

**Health Economics Committee Meeting
February 12, 2015**

SUMMARY NOTES

Chair Larry McNutt welcomed a new committee member, Sandy Melzer, MD; Senior VP and Chief Strategy Officer; Seattle Children's.

Richard Bryan, VP Change Management and Chief Compliance Officer for Overlake Hospital Medical Center will be replacing Gary McLaughlin.

Dave Frazzini, Principal at Mercer, will be leaving the committee.

Alliance Deputy Director Susie Dade presented an overview of the strategies and objective in the 2015 Annual Plan recently adopted by the Alliance Board. One of the three high priority strategies is "Enhance the Alliance's core competency as a data aggregator, analytics provider and information producer." This strategy includes the objective to play "a central role in producing, aggregating and reporting results for the Washington State Common Measure Set for Health Care Quality and Cost WA State Common Measure Set." The presentation turned to a more detailed examination of this measure set, including their origins, composition, and expectations surrounding their production.

Alliance Communication and Development Director John Gallagher shared a recent legislative update on the All Payer Claims Database (APCD). Content ranged from the Board's approved criteria for legislative success, to the proposed bills in Olympia, particularly HB 1437. Main topics included data use conditions, governance, the lead organization, and plans for recurring APCD operational reporting to the legislature.

Consultant Jim Andrianos recapped the January All Alliance meeting, during which three public reports were released, focusing on variation for procedure use, ER visits, and readmissions. The committee discussed the finding that reductions in readmission rates were correlated with higher levels of post-discharge follow-up with physicians, particularly within seven days of leaving a hospital. Although the analysis did not presume a causal connection, the medical recommendation behind a seven-day target for follow-up is grounded in the idea that follow-up visits will, in fact, make readmissions less likely. Conversation turned to the difficulties providers face in reliably motivating patients to visit doctors soon after an inpatient discharge.

Committee members considered the future of procedure use analysis and reporting by brainstorming implementations based upon these data. Ideas included:

- Consumer focus/accountability/behavior/expectations
- Provider collaboration/accountability
- Role of business models on practice patterns
- Evaluating delivery of bundled services
- Implementations that reduce or synthesize the sheer number of included measures
- Underuse of follow-up visits and non-brand drugs
- Assistance on how providers can make improvements once data has been supplied
- End of life utilization comparisons
- Patient experience differences associated with palliative care
- Supplying specialized reports to ACOs and ACHs