



Contact: Cindy Ernst
510-208-1740
cernst@iha.org

August 4, 2003

FOR IMMEDIATE RELEASE

IHA AWARDS NCQA CONTRACT TO ANALYZE PHYSICIAN GROUP DATA FOR “PAY FOR PERFORMANCE” PROGRAM

Information will be basis for California physician group incentives, scorecards; Diversified Data Design Corp. to help collect and standardize data

WALNUT CREEK, Calif., and WASHINGTON—The Integrated Healthcare Association (IHA), a California health care policy leadership group, and the National Committee for Quality Assurance (NCQA), a national leader in collecting, analyzing and reporting health care quality information, today announced that IHA has awarded NCQA a contract to serve as the independent data aggregator for the IHA-led Pay for Performance (P4P) program. P4P is the nation’s largest performance-based rewards initiative, involving six major California health plans and almost 300 physician groups serving 7 million commercial HMO enrollees. A subcontractor, Culver City, Calif.-based Diversified Data Design Corp. (DDD), will collect health care data generated from participating health plans and physician groups. NCQA will then analyze the data and produce reports that will be used as the basis for a public scorecard and individual health plan physician group incentive programs, as well as feedback to the participating physician groups and plans.

“We are delighted to have such an experienced and well-respected team in this critical role,” said Beau Carter, IHA Executive Director. “The NCQA-DDD partnership is a perfect blend of national and California experience and technical skill that will serve us well in an initiative that depends upon valid, comparable data and relationships built on mutual trust and respect.”

“Consumers don’t want 10 different report cards on physician group quality, they want one good one,” said NCQA President Margaret E. O’Kane. “That’s what this effort will give them—a standardized report that they can use to make more informed health care choices. This is a model for the rest of the nation.”

P4P is designed to create a “business case for quality” at the physician group level. Under the program, physician groups will be compared based on a common set of performance measures addressing three key domains: clinical quality, patient experience, and investment in information technology (IT). NCQA adapted existing Health Plan Employer Data and Information Set (HEDIS[®]) measures for the clinical quality domain. These measures track the quality of care for preventive health procedures, such as cancer screening, and chronic conditions, such as asthma and diabetes. P4P’s patient experience measures are based on the Pacific Business Group on Health’s (PBGH) Consumer Assessment Survey; 128 California physician groups participated in the Survey in 2003, and that figure is expected to increase significantly in 2004.

Diversified Data Design Corp., a health care data processing firm, will collect and standardize clinical quality data for analysis. DDD enters the program with longstanding relationships with five of the six P4P health plans and 95 percent of the state’s delegated physician groups.

“This is a unique and uniquely-qualified partnership,” added Horace Clark, President and CEO of DDD. “We have a long history of improving the quality of data submission from California physician groups to health plans, which is a perfect complement to NCQA’s experience with P4P and technical data skills.”

NCQA will analyze the data and prepare the aggregated results for IHA. In partnership with the State of California Office of the Patient Advocate (OPA), IHA will use the aggregated data to produce a public scorecard comparing physician group performance, and the six participating health plans will use the comparative performance data as the basis for their individual financial bonus programs. The scorecard will be widely disseminated in printed form and on the OPA Web site in September 2004.

NCQA has considerable experience in performance measurement and data collection and reporting. Since 1993, it has managed the development of HEDIS, a measurement tool that has served as the foundation of NCQA's annual *State of Health Care Quality* report and health plan "report cards" in New York and other states. In addition, NCQA has developed physician and group-level clinical performance measures and measures of IT capability for pay-for-performance initiatives in several parts of the country.

NCQA has worked closely with California's physician groups and plans since the 2001 launch of the Provider Group Oversight Improvement Project (P-GO), a California HealthCare Foundation-funded collaborative with PBGH. NCQA, through P-GO, has provided technical assistance to the P4P program since the beginning of 2002.

The IHA data aggregator contract runs from October 2003 through September 2004. Most of the active data aggregation work will take place in the spring of 2004, when the team will receive clinical, patient experience and information technology investment data from the participating physician groups and plans.

###

IHA (www.iha.org) is a California leadership group of health plans, physician groups, and health care systems, plus academic, purchaser, consumer, and pharmaceutical industry representatives, committed to policy development, public dialogue, and special projects associated with the continuing evolution of managed health care.

NCQA (www.ncqa.org) is a private, non-profit organization dedicated to improving health care quality. NCQA accredits and certifies a wide range of health care organizations, recognizes physicians and physician groups in key clinical areas and manages the evolution of HEDIS[®], the tool the nation's health plans use to measure and report on their performance. NCQA is committed to providing health care quality information through the Web, media and data licensing agreements in order to help consumers, employers and others make more informed health care choices.

DDD currently captures encounters from more than 2,700 medical groups, IPAs, hospitals, and other provider organizations that care for more than 10 million health plan members. It has the nation's largest data warehouse of encounters captured under capitation arrangements – more than 100 million encounters and growing at a rate of more than three million per month. DDD's network includes 95 percent of California's delegated physician groups.