

Value Based Pay for Performance Physician Organization Recognition Methodologies

Excellence in Healthcare Award

The Excellence in Healthcare award recognizes physician organizations that are in the top 50% of the commercial Value Based Pay for Performance (P4P) participating physician organizations for the Clinical Quality and Patient Experience domains, as well as Total Cost of Care (TCC) performance. The following description explains the methodology for the Excellence in Healthcare Physician Organization (PO) Award.

- 1. Calculate the threshold for each domain** — Determine the median (50th percentile) of the domain scores for the Clinical Quality and Patient Experience domains, and the median Total Cost of Care, across all participating POs.
 - **Clinical Quality Domain Score (Clinical Achievement Score)**— based on the average of all clinical quality measures recommended for payment; see following note
 - **Patient Experience Domain Score (Patient Experience Achievement Score)** – based on the average of the patient experience measure composites recommended for payment; see following note
 - **Total Cost of Care Score** – physician organization geography and risk-adjusted Total Cost of Care results aggregated across contracted health plans (i.e. all plan)

Note: POs must have valid¹ results for at least half of the measures within each domain for their results to be included. To ensure POs are not penalized for having fewer members, IHA applies the Adjusted Half-Scale Rule² when calculating the domain score.

- 2. Assess physician organization performance** — A PO's performance for each of the three domains must meet the requirements for the corresponding threshold from Step 1. For Clinical Quality and Patient Experience domains, the PO's domain score must be higher than the domain threshold; for Total Cost of Care the PO's Total Cost of Care (aggregated, geography and risk adjusted) must be lower than the threshold.

¹For clinical quality a physician organization's rates are valid if they have a denominator of at least 30 and are not biased (as determined by the auditor); for patient experience, rates are considered valid if they have a reliability of at least 0.70.

² The adjusted half-scale rule is a two-part rule applied to each PO that has missing results for one or more measures. It is described below.

- a. A PO must have valid results available for half (50%) or more of the measures used.
- b. For any POs that meet rule 1 and have missing or invalid scores (e.g., due to small denominators or low reliability), results for the missing measures are imputed. The difference between the all-PO mean score and the PO's individual score are calculated for each measure, the differences are averaged for all measures for which the PO had a valid result. Lastly, the PO's average difference is added to the all-item grand mean. The all-item grand mean is the average of the P4P population means for each measure. (Appendix A)



Ronald P. Bangasser, M.D., Memorial Award for Quality Improvement

In memory of Dr. Bangasser (1950-2007), a family physician and tireless champion of quality improvement, IHA recognizes eight physician organizations—one from each VBP4P region— demonstrating the greatest year-to-year quality improvement based on measures of clinical quality and patient experience. The following description explains the methodology for the Bangasser Award for Quality Improvement.

1. Calculate Achievement Scores for Quality Domains

- **Clinical Quality Domain Score (Clinical Achievement Score)** – based on the average of all clinical quality measures recommended for payment; see following note. Scores are calculated for the baseline and measurement year.
- **Patient Experience Domain Score (Patient Experience Achievement Score)**– based on the average of the patient experience measure composites recommended for payment; see following note. Scores are calculated for the baseline and measurement year.

Note: POs must have valid ¹ results for at least half of the measures within each domain for their results to be included. To ensure POs are not penalized for having fewer members, IHA applies the Adjusted Half-Scale Rule ² when calculating the domain score to ensure that they are not penalized for having fewer members.

- ### 2. Calculate Overall Quality Achievement Score (QAS)
- Clinical quality and patient experience domains have the same relative weighting scheme as the quality payment methodology (Clinical Quality 60% and Patient Experience 30%). The overall quality achievement score is scaled out of 90% because the Advancing Care Information (ACI) domain is not used for quality improvement recognition. ACI domain, worth 10%, is only used for quality payment methodology. The Overall Quality Achievement Score for baseline and measurement year are calculated as follows:

$$QAS = \frac{(Clinical\ Achievement\ Score\ x\ 60\%) + (Patient\ Experience\ Achievement\ Score\ x\ 30\%)}{90\%}$$

- ### 3. Calculate Relative Improvement Scores for each physician organization
- Relative improvement is the percent of the difference between the previous year’s score and the perfect score that has been closed by the current year’s score. It is calculated as follows:

$$Relative\ Improvement\ Score = \frac{Current\ Year\ Overall\ QAS - Previous\ Year\ Overall\ QAS}{Perfect\ Score\ of\ 90 - Previous\ Year\ Overall\ QAS}$$

Note: A Relative Improvement Score is only calculated for POs that have a valid Clinical Achievement Score and Patient Experience Achievement Score for measurement and baseline year.

- ### 4. Identify awardee in each region
- POs are assigned to one of eight (8) VBP4P California regions. The PO in each region with the highest Relative Improvement Score will be awarded the Bangasser Award for Quality Improvement.

Top 10% Domain Performance Recognition

For MY 2016, IHA recognizes physician organizations who possess Achievement Scores at or above the 90th percentile in the Clinical Quality, Patient Experience, and/or Total Cost of Care Domains.

- 1. Calculate the threshold for each domain** — Determine the 90th percentile of the domain scores for the Clinical Quality, Patient Experience, and Total Cost of Care Domains across all participating POs.
 - **Clinical Quality Domain Score (Clinical Achievement Score)** – based on the average of all clinical quality measures recommended for payment; see following note
 - **Patient Experience Domain Score (Patient Experience Achievement Score)**– based on the average of the patient experience measure composites recommended for payment; see following note
 - **Total Cost of Care** - physician organization geography and risk-adjusted Total Cost of Care results aggregated across plans (i.e. all plan)

Note: POs must have valid ¹ results for at least half of the measures within a domain for their results to be included. To ensure POs are not penalized for having fewer members, IHA applies the Adjusted Half-Scale Rule ² when calculating the domain score to ensure that they are not penalized for having fewer members.

- 2. Identify the top 10% physician organizations for each domain** – A PO's performance for the domain must meet or exceed the corresponding threshold from Step 1.