

## Starfield Summit Issue Brief

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### DISCUSSION TOPIC:

► **The Intersection of Payment Reform, Performance Measurement & Delivery System Transformation**—In 2007, the Alternative Quality Contract (AQC) was established as an innovative payment model that combines a global population-based budget with significant earning potential on quality and outcomes. The design and results have informed payment reform nationally, and put primary care at the center of success.

#### Why This Is Important (*brief description*):

► The movement of health care payment away from traditional fee-for-service (FFS) toward population-based payment (PBP) models appears inexorable. Early evidence from PBP models suggests that they can help bring health care spending growth more in line with general economic growth and significantly improve quality and outcomes. Performance measurement is critical to achieve these twin goals but currently used measures are mostly granular measures of clinical processes. Yet, to improve quality, outcomes and costs, PBP models must rely heavily on measures of outcomes that reflect results that are meaningful to patients. We must consider what a more outcomes-oriented measure set for PBP models might look like, how we can accomplish its development, and what its use would mean for primary care, delivery system reform and population health.

#### What We Think We Know (*bulleted evidence + seminal references*):

► Many barriers to measuring the primary care function are deeply entrenched in healthcare, such as fee-for-service (which cannot bill for care coordination or hands-on comprehensive care), ICD-10 coding (which cannot capture increased access through web- or phone-based care), making it difficult to measure and then advance the primary care function.

► The healthcare system pays \$15.4 billion annually to measure quality metrics, spending over 15 hours per week per physician to log quality. About 75% of these measures were found to be not clinically relevant, with the remaining measures predominantly focused on process measures.

► Early efforts, including NCQA-developed recognition standards for medical homes, the AQC and others have created a central role for Primary Care in achieving measurable population health, but these and others must continue to shift their focus from achieving success in delivery features and intermediate outcomes to achieving real outcomes and delivering on the promise of the primary care function.

1. Stange, K. C., Nutting, P. A., Miller, W. L., Jaén, C. R., Crabtree, B. F., Flocke, S. A., & Gill, J. M. (2010). Defining and measuring the patient-centered medical home. *Journal of general internal medicine*, 25(6), 601-612.
2. Casalino LP et al. US Physician Practices Spend More Than \$15.4 Billion Annually To Report Quality Measures. *Health Aff (Millwood)*. 2016 Mar 1;35(3):401-6. doi: 10.1377/hlthaff.2015.1258.
3. O'Malley, A. S., Rich, E. C., Maccarone, A., DesRoches, C. M., & Reid, R. J. (2015). Disentangling the linkage of primary care features to patient outcomes: a review of current literature, data sources, and measurement needs. *Journal of general internal medicine*, 30(3), 576-585.



## QUESTIONS FOR GROUP DISCUSSION (PRECONFERENCE)

### Questions for Group Discussion (*add brief answers post-conference*)

1. What core lessons would the primary care community extract from the AQC experiment and others like it from the private payor community?
  - a. How has it promoted or inhibited providers in delivering on core primary care functions: *First Contact, Comprehensiveness, Coordination, Continuity?*
  - b. How can experiments like this one continue to evolve their metrics and tools to better capture health and whole person outcomes?
2. How can these experiments continue to reduce administrative and data management burdens on providers, and who is accountable for these reductions?
3. What are the important unanswered questions about private payor experiments such as AQC worthy of research community attention and funding?

### Ideas Worthy of Policymaker Attention (*lists ideas for policy preconference, refined ones post-conference*)

- ▶ Global Population-based budgets must be paired with quality measurement requirements to support the primary care function and achieve the Triple Aim
- ▶ Measurement requirements must move towards patient-centered and population health outcomes, rather than reliance simply upon disease-oriented and process metrics

### Important Unanswered Questions & Ideas Worthy of Research Community Attention

1. How are experiments like AQC influencing the provision of primary care and its impact on lowering costs and improving quality of care? What is the provider community response?
2. How does AQC impact delivery on core primary care elements such as First Contact, Comprehensiveness, Coordination, Continuity? How does this compare to other payor experiments?
3. What elements are scaleable to other payment environments? What are the barriers to scaleability?