

# Provider Peer Grouping Monthly Updates

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# What is Provider Peer Grouping?

- **A system for publicly comparing provider performance on cost and quality**
  - ...a uniform method of calculating providers' relative cost of care, defined as a measure of health care spending including resource use and unit prices, and relative quality of care... (M.S. §62U.04, Subd. 2)
  - a combined measure that incorporates both provider risk-adjusted cost of care and quality of care... (M.S. §62U.04, Subd. 3)

# What Types of Provider Peer Grouping Needs to be Developed?

## 1. Total Care

## 2. Care for Specific Conditions

The commissioner shall develop a peer grouping system for providers based on a combined measure that incorporates **both** provider risk-adjusted cost of care and quality of care, **and** for specific conditions...

(M.S. §62U.04, Subd. 3)

# Methodological Update

# Physician Clinic Patient Attribution

- Patient attribution is the method by which patients will be linked to physician clinics or medical groups
- When a patient receives care from multiple clinics, which clinic has responsibility for that patient?

# Physician Clinic Patient Attribution

- This presentation relates only to the cost component of the peer grouping analysis
- MDH will clarify how patients are attributed for quality measures at a later date

# Physician Clinic Patient Attribution

- Peer grouping will be based on **multiple proportional** rule:
  - All clinics involved in treating the patient are attributed some portion of that patient's costs
  - How much is determined by each clinic's proportion of Evaluation and Management (E&M) visits

# Physician Clinic Patient Attribution

- Total care analysis will only include clinics providing primary care as a reported unit of analysis
  - Primary care only clinics
  - Multispecialty clinics that offer primary care

# Specialties Considered Primary Care

- Family Medicine
- General Internal Medicine
- Geriatrics
- Pediatrics
- Obstetrics/gynecology under consideration

# Physician Clinic Analysis

- Building a meaningful, broadly inclusive peer group depends on our ability to adequately adjust for differences in patient populations and types of services offered to patients
  - Risk Adjustment
  - Service Mix Adjustment
  - Outlier methodologies
  - Potential exclusion of certain services

# New Developments and Progress Update

# Reliability Workgroup

- MDH is convening the Reliability Workgroup today for its first meeting
- 14 member group including:
  - Physicians, Hospitals, and Clinic Administrators
  - Health plans
  - Consumers
  - Purchasers
  - Minnesota Community Measurement
  - Minnesota Department of Human Services
  - State Employees Group Insurance Program
  - University of Minnesota

# Reliability Workgroup

- Purpose: Provide advice about how to consider reliability of peer grouping analysis and for MDH to convey information about reliability related to specific methodological issues
- Group will meet several times over winter and spring

# MDH Quality Report

- MDH published its first quality report on almost 600 physician clinics and 132 hospitals on November 18
- Information included in report is a critical building block for provider peer grouping

# MDH Quality Report

- Results are risk adjusted, consistent with Minnesota Statutes 62U.02
  - Physician clinic patient populations are adjusted to reflect a statewide average payer mix
  - Hospital measure results are adjusted to account for demographic characteristics, severity of illness and risk of mortality where necessary

# MDH Quality Report and Provider Peer Grouping

- Peer grouping will include a broad composite measure of provider quality
- Measures in the quality report will be included in the composite quality measure
- More details about the composite quality measures will be available as analysis progresses

# Updated Timing for Total Care Peer Grouping

- Total Care Hospital Analysis
  - Results shared with providers in early Summer 2011
  - Results publicly reported in early Fall 2011
  
- Total Care Physician Clinic Analysis
  - Results shared with providers in late Summer 2011
  - Results publicly reported in late Fall 2011

# Updated Timing for Condition-Specific Peer Grouping

## Hospital and Physician Clinic Conditions

- Results shared with providers in early Fall 2011
- Results publicly reported in late Fall 2011

# Stakeholder Involvement

# Stakeholder Involvement: Rapid Response Team

- MDH convened this group to provide input on critical issues
  - Approach for specific condition analysis
  - Methodology for attributing patients to providers
  - Benchmarking and determination of peer groups
  - Risk adjustment
  - Design and weighting of individual quality measures into composite quality score
  - Design of composite cost and quality measure

For more information, see  
[www.health.state.mn.us/  
healthreform/peer/index.html](http://www.health.state.mn.us/healthreform/peer/index.html)

## Next call

***Tuesday, January 18, 2011***

**7:30-8:30 am**