



NATIONAL
QUALITY FORUM

National Consensus Standards for Cost and Resource Use 2016-2017

Post-Comment Call Web Meeting

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June 6th 2017

Welcome

Agenda for the Call

- Welcome and Introductions
- Review and Discuss Comments Received
- NQF Member and Public Comment
- Considerations for Cost and Resource Use Measurement
 - *Episode-Grouper Based Measures and Linking Cost and Quality*
- Next Steps
- NQF Member and Public Comment

Project Team



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Cost and Resource Use Standing Committee

- Brent Asplin, MD, MPH (co-chair)
- Cheryl Damberg, PhD (co-chair)
- Larry Becker
- Mary Ann Clark, MHA
- Jennifer Eames Huff, MPH
- Troy Fiesinger, MD, FAAFP
- Nancy Garrett, PhD
- Andrea Gelzer, MD, MS, FACP
- Lisa Latts, MD, MSPH, MBA, FACP (*Inactive 2016-2017*)
- Martin Marciniak, MPP, PhD
- Kristine Martin Anderson, MBA
- James Naessens, ScD, MPH
- Jack Needleman, PhD
- Janis Orlowski, MD, MACP
- Carolyn Pare (*Inactive 2016-2017*)
- Betty Rambur, PhD, RN
- John Ratliff, MD, FACS, FAANS
- Andrew Ryan, PhD (*Inactive 2016-2017*)
- Srinivas Sridhara, PhD, MHS
- Lina Walker, PhD (*Inactive 2016-2017*)
- Bill Weintraub, MD, FACC
- Herbert Wong, PhD
- Dolores Yanagihara, MPH

Measure Status

Recommended

- 1598: Total Resource Use Population-based PMPM Index (HealthPartners)
- 1604: Total Cost of Care Population-based PMPM Index (HealthPartners)
- 2158: Medicare Spending per Beneficiary – Hospital (Acumen/CMS)

Comments

- 21 post comments from 9 member organizations
- Table of comments also includes 33 pre-meeting comments; these were addressed by the Committee at the In-Person Meeting on March 15, 2017

Member and Public Comment Themes

Themes

1. Concerns about reliability and validity
2. Adjusting for social risk factors
3. Concern about populations included in the measures
4. Support for the measures
5. Updates to the Cost and Resource Use Measure Evaluation Criteria

Theme 1 – Concerns about reliability and validity

- Comments on #2158: *Medicare Spending Per Beneficiary (MSPB) – Hospital:*
 - *Concerns about the weak association with measures of readmissions*
 - *Commenters noted that post-acute spending drives most of the variation; hospitals may have limited ability to influence their results.*
- Comments on #1598: *Total Resource Use Population-based PMPM Index* and #1604: *Total Cost of Care Population-based PMPM Index:*
 - *Concerns that testing occurred only in two states*
 - *Requested additional details on standardized prices, risk adjustment approaches, and acceptable sample sizes*

Theme 1 – Concerns about reliability and validity

Proposed Committee Response:

- The Committee has reviewed your comment and appreciates your input. The Committee recognizes the need to ensure NQF-endorsed cost and resource use measures are reliable and valid.

The Committee had in-depth conversations on the attribution of #2158. The Committee recognizes that hospitals may not have complete control over the spending captured by the measure. However, the Committee believes that there are actions hospitals can take to improve their performance on this measure. Additionally, the Committee noted the need for attribution models that support care coordination and team-based care as the system aims to transition from fee-for-service to population-based payment.

The Committee noted that #1598 and #1604 have been widely implemented and users have supported the usefulness of the information generated by the measures.

Committee Discussion

- Does the Committee agree with the proposed response?

Theme 2 – Adjusting for social risk factors

- Three comments expressed concern regarding potentially insufficient adjustments made for social risk factors:
 - *Developers did not provide an adequate conceptual basis and justification for the risk factors included in the testing,*
 - *Developers did not include several factors commonly available in the literature.*
 - *Requested a more in-depth look at the need for SDS adjustment, given the potentially negative impact these measures could have on providers.*
 - *Commenters encouraged additional testing of SDS factors.*

Theme 2 – Adjusting for social risk factors

Proposed Committee Response:

- The Committee has reviewed your comment and appreciates your input. Consideration of social risk factors in risk adjustment models is a critical issue in measurement science. The Committee was charged with evaluating the measure specifications and testing submitted on the measure as developed by the measure developer. The Committee recognizes that there continues to be limitations in the available data elements to capture unmeasured clinical and social risk. Given the constraints on the current data elements available, the Committee relied on the methods used by the measure developers to test the conceptual and empirical relationship between social risk factors and readmissions.

While the Committee generally accepted the findings of the analyses conducted by the developer, the Committee agrees that more work is needed to identify more robust data elements and methods to isolate and account for unmeasured clinical and social risk for patients. The Committee recognized the impact that social risk can have on cost and resource use measures and encourages measure developers to test the impact of additional social risk variables. The Committee also encouraged exploration of the impact of community-level variables. However, the Committee generally agreed that the risk adjustment method used in these measures met the NQF criteria given the data available to the developer, and the measure testing results presented.

Committee Discussion

- Does the Committee agree with the proposed response?

Theme 3 – Concerns about populations included in the measures

- One commenter asked for clarification on how all three measures address cancer patients.
 - *Concern that variation in treatment needs, comorbidities, and patient preferences that can influence cost and resource use.*
- One commenter expressed concern with the inclusion of all obstetrician-gynecologists and pharmacy resources in measures #1598 and #1604.
 - *Non-generalist obstetrician-gynecologists provide specialty care and suggested only including generalists in these two measures.*
 - *Providers do not control insurer formularies and that information on the cost of pharmaceuticals is not available.*

Theme 3 – Concerns about populations included in the measures

Committee Response TBD:

- The Committee should review the comments and the responses in detail. After reviewing the responses from Acumen and HealthPartners, the Committee should discuss a response.

Committee Discussion

- Does the Committee agree with the proposed response?

Theme 4 – Support for Measures

- Seven of the comments received were in support of the measures' continued endorsement.
 - *Measure #1598: Total Resource Use Population-based PMPM Index received two supportive comments.*
 - *Measure #1604: Total Cost of Care Population-based PMPM Index received three supportive comments.*
 - *Measure #2158: Medicare Spending Per Beneficiary (MSPB) – Hospital received one supportive comment.*
- One general comment was received, noting the gap in measures in this area and supporting the continued endorsement of these three measures.

Theme 4 – Support for Measures

Proposed Committee Response:

- Thank you for your comment.

Committee Discussion

- Does the Committee agree with the proposed response?

Theme 5-Updates to the Cost and Resource Use Measure Evaluation Criteria

- Overall, commenters were supportive of the revisions to the Cost and Resource Use Measure Evaluation Criteria.
- However, commenters asked for additional clarifications on what information should be provided by developers to address the performance gap subcriterion.

Theme 5-Updates to the Cost and Resource Use Measure Evaluation Criteria

Proposed NQF Response:

- NQF thanks the commenters for their support for the revisions to the Cost and Resource Use Measure Evaluation Criteria. The performance gap subcriterion is meant to address the question of whether there is actually a cost and resource use problem that is addressed by a particular measure. Because the measurement enterprise is resource intensive, NQF's position is to endorse measures that address areas of known gaps in performance (i.e., those for which there is actually opportunity for improvement). Opportunity for improvement can be demonstrated by data that indicate overall poor performance (in the activity or outcome targeted by the measure), substantial variation in performance across providers, or variation in performance for certain subpopulations (i.e., disparities in care). The proposed update removes subcriterion 1c to streamline the criteria, harmonize with the quality measure evaluation criteria, and prevent redundancies with the reliability and validity subcriterion.

Committee Discussion

- Does the Committee have any additional guidance on the proposed revisions to the evaluation criteria?

Measure Specific Comments: #1598 Total Resource Use Population-based PMPM Index (HealthPartners)

- Concerns around the measure's testing and usability in states outside of those two the measure was tested in, specifically unintended consequences, standardized prices, a risk adjustment approach, and acceptable sample sizes;
- Concerns with the lack of adjustment for social risk factors (addressed in Theme 2).
- Inclusion of non-generalist OB/GYNs (addressed in Theme 3);
- Support for the measure (addressed in Theme 4)

Measure Specific Comments: #1598 Total Resource Use Population-based PMPM Index (HealthPartners)

Proposed Committee Response:

- The Committee has reviewed the comments and appreciates the additional insights on the measure. After reviewing the comments and responses from the developer the Committee believes this measure is appropriately specified and tested and continues to meet the criteria for NQF endorsement.

Committee Discussion

- Does the Committee agree with the proposed response?

Measure Specific Comments: #1604 Total Cost of Care Population-based PMPM Index (HealthPartners)

- Concerns around the measure's testing and usability in states outside of those two the measure was tested in, specifically unintended consequences, standardized prices, a risk adjustment approach, and acceptable sample sizes;
- Concerns with the lack of adjustment social risk factors (addressed in Theme 2).
- Inclusion of non-generalist OB/GYNs (addressed in Theme 3);
- Support for the measure (addressed in Theme 4)

Measure Specific Comments: #1604 Total Cost of Care Population-based PMPM Index (HealthPartners)

Proposed Committee Response:

- The Committee has reviewed the comments and appreciates the additional insights on the measure. After reviewing the comments and responses from the developer the Committee believes this measure is appropriately specified and tested and continues to meet the criteria for NQF endorsement.

Committee Discussion

- Does the Committee agree with the proposed response?

Measure Specific Comments: #2158 Medicare Spending per Beneficiary – Hospital (Acumen/CMS)

- Concerns that the measure is only validated and endorsed at the facility level, and not physician level
- Concerns that the majority of variation in the measure is driven by post-acute spending. Commenters noted this measure is used in the Hospital Value-Based Purchasing Program and that there is a potential for negative unintended consequences from its use.
- Concerns with the measure's testing for reliability and validity (addressed in Theme 1).
- Concerns with the lack of adjustment for social risk factors (addressed in Theme 2)
- Support for the measure (addressed in Theme 4)

Measure Specific Comments: #2158 Medicare Spending per Beneficiary – Hospital (Acumen/CMS)

Proposed Committee Responses:

- The Committee agrees that the measure is only validated and recommended for use at the facility level, and needs further testing before it can be considered for endorsement at the physician level.
- The Committee has reviewed the comments and appreciates the additional insights on the measure. After reviewing the comments and responses from the developer, the Committee believes this measure is appropriately specified and tested and continues to meet the criteria for NQF endorsement.

Committee Discussion

- Does the Committee agree with the proposed response?

Public Comment



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Considerations for Cost and Resource Use Measurement: Episode-Grouper Based Measures and Linking Cost and Quality

Illustrating Episode Grouping

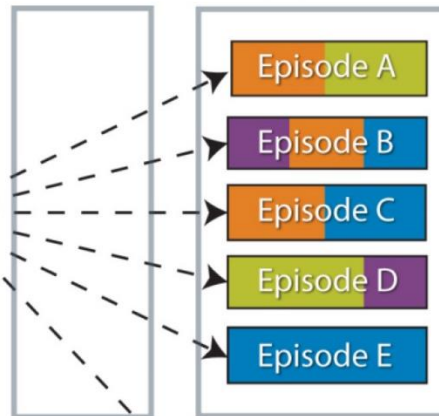
Pre-Episode Grouper



Episode Grouper

Episode Grouper Logic
Decisions around how claims are assigned to episodes and how episodes relate to one another

Episodes
Aggregation of claims sorted by episode



Post-Episode Grouper

Episode-Based Measurement

Risk Adjustment

Costing Method
(e.g., standardized, actual prices)

Scoring
(Observed/expected ratio)

Other Analytics
Peer groups
Benchmarking
Attribution

Preparing for Episode Groupers

■ 2014 Episode Grouper Project

▫ *Report Summary*

- » Established 7 Core Principles:
 - *Principle #2: 3 phase evaluation (grouper, episodes, measures)*
- » Identified what information would need to be submitted for adequate evaluation
- » Identified how and which evaluation criteria should be applied at the grouper and episode levels
- » Provided process recommendations for implementing initial evaluation of groupers

▫ *Recommendations*

- » Multi-layer evaluation process including NQF Staff, Technical Experts, Clinical Experts and Multistakeholder Committee
- » Start with public grouper and provide multi-stakeholder “peer review”
- » Identify lessons learned summary based on initial effort

Preparing for Episode Groupers

- Anticipated Submissions
 - Measures considered by the Measures Application Partnership (MAP)
 - Others?
- Anticipated Challenges
 - Political implications of intended use
 - Balancing developer burden with submission requirements
 - Potential volume of measures and material to be reviewed
 - Capacity of staff and volunteers
 - To endorse or not to endorse?
 - Coordinating multiple expert bodies
 - Implementing evaluation of a new measurement construct
 - Implementation of new NQF processes

Preparing for Episode Groupers

- NQF Approach

- Developer/steward collaboration (CMS and others)
- Establish threshold for number of measures to be reviewed
- Training and education plan for volunteers and staff
- Build infrastructure for submission and evaluation
- Evaluate process and identify improvements to integrate into future grouper evaluation efforts

Preparing for Episode Groupers

- Evaluating episode grouper-based measures
 - ▣ *Issues for consideration*
 - » Desire for endorsement of the episode-based measure
 - » How different is the evaluation process for a grouper-based measure from other resource use measures?
 - » Versioning and maintenance

Linking Cost and Quality: Refresher

■ 2014 Project: Purpose

- Explore current approaches to linking cost and quality measures to measure efficiency
- Identify key methodological challenges to linking cost and quality measures
- Define key principles and best practices for linking cost and quality measures
- Provide operational guidance and recommendations for future submission and evaluation of efficiency measures for endorsement
 - » Environmental scan and literature review
 - » Expert panel and commissioned authors
 - » Use of CMS data sets to compare performance using different models

Linking Cost and Quality: Refresher

- Key Findings:
 - 7 models identified for combining cost and quality
 - Use case matters when selecting a model (there are trade-offs)
 - The cost and quality signals (and their relationship) must be clearly defined in order to make accurate conclusions about performance
 - » Alignment of measure specifications matters (i.e., time period, measure population)
 - Weighting of the cost and quality measures within the model matters

Linking Cost and Quality

- Operational Recommendations
 - ▣ Request that developers include information on related quality measures in the cost measure submission form
 - » Usability and Use: better understand intended use
 - ▣ Utilize MAP to advance linking cost and quality measures
 - ▣ Create a pathway for endorsing composite (efficiency) measures that link cost and quality measures in a single construct

Linking Cost and Quality

- Committee Discussion:

- What are the considerations for advancing the linking of cost and quality signals at the measure level versus the programmatic level?
- Which recommendations might we implement for the upcoming evaluation cycle?
- Which recommendations might be aspirational? Can be used to advance the field?
- Other considerations or recommendations for advancing evaluation and implementation of NQF-endorsed cost and [related/linked] quality measures?

Questions?

Next Steps

Next Steps

- Post-Comment Report Call
 - ▣ *June 6, 2017, 2:00-4:30 PM EST*
- Member Voting
 - ▣ *June 20-July 5, 2017*
- CSAC Review
 - ▣ *July 11-12, 2017*
- Appeals
 - ▣ *July 14-August 14, 2017*
- Final Report
 - ▣ *September 26, 2017*

Public Comment

Project Contact Info

- Email: efficiency@qualityforum.org
- NQF Phone: 202-783-1300
- Project page:
[http://www.qualityforum.org/Cost and Resource Use Project 2016-2017.aspx](http://www.qualityforum.org/Cost_and_Resource_Use_Project_2016-2017.aspx)
- SharePoint site:
<http://share.qualityforum.org/Projects/costRU/SitePages/Home.aspx>

Thank You!