



Advising the Congress on Medicare issues

Work plan: Case studies and metrics for high-performing systems

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Issue

- There are integrated delivery systems, hospitals, and practices that are considered high-performing
- Fee-for-service payment systems reward volume, not value; high performance is not encouraged
- Can we understand what high performing systems are doing and encourage them through Medicare policy?

Identifying high performance systems

- Site visits
 - Virginia Mason, Everett Clinic, Providence-Everett Hospital (WA)
 - Scott and White (TX), Summa Care (OH)
- Case studies
 - Integrated systems
 - Group practices
- Commissioner suggestions

Key questions

- What are the systems doing to improve performance?
 - Care coordination
 - Process reengineering
- What performance metrics do they use?
 - Internal efficiency
 - Patient outcomes
 - Access to care

What do our measures tell us?

- We have information on efficient hospitals
 - Readmission rates
 - Mortality rates
 - Standardized cost per case
- Do we identify the same systems others do as high performing?
- Do hospitals in a high performing system have similar efficiency?

Study approach

- For selected systems identify what they are doing and the metrics they use
- Compare with systems we would identify as efficient
- Identify what innovations are consistently associated with efficient provision of care
- Consider implications for policy

Differing perspectives

- We will focus on the Medicare perspective
 - Is a system high performing for Medicare patients?
 - What are the resource use and quality metrics used?
- We will also consider from an all payer perspective
 - Medicaid patients may not have access
 - Other payers may face high prices from providers with market power
 - High prices may contribute to high provider costs
 - Medicare sets prices, high costs would not be evident from Medicare's perspective

Discussion

- Study approach:
 - Would it be valuable to examine high performing systems and their metrics?
 - What should we change in the study approach?
 - Do Commissioners have systems to suggest?
- Would the Commissioners find the results useful for:
 - disseminating approaches to increase performance
 - setting future policies