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
IOM
Crossing the Quality Chasm

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

- 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

\[ \text{Value} = \frac{\text{Quality} + \text{Access}}{\text{Cost}} \]
Quality Measurement

Measure
Structure → Inputs or Resources

Process
Services-Prevention, Diagnostic, Therapeutic

Outcome
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

External Environment

Input
Structure

Process

Output
Outcomes

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

Six National Patient Safety Goals
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
• 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>Category</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Evaluation of Plan</td>
<td></td>
</tr>
<tr>
<td>Access to Medical Care Whenever You Need It</td>
<td></td>
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<tr>
<td>Thoroughness of Examinations</td>
<td></td>
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<tr>
<td>Ease of Seeing Doctor of Choice</td>
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<tr>
<td>Personal Interest in Your Medical Problems</td>
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<tr>
<td>Outcomes of Medical Care How Much You Are Helped</td>
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<tr>
<td>Recommend Health Plan</td>
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<tr>
<td>Intend to Switch Plan</td>
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