

Reformers hope database revamps health care

The Puget Sound Health Alliance will report on the quality and efficiency of hospitals and clinics

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The Puget Sound Health Alliance is setting out to create a massive database with statewide information drawn from millions of health-insurance claims — an initiative that could give employers and consumers powerful information for choosing doctors and hospitals.

If health-care purchasers opt for higher quality and more efficient providers because of this information, they could expect to spend much less money and enjoy far better health, proponents say.

Apparently with the approval of all interest groups, the alliance would draw on the database of claims information to publish quarterly reports about the quality and efficiency of local hospitals and physician clinics. The goal is to publish the first report during the first quarter of next year.

These reports, predicted Dr. Hugh Straley, president and medical director of Group Health Permanente, “will dramatically change the state of health care” in Washington.

On the basis of these reports, Straley and other experts suggested, employ-ers can use financial incentives to steer employees toward higher performing hospitals and clinics, and individual consumers can make more informed choices of physician clinics and hospitals.

For their part, hospitals and clinics can use the reports to see how they compare with competitors and improve their treatment of patients.

It’s hoped that these changes will affect the overall cost of care, given the belief that improved health-care quality will slow the rapid rate at which health costs have been increasing.

It’s widely accepted that the quality of health care needs vast improvement. For instance, a 2003 report by Rand Health, of the Rand Corp., concluded that patients fail to receive appropriate, scientifically based treatment nearly half of the time.

The alliance plans to contract with Milliman Inc., a large Seattle-based consulting and actuarial firm, to transform the claims information into performance reports.

It has asked the Metropolitan King County Council to approve funding of the Milliman contract — \$516,000 for the first year and \$398,000. for each of the following two years.

The funding ordinance was introduced in June, and there have been several meetings with King County staff and council members. The full council likely will consider the request early next month.

Lance Heineccius, the alliance's director of information and incentives, said he has not heard of any council members who do not support the project.

Councilwoman Jane Hague said she supports the funding ordinance and believes the full council will as well, "It's a good idea," she said. "It's the right thing to be doing if we're looking for quality health care and public accessibility."

King County Executive Ron Sims sees a distinct need for the project: "In order to drive change toward improved quality, we need one report that is credible to everyone — providers, employers, insurers and patients. Right now we have too many reports with uneven standards for comparison. We are comparing apples to oranges. We need to be able to compare apples to apples to really see the quality of our health care improve."

Sims chairs the alliance, and it was his idea to form it. Founded in late 2004, the Puget Sound Health Alliance is an independent nonprofit organization of 110 employers, unions, insurers, medical associations, state agencies and other groups. Large business members include The Boeing Co., Fisher Communications, Port Blakely Companies, Recreational Equipment Inc., Starbucks Corp. and Washington Mutual Inc.

To begin with, the alliance expects to collect health insurance claims data from most of the largest data sources

Regence BlueShield, Premera Blue Cross, Group Health Cooperative, the state's Uniform Medical Plan, Boeing, Washington Mutual and Aetna, which administers claims for King County, Starbucks, REI and the city of Seattle.

Heineccius said Milliman estimates the first round of collection will draw 2.5 million claims during the years 2004 and 2005. In time, the alliance expects to pull in even more claims from still other members and from other sources.

The longer-term vision is to include data from Medicare, Medicaid and the state workers' compensation program, he said. "Ultimately, we want pretty much everyone's data in there."

The claims data will consist of administrative information submitted by doctors and hospitals to insurers for payment. The information will capture health services, dates and places of services, and the providers of those services.

But it will not include patient identities or financial information (such as what insurers pay doctors and hospitals), nor such clinical data as blood pressure, lab results and treatment results.

The data will show, for instance, that a diabetic patient received a sugar-level test but not the result of the test.

“Over time,” Heineccius said, “the alliance wants to augment the database with clinical information.”

Milliman will analyze the collected data and apply standard performance measures created by the National Center for Quality Assurance and the National Quality Forum to produce quality reports about clinics and hospitals.

The reports, for instance, will assess physician clinics on the percentage of times diabetic patients were given at least one cholesterol test, one kidney screening test and two hemoglobin A1c (blood sugar) tests during the past 12 months, and the percentage of times heart-attack patients were prescribed a beta-blocker medication at the time of hospital discharge.

With such information, employers and consumers could decide to choose clinics and hospitals with higher percentages, which indicate that they more consistently provide “evidence-based medicine” — medical care that is grounded on the best scientific knowledge and is appropriate for a given patient.

There are cost implications as well. Patients with such chronic conditions as diabetes, according to Rand Health, account for 75 percent of the nation’s medical costs. Correct and timely treatment for these patients presumably could yield enormous cost savings.

Besides quality, the reports will indicate clinic and hospital efficiency by assessing the total resources they expend on “episodes” of illness or injury.

Heineccius said the alliance will phase in some 130 performance measures.

It will produce quarterly reports and will publish them on the alliance’s Web site, distribute them at public meetings and provide them to its members.

No one has spoken out against this project. It has the support of state hospital and medical associations and local health insurers.

“It’s a great idea. We’re really pleased that the Puget Sound Health Alliance is putting together this information,” said Leo Greenawalt, president of the Washington State Hospital Association.

Said Regence BlueShield President Mary McWilliams “We support efforts to aggregate data and use common (performance) metrics.”

Dr. Peter Dunbar, president of the Washington State Medical Association, said the alliance’s project “could be beneficial to the care of everyone,” but added, “‘could’ is the operative word.”

The “initial data is a fraction” of the information that doctors want, he said. The medical association would like to have “actionable data so physicians can improve the quality of care,” Dunbar said.

For instance, it’s not enough to know that the diabetics served by a clinic received foot exams 70 percent of the time, Dunbar said. Physicians want to know which diabetic patients went unexamined, so the doctors can contact them and ask them to come in for proper care.

Dunbar said the medical associations Education and Research Foundation has landed a \$1 million grant to create an actionable database.

Medicaid, Molina Healthcare of Washington, Community Health Plan of Washington, Group Health Cooperative and Aetna have agreed to contribute data, he said.

The medical association, Dunbar said, hopes the alliance will persuade other health insurers to contribute data as well.

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