Quality & Performance Improvement

PHC 6102
Principles of Health Policy and Management
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Part 1 of 2

SESSION OBJECTIVE

• Apply quality and performance improvement concepts to address organizational issues.

What is Quality?

• …the degree to which health services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge.

Institute of Medicine Crossing the Quality Chasm

Institute of Medicine

• Health are of the National Academy of Science
  – Established in 1970
• Helps government and private sector make informed evidence-based decisions
• Website: www.iom.edu

1. Effective

IOM Crossing the Quality Chasm

• Six Aims of Quality
  – Effective
  – Safe
  – Efficient
  – Timely
  – Patient-centered
  – Equitable

• Requires care adhering to science
  – Avoid use of ineffective care
  – Avoid underuse of effective care
• Comparative effectiveness research
  – Funded by federal agencies
  – Makes direct comparison between two clinical interventions to determine which is best based on benefits and harms
**Prostate Cancer**
- Recent health advisory
  - Men should not get PSA screening test
- Leads to overtreatment of prostate cancer (surgery or radiation)
  - Mortality from prostate cancer similar if treated or untreated
- Conflicting recommendations on best option
  - Watch/wait; robotic surgery; radiation

**Concerns About CER**
- Rationing of effective interventions that are expensive
- Government take-over of personal health decisions
- One-size fits all medicine
- Decisions would undervalue patient values

**2. Safe**
- Avoid injuries to patients from the care that is intended to help them
- *To Err Is Human* (IOM)
  - 44,000 – 98,000 die annually from medical errors
- Most errors occur in the ICU, OR and ER

**3. Efficient**
- Reduce waste and cost
- John Wennberg and colleagues
  - Studied geographic practice pattern variation
  - Concluded 30% savings in US health care is possible if eliminating unwarranted variation

**Accountable Care Organizations (ACOs)**
- Provision in the health reform law
- Model of delivering care that provides incentives for quality and controlling costs
  - Network of providers that care for patients
- Financial incentives to providers to coordinate care
  - Reduce overuse, underuse & misuse
- ACO concept still vague

**Forecast for ACOs**
- Unfavorable – two drawbacks recognized
- Consolidation - hospitals will acquire specialist groups
  - Result in less competition, higher prices
- Physician groups – financial incentives insufficient to motivate them to form ACOs
4. Timely
• Reduces waiting for patients and care givers

5. Patient-Centered
• Honors the individual and respects choice
• Consistent with the bases of health care ethics, e.g., respect for persons, fidelity

QUALITY PERSPECTIVES
Perspectives
Technical    Art of Care

Health Factors
• Genetics
• Environment
• Socioeconomic
• Clinical Services
• Patient Compliance & Behavior

HCAHPS-Hospital Consumer Assessment of Healthcare Providers and Systems
• Standardized survey for obtaining patient perspectives of care
• Developed by CMS
  – Value-based purchasing initiative that links reimbursement for services to quality outcomes (pay for performance)
• Provision of the Patient Protection and Affordable Care Act of 2010

6. Equitable
• Close racial and ethnic gaps in health care
• Race, ethnicity, gender or income should not be barriers to receiving quality care
Access to Care

- Focus of health reform law in 2010
- Fine for not purchasing private insurance
  - To be resolved

The Problem with Being Uninsured: Prices

- Uninsured are often charged full charges (no discounts)
- Insurance companies negotiate discounts and pay 35% to 45% of full charges

An Example

- Dental patient with pain, abscess and infection told to go to emergency department
- A 10 minute visit resulting in two prescription cost $1,400
- Hospital CFO admits the charges are several times the cost
- Hospital gives patient a payment plan

Health Care Costs

- Health care costs will continue to rise
- Private health insurance premiums forecasted to double in next 10 years
- Insurance works if everyone covered
  - Unfeasible to have the healthy only opt for coverage at the time they become ill
- Public option is needed
  - Political climate makes it unlikely to be revisited

Dimensions of Quality

- Cost
- Access
- Quantity
- Continuity
- Coordination
- Patient Expectations and Valuation

Value = \frac{\text{Quality} + \text{Access}}{\text{Cost}}

Quality Measurement

Measure
Structure \rightarrow Inputs or Resources
Process \rightarrow Services-Prevention, Diagnostic, Therapeutic
Outcome \rightarrow Results or Outputs
### Structure Measures

**Resources & Characteristics**
- RN-to-ICU patient ratio
- Continuing education requirements
- Equipment on crash cart
- Corridor width

### Process Measures

**Prevention, Diagnostic, Therapeutic Services**
- Chest x-ray on admission
- Immunization provided
- Physical therapy assessment
- Tissue typing prior to transplant service
- Total hip replacement surgery

### Outcome Measures

**Results**
- Post-op infection rate
- Immunization rate
- Hospital average length of stay
- Return to ER within 48 hours
- Tissue typing done correctly

### System's Approach to Quality Management

![System's Approach to Quality Management Diagram]

Input Structure → Process → Output Outcome → Feedback

### Approaches to Improve Quality

- Licensure
- Accreditation
- Continuous Quality Improvement

### License Required

- **Institutions**
  - Hospitals
  - Nursing Homes
  - Pharmacies
  - Home Care Agencies
- **Individuals**
  - Medicine
  - Nursing
  - Nursing Home Administration
  - Pharmacy
Licensure

- Backed by forces of law
  - Conducted by the state
- Given to those possessing minimum requirements
  - “Regulations”
- Controversial
  - Not predictor of quality of care

LICENSURE of INDIVIDUALS

- Requirements of Health Professionals
  - Education
  - Pass boards/exams
  - Pay license fee

NURSING HOME ADMINISTRATORS

- Licensed by state
- Licensure requirements
  - Education
  - Nursing Home Work Experience
  - Good Moral Character
  - Exam
  - Fee
- Pre-Licensure - High school grads lacking knowledge of elderly or health services

CONCERNS

Health Professionals

- Dominated by the professional group
  - Self-policing by state medical boards
  - Disciplinary actions increasing but not common
  - Advance agenda of profession (exclusions)
  - Protecting public or professional group?

FOCUS OF LICENSURE: INSTITUTIONS

- Less dominated by providers from the professional group
- Often done by state health department
- Conduct inspections (often annual)
- Emphasizes structural requirements
  - Nurse-to-patient ratio
  - Physical plant

ACCREDITATION

- Set standards for health care organizations and assess compliance with standards
  - Efforts apply to health facilities, HMOs, clinical labs
- Voluntary self-regulation
  - Accrediting agencies are not-for-profit organizations
- Basic principles similar to licensure
  - Develop standards - higher than licensing requirements
  - Conduct inspections
MAJOR ACCREDITING ORGANIZATIONS

• The Joint Commission
  – Hospitals, Long term care facilities, Home care organizations, Ambulatory care organizations
• NCQA - National Committee for Quality Assurance
  – Health plans
• College of American Pathologists
  – Clinical laboratories
• Accreditation Association for Ambulatory Health Care
  – Ambulatory care organizations

The Joint Commission

• Independent, non-profit organization
• Sponsored by:
  – American College of Physicians
  – American College of Surgeons (ACS)
  – American Hospital Association
  – American Medical Association
  – Other medical, dental, and health care associations
• Founded in 1952
  – Emerged from ACS hospital standardization program of 1917

The Joint Commission Services

• Develop standards for organizations
• Offer education programs and publications
• Provide consultation to organizations
• Provide surveys and reports
  – Using their standards

Joint Commission Accreditation

• Most hospitals are Joint Commission accredited
  – Eligible for participating in Medicare program
• Five Hospital Accreditation Outcomes
  – With commendation
  – Accreditation
  – With recommendations
  – Conditional
  – Denied

Joint Commission Examples

1. Improve the Accuracy of Patient Identification
2. Improve the Effectiveness of Communication Among Caregivers
3. Improve the Safety of Using High-Alert Medications
4. Eliminate Wrong-Site, Wrong-Patient, Wrong-Procedure Surgery
5. Improve the Safety of Using Infusion Pumps
6. Improve the Effectiveness of Clinical Alarm Systems
NCQA
National Committee for Quality Assurance

- An independent non-profit organization that accredits managed care organizations (MCOs)
- Membership includes:
  - Health care quality experts
  - Employers
  - Labor Union officials
  - Consumer representatives

NCQA
Types of MCO Standards

- Quality
- Credentialing
- Members rights and responsibilities
- Utilization
- Prevention health services
- Clinical records

HEDIS
Health Plan Employer Data Information Set

- Developed by NCQA
- Serves as a "report card" for a managed care plan
- HEDIS uses a total of 64 measures:
  - Quality (9)
  - Access and patient satisfaction (5)
  - Membership and utilization (20)
  - Finance (15)
  - Plant management (15)

REPORT CARD PILOT PROJECT
Member Satisfaction, 21 plans

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Overall Evaluation of Plan</td>
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<td>Access to Medical Care Whenever You Need It</td>
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<tr>
<td>Thoroughness of Examinations</td>
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<td>Ease of Seeing Doctor of Choice</td>
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<td>Personal Interest in Your Medical Problems</td>
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<td>Outcomes of Medical Care</td>
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<tr>
<td>How Much You Are Helped</td>
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<td>Recommend Health Plan</td>
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