

The Role of Performance Assessment in a Reformed Health Care System

Summary of Position Paper Approved by the ACP Board of Regents, November 2011

What is Performance Assessment?

Performance measurement (PM) is a mechanism for measuring performance by clinicians, hospitals, health plans and others who deliver care to patients, weighing quality of care and in some cases, both quality and cost of care. Physician PM may be used for a variety of purposes, including helping physicians understand their own performance for self-improvement purposes; to inform consumers/patients for purposes of choosing a physician, or paying clinicians based on their ability to meet specified performance measures. The performance assessment-based payment model ties reimbursement to a physician or other health care professional's ability to meet specified performance measures. Use of performance assessment is intended to help achieve improved quality, high-value care, better patient satisfaction, improved health outcomes, and lower costs.

How Has Performance Assessment Changed Under Health Reform?

The Affordable Care Act (ACA) will test a number of health care delivery innovations, including the use of PM as a means of achieving the triple aim of improved patient experience, improved population health, and reduced per capita costs.

Many policymakers believe that changing the current fragmented landscape to one that fosters collaboration, patient engagement, and preventive care will require that clinicians adopt a "pay for improved population" mindset that attends to population health outcomes rather than only the performance of individual clinicians. The ACA will advance the use of PM as a component of new payment models to encourage team-oriented, system based care. Critics of PM argue that there is conflicting data on its effectiveness, and that it may measure the wrong elements of care, impose overly burdensome requirements on physicians and their practices, may not capture differences in patient characteristics, and may have unintended consequences, especially for clinicians who take care of high risk patients. ACP's paper strikes a balance on recognizing the potential value of PM while addressing legitimate concerns about its development and use.

Key Findings and a Selection of Recommendations from the Paper

The Use of Incentives to Promote Care

- ACP supports payment and delivery system reforms that promote high-value care, improved patient experiences, better population health, improved patient safety, and reduced per capita spending. Assessment of the value of the care provided may include reporting on evidence-based measures of outcomes, patient experience, population health, safety and effectiveness, and cost of the care provided. Such measures should be evaluated through and collected in a consistent, reliable, feasible, and transparent manner; thoroughly tested prior to full implementation to the extent possible; and applied as part of overall payment and delivery system reform emphasizing collaborative system-based health care. To the extent that such reforms include linking payments to reporting and performance on specific quality measures, such incentives must take into consideration the conflicting evidence on the effectiveness of performance assessment-based payment programs and potential adverse consequences. Specifically, ACP believes that payment and delivery system reform to promote high-value care should:
 - Be integrated into innovative delivery system reforms such as the patient-centered medical home and other payment reform efforts that promote systems-based collaboration and health care delivery;
 - Demonstrate improved quality patient care that is safer and more effective as the result of program implementation;
 - Support an environment where all physicians—in both primary care and specialty practices—are supported in their efforts to perform better, continually raising the bar on quality;
 - Develop, or link closely to, technical assistance efforts and learning collaboratives so that physicians and other health professionals are motivated and helped to improve their performance;
 - Engage physicians in all aspects of program development including determination of standard measure sets, attribution methods, and incentive formulas; and Reflect national priorities for

strengthened preventive health care, quality improvement, quality measurement, and reducing health disparities.

- The reward framework should be incorporated into systems-based payment reforms designed to permit and facilitate broad-scale positive behavior change and achievement of performance goals within targeted time periods.

The Need to Fundamentally Redesign the Physician Payment System

- Programs to link payments to performance assessment must not exist in isolation and must be coordinated with concurrent efforts to improve evidence-based primary and specialty care.

Transparency and Oversight

- Physicians should have a key role in determining methods used to develop and select measures (including the measurement evidence and any evidence grading methods used), collect data from physicians, aggregate and score performance, and report performance data internally and publically.
- Programs that link payment to assessment of performance should incorporate periodic, objective assessments of measurement, data collection, scoring, and incentive systems to evaluate their effects on achieving improvements in quality.

Selection of Measures

- ACP supports the use of structure, process, and outcome measures in programs that link payment to assessment of performance as long as they meet ACP's criteria for measures used to evaluate physician performance.
- Measure sets must primarily focus on improving patient outcomes, gauging the patient-centeredness of a practice, and improving the coordination of care across all providers.
- ACP supports a national strategy for quality improvement that will establish national goals, attend to high-leverage priority areas that will lead to significant gains in quality and value of care, fill in gaps where few performance measures exist, develop universal terminology for measurement developers, and harmonize measure sets to improve coordination and reduce duplication and confusion.

Data Collection and Minimizing Physician Burdens

- To alleviate the administrative burden of performance assessment-based payment programs, measurement sets, payment models, and data collection should be standardized across programs; HIT and EHR systems should be enabled to recognize and report performance assessment-based payment data; and audit and validation processes should be facilitated.
- Information technology tools should be used whenever possible to facilitate data acquisition for performance measures and to minimize any manual data extraction to support such measurement.

Data Accuracy, Data Aggregation, and Scoring

- Analysis and reporting of physician and system performance should include the application of statistical methods that provide valid and reliable comparative assessments across populations.
- Performance measure developers must incorporate socioeconomic status adjustments or other variables to ensure vulnerable patients receive the care they need.

Public Reporting and Other Appropriate Uses of Analyzed Data

- The College reaffirms the importance of physicians and other health care professionals having timely access to performance information prior to public reporting and a fair chance to examine potential inaccuracies.
- Educational feedback should be provided to physicians, other stakeholders, and consumers on a timely, routine basis. The results of programs to link payments to assessment of performance should not be used against physicians in health plan credentialing, licensure, or certification.
- It is crucial that any programs that link payments to performance assessment be subjected to ongoing research and monitoring to ensure that they support the patient-physician relationship, contribute positively to adoption of best practices, and do not unintentionally undermine patient care, such as by contributing to disparities by penalizing hospitals or physicians who care for poorer or sicker patients.

For More Information

This issue brief is a summary of *The Role of Performance Assessment in a Reformed Health Care System*. The full paper is available at

http://www.acponline.org/advocacy/where_we_stand/policy/performance_assessment.pdf.