

2016-2021 Value Based P4P Measure Set Strategy

Introduction

IHA's Value Based Pay for Performance (VBP4P) program is one of the oldest and largest nongovernmental physician organization (PO) performance measurement and incentive programs in the United States. Building on over a decade of success in leading the original, quality-focused P4P program, IHA in recent years has shifted focus and transitioned the program to emphasize cost control and affordability; continue to promote quality; standardize health plan efficiency measures and payment methodologies; and use a shared-savings model to generate PO incentives.

The program is built on a set of complementary incentives that can potentially drive improvements in clinical quality, utilization, and patient experience through:

- A common set of measures.
- Health plan incentive payments.
- A public report card.
- Public recognition awards.

The VBP4P program operates according to four core principles: collaboration, measurement, rewards, and accountability. The P4P program successfully established a collaborative environment for health plans and POs to identify measurement priorities by developing a common measure set for public reporting. VBP4P leveraged these successes with a shared-savings incentive design, developed in collaboration with a diverse set of P4P stakeholders, including health plan and PO representatives and subject-matter experts. These stakeholders oversee and advise the program as members of one of three VBP4P committees focused respectively on governance and overall program strategy, measurement, and payment.

IHA's VBP4P program is designed to drive—through focused measurement, financial incentives, public reporting, and public recognition—improvements in health care quality and affordability, or value. This document outlines the 2016-2021 strategy for maintaining and developing the VBP4P common measure set to continue supporting program goals and meeting participant needs.

The VBP4P Common Measure Set

Overview

The VBP4P common measure set includes metrics of quality, patient experience, implementation of health IT, utilization, and cost designed to collect and publicly report meaningful and valid results across 10 participating health plans that contract with 200 physician organizations.

Strategy Goals

Since the program's inception, performance measurement and the collective understanding of health care quality have evolved dramatically—fueled by the need for better information and supported by technological advances. As state and federal agencies and health plans incorporate and expand

performance measurement, demands on provider resources and attention have grown and become more challenging. This measure set strategy reflects IHA's goal to remain a leader in performance measurement that can nimbly adapt to the rapidly changing performance measurement landscape.

Widespread participant engagement is crucial to achieving meaningful performance improvement. As such, the measure set must also meet specific participant needs:

- Physician organizations need measures that are clinically relevant, meaningful, and within their influence.
- Health plans need measures that matter to overall quality, enrollee satisfaction, and bottom-line costs; that support meaningful and transparent benchmarks to understand network performance within and across product lines; and that align with and reinforce internal standards of accountability.
- Consumers need valid and meaningful performance summaries, along with specific well-targeted quality and cost information on aspects of care of personal interest.

The following five measure-selection criteria were committed to in the previous IHA measure set strategy.

- Importance.
- Scientific acceptability.
- Feasibility.
- Usefulness.
- Alignment with other measurement initiatives.

These selection criteria provide a concrete rubric for ensuring that participant needs are met as the measure set evolves. The five criteria continue to be relevant today and are unchanged by the updated strategy. Rather, the updated measure set strategy reflects the criteria through the lens of current context and priorities. Additional information about the criteria, as well the current measure set development process, can be found in [Appendix A](#).

Process for Developing 2016-2021 Measure Set Strategy

The measure set strategy identifies three key strategies, each with two to three supporting tactics. The initial priorities for the strategies were developed by the VBP4P committees from November 2015 through February 2016; the committees' discussions were informed by an online survey provided to all program participants that solicited feedback on the current and desired future state of the VBP4P measure set. From these discussions the following three key strategies emerged:

1. Increase alignment in the VBP4P measure set with other performance measurement initiatives.
2. Target measure development efforts for the VBP4P measure set.
3. Support less burdensome data collection and timelier reporting.

From February through August 2016, supporting tactics for the key strategies were developed, and the comprehensive strategy was vetted by all VBP4P committees, as well as selected stakeholders and experts before release in September 2016 in conjunction with the release of the MY 2017 proposed measure set for public comment.

2016-2021 Measure Set Strategy

The VBP4P program seeks to maintain and enhance the collaborative environment built among health plans, physician organizations, purchasers, and consumers to measure performance and report results. The following three strategies with their supporting tactics are intended to guide the evolution of the measure set over the next five years.

Key Strategy 1: Increase alignment in the VBP4P measure set with other performance measurement initiatives

As state and federal agencies and health plans incorporate and expand performance measurement, demands on provider resources and attention have grown and become more challenging. Focusing on greater consistency across the most relevant and influential measure sets is crucial to supporting a broader understanding of performance for program participants.

- **Tactic 1: Work diligently to align the VBP4P measure set with other measure sets, particularly MACRA, federal Quality Rating System for Covered California (QRS), and NCQA health plan accreditation measures.**

In an effort to have the most concise, aligned, nationally relevant measure set while maintaining the highest clinical standards, the VBP4P measure set will prioritize measure alignment where possible. While the VBP4P measure set is largely aligned with QRS and NCQA health plan accreditation measures, other performance measurement efforts impacting the overall landscape will be considered in identification of new measures. Regular scans of the performance measurement landscape will be reviewed by the VBP4P committees to ensure continued alignment or justified innovation/deviation in the VBP4P measure set. In light of emerging MACRA implementation and standards, IHA will track and report on relevant measure sets or policies to the VBP4P committees as appropriate.

- **Tactic 2: Document and communicate rationale where measures diverge.**

The VBP4P measure set has been carefully crafted to meet participant and other stakeholder needs. Deviations represent careful committee deliberations or stakeholder input that highlight limitations in measure use and opportunities to improve performance measurement. These instances should be clearly documented and communicated to VBP4P participants, as well as more general audiences or stakeholder groups, to support ease of use, clear understanding, and acceleration of measure improvement. As an example, the Total Cost of Care (TCC) measure is not yet common in other measurement and reporting initiatives; however, it is critical to the program's design and the industry's move toward value.

- **Tactic 3: Decrease unwarranted variation in measure specifications.**

To manage the risk of measure fatigue, measure specifications will be in alignment with the measure developer's specifications whenever possible. When necessary, nonaligned measures will be evaluated against the broader performance measurement landscape, measure-selection criteria, and measure-retirement criteria.

Key Strategy 2: Targeted development efforts for the VBP4P measure set

VBP4P has historically been an innovator and driver of performance measurement in California and the nation. In an effort to shape the changing landscape along with aligning the measure set, a variety of options for driving new measurement will be considered in the coming years. In the previous measure set strategy, the VBP4P committees prioritized measures that focused on prevention/risk factors, care processes, appropriateness of care, utilization, cost/efficiency, patient experience, outcomes, specialty care, and inpatient measures; the current VBP4P measure set includes measures in many, if not all, of these areas. To further develop the VBP4P measure set, updated priorities include:

- **Tactic 1: Expand and emphasize TCC measurement.**
As the ultimate reflection of accountability, moving from appropriate resource use (ARU) to TCC as the basis for shared savings in the VBP4P incentive design has been identified as a program priority. Use of TCC, as the measure of cost that has already been identified for use in public reporting and participant awards, will promote program simplification. Refining the TCC measure to incorporate additional granularity will increase its meaningfulness to POs and support its future use in the incentive design. Transitioning to TCC as a single measure of effective cost and resource stewardship will allow the program to retire the appropriate resource use measures from the common measure set in an effort to realign with the original VBP4P design.

- **Tactic 2: Evaluate potential of e-measures.**
The addition of e-measures that align with identified priority measure sets (CMS/AHIP Core Set, QRS, HEDIS) can potentially advance VBP4P goals of alignment across measure sets, reduce the data collection burden, and enhance measurement of care integration, or “systemness.” E-measures not only support more real-time monitoring, but also tap into the wealth of clinical data not currently available in claims data, requiring transmission of supplemental data files. E-measures that allow measurement in areas currently infeasible using an administrative clinical collection process are a particular area of opportunity and expressed priority for the program.

The benefits of collecting and reporting e-measures are promising and, as such, should be prioritized in the coming years. Program staff anticipates that in addition to adding new e-measures, the VBP4P program will also look at moving toward reporting actual e-measure rates (rather than the ability to report a rate) as well as increasing or maintaining the e-measure domain weighting.

- **Tactic 3: Explore feasibility of patient-centered measurement.**
Patient-centered measurement is a new and exciting area ripe for innovation and leadership. As an example, PROMIS is an opportunity to lead and innovate in this area. Identifying next steps and a reasonable timeline to assess the long-term opportunity and feasibility of incorporating patient-centered measurement could benefit the VBP4P program by allowing data collection via a short-form survey for conditions such as anxiety, depression, fatigue, pain interference, and physical function. PROMIS in particular has the potential to measure global functioning, including physical, mental, and social health.

Key Strategy 3: Support less burdensome data collection & more timely reporting

This priority has been consistently identified by participants. While ensuring the right measures are selected supports participant engagement, the execution and process of collecting and reporting the measures cannot be overlooked. While technological advances show promise for reducing measurement burden, performance data collection and exchange is currently an incredibly resource-intensive undertaking. Freeing resources now needed to effectively collect, transmit, and understand performance data could foster use of more actionable data to improve performance.

- **Tactic 1: Understand and identify improvements to data-sharing processes.**
Facilitating the ease of exchange and use of clinical information is important to driving clinical engagement and increasing the value of measurement. However, data sharing continues to be a major burden to POs and health plans that report data through the VBP4P program. While this data-sharing hurdle is not specific to VBP4P, it is a major consideration for program participants and in the broader performance measurement landscape. For instance, in 2016 IHA began a major initiative to standardize the encounter data collection process to improve encounter data completeness and reduce the data-sharing burden. A workgroup will be convened to more definitively identify and plan implementation of improvements to the VBP4P data-sharing processes.
- **Tactic 2: Support standard mid-year report reporting.**
IHA has developed, in collaboration with PO and health plan partners, a standardized template for mid-year reporting of ARU and TCC measures. Given the limitations of an annual measurement and reporting cycle, IHA developed the mid-year report to increase access to real-time data through a standard reporting template implemented by all health plans to provide POs with needed information in a uniform format across all contracted health plans.

Special Thanks

VBP4P Technical Measurement Committee

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Partners

- National Committee for Quality Assurance (NCQA)
- Truven Health Analytics
- California Office of the Patient Advocate (OPA)
- California Healthcare Performance Information System (CHPI)

Resources

Measure Set & Specifications

- [VBP4P Common Measure Set](#) outlines all measures collected in VBP4P, including designations for those recommended for payment and public reporting. The measure set also includes measures collected for Medicare Advantage Stars.
- [VBP4P Manual](#) includes technical measure specifications, along with data collection and reporting guidelines.

Use of Measures within Program

For more information on the:

- VBP4P incentive design: [Value Based P4P Incentive Design](#)
- Awards: [Excellence in Healthcare Award Methodology](#)
- Public reporting: [Office of the Patient Advocate](#)

APPENDIX A: OVERVIEW OF CURRENT MEASURE SET DEVELOPMENT PROCESSES

Identification, Adoption & Retirement of Measures

Identification

On an annual basis, IHA seeks to identify potential new measures for the VBP4P Common Measure Set. Staff conducts measure scans to identify new measures and assess high-priority measures against the following measure-selection criteria:

- **Importance** – VBP4P measures areas with the greatest impact on patients of California POs and health plans.
- **Scientific acceptability** – VBP4P seeks measures that are evidence-based, reliable, valid, and precise. VBP4P relies on external measurement organizations such as NCQA, NQF, AHRQ, and the AMA Consortium for assessments of measures.
- **Feasibility** – VBP4P measures must be able to be collected through electronic data sources and must be auditable.
- **Usefulness** – VBP4P measures must result in useful information for stakeholders. This includes applicability to a significant population, robust results for public reporting and PO-to-PO comparison, results that vary across POs, and results that can be improved over time.
- **Alignment with other measurement initiatives** – VBP4P seeks measures that align with other efforts, including NCQA health plan accreditation, the federal Quality Rating System, Medicare Stars, Medi-Cal and ACO measures.

Adoption

The process for full measure adoption, i.e. a measure that is recommended for payment and public reporting, takes three years. This timeline ensures that new measures are thoroughly tested, validated, and vetted before use and that participants have advance notice of the measures for which they will be accountable. The process is illustrated as follows:



Retirement

A formal process and parameters for retiring VBP4P measures, including high-performing measures, is critical to maintaining a targeted, aligned measure set. When considering the retirement of a measure, the VBP4P committees will first evaluate the measure against the defined VBP4P measure-selection criteria. This process encompasses considerations around alignment with other measure sets, NCQA accreditation, etc.

Retirement policies should address instances where measures top out, lose endorsement, and/or are retired from other prominent sets. Since 2008, P4P policy regarding the handling of high-performing measures, defined by the Technical Quality Committee as any measure whose 25th percentile is above 90 percent, is to continue to recommend the measure for public reporting but not for payment (i.e. an “Info Only” measure).

Data Collection

Detailed information about the data collection, submission, and reporting process can be found in the VBP4P Manual. Measures across the four domains are calculated from the data sources detailed below:

Clinical Quality – Measures within the clinical domain rely on electronic data sources only, including automated claims and encounter data and auditor-approved supplemental administrative databases. All measure results are certified through audit review. Clinical measures may be generated from two sources:

- Health plans produce administrative results for each of their contracted POs.
- Self-reporting POs collect and submit results for all commercial HMO/POS members.

Advancing Care Information (ACI; formerly MUHIT) – The ability to report rates for e-measures included in the VBP4P measure set are currently the basis for scoring in this domain. As the use of e-measures becomes widespread, the goal is to score physician organizations on rates reported via e-measure and continue analyzing potential correlation between e-measurement and traditional clinical measurement.

Patient Experience – Patient experience data are collected via the Patient Assessment Survey (PAS) and processed by the Center for the Study of Systems (CSS) on behalf of the California Healthcare Performance Information System (CHPI).

Appropriate Resource Use & Total Cost of Care – Health plans submit enrollment, claims/encounter, and cost data to a single data aggregator for measure calculation and reporting.