

Potential focus areas for Incentives & Outcomes Committee Proposals

The Incentives and Outcomes Committee believes that the health care system must do better in delivering care that is patient- and family-centered, effective, efficient, safe, timely, and equitable. Subcommittee work and staff research have generated a large number of clinical conditions or procedures that might serve as concrete starting points for pilot testing or initial roll-out of reforms designed to achieve those goals. This document outlines some of the similarities and differences between potential targets and is intended as an informational tool to assist in the identification of a small number of focus areas for reform proposals emerging from the full Committee.

The **Quality & Efficiency Subcommittee** has recommended targets that align with those identified by the National Priorities Partnership as having “the most potential to result in substantial improvements in health and health care, and thus accelerate fundamental change in our healthcare delivery system”.

The **Payment Reform Subcommittee** has identified the following as principles for payment system design: equity; accountability; transformative; cost containment; simplicity; and transparency. Its specialty workgroup has recommended targets based on evidence of variation, high cost, and potential for savings.

OHPR staff has recommended targets that rank high on at least 2 of the following dimensions:

- Potential to improve quality and efficiency where resource use is high or number of people affected is large (impact);
- Feasible to start addressing in the short-term (feasibility);
- Of differential importance to marginalized populations (health equity); and
- Potential for synergy with local or national partner efforts (synergy)

Quality & Efficiency Subcommittee	Payment Reform Subcommittee	Staff
<p>Heart attack, heart failure (hospital setting – from CMS core measures)</p> <p><u>Rationale:</u> National alignment; existing reporting infrastructure</p>	<p>Cardiac conditions</p> <p><u>Rationale:</u> Key cost driver in commercial coverage</p>	<p>Congestive Heart Failure, Coronary Artery Disease</p> <p><u>Rationale:</u></p> <p>Impact - preventable complications are high % of commercial claims; high rate of readmissions; Oregon Medicare FFS cost is high; OR commercial inpatient costs are highly variable</p> <p>Feasibility - bundle models for episode payment exist; inexpensive, effective screening or tx available; high-value services are underutilized;</p> <p>Equity - disparities exist in receipt of recommended tx;</p> <p>Synergy - synergy with local or national partners;</p>

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<p>Low back pain / spine surgery appropriateness</p> <p><u>Rationale:</u> NPP and local priority; high cost for PEBB; potential for useful physician profiling and intervention; good area for consumer education and shared decision-making.</p>		<p>prevalent chronic diseases</p> <p>Low back pain/surgery</p> <p><u>Rationale:</u></p> <p>Impact - High cost for PEBB; OR Medicare utilization high and variability within Oregon is high</p> <p>Feasibility - bundle models for episode payment exist; good patient decision-making tools exist</p> <p>Synergy - synergy with local and national partners</p>
<p>Joint replacement</p> <p><u>Rationale:</u> NPP priority</p>	<p>Musculoskeletal conditions, particularly joint disease and joint replacement surgery</p> <p><u>Rationale:</u> Key cost driver in commercial coverage</p>	<p>Osteoarthritis and arthropathies/joint disorders and joint replacement</p> <p><u>Rationale:</u></p> <p>Impact: preventable complications are high % of commercial claims; cost driver in Medicare FFS and Oregon Medicare FFS cost is high; represents large share of hospital costs for commercial pop; Oregon Medicare utilization is high; commercial cost highly variable;</p> <p>Feasibility: bundle models for episode payment exist; high-value services are underutilized;</p> <p>Synergy - synergy with local and national partners</p>
	<p>Oncology</p> <p><u>Rationale:</u> Key cost driver in commercial coverage</p>	<p>Colon cancer</p> <p><u>Rationale:</u></p> <p>Impact: preventable complications are high % of commercial claims; Oregon Medicare FFS cost is high</p> <p>Feasibility: bundle models for episode payment exist; good patient decision-making tools exist</p> <p>Equity: racial disparities exist in screening and mortality</p>
<p>Imaging appropriateness</p> <p><u>Rationale:</u> NPP priority; national and local momentum; potential to address in inpatient and ED settings</p> <p>Cardiac diagnostics</p> <p><u>Rationale:</u> NPP priority</p>	<p>Duplicate or inappropriate diagnostic tests</p>	

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Skin injuries and falls (hospital setting) <u>Rationale:</u> NPP priority		
Readmissions (hospital setting) <u>Rationale:</u> measure of defects in coordination of care; cross-setting issue	Readmissions (hospital setting)	
Healthcare acquired infections <u>Rationale:</u> NPP priority; national and state momentum; opportunity to further NSQIP; existing state reporting infrastructure	Healthcare acquired infections	
		COPD <u>Rationale:</u> Impact - preventable complications are high % of commercial claims; high rate of readmissions; Oregon Medicare FFS cost is high; Feasibility - bundle models for episode payment exist; inexpensive, effective screening or tx available; Synergy - synergy with local or national partners; prevalent chronic disease
Maternity care (c-sections) <u>Rationale:</u> Difficult issue but huge area for Medicaid; good area for patient-centered and shared-decision making approaches; NPP priority	Maternity care	Pregnancy, delivery, newborns <u>Rationale:</u> Impact - High cost for OHP, PEBB; Feasibility - bundle models for episode payment exist; inexpensive, effective screening or tx available; high-value services are under-utilized; Equity - disparities exist by insurance status
Pneumonia (hospital setting – from CMS core measures) <u>Rationale:</u> National alignment; existing reporting infrastructure		Pneumonia <u>Rationale:</u> Impact - preventable complications are high % of commercial claims; high rate of readmissions; Oregon Medicare FFS cost is high; high cost for OHP; OR inpatient costs are highly variable; Feasibility - high-value services are under-utilized; bundle models for episode payment exist

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		Equity - disparities exist by income and insurance status Synergy - Synergy with national partners
Heart attack, heart failure (hospital setting – from CMS core measures) <u>Rationale:</u> National alignment; existing reporting infrastructure		
Children’s asthma care (hospital setting – from CMS core measures) <u>Rationale:</u> National alignment; existing reporting infrastructure		Asthma <u>Rationale:</u> Impact - preventable complications are high % of commercial claims Feasibility - bundle models for episode payment exist; inexpensive, effective screening or tx available Disparities - income-based disparities exist Synergy - synergy with local or national partners; prevalent chronic disease
		Diabetes <u>Rationale:</u> Impact - preventable complications are high % of commercial claims; high rate of readmissions; Feasibility - bundle models for episode payment exist; inexpensive, effective screening or tx available Equity - disparities exist particularly in complication rates Synergy - prevalent chronic disease
		Mental disorders (undifferentiated) <u>Rationale:</u> Impact - cost driver for Medicare; high cost for OHP, PEBB Disparities - OR suicide rate is high compared to nat'l average