



Advising the Congress on Medicare issues

Next steps in measuring quality of care in Medicare

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Outline

- Review quality discussion from June 2014 report
- Present preliminary results from “healthy days at home” measurement
- Next steps

Problems with current approach

- Too many clinical process measures, weakly correlated with outcomes
 - Will expand under physician “value modifier”
- Overly burdensome and complex for providers and CMS
 - Little alignment internally or with private payers’ quality programs
- Overly prescriptive in directing providers where to focus quality improvement

Concept for a new approach to quality measurement

- Small set of population-based outcome and patient experience measures
- Report performance of local FFS Medicare, MA plans, and ACOs
- Possibly adjust payments to MA plans and ACOs based on performance relative to FFS
- Concern about using results for FFS payment adjustments, given no accountable entity

Population-based outcome measures

- Potentially preventable admissions, readmissions, and emergency dept. visits
- Mortality rates
- Patient experience
- “Healthy days at home” (today’s topic)

Healthy days at home (HDAH)

- Days in set time period that a given population is alive and did not have a non-ambulatory interaction with health care delivery system
- Consistent with quality measurement principles
 - Comprehensive and outcomes-focused
 - Easy for beneficiaries to understand
 - Useful to compare performance across delivery systems

Days alive and out of hospital

- Has been used in heart failure clinical trials
- Time period “triggered” by intervention
- Two ways to calculate:
 - Number of incidents in defined time period
 - Number of days until an incident occurs
- Combining mortality and hospitalizations captures broader morbidity of disease or treatment

HDAH preliminary analysis

HDAH

*= 365 – (days inpatient + days in IRF + days in LTCH
+ days in psychiatric hospital + days in SNF
+ observation days + days in ED + days in HH
+ mortality days)*

- 20 percent sample of 2011 Medicare beneficiaries
 - Beneficiaries not continuously enrolled in FFS (including those in MA) were excluded
 - About 60 percent of final sample had at least one chronic condition
 - About 18 percent of the sample were under age 65

Summary statistics by HRR for all FFS beneficiaries in sample, 2011

	10 th percentile	Lower Quartile	Median	Upper Quartile	90 th percentile
Acute Care Hospital Days	1.3	1.5	1.8	2.0	2.3
Observation Days	0.1	0.1	0.2	0.2	0.3
ED Days	0.7	0.8	0.9	1.1	1.2
IRF Days	0.1	0.1	0.1	0.2	0.3
LTCH Days	0.0	0.0	0.0	0.0	0.0
Inpatient Psych. Days	0.1	0.1	0.2	0.2	0.3
SNF Days	1.9	2.4	3.0	3.8	4.4
HH Days	2.9	4.1	6.2	10.5	19.4
Mortality Days	7.1	7.6	8.2	8.6	9.1
HDAH	330.8	339.3	343.8	347.0	349.0
HDAH without HH	348.1	349.0	350.2	351.5	353.0

Source: MedPAC contractor analysis of 20 percent sample of Medicare claims data.

Note: Data are preliminary and subject to change. Results are not risk adjusted. Values shown are summary statistics for 306 Hospital Referral Regions (HRRs) with approximately 6.8 million FFS Medicare beneficiaries. Columns may not sum to totals due to rounding.

Summary statistics by HRR for FFS beneficiaries with at least one chronic condition, 2011

	10 th percentile	Lower Quartile	Median	Upper Quartile	90 th percentile
Acute Care Hospital Days	2.2	2.5	2.8	3.1	3.4
Observation Days	0.1	0.2	0.3	0.3	0.4
ED Days	0.9	1.1	1.3	1.5	1.8
IRF Days	0.1	0.1	0.2	0.3	0.5
LTCH Days	0.0	0.0	0.0	0.0	0.0
Inpatient Psych. Days	0.1	0.2	0.2	0.3	0.5
SNF Days	3.1	3.8	4.6	5.9	6.9
HH days	4.8	6.5	9.4	15.4	29.0
Mortality Days	9.5	10.1	10.8	11.4	12.1
HDAH	315.5	328.2	334.9	338.5	340.8
HDAH without HH	341.1	342.6	344.3	346.0	347.6

Source: MedPAC contractor analysis of 20 percent sample of Medicare claims data.

Note: Data are preliminary and subject to change. Results are not risk adjusted. Values shown are summary statistics for 306 Hospital Referral Regions (HRRs) with approximately 4.1 million FFS Medicare beneficiaries. Columns may not sum to totals due to rounding.

Healthy days at home by race/ethnicity for FFS beneficiaries with at least 1 chronic condition, 2011

Race/ Ethnicity	Number of beneficiaries (% of total)	Inpatient Days	Other Hosp Days	SNF Days	Obs Days	ED Days	HH days	Mortality Days	HDAH	HDAH, No HH
White	3,523,331 (83%)	2.8	0.5	4.9	0.3	1.2	12.3	11.1	331.8	344.1
African American	453,491 (11%)	3.9	0.8	5.0	0.3	1.8	23.2	9.7	320.3	343.5
Asian American	68,851 (2%)	2.3	0.4	3.0	0.2	0.7	10.4	7.5	340.5	350.9
Hispanic	90,753 (2%)	3.2	0.7	3.5	0.2	1.5	27.6	8.4	319.9	347.6
Native American	23,311 (1%)	3.3	0.5	3.4	0.3	1.9	14.8	9.8	330.8	345.7

Source: MedPAC contractor analysis of 20 percent sample of Medicare claims data.

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Topics for discussion

- Unit of measure (e.g., HRR, HSA, MSA)
- Risk adjustment
- Clinical condition / population relevance
- Stability of measure / random variation
- Geographic variation:
 - No concern when comparing systems within an area?
 - Reflection of coding or practice patterns?
 - Weighting of measure components

Healthy days at home by age, beneficiaries with at least 1 chronic condition, 2011

Age group	Number of Beneficiaries (% of total)	Inpatient Days	Other Hosp Days	SNF Days	Obs Days	ED Days	HH days	Mortality Days	HDAH	HDAH, No HH
< 65	831,703 (20%)	3.1	1.2	2.1	0.3	2.4	10.8	5.0	340.0	350.9
65 - 69	728,448 (17%)	2.2	0.3	1.9	0.2	0.9	7.6	5.2	346.6	354.3
70 - 79	1,379,070 (33%)	2.6	0.4	3.3	0.2	0.9	11.3	7.9	338.2	349.7
80 +	1,289,630 (30%)	3.6	0.5	9.8	0.3	1.1	21.6	20.6	307.4	329.1

Source: MedPAC contractor analysis of 20 percent sample of Medicare claims data.

Note: Data are preliminary and subject to change. Results are not risk adjusted. Values shown are summary statistics for 306 Hospital Referral Regions (HRRs) with approximately 4.1 million FFS Medicare beneficiaries. Columns may not sum to totals due to rounding.

Healthy days at home by Medicaid status, beneficiaries with at least 1 chronic condition, 2011

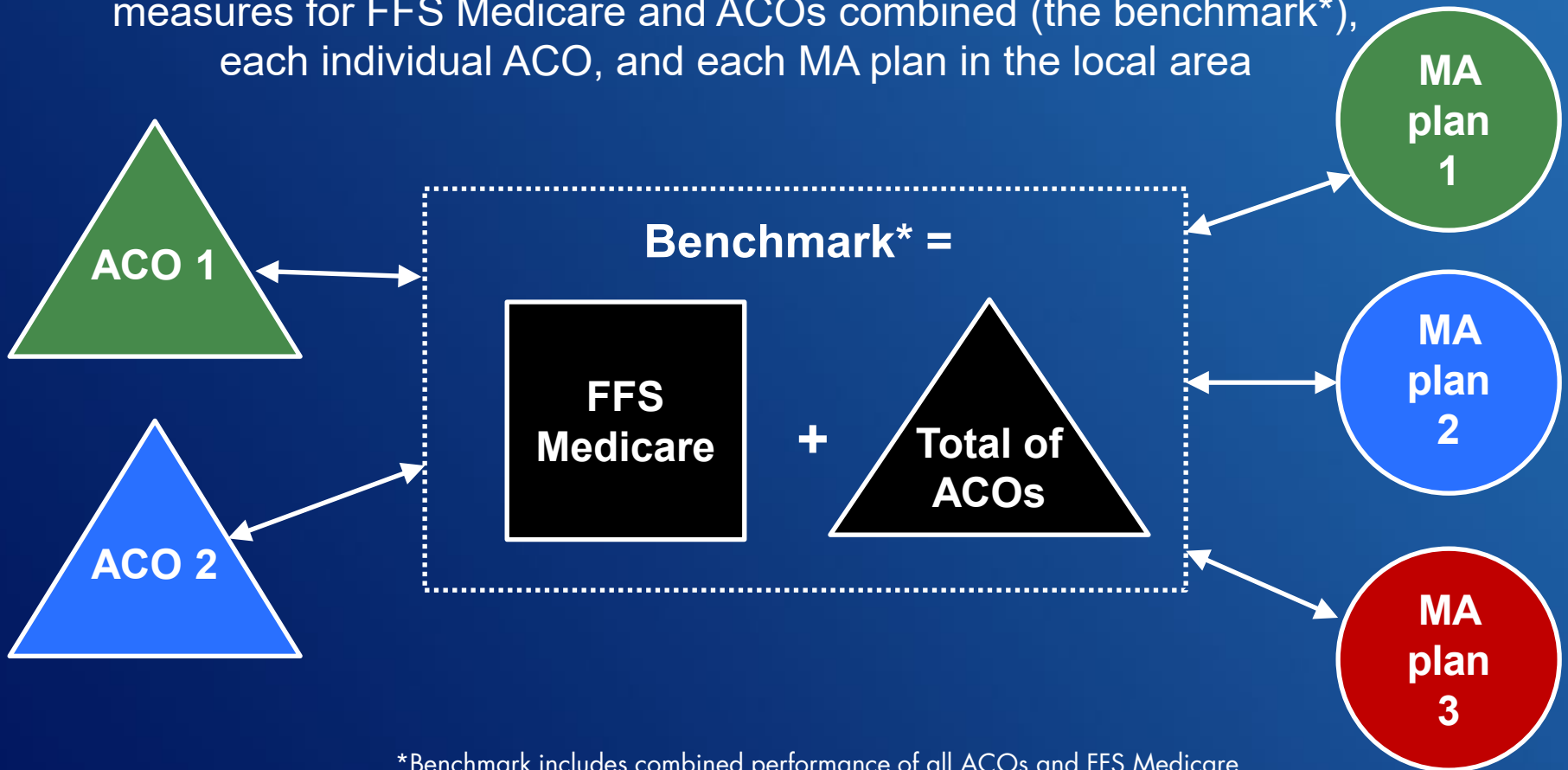
Medicaid Status	Number of Beneficiaries (% of total)	Inpatient Days	Other Hosp Days	SNF Days	Obs Days	ED Days	HH days	Mortality Days	HDAH	HDAH, No HH
Yes	1,043,466 (25%)	3.8	1.0	8.2	0.4	2.2	20.8	11.9	316.7	337.6
No	3,185,385 (75%)	2.7	0.4	3.7	0.2	1.0	11.4	10.4	335.2	346.6

Source: MedPAC contractor analysis of 20 percent sample of Medicare claims data.

Note: Data are preliminary and subject to change. Results are not risk adjusted. Values shown are summary statistics for 306 Hospital Referral Regions (HRRs) with approximately 4.1 million FFS Medicare beneficiaries. Columns may not sum to totals due to rounding.

Reporting on population-based quality for FFS, ACOs, and MA plans

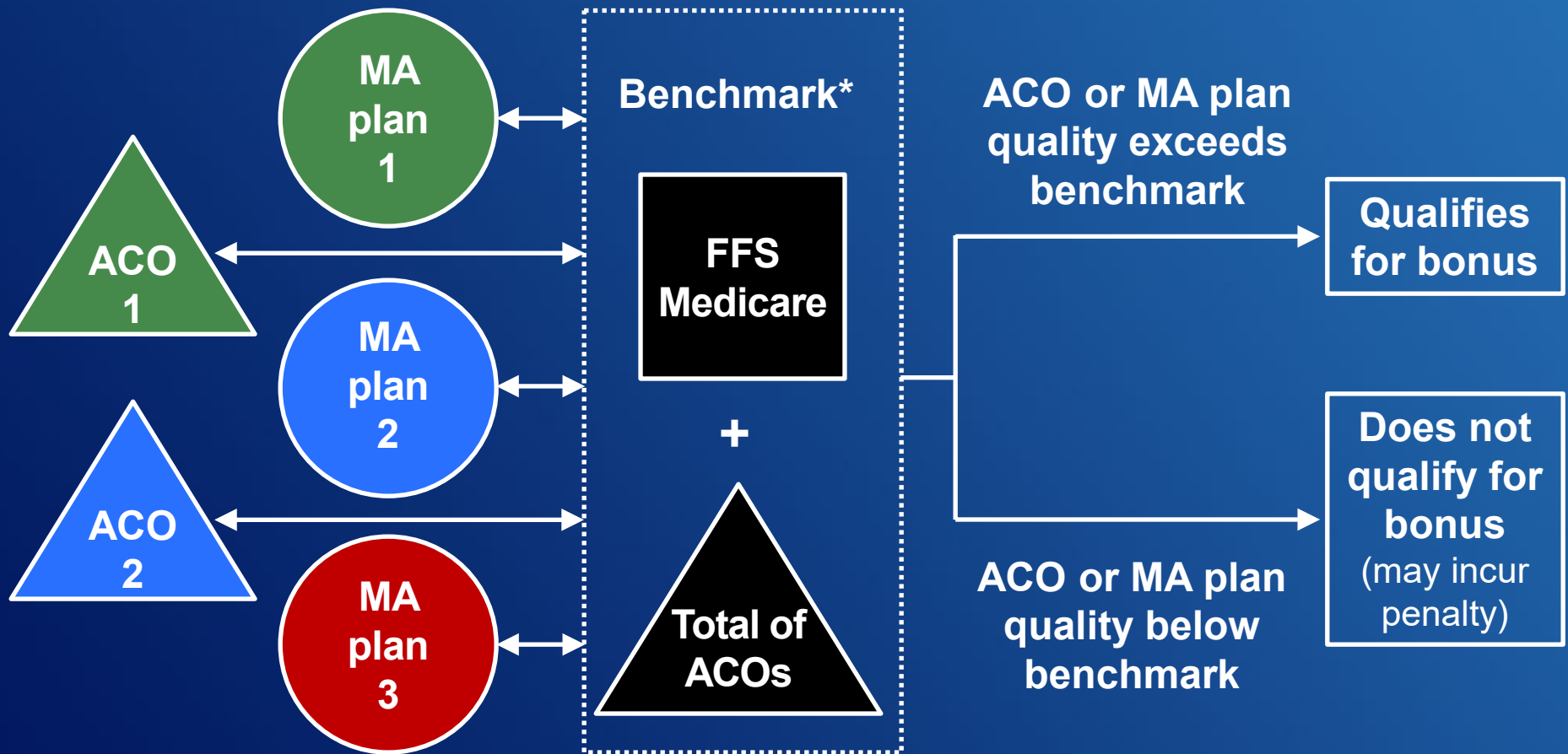
Medicare would publicly report and compare population-based measures for FFS Medicare and ACOs combined (the benchmark*), each individual ACO, and each MA plan in the local area



*Benchmark includes combined performance of all ACOs and FFS Medicare.

Note: FFS (fee-for-service), ACO (accountable care organization), MA (Medicare Advantage).

ACOs and MA plans compare to FFS to qualify for payment adjustment



*Benchmark includes combined performance of all ACOs and FFS Medicare.

Note: FFS (fee-for-service), ACO (accountable care organization), MA (Medicare Advantage).

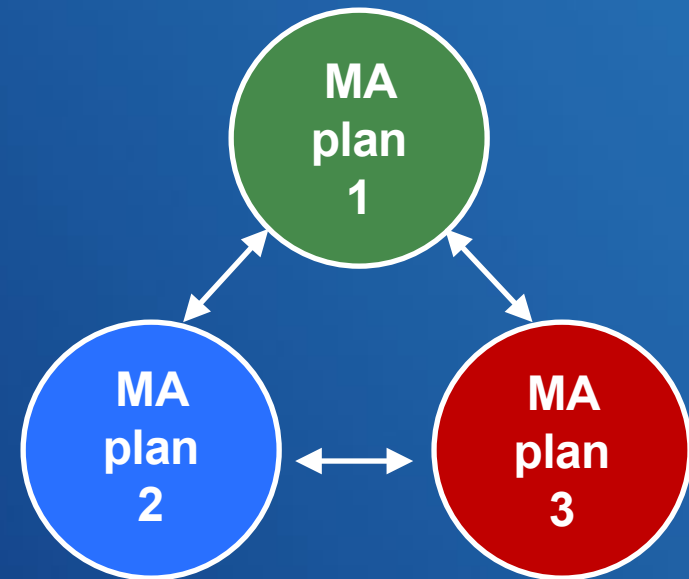
Determining the value of a quality-based payment adjustment



FFS Medicare would continue to use provider-based measures to determine bonuses/penalties for FFS providers



Each ACO that qualifies for bonus or penalty would be compared to other ACOs to determine bonus/penalty amount



Each MA plan that qualifies for bonus or penalty would be compared to other MA plans to determine bonus/penalty amount