



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

July 5, 2005

FOR IMMEDIATE RELEASE

CALIFORNIA PAY FOR PERFORMANCE RESULTS SHOW IMPROVEMENTS IN HEALTH CARE QUALITY

IHA Data Reveal Across-the-Board Gains in Clinical Results, Patient Satisfaction, IT Adoption

WALNUT CREEK, Calif.—The Integrated Healthcare Association (IHA), a California health care leadership group, has released performance data for the second measurement year of its statewide Pay for Performance (P4P) program. The results show gains in each of the evidence-based measures the program uses to assess the performance of over 35,000 physicians in 225 medical groups. The across-the-board gains are a promising sign of better care for the more than 6.2 million commercial HMO enrollees whose health plans participate in the program.

IHA's P4P program is the largest in the country to provide medical groups with incentive payments based upon performance against quality benchmarks. Seven California health plans participate: Aetna, Blue Cross, Blue Shield, CIGNA, Health Net, PacifiCare and Western Health Advantage. The program's data is collected and analyzed by the National Committee for Quality Assurance (NCQA), a Washington non-profit dedicated to improving health care quality.

Notable Clinical Quality Improvements

The 225 medical groups participating in the P4P program posted improvement across all 14 measures of clinical quality (see attached results). The measures cover preventive services,

such as breast cancer and cholesterol screening, as well as treatment for chronic conditions such as diabetes and asthma.

“Boosting the percentage of patients who get the recommended services like Pap smears and cholesterol screenings is a small step that can save lives,” said Mark Smith, M.D., M.B.A., President and CEO of the California HealthCare Foundation, a major funder of the P4P initiative. “The improvement in cervical cancer screening rate documents an additional 117,000 women in California who received this potentially lifesaving screening last year.”

The results were welcome news to program participants. “The premise of the P4P program is simple—set high standards for quality and reward those who meet or exceed the standards,” said Lance Lang, M.D., Vice President and Senior Medical Director, Health Net of California. “We can have confidence that the gains in quality we see today will be sustained because of the increased investment in information systems. This is the advantage of health plans working with organized medical groups to create a coordinated and systematic approach to quality improvement.”

Information Technology Adoption Dramatically Increases

The P4P program also assesses the investment in, and adoption of, information technology (IT) to support patient care. Of the 225 participating medical groups, 119 (53%) met some or all of the program’s IT criteria, a marked increase from the 74 groups that met IT standards in 2003. Several recent studies, including the Institute of Medicine’s *Fostering Rapid Advances in Health*, have shown that adoption of IT systems for purposes such as building patient registries for at-risk or chronically ill patients and using electronic decision support systems at the point of care can lead to substantial improvements in the quality of care.

This proved to be the case in IHA’s P4P program: the medical groups who received full credit on the IT measures had average clinical scores that were nine percentage points higher than medical groups who showed no evidence of IT adoption.

"IHA's pay-for-performance program demonstrates that health IT adoption leads to better performance. Its promotion of health IT is a model for others to follow," said David Brailer, M.D., Ph.D., National Coordinator for Health Information Technology. "The increase in IT adoption among the medical groups that participated in this program is to be applauded - it promises improved quality of care for all Californians."

Patient Experience Scores Show Consistent Improvement

The 225 participating medical groups also collectively improved from 2003 across all six patient satisfaction measures.

"Feedback from the P4P program helps us determine where we perform at a high level and where we should direct our quality improvement efforts," said Steve McDermott, Chief Executive Officer, Hill Physicians Medical Group. "P4P has stepped up the pace of improvement for all of us, and the survey results show that our patients notice the difference."

The results for the 2004 measurement year will be used by participating health plans to calculate the incentive payments they distribute to medical groups between early July and October. Medical group-specific results will also be released to the State of California Office of the Patient Advocate (OPA) for use in its annual public scorecard (www.opa.ca.gov). The scorecard will be published in September in time for employee open enrollment periods.

IHA (www.iha.org) is a statewide collaborative leadership group of California health plans, medical groups, and health care systems, plus academic, consumer, purchaser, pharmaceutical and new technology representatives. IHA promotes quality improvement, accountability, and affordability for the benefit of all California consumers through special projects, policy innovation and education.

CALIFORNIA P4P CLINICAL, IT, AND PATIENT SATISFACTION MEASURES, 2003-2004

<i>Clinical Measures</i>	% increase from 2003 to 2004	2003 Mean	2004 Mean
Breast Cancer Screening	1.5%	64.4	65.4
Cervical Cancer Screening	8.2%	62.4	67.5
Childhood Immunizations: DTP*	84.5%*	33.4	61.5
Childhood Immunizations: IPVOPV*	79.5%*	37.6	67.5
Childhood Immunizations: MMR*	14.3%*	73.1	83.5
Childhood Immunizations: HIB*	63.0%*	42.6	69.4
Childhood Immunizations: HBV*	85.3%*	28.6	53.0
Childhood Immunizations: VZV*	17.2%*	69.0	80.9
Asthma: All Ages	3.3%	66.7	68.8
Asthma: Age 5-9	8.6%	68.3	74.2
Asthma: Age 10-17	2.7%	65.5	67.3
Asthma: Age 18-56	4.2%	67.8	70.6
Diabetes Care: HbA1c Screening	5.3%	65.8	69.3
Cholesterol Mgmt: LDL Screening*	15.7%*	67.7	78.3

* Indicates a change in measure specifications which may be responsible for some of the year-over-year changes in measure rates.

Note: P4P clinical measures are calculated using only electronic administrative data and may not be comparable to other similar measures.

<i>IT Measures</i>	% increase from 2003 to 2004	2003 Proportion	2004 Proportion
Medical Groups Receiving Credit for IT	53.8%	34.4	52.9
Integration of Electronic Clinical Datasets	70.6%	27.9	47.6
Point of Care Decision Support Technology	69.0%	20.0	33.8

<i>Patient Experience Measures</i>	% increase from 2003 to 2004	2003 Mean	2004 Mean
How Well Doctors Communicate*	1.6%*	85.6	87
Rating of Doctor	0.9%	80	80.7
Rating of Health Care	2.0%	70	71.4
Problem Seeing Specialist	3.0%	59.5	61.3
Rating of Specialist	1.3%	71	71.9
Timely Care and Service Composite*	7.3%*	69.5	74.6

* Indicates a change in the survey questions, which may be responsible for some of the year-over-year changes in measure rates.