Physician Leadership
Using Data to Moderate Growth of Costs

Ellen Gagnon, Senior Project Director
Network for Regional Healthcare Improvement
September 26, 2014

Sources of Measurement & Reporting

Harvard Pilgrim Health Care

Cigna

Anthem BlueCross BlueShield

INSTITUTE OF MEDICINE
OF THE NATIONAL ACADEMIES

NCQA
Measuring quality. Improving health care.

NATIONAL QUALITY FORUM

CMS.gov
Centers for Medicare & Medicaid Services

UnitedHealthcare

National Transparency Initiatives

- CMS
  - Value-Based Payment Modifier Program
- Health Care Cost Institute (HCCI)
- Qualified Entities
- Dartmouth Institute
- Consumer Reports

Agenda

- Who is NRHI and what is the Total Cost of Care Pilot?
- Approach for engaging and supporting physicians in leading healthcare cost transformation
- Share curriculum highlights from National Physician Leadership Seminar
- Discussion and feedback

Network for Regional Healthcare Improvement (NRHI)

- National organization representing over 30 member Regional Health Improvement Collaboratives (RHICs) providing member support:
  - Best Practice Sharing
  - Technical Assistance
  - Topical Information
  - National Updates
  - Advocacy
  - Funding Opportunities
  - Coordination of Member Activities

Regional Health Improvement Collaboratives

- Independent, non-profits
- Multi-Stakeholder governance including:
  - Healthcare providers
  - Healthcare payers
  - Healthcare purchasers
  - Healthcare consumers
- Conveners
  - Bring stakeholders together to solve dilemmas in their local healthcare system and identify ways to catalyze change for better outcomes and lower cost

RHIC Approach to Transparency

- Work with physicians to select and report valid and meaningful measures
- Provide in-person training and support to enable understanding and action
- Private reporting in advance of public reporting
- Actionable reports to identify opportunities for quality and practice improvement
- Inform the community dialogue for payment reform for better alignment of incentives with practice transformation

Total Cost of Care Pilot

Project Goal

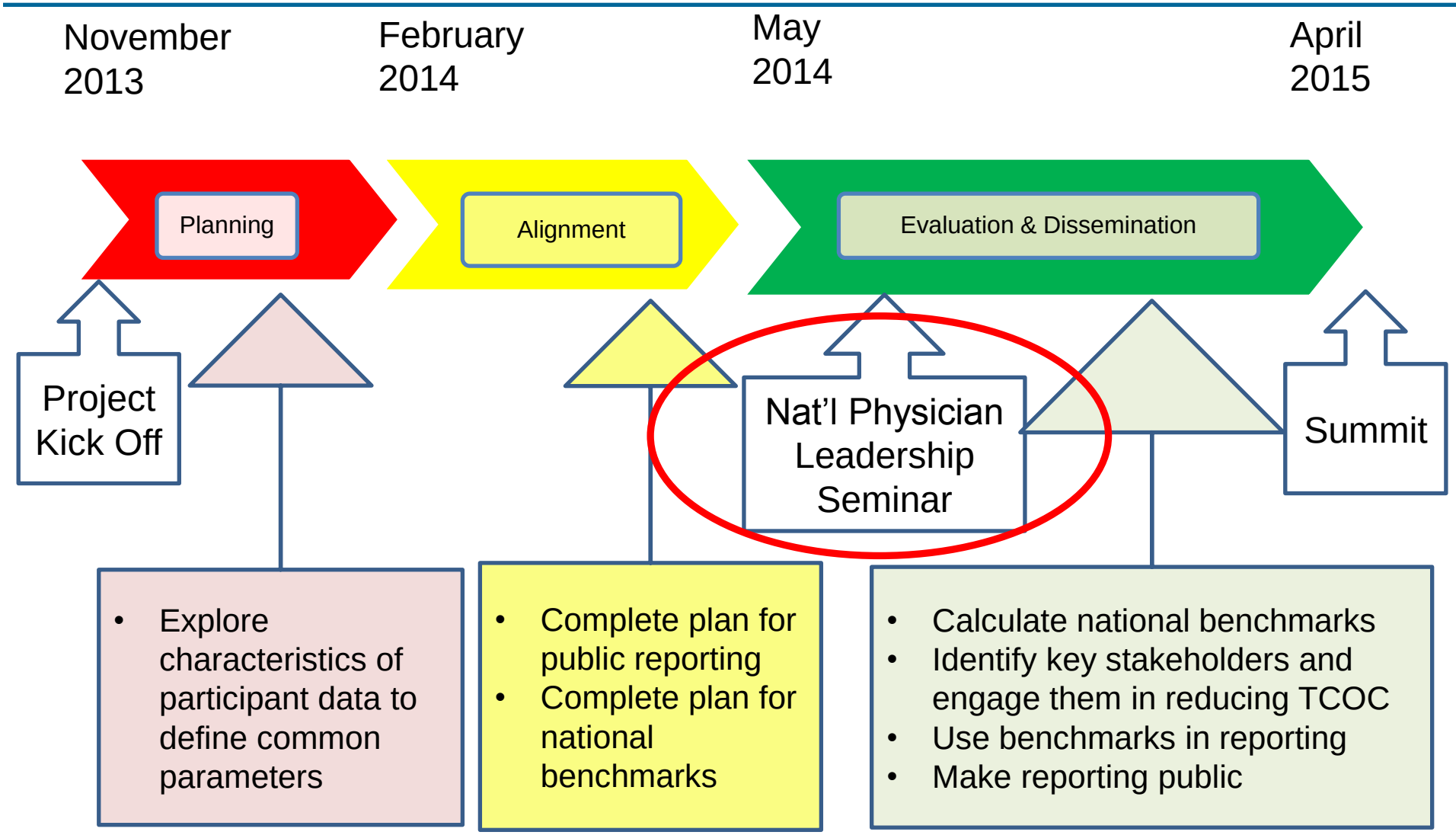
To develop and produce information to enable communities to reduce the total cost of care in multiple regions with replicable, multi-stakeholder driven strategies.

What are the barriers to producing transparent TCoC information and how can they be overcome?

Pilot Participants

- Regional Health Improvement Collaboratives
  - Center for Improving Value in Health Care (Colorado)
  - Midwest Health Initiative (St Louis, MO)
  - Maine Health Management Coalition
  - Minnesota Community Measurement
  - Oregon Health Care Quality Corporation
- Technical Advisors
  - HealthPartners®
  - Maine Health Management Coalition Foundation
- Support
  - Network for Regional Healthcare Improvement
  - Robert Wood Johnson Foundation

Project Key Milestones



nrhi Network for Regional Healthcare Improvement

National Physician Leadership Seminar

Total Cost of Care & Resource Use

Stanford University, August 2014

Seminar Approach

- National forum with local connections
  - Recruited up to four emerging physician leaders from 5 participating regions
- Balanced curriculum centered on Total Cost of Care
  - Burning platform for change and the role physicians can play
  - Sufficient technical training to establish familiarity, credibility and usefulness of measures
  - Why change is so difficult for humans and more so for physicians
  - Practical examples of how to reduce variation in practice patterns leading to cost savings
  - Tools and techniques to identify and solve vs pre-packaged solutions
- Group interactions and regional break out sessions
- Pre-seminar homework

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Michael DeLorenzo, PhD, Director of Health Analytics
Maine Health Management Coalition

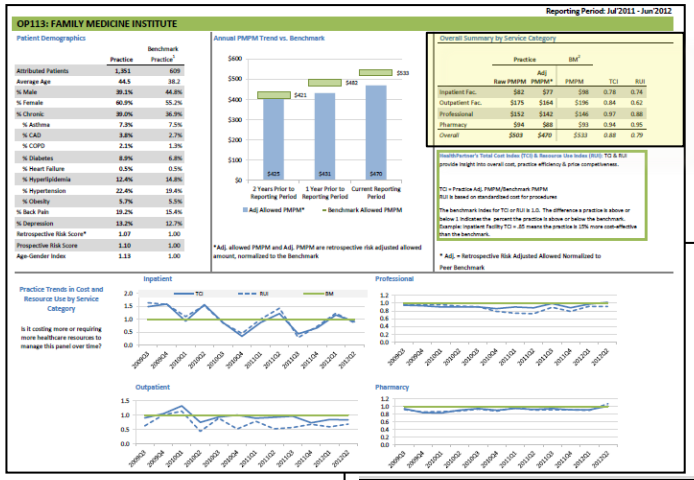
TECHNICAL MEASUREMENT

Two Measures……*per capita*

Total Cost of Care:	med & pharm cost - price, service utilization, market-specific variation
Total Resource Use:	resource use across inpatient, outpatient, professional, and pharmacy. uses “standard pricing”

Reliability Tested:	Consistent results
Validity Tested:	Performs as intended
NQF Endorsed:	Vetted, adoption, benchmarking
90+ licenses	26 states

Maine Primary Care Practice Report: TCI



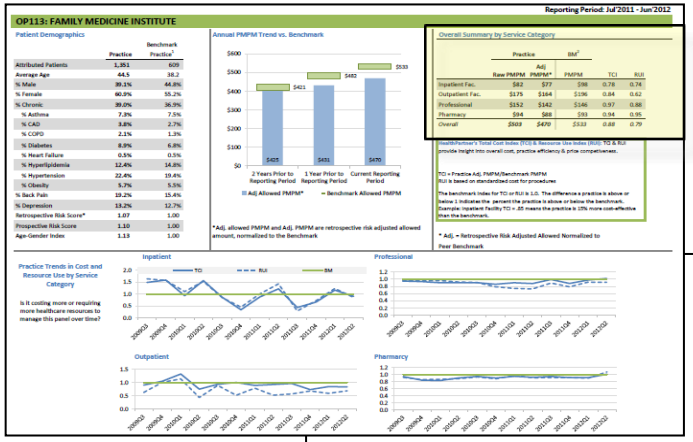
	Practice		BM[2]	
	Raw PMPM	Adj PMPM*	PMPM	TCI
Inpatient Fac.	$82	$77	$98	0.78
Outpatient Fac.	$175	$164	$196	0.84
Professional	$152	$142	$146	0.97
Pharmacy	$94	$88	$93	0.94
Overall	***$503***	***$470***	*$533*	*0.88*

[2] BM = Peer Benchmark

Note: Retrospective Risk Score for Practice = 1.07

Displayed as an index to protect information while being transparent with relative performance.

…and Resource Utilization (RUI)



	Practice		BM[2]		
	Raw PMPM	Adj PMPM*	PMPM	TCI	RUI
Inpatient Fac.	$82	$77	$98	0.78	0.74
Outpatient Fac.	$175	$164	$196	0.84	0.62
Professional	$152	$142	$146	0.97	0.88
Pharmacy	$94	$88	$93	0.94	0.95
Overall	*$503*	*$470*	*$533*	*0.88*	*0.79*

[2] BM = Peer Benchmark

Retrospective Risk Score for Practice = 1.07

Displayed as an index to protect information while being transparent with relative performance.

Why is TCoC Useful?

- Raises awareness of all healthcare costs associated with a physician's panel to enable identification of cost drivers
- Aggregates commercial payers data into one report for a more comprehensive view of practice patterns and cost
- Provide healthcare cost reporting to combine with quality and patient experience to enable achievement of triple aim goals
- Population, person-centered measurement approach using regional multi-payer data
- Adjustment for patient illness burden allows for meaningful comparisons across practices
- Ability to separate out and report relative resource use for identification of variation and potential overuse

Jay Want, MD, Chief Medical Officer, CIVHC

TRANSFORMATIONAL LEADERSHIP

Leading physician cultural change

YOUR GUIDE TO THE DANGEROUS SPORT OF TRYING TO DO THE RIGHT THING

Think of the worst way to train people for team sports…

- Individual effort, independence, autonomy
- Guilt and fear as regulatory mechanisms
- Delusion of infallibility and superhuman effort
- Discourage inquiry, experimentation, and requesting help from others

…welcome to medical school and residency.

Do vs. should do

- What we do
  - Show graphs and tables
  - Explain why things make sense
  - Talk about how change will make us more money
  - Talk about how change will make us even more money
- What we should do
  - Show pictures
  - Demonstrate how things feel right
  - Talk about why change is what the cool kids are doing
  - Talk about why change will get us back to being physicians

Do vs. should do

- Give talks that sound like journal articles
- Unidirectional communication

- Tell stories
- Bidirectional communication: talk, but also listen and ask for help

The making of a new social contract

- Old quid pro quo
  - Infinite power for infinite responsibility
  - Lack of data to measure performance so use of outlier whack-a-mole as regulatory mechanism
  - Guilt, fear, and shame as cultural regulatory mechanisms
- New quid pro quo
  - Contributing expertise within a shared responsibility
  - Big data measures everything
  - Team performance outweighs individual performance

…and the slowest thing to change is culture

Jay's theories: the scars on the back of his head

- Clean data + committed peers = physician change
- Homophily is especially strong in physicians due to selection and training
  - Hazing (experiences that reinforce that no one outside the profession can understand us)
  - Emphasis on individual ability/responsibility
- It is therefore easier to use existing trust channels than to building new ones
- *Being right is almost worthless; being trusted is almost priceless*

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Michael van Duren, MD, MBA
VP Clinical Transformation, Sutter Medical Network

ROLE OF PHYSICIAN CHAMPIONS IN REDUCING VARIATION

Clinical Variation Reduction Process

- A face-to-face, facilitated meeting with a department where un-blinded, individual clinician data is shared in a safe environment
- Variation Reduction Standard(s) are developed by the clinicians at this meeting
- A Variation Reduction Standard is a specific clinical decision or behavior at the point of care that clinicians develop together
- The Variation Standard becomes a project and clinicians change their behavior as soon as the next day

Some examples:

  - prescribe generic instead of a brand medication
  - order or not order diagnostics
  - perform or not perform a procedure

The Results

- In the last 24 months,

105,883 patients

- were touched by Variation Reduction through the involvement of

712 clinicians.

- Since inception, savings from variation reduction projects has totaled over

$30 million

- across the medical network

Origins/Evolution

How can we support clinicians in practicing better?

The Old Way

- Policies
- Guidelines
- Pay for performance
- Counseling outliers
- Utilization review
- Begging

- Frustration
- Resentment

New Way: Variation Reduction

- Curiosity as the driver
- Respectful communication
- Helpful feedback
- Bottom up approach
- Visual impact (right brain)
- Live drill down

- Positive impact on results
- Positive impact on culture

What Physician Leaders are Saying…

"Everyone thinks they do a good job, but do they really?"

"I think the concept of total cost of care should be as common as any other concept and that physicians should recognize this as a way of medical decision making"

"Having total cost index and RUI are extremely important measures but ensuring that appropriate quality measures are also being tracked in association with those cost/resource measures is also very important."

What's Next?

- Exploring opportunities to bring this seminar to various audiences including national forums, regional sessions and/or existing physician leadership programs
- Provide continuing networking opportunities for seminar attendees to continue the dialogue
- Physician participation in their regional roll out of total cost of care reports with their colleagues
- Participate in development of RWJF Provider Engagement strategy toward a Culture of Health

Discussion

- How does this approach resonate with you?
- What approaches have you tried and how did it go?
- What strikes you as different about this approach?

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THANK YOU