



PROVIDER PEER GROUPING ADVISORY GROUP CHARTER

Background:

Minnesota Statutes 62U.04 requires the Commissioner of Health to develop a system comparing health care providers on a composite measure of risk-adjusted cost and quality. Specifically, the law requires the Commissioner to establish a methodology for making these comparisons by January 1, 2010; use the methodology and share results with providers in June 2010; and publicly report the results of this analysis at least annually beginning in September 2010. Beginning in January 2011, the State Employee Group Insurance Program, local units of government, and health plans are required to use the provider peer grouping information to create incentives for enrollees to use higher quality, lower cost care.

The peer grouping system must include a combined measure of cost and quality for a provider's patient population as a whole, and separately for select specific health conditions.

Provider Peer Grouping Advisory Group Roles and Responsibilities:

Advisory Group members will provide advice on how to appropriately compare providers on a combined measure of risk-adjusted cost and quality. Members will consider and provide input on key issues that must be addressed in making such comparisons, including the following:

- What data sources, beyond those already specified in Minnesota Statutes, § 62U.04, are available to be used by the provider peer grouping system?
- What types of providers should be included? At what level of care delivery should peer grouping take place? How should peer groups be determined?
- How will care be properly attributed to the provider(s) primarily responsible for a patient's care?
- What health conditions, medical services, and other dimensions of care should be included in the peer grouping system?
- How should information on resource use and unit prices be combined?
- How should information on cost and quality be combined into a composite measure?
- What method of risk adjustment is most appropriate for peer grouping purposes?
- How should episodes of care be constructed and compared?

The Department of Health issued a Request for Information earlier this spring outlining these issues and soliciting input on them. Department staff will synthesize information received in response to this Request for Information and will also conduct additional background research on these topics. Advisory Group members will receive succinct background materials related to each topic prior to the meeting(s) at which that topic will be discussed. Discussions will be framed at a policy level rather than at a highly technical level.

A separate Technical Panel will be convened by the Department of Health. This group will be composed of experts who can focus on the significant technical methodological considerations associated with comparing providers. Technical Panel members will review issues and provide options for the full Advisory Group's consideration. A few members of the Technical Panel will also serve on the full Advisory Group to serve as liaisons between the two groups.

Membership:

The Provider Peer Grouping Advisory Group will be composed of stakeholders representing health care providers, health plans, consumers, employers, state government and other key perspectives. Appointed members should attend meetings consistently and may not send substitute members in their place.

Meetings will be open to the public.

Timeline of Advisory Group Activities and Expectations for Members:

- Attend approximately eight half-day meetings between June and September 2009. (Note: The Advisory Group will likely not meet in August 2009.)
- Review meeting materials ahead of meetings and be prepared to contribute clear and focused ideas for discussion. While members do not need to be technical experts, they should have sufficient background knowledge to constructively participate in higher-level discussions about a methodology for peer grouping.
- Maintain a statewide and system-wide perspective in generating recommendations about how to most appropriately develop a peer grouping methodology.
- Review and provide comment on a preliminary report to be shared with Advisory Group members by August 15, 2009.
- Contribute to the development of final recommendations to be submitted to the Minnesota Department of Health by October 15, 2009.

Deliverables:

This group will produce a final report providing recommendations and input on how to create a methodology for the peer grouping system. The Commissioner will use this report's recommendations in determining what the peer grouping methodology will be.