compare, they want to be paid based on performance."

The program uses "G codes" to enter the data, which can make for a bit of a hassle for those unfamiliar. "If every physician in this country had an [electronic health record], this would be easy; I think this would be done," he said.

Other projects demonstrating pay-for-performance include:

▶ **Group Physician Practice.** Large multispecialty practices will be rewarded financially for improving care for chronically ill Medicare patients.

▶ **Coordinated Care.** Hospitals and other health care organizations in 15 sites are trying to prove that providing coordinated care for patients with particular chronic illnesses will increase patient satisfaction and save Medicare money.

▶ **Benefits Improvement and Protection Act (BIPA) Disease Management.** This program coordinates care and provides a prescription drug benefit for up to 30,000 patients with diabetes, congestive heart failure, and coronary artery disease.

"Watch the demonstrations—watch them very carefully," Mr. Flick said. "They give a very good picture of where CMS thinks it's going to go." ■

Nervous About EHR System Conversion? Take 'Baby Steps'

WASHINGTON — Physicians who are too nervous to completely convert their offices to electronic health records can start the process with a few "baby steps" to make it less intimidating, Dr. Daniel Sands said at a health care congress sponsored by the Wall Street Journal and CNBC.

Physicians are often reluctant to leap into an EHR system because of its complexity and expense, said Dr. Sands, of Harvard University, Boston. "If you're a doctor, what do you do? How do you get that [EHR] if you can't take the one big leap?"

One way to start is by using electronic communications with patients and with office staff, he said. "Why don't you get rid of those stupid yellow Post-It notes you use for phone messages? A simple step like that is a good way to get people engaged with technology."

Electronic prescribing is another way to bridge the gap, said Dr. Sands, who is also chief medical officer of ZixCorp, a Newton, Mass., company that sells eletronic prescribing software. Medications can be prescribed using various devices, including desktop and laptop computers, handhelds, and even mobile phones. Studies have shown that electronic prescribing can reduce medication errors substantially, he said.

Another baby step to take is using online clinical reference materials, Dr. Sands said. "We have lots of data showing that physicians are often faced with questions when taking care of patients, and they can't find the answers because they don't have time, so they just move on. And that's really scary."

Rather than looking for answers "in a book that's out of date as soon as it's printed, maybe looking online would be a great place to start," Dr. Sands said.

—Joyce Frieden

THE EFFECTIVE PHYSICIAN

Performance Measurement: 6 Sites for '06

BY WILLIAM E. GOLDEN, M.D., AND ROBERT H. HOPKINS, M.D.

Performance measurement and pay for performance will be predominant issues in clinical practice during the next several years. As we start the ninth year of The Effective Physician, we offer a collection of resources to equip your practice with background information and tools related to this maturing and rapidly evolving aspect of clinical care.

1. The Ambulatory Care Quality Alliance

Over the past 18 months, the AQA (www.ambulatoryqualityalliance.org) has become the leading entity in selecting performance measures for physician practices. The organization, started in the fall of 2004 by the America's Health Insurance Plans (AHIP), AHRQ, AAFP, and the ACP, seeks to improve quality and safety through a collaborative process that identifies strategies for measuring performance and aggregating data with low collection burdens. AQA intends to report such information to consumers and other stakeholders to assist in provider selection and management of the health care system. The AQA has endorsed 26 measures for use by private insurance plans and is actively working on mechanisms for data collection and stewardship.

2. The Physician Focused Quality Initiative

The Centers for Medicare and Medicaid Services has become a major advocate for outpatient performance reporting, especially in the context of use of electronic health records. On the CMS Web site (www.cms.hhs.gov/quality/pfqi.asp) details are provided regarding the diverse efforts by CMS to collect performance data and improve quality of care. This page has links to details of the new Physician Voluntary Reporting Program (PVRP), including G-code specifications for reporting clinical performance. It also outlines the measures for the Doctors' Office Quality (DOQ) project, which is designed to enhance clinical performance measurement for Medicare beneficiaries. In addition, this page has links to resource materials for the DOQ-IT project, which seeks to promote adoption and implementation of electronic health records in physician office settings.

3. The National Quality Forum

This not-for-profit organization is developing a national strategy for health care quality measurement and reporting. NQF has a homepage (www.qualityforum.org) that offers information for nonmembers concerning its roles and activities. The Web site lists recent NQF reports and ongoing projects designed to standardize performance measures. While some of the documents are available only to members, there are numerous links to reports and information related to the NQF consensus process that are accessible to nonmembers as well.

4. Physician Consortium for Performance Improvement

The PCPI includes physicians and experts in methodology convened by the AMA to create clinical performance measurement tools for quality improvement and public reporting (www.ama-assn.org/ama/pub/category/2946.html). This ongoing activity has created numerous reporting measures on multiple outpatient topics. The approved measurement sets are available for downloading and implementation through template tools that are included with the clinic measure sets. Materials developed by the PCPI are a major source of measures endorsed by the NQF and the AQA.

5. National Committee for Quality Assurance

The National Committee for Quality Assurance is a supplier of outpatient standardized performance measurements, particularly for managed care entities (www.ncqa.org/communications/SOMC/SOHC2004.pdf). Its measures are used heavily by the AQA and NQF. Although many of its measure sets are available only to members, the link generates a report documenting recent clinical performance data associated with NCQA measures and can give an office practice a good sense of benchmarks and expectations for the delivery of clinical care.

6. Bridges to Excellence

Bridges to Excellence is one of the original and best known pay-for-performance initiatives in the private sector (www.bridgestoexcellence.org/bte). This link provides overview information and data concerning implementation of BTE measures and priorities. Bridges to Excellence programs are often started in communities with active business coalitions dedicated to health care issues. Nevertheless, the precedents in the BTE program and its connections to other initiatives of the NQA and AQA make it a key site for reviewing evolving trends in payment incentives for delivering clinical care.

These six sites for 2006 represent core learning opportunities for physicians in clinical practice who are seeking to understand and prepare for pay-for-performance initiatives in their communities.

Physicians also should check the Web sites of their specialty societies regularly. These sites will increasingly provide resources for responding to the challenges posed by national and regional quality improvement payment incentive programs.

It is clear that public reporting of practice data, with and without reimbursement incentives, will become a predominant aspect of clinical practice management in the very near future. Effective physicians will begin to develop an understanding of key aspects of these programs now, rather than waiting for the sudden appearance of these changes in their practice environments.

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