

Building quality composites

ISSUE: Can we identify criteria for a good quality composite?

KEY POINTS: Composites are measures that summarize several, related measures in a single score. They enable decision makers to make comparisons that would be too cumbersome if they had to use each constituent measure available or make unguided choices among them.

We have studied quality composites from scorecards for hospitals from states and private plans, and worked with technical experts to develop these potential criteria for good composite measures:

- Applicable to most providers, most patients, and most quality traits
- Account for differences in patient characteristics
- Reflect the relative importance of each measure in the composite
- Easy to describe and understand
- Acknowledges the extent of uncertainty and identifies where it exists

Both the selection of measures to include in the composite and the construction of the composite itself determine whether the composite meets the criteria.

ACTION: This discussion is intended to generate feedback on our approach to building quality composites. This is background for topics in the March report and our mandated report to Congress on home health pay for performance (due June 2007).

STAFF CONTACT: Sharon Bee Cheng (202-220-3712)