

TO: NQF Council Members  
FR: Quintin Dukes, Lindsey Tighe, Ashlie Wilbon  
DA: 7/25/14  
SU: NQF Council Leader Call Summary: July 21, 2014

The National Quality Forum facilitated a Council Leader discussion on July 21, 2014, regarding the Cost and Resource Use Phase 2 Cardiovascular Measures. The results from the NQF Member voting period for these measures indicated that consensus had not been reached among the various stakeholder groups and the concerns driving those results were unclear. As such, Council Leaders were called together to discuss the implications on measure endorsement for the three cost measures under review and to provide NQF staff with better understanding of the key issues driving lack of consensus.

NQF Staff provided a summary of each of the measures under review, the Committee deliberations to date and the next steps for the review and final recommendation of these measures:

- #1558 - Relative Resource Use for People with Cardiovascular Conditions (NCQA)
- #2431 - Hospital-level, risk-standardized payment associated with a 30-day episode-of-care for Acute Myocardial Infarction (Yale/CMS)
- #2436 - Hospital-level, risk-standardized payment associated with a 30-day episode-of-care for heart failure (Yale/CMS)

Council Leaders discussed issues related to these themes:

#### Attribution and Care Coordination

- Implications of pay for performance accountability programs for healthcare entities, purchasers and providers – This framework was a core driver for the discussion of attribution and who should be responsible for providing high quality outcomes and efficient use of resources throughout the continuum of care.
  - Determining accountability can be approached in various ways, but the two approaches most debated are over the balance of attributing accountability to one service provider (e.g., the admitting hospital) versus distributing accountability across providers throughout an episode being measured. Given the current fragmented state of healthcare, some stakeholders believe it is unfair to penalize one facility or hospital when that facility may have limited ability to influence care delivered outside its walls and believe these measures may best be used in an Accountable Care Organization (ACO) model. However, other stakeholders, acknowledging the fragmented state of care delivery, believe that by attributing costs for the episode to the initial admitting hospital, it will incentivize the hospital to dedicate resources to improving care coordination.

- Council Leaders explained most healthcare accountable programs have designated providers as the “gatekeeper” to producing high quality outcomes through an episodic framework.
- Some Council Leaders stated concern that healthcare stakeholders may make inferences about quality of care based exclusively on healthcare cost.
- Council Leaders proposed that incentives are a lever to encourage healthcare providers to produce high quality outcomes and efficient use of resources.

#### Risk Adjustment & Stratification by Sociodemographic Factors

- Council Leaders expressed concern, as did the Resource Use Standing Committee, that the r-squared value for the risk models in the hospital level measures from CMS were very low and that this is cause for concern in addressing variability in the measure populations.
- Until NQF has approved the recommendations of the Risk Adjustment Expert Panel and a path forward has been designed, NQF Committees will be instructed to make recommendations for measures based on current approved criteria and guidance.
- Council Leaders expressed concern over the lack of sociodemographic adjustments in the measures and recommended that when using cost and resource use measures for accountability purposes, results should be stratified by sociodemographic factors in an effort to allow for comparisons between providers who have similar case mixes and thus similarly complex patients. There was also support for further exploration of additional risk adjustment of these measures, that would include sociodemographic factors, once the NQF guidance has been approved and implemented.

#### **Next Steps**

On July 31<sup>st</sup> from 2-3pm EDT, NQF will host an All Member WebMeeting to continue discussion with a broader group of participants. The goal of this call will be to further discern the concerns of each stakeholder group, identify possible solutions to addressing these concerns and a path forward for a final recommendation.

Both this Council Leader call summary and a summary of the July 31 All Member WebMeeting will be provided to the CSAC, who will meet at 3pm ET on August 12, 2014 to discuss the membership perspective and make a final recommendation for endorsement for these measures.