Public Reporting Health Care Provider Performance:

What Do We Know? Where Do We Go From Here?

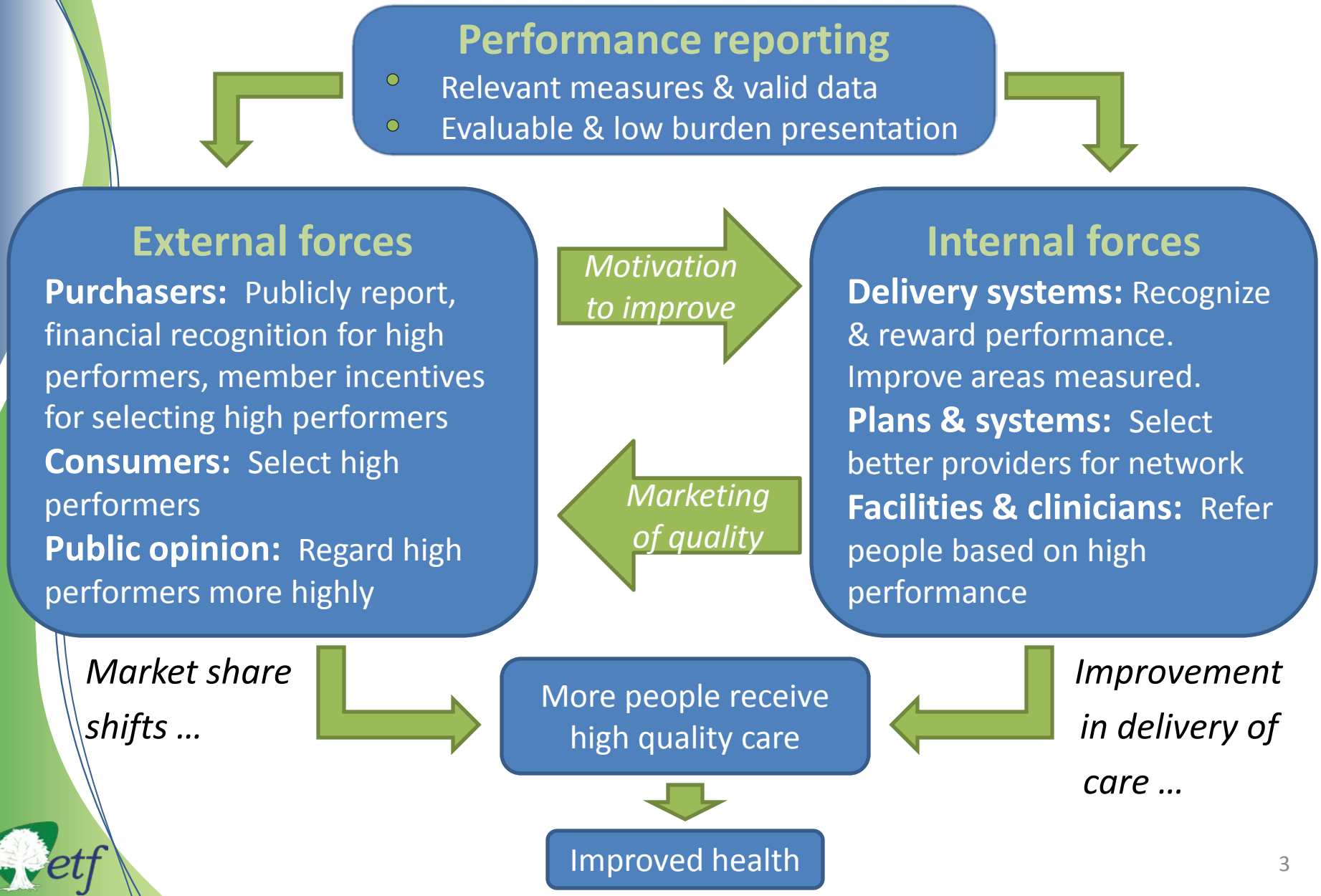
May 21, 2013

John Bott, Division of Insurance Services

Agenda

- Macro framework of public reporting
- Status of public reporting nationally
- State of health care quality
- Relationship between quality & cost
- A few pictures of variation in performance
- Opportunities in quality & cost
- Discuss where we go from here

Macro Level Framework For Public Reporting



Status of Public Reporting Nationally

- Exposed to and used comparative quality information in past year: 14%
- People who say there are "big differences" in quality: 30% - 44% (depending on provider type)
- People who say they prefer a hospital:
  - That is familiar: 59%
  - That is rated higher: 35%

Source: Kaiser Family Foundation: 2008 Update on consumers' views of patient safety and quality information. October 2008

Drivers and Obstacles to Uptake

- We have not been reporting what is important to consumers
- Report design not based on best practices
- Provider community lack of support for consumers' right to access and use performance results
- Lack of shared decision making to engage consumer in referrals
- Skepticism of the data and the measures

Source: Health Affairs, March 2012, 31:3

Status of Quality

- A study of Medicare recipients in a 1-month study (Oct. 2008) revealed [1]:
  - 134,000 (13.5%): at least 1 adverse event
  - 15,000 (1.5%): adverse event contributing to death
    - 44% of the adverse events were preventable

- The Centers for Disease Control & Prevention (CDC) estimated deaths associated with healthcare-associated infections in U.S. hospitals were 98,987 / year [2]:
  - 35,967: pneumonia
  - 30,665: bloodstream infections
  - 13,088: urinary tract infections
  - 8,205: surgical site infections
  - 11,062: infections of other sites

1 Levinson DR, Adverse events in hospitals: National incidence among Medicare beneficiaries, Department of Health and Human Services, Office of the Inspector General. November 2010

2 Public Health Reports. March–April 2007, 122:160-166

Status of the Cost of Poor Quality

- **Waste:** $750B a year spent on waste in health care. Primary issues related to quality [1]:
  - Unnecessary care: $210B
  - Inefficient care: $190B

- **Complications:** Additional charge per admission when a preventable complication occurs [2]:
  - Post-op sepsis: $108,802
  - Post-op respiratory failure: $100,882

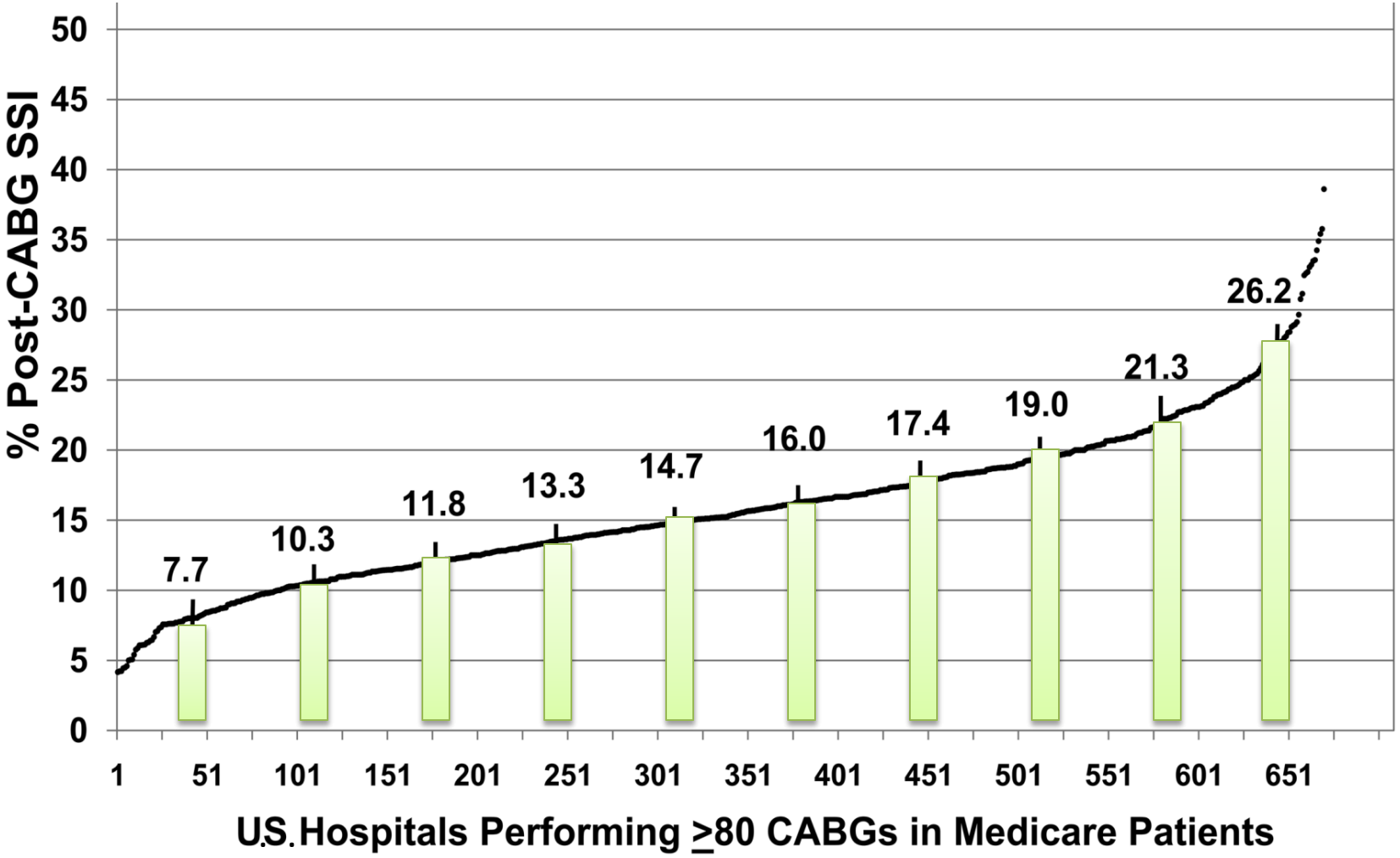
- **Potentially preventable admits:** Pennsylvania looked at 12 measures where improved care coordination could avoid many admissions [3]:
  - 185,190 admissions consisting of 868,564 inpatient days

- **Readmissions**: For Medicare recipients [4]:
  - Potentially preventable readmissions within 30 days: 17.6%
  - Spending for these readmissions: $12B

1 Institute of Medicine: Better care at lower Cost, 2012
2 Figure based on 5% increase / year from year of the data in the study to 2013. Journal of the American Medical Association (JAMA); October 2003, 290:1868-74
3 Pennsylvania Health Care Cost Containment Council: Potentially preventable hospitalizations in Pennsylvania,2012
4 Medicare Payment Advisory Commission (MedPAC): Report to the Congress: Promoting greater efficiency in Medicare , Ch. 5, June 2008

Status of Variation: Quality

Risk of a surgical site infection (SSI) during a Coronary Artery Bypass Graft (CABG) vary significantly by hospital



Deciles adjusted for risk using Romano score, age, gender & controlling for minimally invasive CABGs.
Source: Richard Platt, MD & Michael Calderwood, MD, Harvard Medical School. Susan Huang, MD, University of California. 2011 presentation
Data: Medicare 2005 data

Status of Variation: CT Scan Overuse

Why focus on CT scans?

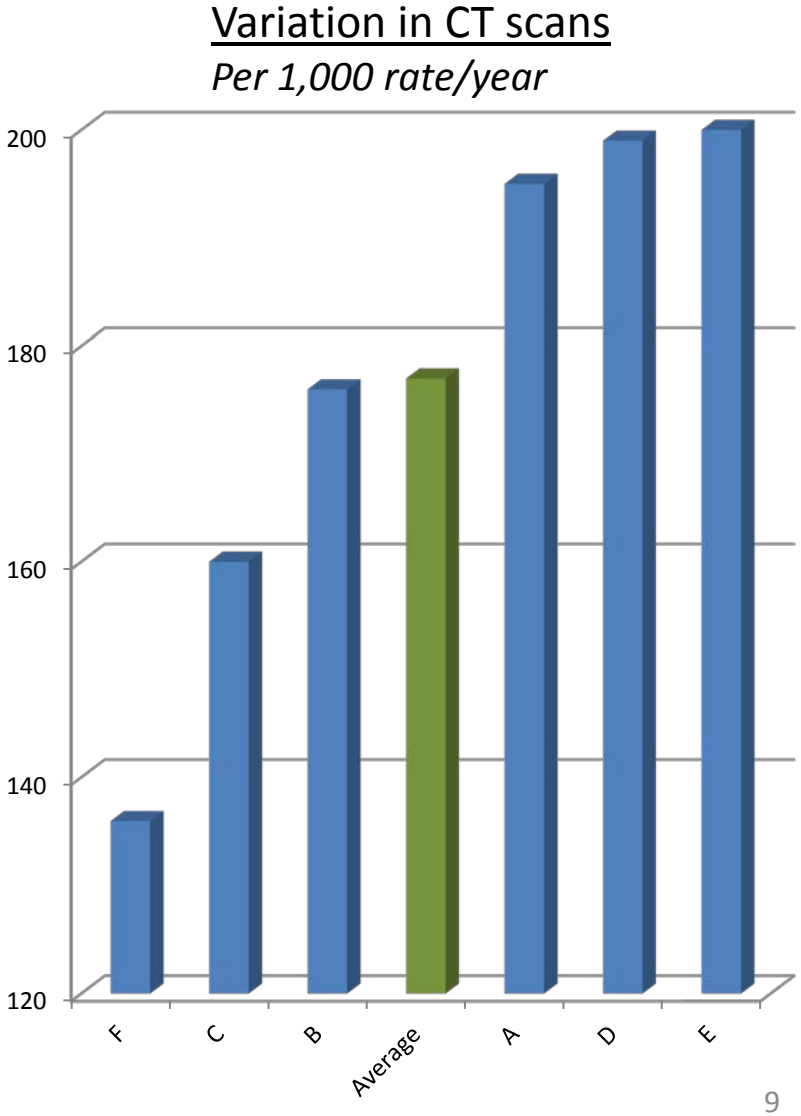
-29,000 cancer cases a year in the U.S. may be related to CT scans [1]

- The radiation from a typical CT abdomen exam equals 400 x rays [1]

- …And that's the average. For each type of CT scan a study evidenced a 13 fold difference in radiation levels [1]

- CT scans have nearly quadrupled from 1996 to 2011 [2]

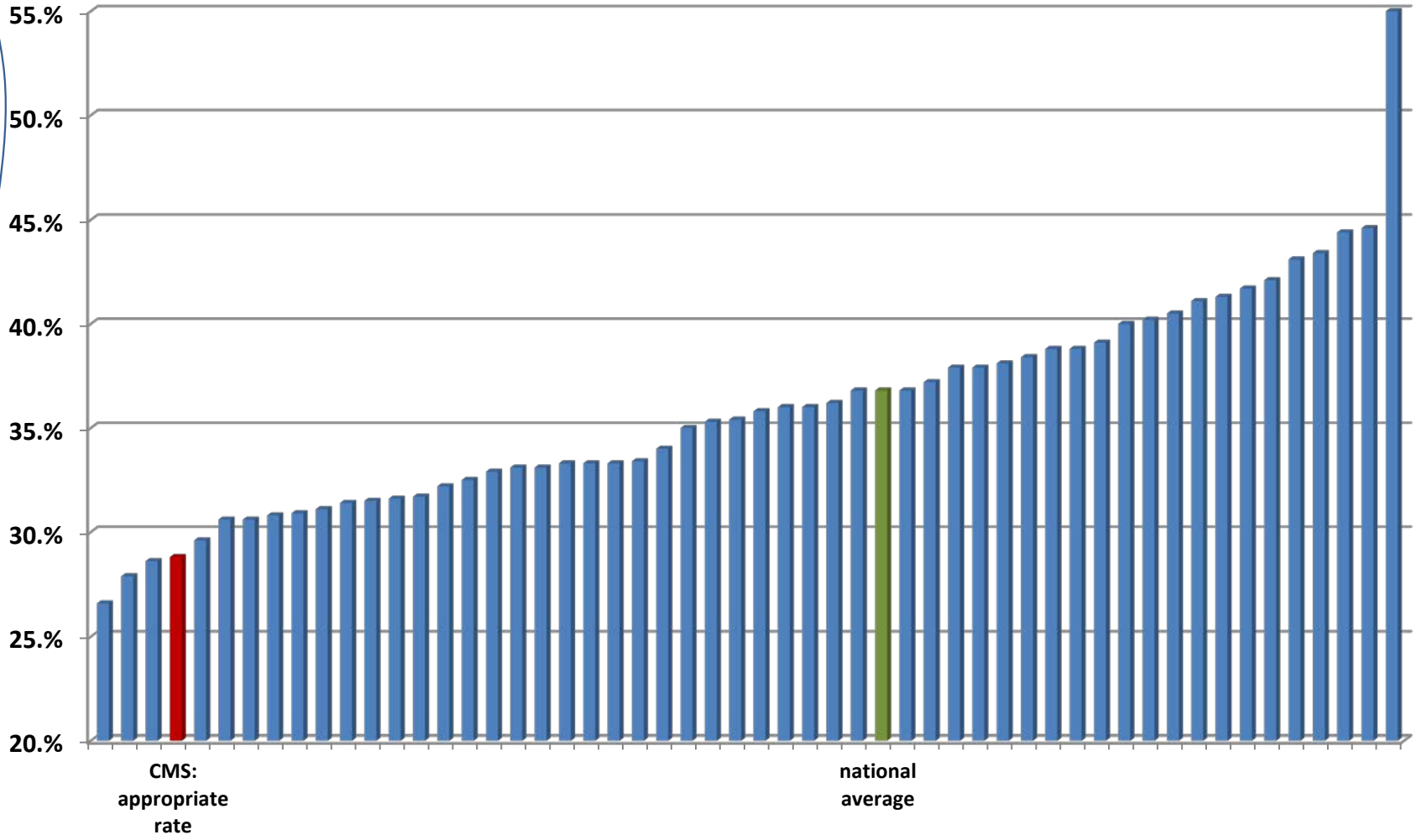
- Study of 6 large health plans, after adjusting for risk: we see a 32% variation in use CT Scans [3]



1 Food & Drug Administration: Initiative to reduce unnecessary radiation exposure from medical imaging. February 2010
2 Wall Street Journal. April 9, 2013
3 JAMA, June 2012, 307:22

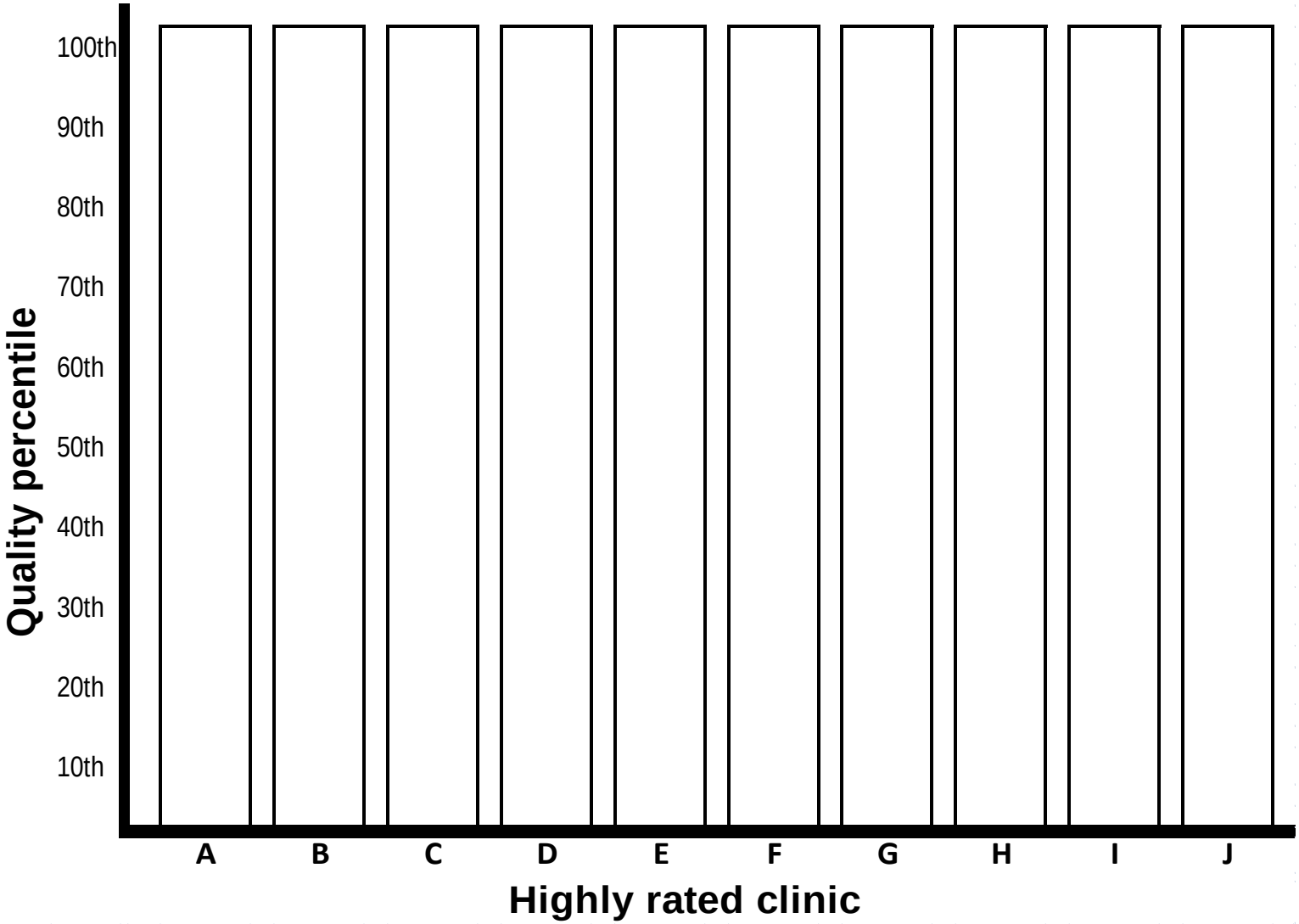
Status of Variation: MRI Overuse

Outpatients with low back pain who had an MRI without trying recommended treatments first: Performance of Wisconsin Hospitals



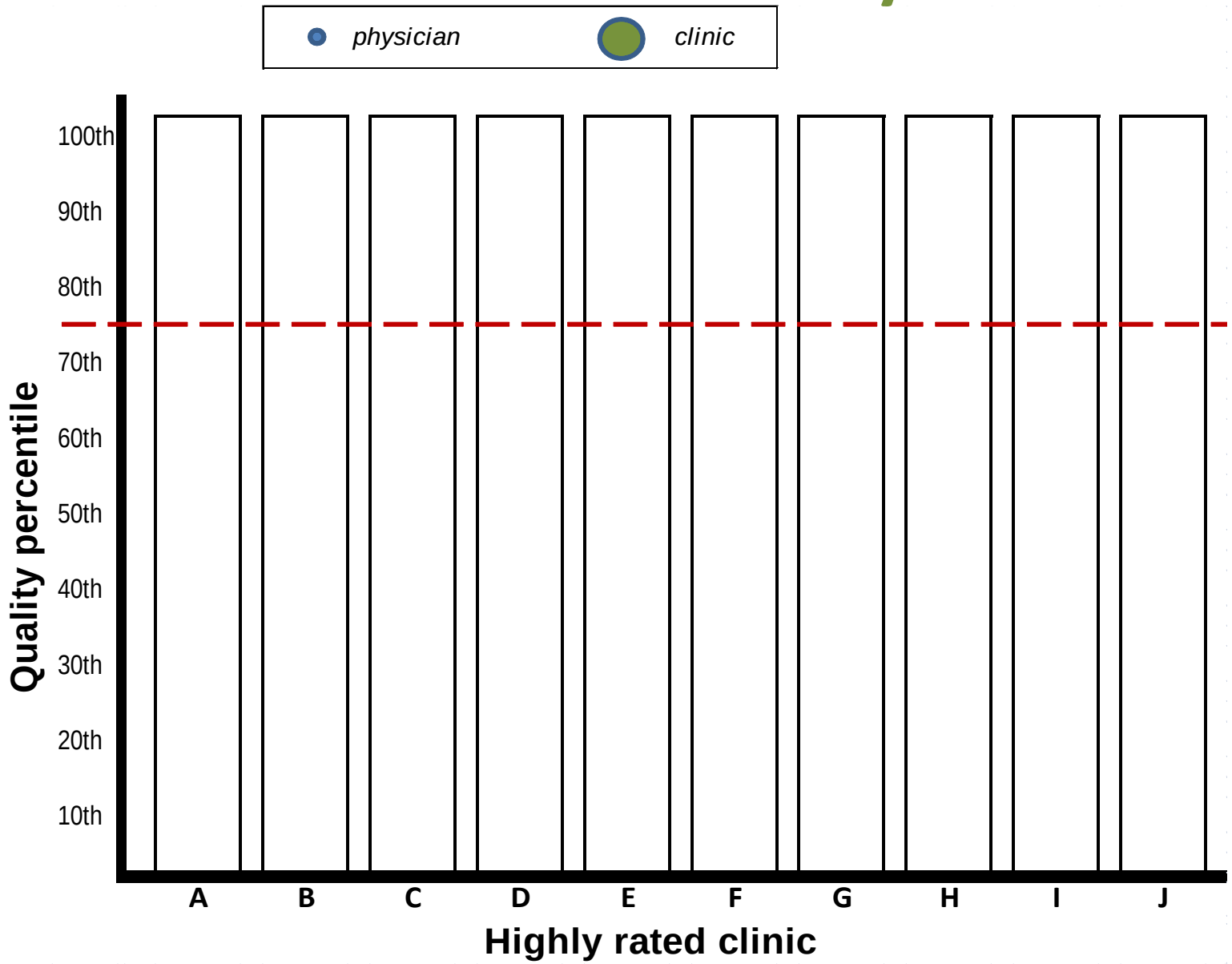
Data source: Centers for Medicare & Medicaid Services (CMS) Hospital Compare data download. 2010 Medicare fee for service data
CMS appropriate rate source: National Quality Forum: National voluntary consensus standards for outpatient imaging efficiency. 2009

Status of Variation: Physicians



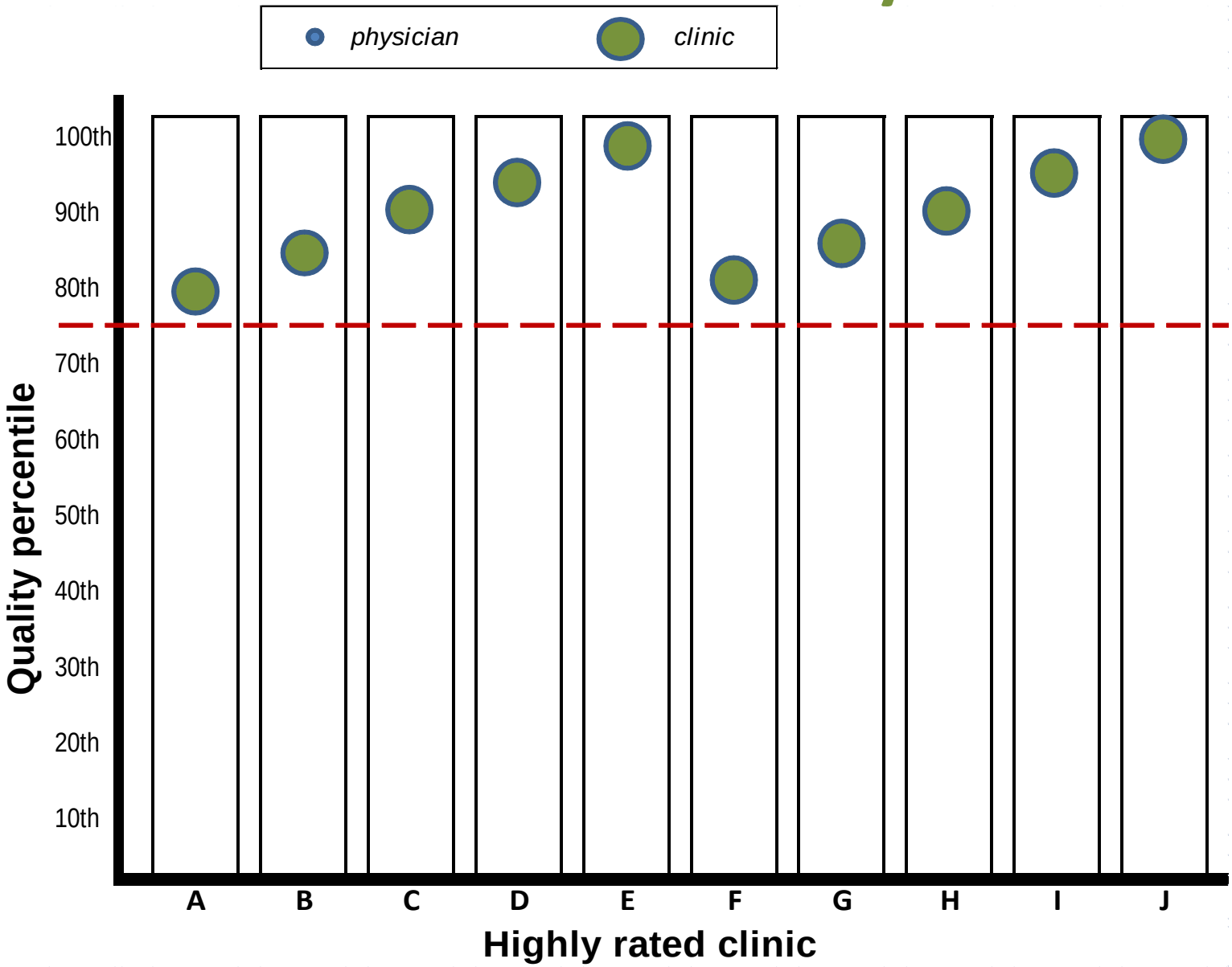
Source: Wisconsin Health Information Organization datamart v8 (April 2010 – March 2012) used to measure quality composite for Family Practice physicians

Status of Variation: Physicians



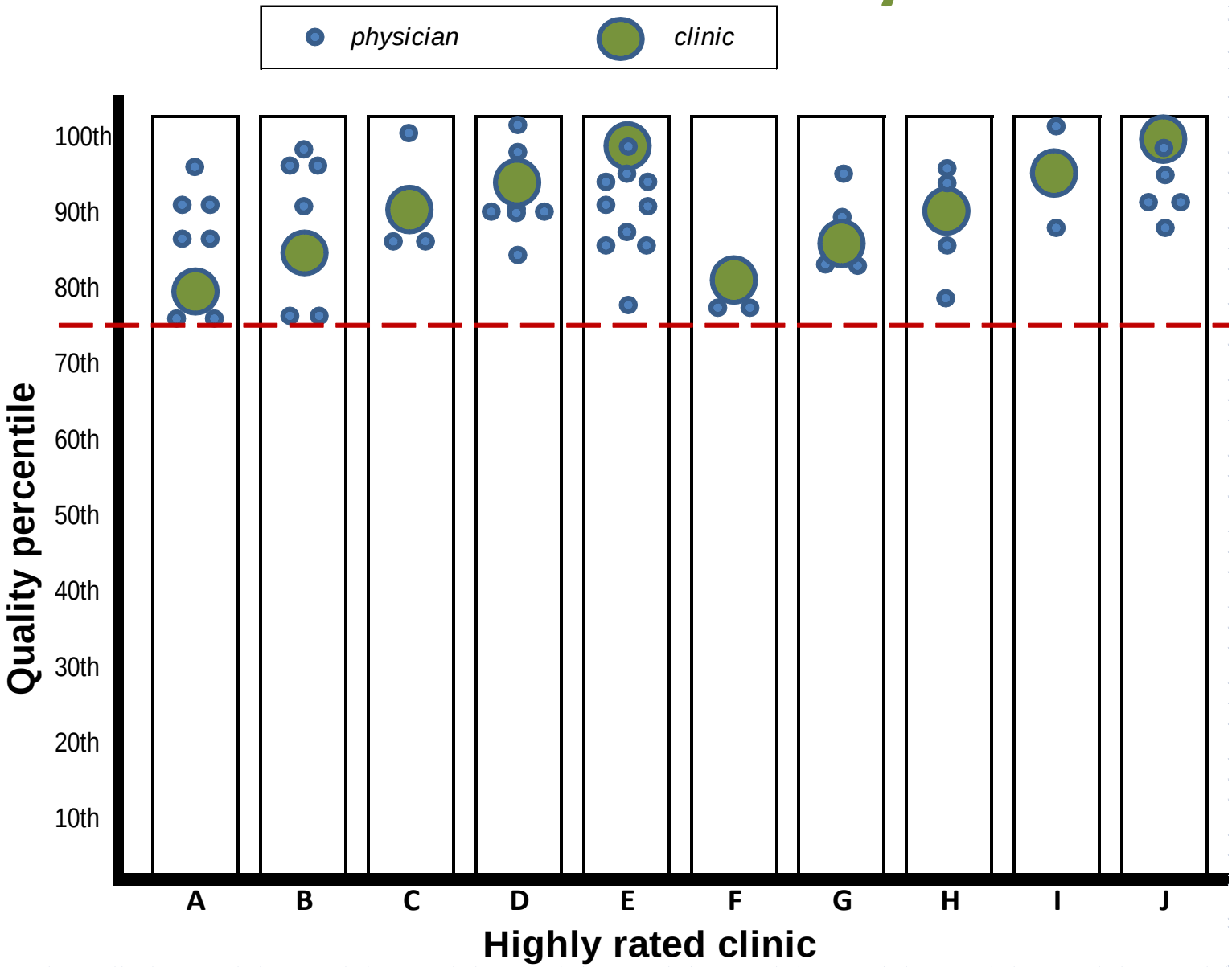
Source: Wisconsin Health Information Organization datamart v8 (April 2010 – March 2012) used to measure quality composite for Family Practice physicians

Status of Variation: Physicians



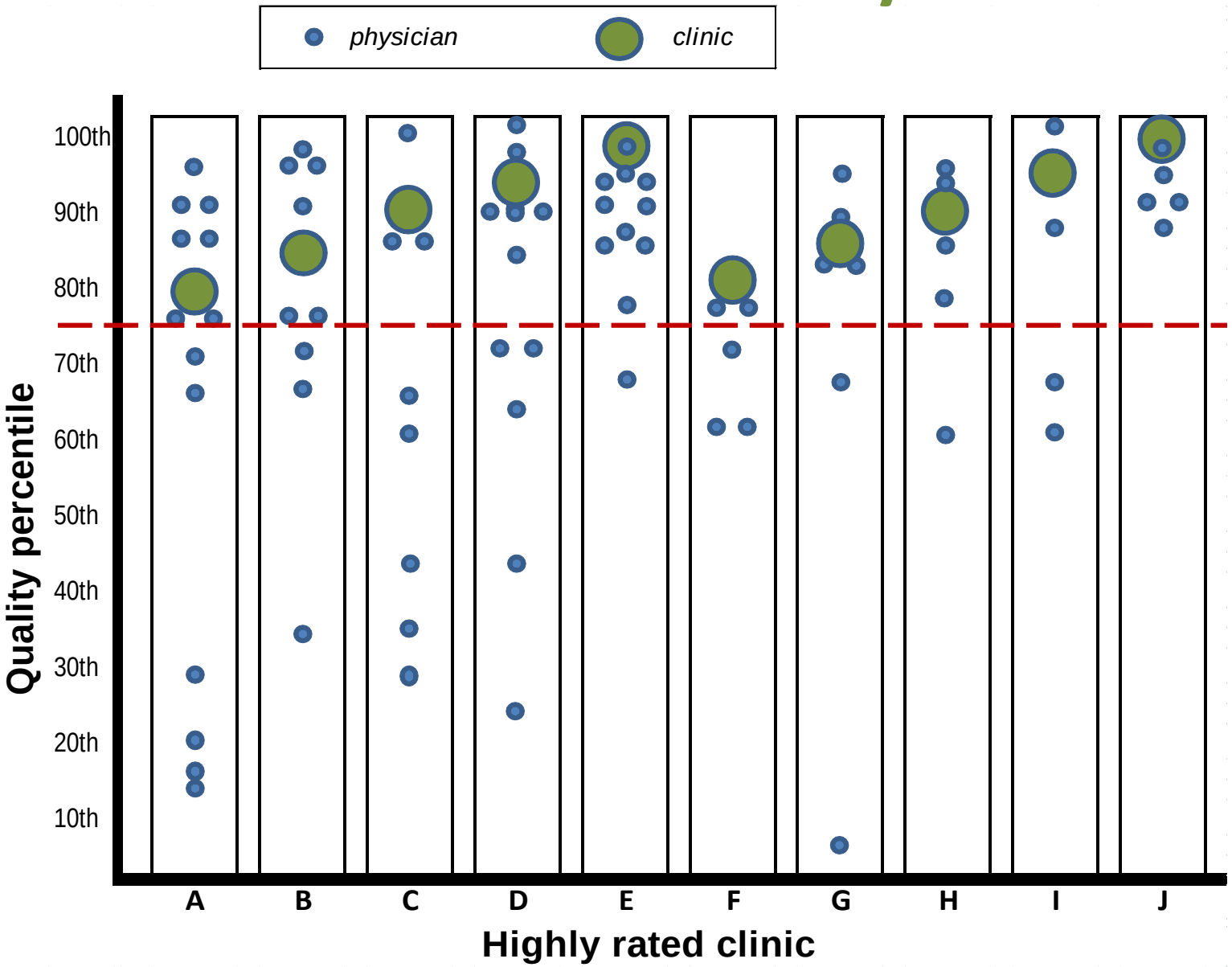
Source: Wisconsin Health Information Organization datamart v8 (April 2010 – March 2012) used to measure quality composite for Family Practice physicians

Status of Variation: Physicians



Source: Wisconsin Health Information Organization datamart v8 (April 2010 – March 2012) used to measure quality composite for Family Practice physicians

Status of Variation: Physicians



Source: Wisconsin Health Information Organization datamart v8 (April 2010 – March 2012) used to measure quality composite for Family Practice physicians

Opportunity: Quality and Cost

- A 40% reduction in preventable hospital-acquired conditions phased in over 3 years [1]:
  - 1,800,000 fewer injuries
  - 60,000 lives saved
- CMS Physician Group Practice Demo:
  - Shared savings for improving prevention & disease management. Result for Marshfield Clinic? [2]
    - Savings of $1,119 per Medicare beneficiary / year
- Expand and encourage high-value choice of providers by consumers [3]:
  - Savings of $41B over the next 5 years

1 CMS's Partnership for Patients initiative to reduce a select set of hospital acquired conditions. 1st year based on 10% reduction, 2nd year : 20% , 3rd year: 40%
2 JAMA, September 2012, 308:10
3 The Commonwealth Fund: Confronting cost, January 2013

Where Do We Go From Here, Part 1?

- Work with stakeholders in Wisconsin to arrive on a shared set of measures for use in public reporting
- Publicly report performance where we have:
  - Measures that are important to consumers
  - High volume and high cost
  - Variation in provider performance
  - A focus on outcome measures
  - Good performance measures and valid data

Where Do We Go From Here, Part 2?

- It's Your Choice 2014 (released Fall 2013):
  - Minor revisions to wording and layout
- It's Your Choice 2015 (released Fall 2014) exploring further changes, such as reporting performance of:
  - Health plans
  - Hospitals
  - Individual physicians
  - Ambulatory surgery centers

Questions & Comments?