



HEALTH

Performance Measurement in Payment Reform Models

Peter Hussey, PhD

Goals of Payment Reform Models

Cost containment goals

- Reverse the FFS incentive to provide more services
- Provide incentives for efficiency
- Manage financial risk
- Align payment incentives to support quality goals

Quality goals

- Increase or maintain appropriate and necessary care
- Decrease inappropriate care
- Make care more responsive to patients
- Promote safer care

Performance Measurement and Reporting: Many Purposes

- Evaluation of programs
- Set payment incentives
- Monitor adverse effects of payment incentives
- Performance improvement
- Inform consumers/purchasers to enable selection of providers
- Among others...

Current State of Measurement

- **Many gaps between measures currently used and needs of payment reform models**
- **Measures used have included:**
 - **disease-specific or preventive services measures derived from clinical guidelines**
 - **a small handful of intermediate outcome measures**
 - **patient experience survey results**
- **Many quality and efficiency goals not well represented by measures**

Priority Areas for Measure Development

- Health outcomes
- Care coordination
- Patient and caregiver engagement with care
- Structure for new delivery models
- Composite measures
- Efficiency

Key Issues

- **Are ongoing activities on track to produce the next generation of measures needed?**
- **Does measurement need to focus on specific applications/audiences or is it possible to aim for areas of overlap?**
- **How to address the balance between the burden and comprehensiveness of measurement?**