OREGON HEALTH CARE QUALITY CORPORATION

Clinic Comparison Reporting

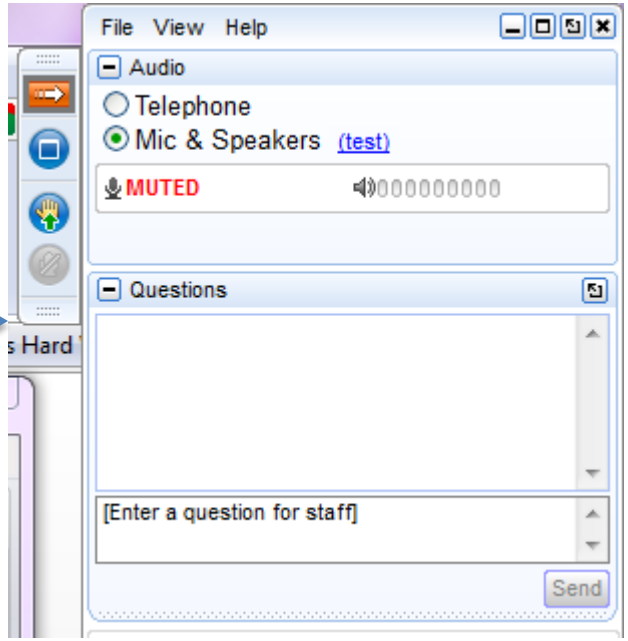
June 30, 2016

Agenda

- Introduction and Background
  - Meredith Roberts Tomasi, Q Corp Program Director
- Measures, Methodology and Reports
  - Doug Rupp, Q Corp Senior Analyst
- Application
  - Katie Dobler, The Portland Clinic and PCCA
- Questions and Answers

We want to hear from you!

Type questions into the Questions Pane at any time during this presentation



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Introduction and Background

Meredith Roberts Tomasi

About Us

- Independent, nonprofit organization
- Dedicated to improving the quality and affordability of health care in Oregon
- Celebrated 15th anniversary in 2015

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Providers
Health Plans
Consumers
Hospitals
Delivery System Executives & Managers
Employers
Policymakers
Content Experts & QI Professionals
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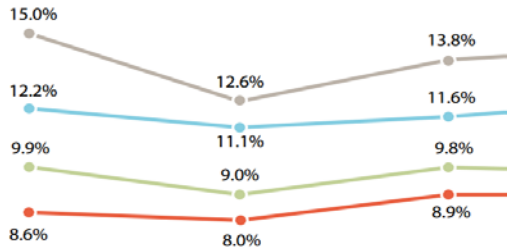
Q Corp Key Strategies

- **Leading Community Collaborations**
  Q Corp will expand its unique role as an independent multi-stakeholder organization to lead community-based initiatives focused on improving the quality and affordability of health care in Oregon. This work includes convening stakeholders and experts around quality and cost issues, aligning efforts to address those issues and conceptualizing and instructing programs using unbiased data and analytics.

- **Providing Unbiased Quality and Utilization Information**
  Q Corp will continue to build on its strength as an independent organization that brings stakeholders together to produce transparent data and analytics on health care quality and utilization in Oregon that are actionable by our community to improve health care.

- **Enhancing and Expanding Data and Analytics**
  Q Corp will become a trusted community resource for unbiased health care information by expanding its capacity to produce data and analytics that address the rapidly changing state and federal environment.

Produce Neutral Information



Created and operate the most validated and utilized claims database in the state

Report quality, utilization and cost metrics to providers, health plans and the public

Pioneering analytics and reporting to help providers and health systems improve cost of care

Custom reporting to stakeholders working on alternative payment models and quality improvement

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Claims Data Summary – 2016

- 80% Fully Insured Commercial population
- 35% Self Insured Commercial population
- 100% Medicaid population
- 92% Medicare
  - CMS “Qualified Entity” – Incorporated Medicare FFS Data Spring 2014

National Network of Collaboratives- Network for Regional Healthcare Improvement (NRHI)

"Regional Healthcare Improvement Collaboratives [RHICs] represent the best avenue to scale important improvements in healthcare. As a neutral party, Collaboratives can bring multiple stakeholders to the table and develop solutions that reflect and value a multitude of interests."

-Mylia Christensen, Executive Director

- Access to National policy updates & priorities
- Connection to other state & regional leaders
- 35 members and counting

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Background: Total Cost of Care

Robert Wood Johnson Foundation

nrhi
Network forRegional Healthcare Improvement

REGIONAL COMMITMENT. NATIONAL IMPACT.

The initiative was piloted by NRHI and RHICs in five regions. Their success led to the Phase II expansion, with six new regions joining the team.

Pilot RHICs

Continue analysis and reporting, increase engagement, and provide mentorship.

Center for Improving Value in Health Care | Colorado
Maine Health Management Coalition | Maine
Midwest Health Initiative | St. Louis, Missouri
Minnesota Community Measurement | Minnesota
Oregon Health Care Quality Corporation | Oregon

Expansion Regions

Implement reporting and build on community engagement.

HealthInsight Utah | Utah
Maryland Health Care Commission | Maryland

Development Regions

Test methods to advance organizational readiness, and resolve barriers for future reporting.

The Health Collaborative | Ohio
The University of Texas Health Science Center at Houston | Texas
Washington Health Alliance | Washington
Wisconsin Health Information Organization | Wisconsin

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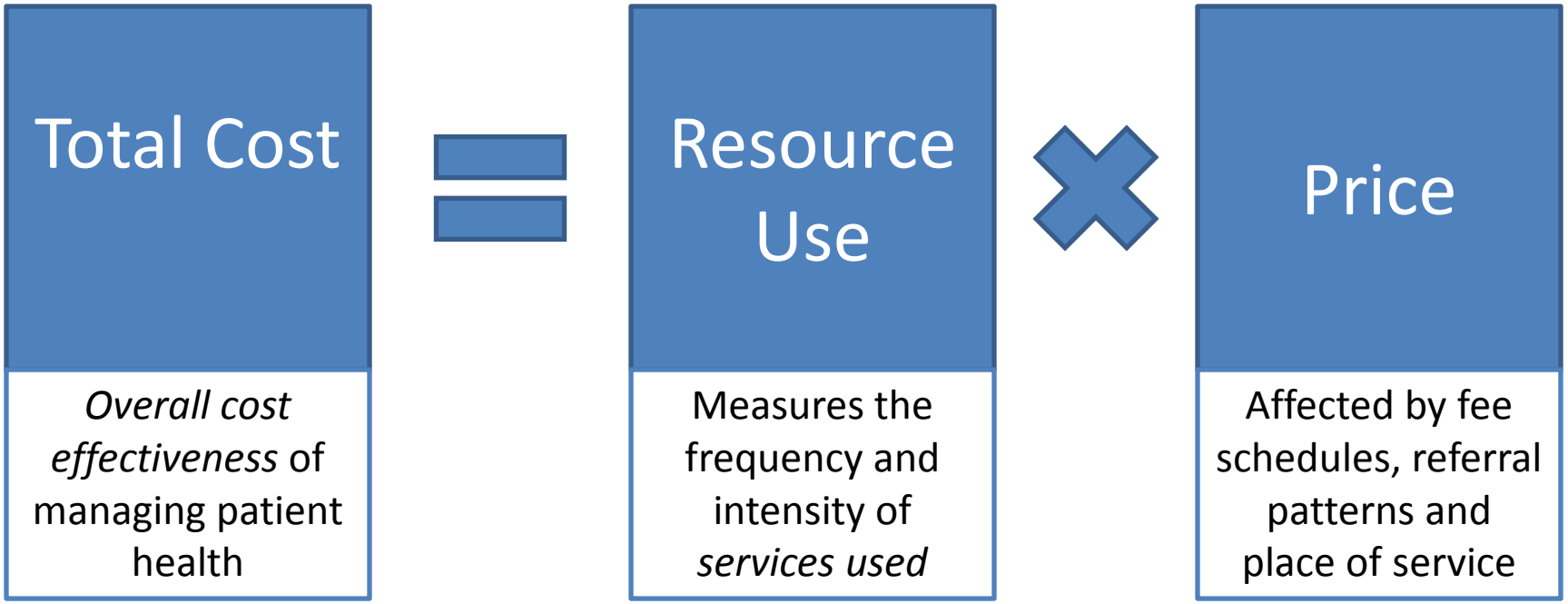
Total Cost of Care Measures and Methodology

Doug Rupp

Health Partners Total Cost of Care Overview



Designed to highlight cost-saving opportunities and to identify potential instances of overuse or inefficiency in health care delivery.

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NQF-Endorsed Measures

TCI:

Total Cost of Care Index

NATIONAL QUALITY FORUM

Quality Positioning System (QPS)

Measure Description Display Information

Resource Use Measure: The following is a resource use measure. Resource use measures are broadly applicable and comparable measures of health services counts (units or dollars) applied to a population or event in terms of counts, dollars, or observed-to-expected ratios.

Description:

Measure Title: Total Cost of Care Population-based PMPM Index

NQF Measure Number: 1604

RUI:

Resource Use Index

NATIONAL QUALITY FORUM

Quality Positioning System (QPS)

Measure Description Display Information

Resource Use Measure: The following is a resource use measure. Resource use measures are broadly applicable and comparable measures of health services counts (units or dollars) applied to a population or event in terms of counts, dollars, or observed-to-expected ratios.

Description:

Measure Title: Total Resource Use Population-based PMPM Index

NQF Measure Number: 1598

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About the Total Cost of Care Measures

Population-based measure of average cost for the health care of an attributed population.

- Total per capita costs (or resources used) for a panel of patients attributed to a primary care clinic.
  - Includes all care delivered to all attributed patients
    - Professional, Outpatient, Inpatient and Pharmacy
  - Includes all allowed amounts
    - All payments made by the patient and the insurer
- Commercially insured patients only
- Clinic-level reporting measured against a benchmark
- Based on the patented algorithm of HealthPartners, Inc.
- In use for over 10 years and adopted nationally. Over 125 licensees in 35 states.

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Risk-Adjusted Costs

Costs per member per month (PMPM) are adjusted to account for patient characteristics.

- Patients are grouped based on diagnoses, age and gender using Johns Hopkins' Adjusted Clinical Groups (ACG) risk adjusters
  - One ACG per person per time period
  - 92 different ACGs active at a given time. Each ACG includes individuals with a similar pattern of morbidity
  - Unit of analysis is patient and not visit or service
  - Person-focused: captures longitudinal, multi-episode dimension of care
- Exclusions:
  - Costs over $100k per patient for one year measurement period
  - Patients under the age of 1 or over the age of 65

HealthPartners Total Cost of Care

Total Cost Index (TCI)

Numerator

Total PMPM = (Total Medical Cost/Medical Member Months)
+ (Total Pharmacy Cost/Pharmacy Member Months)

Denominator

Risk Score

Rate Calculation

Risk Adjusted PMPM = Total PMPM/Risk Score

TCI = Risk Adjusted PMPM/Peer Group Risk Adjusted PMPM

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Clinic scores for TCI are compared to the Oregon Average of 1.00.

Total Cost Relative Resource Values (TCRRV)

Calculation of "Weights" used for Resource Use Index

- Linear scale of relative resource values designed to evaluate resource use across all types of medical services, procedures and places of service.
- Each service is assigned a number of resource units (weights) using a CMS based approach for components of care:
  - Inpatient: MS-DRG (Medicare Diagnosis-Related Grouper)
  - Outpatient: APC (Ambulatory Payment Classification)
  - Professional: RVU (Relative Value Units)
  - Pharmacy: NDC (National Drug Code) Average Wholesale Price
- The value of a unit of resource within each component is calculated from a large national claims database.
- TCRRV = (# units) x (value per unit)
  - All services are effectively re-priced to standard values.
  - Adjusted to actual cost distribution across components of care.
  - TCRRVs are additive, as dollars are, across components of care.

HealthPartners Total Resource Use

Resource Use Index (RUI)

Numerator

Resource PMPM = (Total Medical TCRRV/Medical Member Months)
+ (Total Pharmacy TCRRV/Pharmacy Member Months)

Denominator

Risk Score

Rate Calculations

Risk Adjusted Resource PMPM = Resource PMPM/Risk Score

Index Calculation

RUI = Risk Adjusted Resource PMPM/Peer Group Risk Adjusted Resource PMPM

Clinic scores for RUI are compared to the Oregon Average of 1.00.

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Overview of Report Package

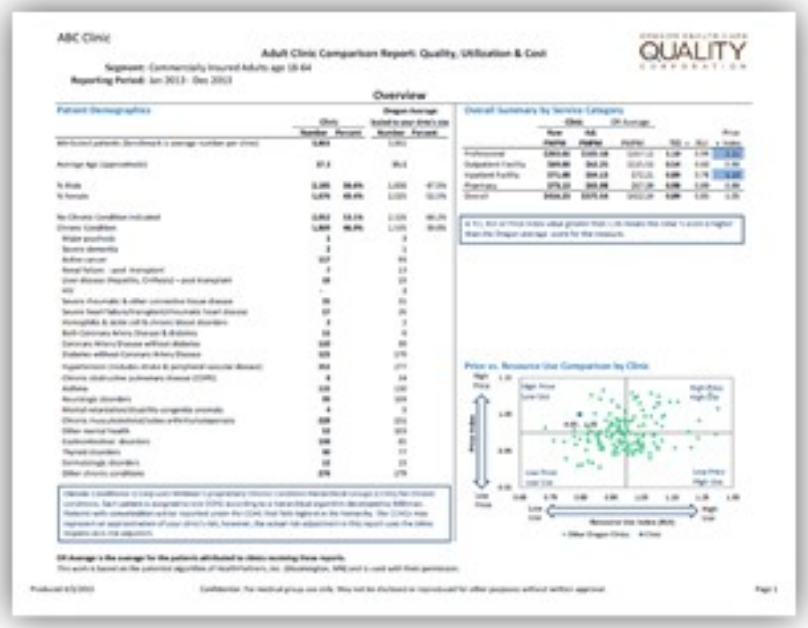
Doug Rupp

Clinic Comparison Report Package

- Quality, Cost and Utilization at the clinic level
- Clinics reports have been mailed and emailed to 79 medical groups in Oregon. A total of 143 adult and 44 pediatric clinic-level reports were sent.

Report Package Contents

- Cover letter
- Definitions and Glossary Sheet
- Report
  - Demographics & Cost Overview
  - Professional
  - Outpatient
  - Imaging and ER
  - Inpatient
  - Chronic Conditions
  - Pharmacy
  - Year Over Year Changes
- Frequently Asked Questions (FAQ)
  - Includes Section on How to Use These Reports



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Clinic Comparison Report Characteristics

- Separate Adult and Pediatric reports, Commercially insured only
- Minimum 600 attributed commercially insured patients and legal agreements in place between medical group and Q Corp
- Cost measures are limited to patients between 1 and 64 years old
- Costs per patient capped at $100,000 for the one-year measurement period
- For Oregon overall, Q Corp is calculating the TCOC measures for about 33% of the commercial population
  - Using data from 7 data suppliers. Some data suppliers are only allowing Q Corp to use their data for quality measures.
  - Analyses represent 421,000+ covered lives

More information available at q-corp.org/our-work/costofcare

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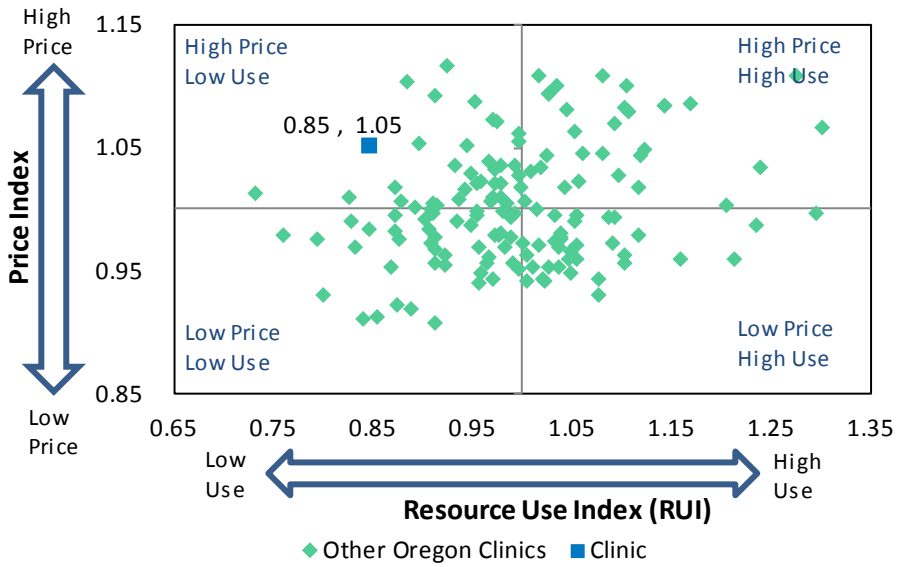
Q Corp Clinic Comparison Reports

Overall Summary by Service Category

	Clinic		OR Average			
	Raw PMPM	**Adj PMPM**	PMPM	**TCI**	= RUI	x Price Index
Professional	**$203.02**	**$183.18**	$167.12	**1.10**	0.99	1.11
Outpatient Facility	**$69.00**	**$62.25**	$115.53	**0.54**	0.60	0.90
Inpatient Facility	**$71.08**	**$64.13**	$72.21	**0.89**	0.78	1.13
Pharmacy	**$73.92**	**$66.70**	$69.20	**0.96**	0.98	0.98
Overall	**$417.03**	**$376.26**	$424.06	**0.89**	0.85	1.05

Clinic scores are risk adjusted to account for variations in illness burden.

Clinic Risk Score



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Q Corp Clinic Comparison Reports Cost Detail

Overall Summary by Service Category

	Clinic		OR Average			
	Raw PMPM	**Adj PMPM**	PMPM	**TCI**	= RUI	Price x Index
Professional	**$203.02**	**$183.18**	$167.12	**1.10**	0.99	1.11
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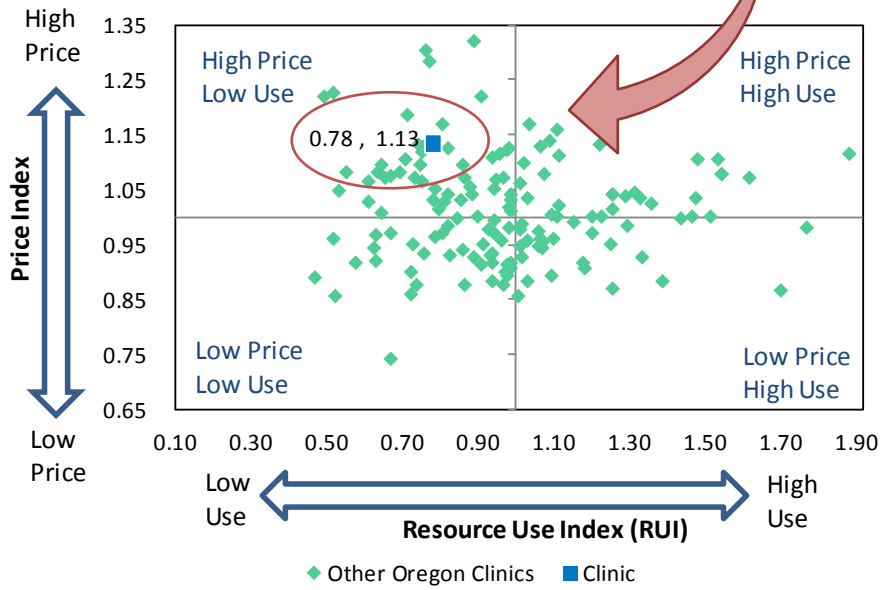
Inpatient PMPM by Service Category

	Clinic	OR Average			
	Adj PMPM	PMPM	**TCI**	= RUI	Price x Index
Acute Admissions	**$64.13**	$71.93	**0.89**	0.79	1.13
Surgical	**$46.98**	$46.13	**1.02**	0.83	1.22
Medical	**$9.55**	$15.77	**0.61**	0.70	0.87
Maternity	**$4.11**	$8.88	**0.46**	0.40	1.17
Mental Health	**$3.49**	$1.15	**3.04**	3.03	1.00
Non-Acute	**$0.00**	$0.27	**0.00**	0.00	1.00
All Admisssions	**$64.13**	$72.21	**0.89**	0.78	1.13

Inpatient Price vs. Resource Use Comparison by Clinic



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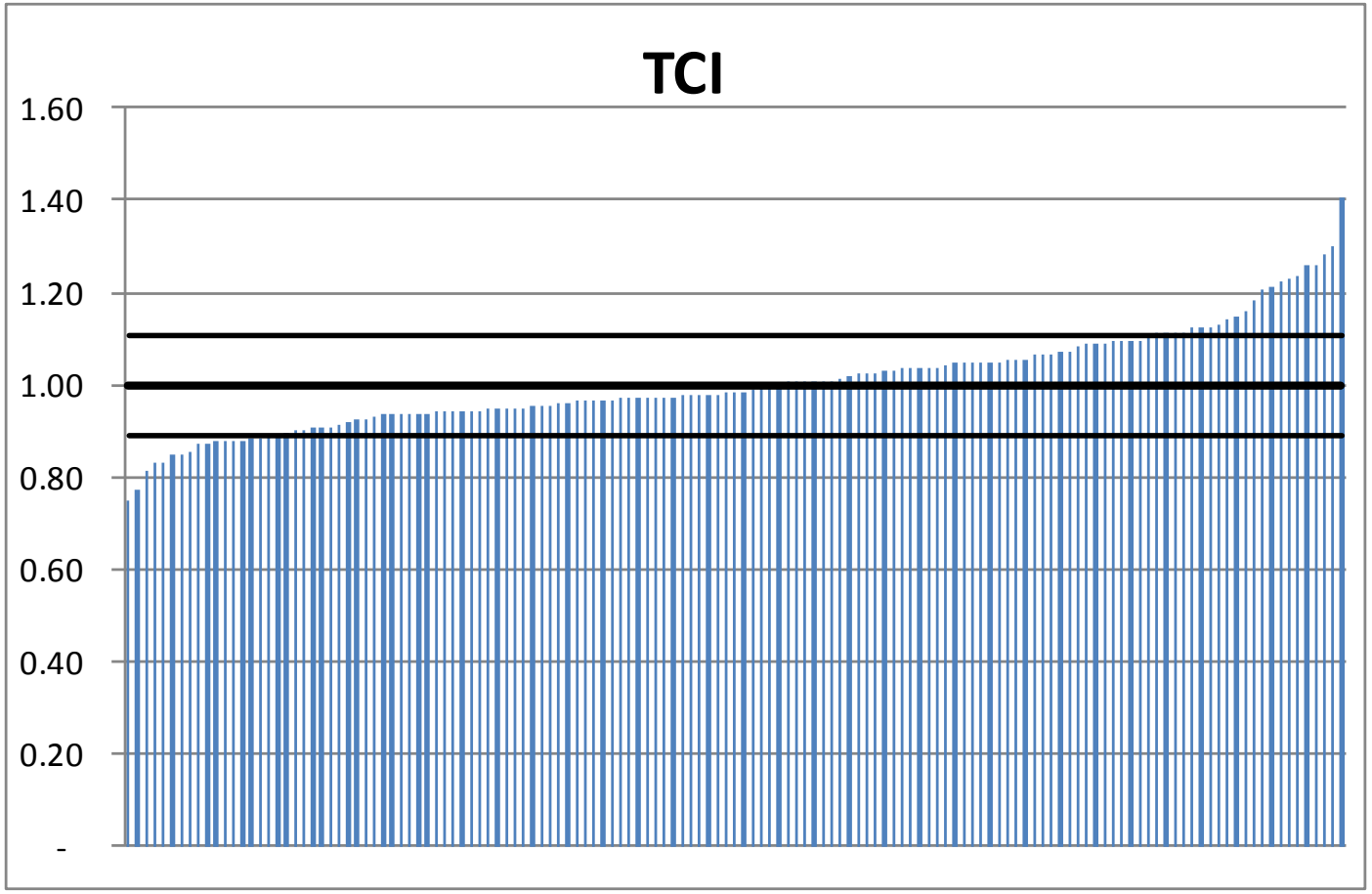
Early Findings: Variation in Performance

Total Cost Index for Oregon Clinics, 2014

For Clincs with 600 or more attributed adult patients



Standard Deviation: 0.1091

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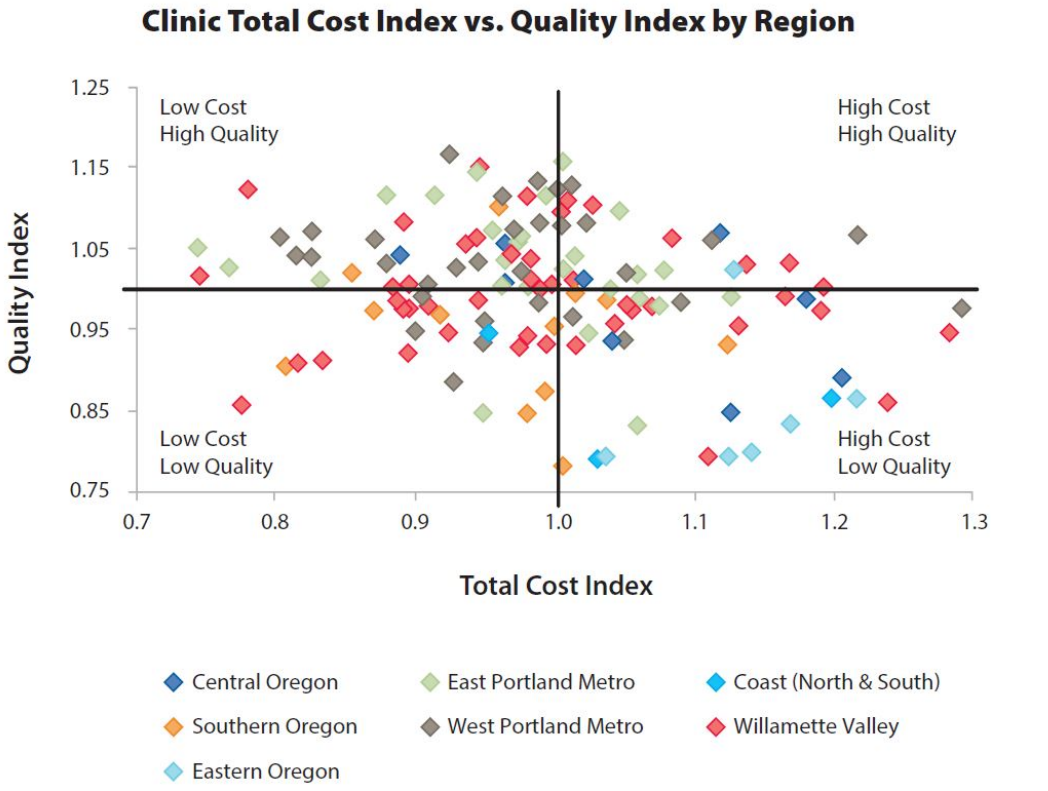
Early Findings

- Considerable variation among clinics and between regions across Oregon
- Rural clinics show higher cost and lower quality, on average
- Q Corp is working to better understand cost drivers and what providers can do to influence them



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Katie Dobler

Chief of Support Services of
The Portland Clinic
Executive Director of Portland
Coordinated Care Association

Portland Coordinated Care Association

A trusted alliance of highly performing independen
medical groups, accountable for improving the healt
care experience of our patients.

Delivering the New Standard in Healthcare

Portland
Coordinated Care
Association
Delivering the New Standard in Healthcare

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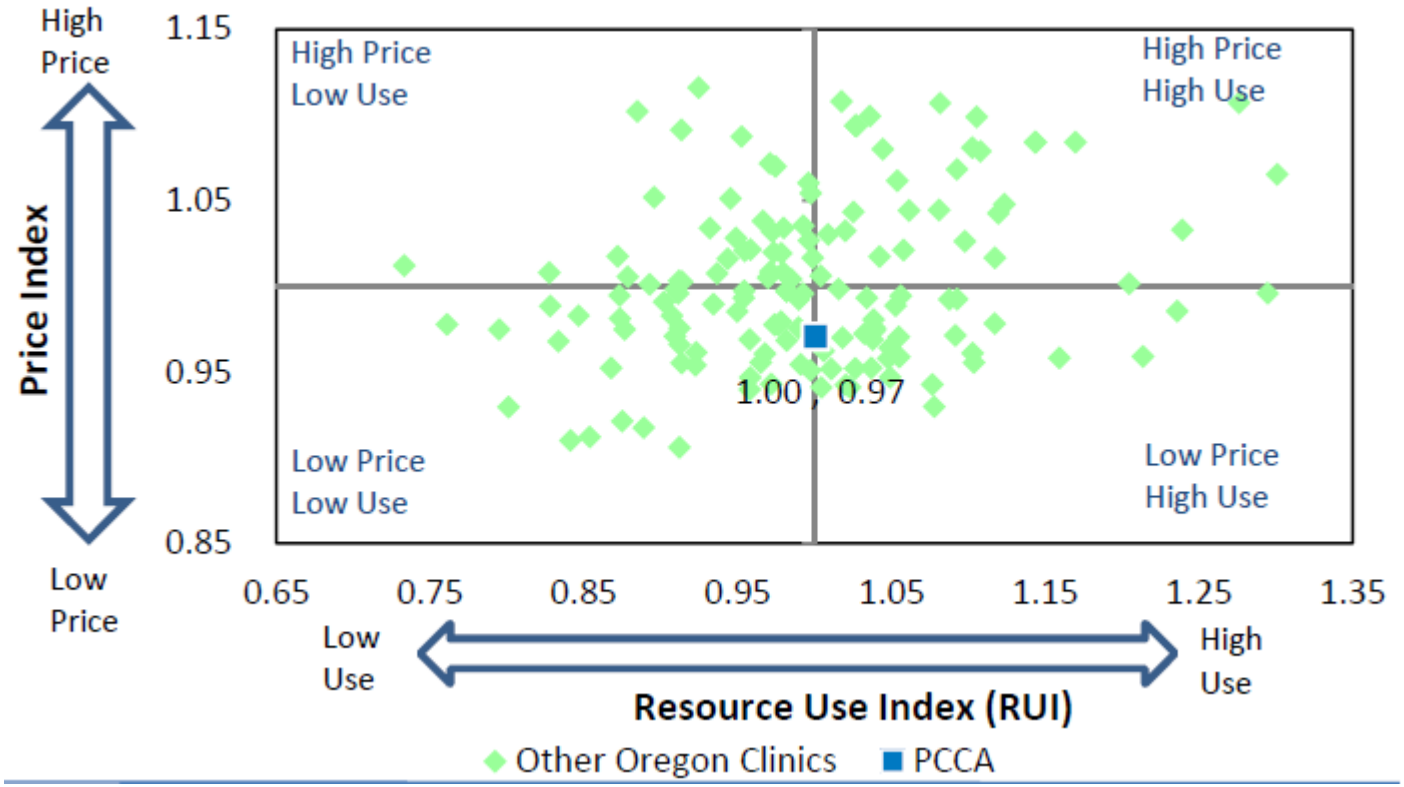
How we use the data…



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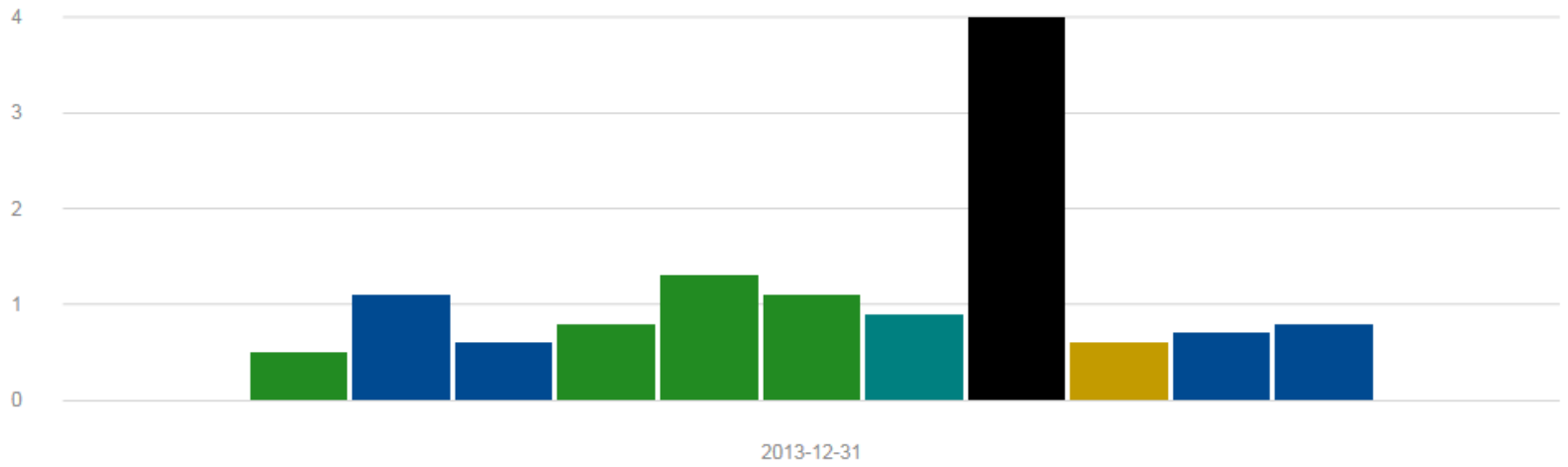
Cost of Care

Cost of Care Measure: Rate per 100 potentially avoidable ED Visits



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Next Steps

Meredith Roberts Tomasi

Next Steps: Q Corp's Phases of Cost of Care Reporting

There are multiple reporting phases through which the Cost of Care work will move. Theses phases may overlap in timing but are distinct steps in the process.

Phase 1

- **Private Provider Reports**
  - Directly mailed and emailed to clinics
  - Produced twice
  - Testing phase

Phase 2

- **Statewide Report**
  - High-level overview
  - Variation at a State level

Phase 3

- **Health Plans, Policy Makers**
  - Participating plans receive reports

Phase 4

- **Consumer Reporting**
  - Q Corp website
  - Rolled up word icons

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Next Steps: Priorities for Total Cost of Care

- With NRHI, exploring reporting for Medicaid and Medicare populations
  - Q Corp will be one of three regions to pilot TCOC on Medicare FFS
- Review Year over Year trend variations
- Phase III grant proposal under review
  - Additional reporting through 2017
  - Further explore potential Medicaid measures
  - Mentor additional communities
- Explore ways that TCOC work can be expanded beyond grant renewal
  - Custom services for: IPAs, professional societies, CCOs, etc.
- Technical Assistance planning

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‘Technical Assistance’ Priorities

Rank	Category	Product
1	Custom Reporting	Rollups - For Medical Groups, ACO's or IPA's
2	Education	Webinars
3	Consultation	Collaborative Health Network
4	Education	Blog Posts and Newsletters
5	Consultation	Train the Trainer and Connections to Vetted TA Resources
6	Custom Reporting	Deeper Dives into Utilization and External Services
7	Education	Methodology Deep Dives
8	Custom Reporting	Regional Comparisons
9	Consultation	Variation Reporting
10	Consultation	Access to Q Corp Clinician
11	Education	Videos – Providers/administrators experience
12	Custom Reporting	Interpretation of Multiple Reports
13	Consultation	Learning Collaboratives – Regional or Topic

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Questions?

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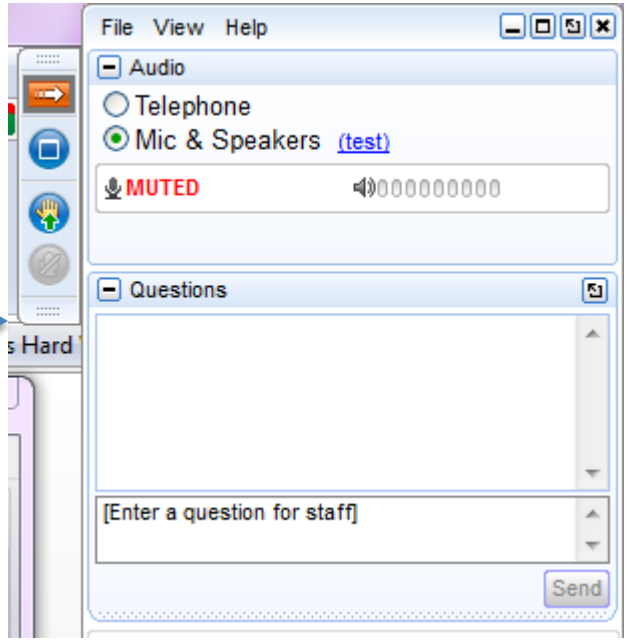

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Thank You

- Website
  - www.Q-Corp.org
- Email
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