# **Executive Summary**

# Accountable Care Measures for High-Cost Specialty Care and Innovative Treatment

You Get What You Pay For— Improving Measures for Accountable Care





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#### **Discern Health**

Discern Health is a consulting firm that works with clients across the private and public sectors to improve health and health care. Our focus is enhancing the value of health care services through quality-based payment and delivery models. These models align performance with incentives by rewarding doctors, hospitals, suppliers, and patients for working together to improve health outcomes and health care processes, while lowering total costs.

Discern has been involved in value-based purchasing projects since its founding in 2004. Discern's clients include a range of organizations—pharmaceutical companies, providers, payers, policymakers, purchasers, and national thought leadership organizations—that are driving the agenda for change in health care.

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The National Pharmaceutical Council is a health policy research organization dedicated to the advancement of good evidence and science, and to fostering an environment in the United States that supports medical innovation. Founded in 1953 and supported by the nation's major research-based pharmaceutical companies, NPC focuses on research development, information dissemination, and education on the critical issues of evidence, innovation and the value of medicines for patients. For more information, visit **www.npcnow.org** and follow NPC on Twitter @npcnow.

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# **Measures and Incentives in Accountable Care Systems**

n response to growing concern about the rising cost and lagging quality of health care in the United States, policymakers, payers, and providers have looked to innovative systemic improvements and payment models that emphasize accountability for value; that is, for cost and quality of care. New accountable care system payment models are designed to replace fee-for-service incentives that promote overuse, and that do not support innovative approaches like care coordination, team-based care, telemedicine, diagnostics for targeting care, and other aspects of more personalized and preventive medicine. Instead, by paying for higher quality care at a lower cost, accountable care systems, such as clinically integrated networks or accountable care organizations (ACOs), are using payment models to implement higher value approaches.

Measurement of quality and cost of care is an integral component of accountable care, as measures help payers to reward better care, providers to take action to improve care, and patients to make informed decisions about where to seek care. Better measures can help enable higher quality care, facilitating the desired care reforms. Measurement also can serve as a related monitoring function to detect problems within an accountable care system, such as inappropriate use of services, whether through underuse or overuse of necessary care. In accountable care models that use financial incentives to reward providers for achieving savings, measures are one mechanism to help align financial incentives. Measures may be particularly important to gauge appropriate use of services for high-cost conditions and treatments that may be subject to pressures for short-term savings.

# The Challenge of Measure Gaps

Gaps in measurement are missed opportunities for monitoring system performance, providing transparency to patients and purchasers, and improving quality. In an ideal world, accurate and costless measures of all-important dimensions of care would be available to support clinical decisions and payments, but measures are costly and imperfect, and many measurement gaps exist in health care. The focus of this paper is addressing measure gaps, which entails identifying, prioritizing, and filling key gaps.

Current accountable care measure sets prioritize conditions that are the traditional focus of population health (i.e., diabetes and heart disease); however, many prevalent and costly conditions are not represented in measure sets. The paper examines gaps in accountable care measure sets for 20 conditions by two mechanisms: an analysis of measure gaps for each condition, and a one-day Roundtable discussion to gather feedback from national thought leaders on the findings. The analytical process consisted of selecting conditions of high prevalence and/or cost as the research focus; comparing measures in current representative accountable care sets to the care processes prescribed in clinical guidelines to identify measure gaps; cataloging available measures to fill those gaps; determining remaining gaps for measure development; and examining results across the conditions to identify patterns.

# **Key Findings**

Gaps in accountable care measure sets were evident across most of the reviewed conditions, with varying availability of existing measures to address key components of care. In the Centers for Medicare & Medicaid Services' (CMS) Medicare Shared Savings Program (MSSP) ACO measure set, measures directly applied to only eight of the 20 conditions examined, with the highest numbers of applicable measures pertaining to ischemic heart disease and diabetes.

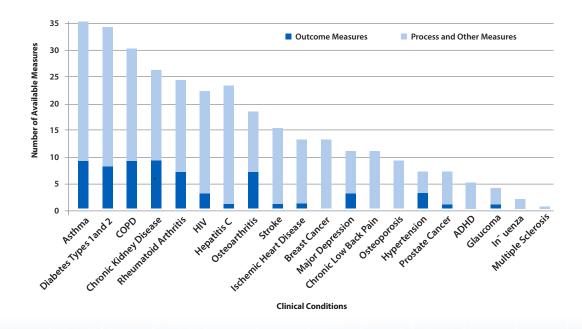
The graphic below shows the number of available measures, including outcome measures that could be used to fill gaps for specific conditions. It illustrates that the number of available measures identified in this project varies greatly by condition. Some conditions, such as asthma and diabetes, have many measures, while others, such as multiple sclerosis, have few. The majority of the available measures are process measures. A number of conditions do not have any outcome measures.

While there is variance in the number of outcome measures available for each condition, a lower number does not necessarily indicate a need for further development. A single measure may be sufficient for assessing outcomes for one condition, though other conditions may require multiple measures.

In addition, there were many aspects of care for the conditions studied for which there were no measures in the MSSP set nor in the universe of available measures. This finding points to the importance of investing in measure development to help assess the impact of accountable care and other health system reforms.

# **Solutions for Filling Gaps in Accountable Care Measure Sets**

To address the identified measure gaps, accountable care program implementers would benefit from innovative ways of enhancing accountable care measure sets to support the goal of better results for the broad populations covered by their programs, including patients who require specialty care and



innovative treatment. Such patient-focused measures applied to existing health care systems could also help assess whether accountable care or other reforms are achieving the desired improvements in care. This paper offers program implementers workable solutions for improving accountable care measure sets.

# **Rely on Monitoring Indicators and Operating Programs**

Before adding measures to accountable care measure sets, program implementers can apply utilization statistics and analytics from disease management programs as early warning indicators. Monitoring indicators can help identify problems in access to care and the need for measures to promote appropriate care, particularly as payment models are transitioning.

# **Fill Priority Gaps with Existing or New Measures**

While it is not feasible to measure every aspect of care for every condition, program implementers should review their data to identify improvement opportunities and whether they need to add measures to their sets. Measures, including condition-specific outcomes and cross-cutting measures, are available for many of the conditions that are currently unaddressed in accountable care measure sets. Where measures are not available, measure development may be warranted.

# **Alternatives to Measuring Every Condition**

We have developed several potential solutions for balancing the burden of data collection and measurement overload with the benefit of meaningful quality measurement information for accountability and improvement.

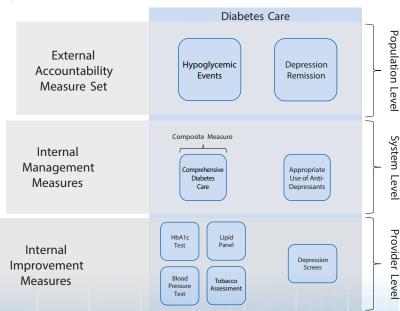
# **Use Cross-Cutting Measures**

Cross-cutting measures offer efficient assessment of how care is being delivered across multiple conditions. While current accountable care sets use cross-cutting measures to an extent, use of cross-cutting measures should be expanded to increase focus on patient-centered care, care coordination, population health, and the complex needs of patients with multiple chronic conditions.

# Apply Layered Measurement

Measures should be fit for purpose: measures that are suitable for external accountability may not generate the best information for internal management or improvement. The layered approach to measurement calls for using different, but related, measures at different levels to provide for the diversity of needs. Measure sets for external accountability should focus on outcome and experience measures that are meaningful to patients. A broader set of measures would be useful internally to support management and assessment of patient care at the system level. Still more measures are needed at the provider level to support internal process improvement and assess individual treatment effects.

# Layered Measurement Approach (Diabetes Example)

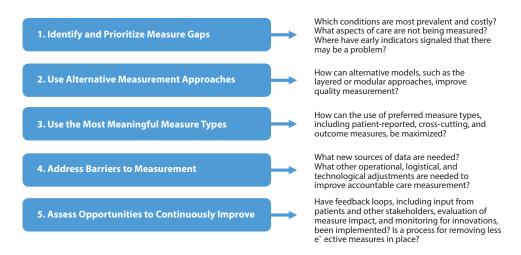


# Adopt Modular Measurement

In some cases, it may not be feasible to assess quality for a specific patient population within the scope of a general accountable care measure set. A modular approach, applying a set of measures and incentives distinct to a certain subpopulation such as cancer patients, would allow a more granular view of quality and costs for a segment of the accountable care population. The modular measure set could be used in addition to the broader measure set.

# **Recommendations for Improving Accountable Care Measurement**

Accountable care program implementers should review the measures in their sets to determine gaps and consider the range of solutions presented in this paper to improve accountable care measurement. This paper makes five recommendations to program implementers:



Accountable care systems are becoming more sophisticated, and accountable care measures should do so as well. Accountable care program implementers, in partnership with patients, providers and other stakeholders, must continue the conversation and work together to determine the best way to fill gaps in measure sets. Accountable care offers great potential for improving health and healthcare delivery while lowering costs; however, the transformation to higher value care must be balanced by measures to ensure the provision of appropriate care.

