



TO: NQF Members and Public

FR: NQF Staff

RE: Comment on the Proposed Recommendations for Evaluating Episode Groupers

DA: June 17, 2014

Although healthcare spending per capita in the United States is more than double that of other industrialized nations, the United States ranks comparatively low on key indicators of the quality of care and population health status^{i,ii,iii}. Performance measurement is essential to system transformation. To provide guidance to key stakeholder groups in accelerating toward a high-performing, high-value healthcare system, the National Quality Forum (NQF) convened a Steering Committee in 2009 to develop a framework for evaluating the efficiency of care over time, including clear definitions and a shared vision of what can be achieved around quality, cost, and value, serving as a foundation for the work of larger performance improvement efforts. NQF's *Measurement Framework: Evaluating Efficiency Across Patient-Focused Episodes of Care* notes that performance measurement should shift toward assessments of value by interpreting measures of quality, cost of care, and outcomes in light of concordance with patients' well-informed preferences.^{iv}

As a starting place in understanding efficiency and value, NQF supports using and reporting of resource use measures in the context of quality performance, preferably outcome measures. Using resource use measures independent of quality measures does not provide an accurate assessment of efficiency or value and may lead to adverse unintended consequences in the healthcare system.^v However, there is no clear consensus among stakeholders about how cost and quality measures should be linked to understand health system efficiency.

To address these issues, NQF, with funding from the Robert Wood Johnson Foundation (RWJF) convened a 24-member Expert Panel comprised of stakeholders representing purchasers, health plans, providers and clinicians with expertise in performance measurement, measurement methodologies, clinical quality improvement, and health economics. Through collaboration on a commissioned white paper, the Expert Panel explored current approaches to linking cost and quality measures to assess efficiency, identified key methodological challenges to linking cost and quality measures, defined key principles and best practices for linking cost and quality measures, and provided operational guidance and recommendations for future submission and evaluation of efficiency measures for endorsement.

This draft white paper is being provided to you at this time for purposes of review and comment only. You may post your comments and view the comments of others on the [NQF website](#). Thank you for your interest in NQF's work. We look forward to your review and comments.

NQF Member and Public comments must be submitted no later than 6:00 pm ET, July 16, 2014.

ⁱ Banks J, et al., Disease and disadvantage in the United States and in England, JAMA, 2006;295(17):2037–2045.

ⁱⁱ Hoyert DL, et al., Annual summary of vital statistics: 2004, Pediatrics, 2006; 117(1):168–183.

ⁱⁱⁱ Hoyert DL, et al., Annual summary of vital statistics: 2004, Pediatrics, 2006; 117(1):168–183.

^{iv} NQF efficiency across the episode of care.

^v National Voluntary Consensus Standards for Cost and Resource Use.