



*Measuring the Quality of America's Health Care*

August 31, 2006

Citizens' Health Care Working Group  
7201 Wisconsin Avenue, Suite 575  
Bethesda, MD 20814

Dear Working Group:

The National Committee for Quality Assurance (NCQA) supports the Citizen's Health Care Working Group's interim recommendations for improving and strengthening the health care system. As an organization striving to improve the quality of health care, we feel that the Working Group's recommendations demonstrate a commitment to improving access to quality health care and identify many of the necessary steps toward achieving that goal.

Several of the interim recommendations align with those of NCQA's *2005 State of Health Care Quality Report* which focus on ways to move the health care quality agenda forward. That report is available on NCQA's website at [www.ncqa.org](http://www.ncqa.org). Below, we have provided specific comments on the Working Group's recommendations.

**Working Group Recommendation: Promote efforts to improve quality of care and efficiency.**

*NCQA supports the need for "health information technologies and electronic medical records systems"*

Electronic tools support better clinical decision making and partnerships between physicians and their patients for managing patient health. The use of electronic systems can also help prevent medical errors. NCQA offers a recognition program, Physician Practice Connections (PPC), for physicians and medical groups that employ information technology to help improve care. MedPAC has praised PPC as a good model for future pay-for-performance efforts.

*NCQA supports the need for "consumer-usable information about health care services that includes information on prices, cost-sharing, quality and efficiency, and benefits".*

Recent studies report that health care consumers are in need of more detailed objective information about comparative quality among hospitals, physicians and health plans than

is currently available. In particular, consumers lack easy access to specific information about provider-level quality. NCQA believes that this information should be publicly reported in a manner that is consistent and understandable so all health care stakeholders (purchasers, providers, health plans, consultants, and federal and state policy makers as well as consumers) can make informed decisions about health care.

NCQA recently published our newest standards, Physician and Hospital Quality, which require health plans to routinely evaluate and share with their members information on the clinical performance efficiency of the physicians and hospitals with which the plan contracts. In addition, NCQA requires plans to use and explain their process for evaluating providers in these areas to ensure credibility and build trust in the information being given to consumers. We know there is strong support for this level of health plan accountability among both public and private payors and we are encouraged by the President's recent Executive Order requiring transparency and interoperability among the four federal agencies and their contractors.

**Working Group Recommendation: Guarantee financial protection against very high health care costs.**

*NCQA recommends supporting pay-for-performance programs which address a full array of preventive and chronic conditions. Such programs should evaluate provider quality and efficiency in order to shift the current payment incentives for treating patients from high cost treatments to best practice treatment approaches and reward providers on their ability to manage patient health.*

NCQA is concerned with the increase in health care costs and the recent trend of shifting costs to patients. The health care system is saddled with anachronistic payment systems that reward the quantity rather than the quality of care. This contributes to variations in health care delivery and unnecessary procedures that increase costs and endanger patients. The 2006 Dartmouth Atlas highlights once again this practice variation which is occurring nationally, regionally and locally. The report reinforces the message that a system set up to encourage more procedures as a path to financial success over patient health will continue to result in increases in health care costs.

NCQA believes that pay-for-performance strategies that reward physicians, hospitals and health plans are a key way to improve quality and insert cost controls. Pay-for-performance programs in the private sector have shown the potential for substantial quality improvements and cost savings. In addition, the Medicare program has several pilot pay-for-performance efforts underway that are likely to yield similar results, however these are focused solely on quality measures and do not yet take into account the need for judicious use of resources.

NCQA's research in the area of health plan efficiency reinforces the need for plans to focus their attention on the management of patients with chronic conditions. In 2005 our field tests of the commercial health plan population demonstrated that plans spend 50-60% of all their healthcare dollars on patients with heart disease, diabetes, asthma,

COPD, arthritis, and low back pain. There is a clear opportunity to focus care management resources for these patients to keep them as healthy and productive as possible.

**Working Group Recommendation: It should be public policy that all Americans have affordable health care.**

*NCQA supports the notion of a health care system that “enables consumers to make good decisions about their health care”*

Informed consumers are better equipped to make smart health care decisions than those without good information. Today more than 64.5 million Americans are enrolled in health plans that report comprehensive data on their quality performance (primarily health maintenance organizations and point of service plans). That gives them key information to use in making important decisions. In 2005, NCQA partnered with US News & World Report to promote consumer awareness of health plans that accept the public reporting responsibility and those that do not. In that report they highlight the more than 130 million Americans who are enrolled in plans – primarily Preferred Provider Organizations (PPOs) which do not have the same accountability for publicly reporting performance information.

In addition, NCQA has established a goal of improving how consumers and stakeholders are able to compare quality across all plans. This includes evaluating all types of plans—HMO, PPO, and consumer directed plans—using comparable requirements, monitoring and reporting on annual improvement by plans, and reporting information to the public that discriminates among plans, providing the opportunity for more informed choices based on quality data.

**Working Group Recommendation: Define a ‘core’ benefit package for all Americans.**

“The identification of high cost and core benefits will be made through an independent, fair, transparent, and scientific process.”

“Core benefits will be specified by taking into account evidence-based science and expert consensus regarding the medical effectiveness of treatments.”

*NCQA recommends that any organization providing the core benefit package should be accountable for measuring and reporting quality information.*

With the evolving interest in consumer directed and high-deductible health care plans as a cost saving option, the need for a core package of benefits becomes even greater. A core package that includes preventive and chronic disease management services will provide the greatest impact on health as well as reduce (and the costs associated with) preventable ER visits and hospitalizations. NCQA’s white paper, *Protecting Consumers in an Evolving Health Insurance Market*, provides additional recommendations for state and federal regulators to consider when looking at these types of plans.

At NCQA we pride ourselves on our process for creating standards and measures. We use a multi-stakeholder process for developing our accreditation standards and clinical performance measures (i.e. HEDIS<sup>®</sup>). All requirements are subject to public comment periods which promote the transparency of the tools NCQA uses to evaluate health care plans and providers. This process demonstrates that public-private, multi-stakeholder collaboration can work.

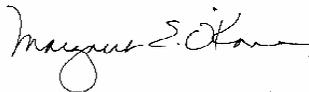
NCQA has demonstrated that quality in health care can be measured, and that measurement and public reporting of quality data drive improvement. For over 15 years plans have been submitting clinical and patient experience data. In our most recent State of Health Care analysis “performance was up on 40 of 43 clinical measures, which means that more people with diabetes get appropriate screenings and control their blood sugar. It means that more people with hypertension successfully manage their blood pressure. More than 40,000 lives have been saved over the past 8 years due to these and other improvements.”

*NCQA supports the interim recommendation to provide consumer-usable information for informed decision-making about health care and recommends development of education services and help lines to aid consumers as they learn to use these new health care information tools.*

Currently, the Institute of Medicine has determined that 90 million Americans are challenged with health literacy issues. In a core benefit package, the concepts of “evidence-based science” and “medical effectiveness” need to be made clear and understandable for consumers. The number of consumers who struggle with understanding their health care choices creates a strong argument for creating standardized and meaningful information that consumers can understand. In addition, both public and private payors need to hold plans and providers accountable for making this type of information available to their employees/beneficiaries and for providing them with assistance in interpreting this complex information.

We commend the Working Group for its efforts. If you have questions regarding the information provided or need additional information on NCQA’s programs and evaluation tools and how they can support the Working Group’s recommendations, please feel free to contact me at 202-955-5100 or [Okane@ncqa.org](mailto:Okane@ncqa.org).

Sincerely,



Margaret E. O’Kane  
President