



WHAT IS THE PROJECT?

Accountable Care Organizations (ACO) represent alternatives to traditional fragmented care delivery wherein groups of providers and facilities are incentivized to deliver well-coordinated, high-quality care through reimbursement tied to quality, utilization, and cost of care. Quality and cost benchmarking—between ACOs and over time—is essential to drive improvements through this care delivery model. However, performance measurement, performance standards, and national benchmarks are lacking for commercial ACOs. Thus, there is a need for meaningful performance benchmarks and standardized benchmarking approaches relevant to the diverse range of commercial ACO programs.

This NQF Measure Incubator® project seeks to facilitate the development of a benchmarking framework that enables valid performance comparisons across commercial ACOs and produces actionable data to inform healthcare decision-making and drive meaningful improvements in care.

As a first step, NQF convened a strategy session with a multistakeholder Expert Panel in mid 2018. In the session, panelists shared data and analytical challenges to achieving a standardized approach for benchmarking, given known variations in the composition and design of ACOs and ACO contracts as well as assigned beneficiaries. The Panel developed five benchmarking principles to provide context to quality, utilization, and cost information for commercial ACOs:

1 MEET MULTIPLE STAKEHOLDER NEEDS	Benchmarking should include both absolute performance and measures of variation—within and between ACOs. Each communicates important information to consumers and purchasers about the expectations for care delivered.
2 ENABLE MEANINGFUL COMPARISONS AND ALLOW FOR PROGRAM EVOLUTION	Benchmarking methods should focus on a common, relevant measure set and accommodate enhancements to ACO programs and measure sets over time.
3 PROVIDE CRITICAL CONTEXT FOR ACCURATE INTERPRETATION OF RESULTS	Benchmarking results should be contextualized (e.g., through stratification by ACO characteristics, where appropriate), considering the type of measure reported. Judicious use of risk adjustment retains performance variations that are meaningful to purchasers and consumers.
4 INCORPORATE APPROPRIATE PERFORMANCE TARGETS AND IMPROVEMENT GOALS	Identifying minimum performance thresholds in advance, establishing appropriate peer groups (based on common characteristics), and measuring performance over longer time periods supports meaningful performance improvement efforts.
5 BE SIMPLE TO IMPLEMENT AND STABLE OVER TIME	Benchmarking should leverage readily available data sources, be easily understood by stakeholders, and remain consistent year over year.

WHO IS INVOLVED?

NQF has engaged diverse stakeholders in the Measure Incubator project, including patients with experience navigating the healthcare system, providers, purchasers, and industry experts in ACOs, quality measurement, and benchmarking methodologies.

This project is a strategic collaboration with **Integrated Healthcare Association (IHA)**, a California-based non-profit organization that convenes diverse stakeholders—including physicians, hospitals and health systems, purchasers, and health plans—committed to high-value, integrated care that improves quality and affordability for patients across California and the nation. This work is part of IHA's Align. Measure. Perform. (AMP) Commercial ACO program launched in late 2017 to develop and implement a standardized measurement and benchmarking program for commercial ACOs.

WHAT IS THE ENVISIONED OUTCOME?

At the strategy session, panelists identified a principle goal of benchmarking as enabling “shift and shrink”—incentivizing improvement (shift) and minimizing variation (shrink). The Panel also recognized the importance of balancing reporting burden with the desire for more complex analyses to help stakeholders understand performance variations. Through an initial pilot led by IHA, these findings will be explored as IHA tests alternative stratifications, targets, improvement goals, and reporting options. This project will be completed in mid 2019.

The resulting national benchmarking principles for commercial ACOs will be critical to creating a blueprint for comparing commercial ACO performance nationwide.

To learn more about the work of the Measure Incubator, or to discuss incubating a measure, please contact NQF at incubator@qualityforum.org.