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5539
HB-6697

Representative Linda Schofield
Public Health Committee – 2008

Chairwoman Sayers and Chairwoman Handley, and other members of the Public Health Committee, thank you for having this public hearing of ~~HB6697~~.

HB 6697 would provide start up funds to establish an organization to collect claims data for the purposes of monitoring the quality performance of providers, giving health care practitioners real data about their performance relative to national clinical guidelines, providing consumers comparative information upon which to choose providers, and supporting the establishment of quality improvement initiatives.

Some years ago, health plans began trying many different approaches to improve health care, which also results in cost containment. They invested resources into developing physician and hospital performance profiles, which showed how well they did on a variety of HEDIS measures compared to their peers and to national practice guidelines. Health plans thought that just providing providers data, but not sharing it publicly because of their opposition, would stimulate them to improve their performance. Sometimes it did, but often best performing providers concluded that the data confirmed what they already knew....that they were performing well and needed to make no improvements. And the worst performing providers discounted the reports as inaccurate because of an inadequate sample size. There was a good chance they were right...most health plans do not have a reasonable sample size for reporting, except for large group practices. Individual doctors and small groups, where performance can be compromised by a lack of infrastructure to support care, had to be lumped together to get an adequate sample size, and the result was that any one doctor within the group couldn't tell how he or she was really performing. They each assumed they were doing the right things and the others were the cause of the poor aggregate data. The result was little change in performance.

The next generation of data based quality improvement was to negotiate pay-for-performance or gain-sharing contracts with providers. Again, this initiative was limited

to large group practices and hospitals, because of the limitations of sample size that face any single payor vis-a-vis a small practice.

No one payor, with the possible exception of Medicare, really has enough members in any physician practice or hospital to have a robust data set....especially if you want to look at relatively uncommon diseases or procedures. Indeed, a health plan is lucky to have 10-20% of any physician's panel of patients. The volume issue is especially true of specialists.

In recent years, Medicare has also jumped on the bandwagon of collecting quality data. Over the last two years they established codes and a process to use claims data to monitor and reward the compliance of physicians in every specialty with nationally approved practice guidelines and metrics.

But the keys to best use of quality data is to have a large sample size, to assure that the metrics reflect national practice guidelines, to assist providers to then use the data to improve their practices patterns, and to provide transparency for the benefit of consumers.

Transparency not only arms consumers with real information upon which to make choices, but it stimulates competition among providers to improve their quality performance. A study published in 2006 in Health Affairs showed that hospitals were more likely to engage in quality improvement efforts if the results were publicly reported.

The cost of poor quality care is enormous. A Rand study last year showed that American patients are only getting 55% of the recommended care they should be getting according to national guidelines. But, they are also often getting care that they shouldn't get that puts them at risk from unnecessary invasive procedures and medications. Poor quality and high costs are the result of too much of the wrong things and not enough of the right things.

We have the ability to improve care by collecting and using data, we just need to create the infrastructure in CT to do so. Many, many other states have established what are now known as Regional Coalitions for HealthCare Improvement, including all of the New England states except CT. These organizations typically do some or all of the following:

- Collect and analyze insurance claims data and also hospital data
- Publicly report data on health care performance
- Develop consensus about the prevention and management of disease
- Provide assistance to delivery systems to improve performance
- Develop payment incentive arrangements
- Serve as a forum for developing electronic connectivity between providers

This bill proposes that we establish such a private non-profit organization to aggregate health plan and Medicaid claims data. The organization would need only start-up funds from the state, and then would be self-sustaining, as other Regional Coalitions are – based on grants as well as dues from members.

Aside from the obvious benefits to quality, there is another benefit from establishing an organization like this. Every health plan now is required by NCQA standards to implement various quality improvement initiatives with their network of providers. In addition, they may have P4P programs as well. Physicians and hospitals get justifiably annoyed by the lack of consistent priorities between plans for these QI projects. So while one payor wants them to focus on asthma, another is focused on diabetes this year. By having the health plans work collaboratively in a partnership with the providers, one statewide set of priorities can be crafted based on what the aggregate data show as the greatest need. This will make everyone's lives a little easier.

Last year I was honored to have with me Barbra Rabson to testify on this bill. She is unable to come again this year but I am attaching her written testimony. She is the Executive Director of the regional coalition for Massachusetts, which is called the Mass Health Quality Partnership. She is a national spokesperson on this topic, and has published many articles on it.