

Improving Affordability and Value in Health Care Through Multi-Stakeholder Action

October 29, 2021

Nancy A. Giunto
Executive Director

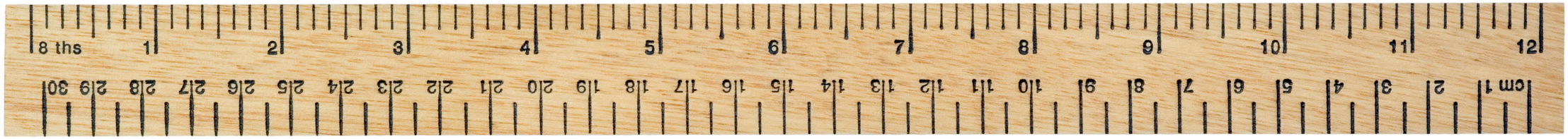
© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

WASHINGTON HEALTH ALLIANCE
Leading health system improvement

Trust, Transparency & Measurement







© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Mission and Vision

The mission of the Washington Health Alliance is to build and maintain a strong alliance among purchasers, providers, health plans, and consumers **to promote health and improve the quality and affordability of the health care system in Washington state**.

Our vision is that physicians, other providers and hospitals in Washington will achieve **top 10% performance in the nation** in the delivery of equitable, high quality, evidence-based care and in the reduction of unwarranted variation, resulting in a significant reduction in the rate of medical cost trend.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Diverse Stakeholder Membership























































© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Today at the Alliance: We Have Three Main Functions

We are a **TRUSTED CONVENER**
for stakeholders, promoting a collective conversation to transform care delivery and financing in Washington state





Promoting **TRANSPARENCY**:

Performance measurement and reporting is a core competency of the Alliance

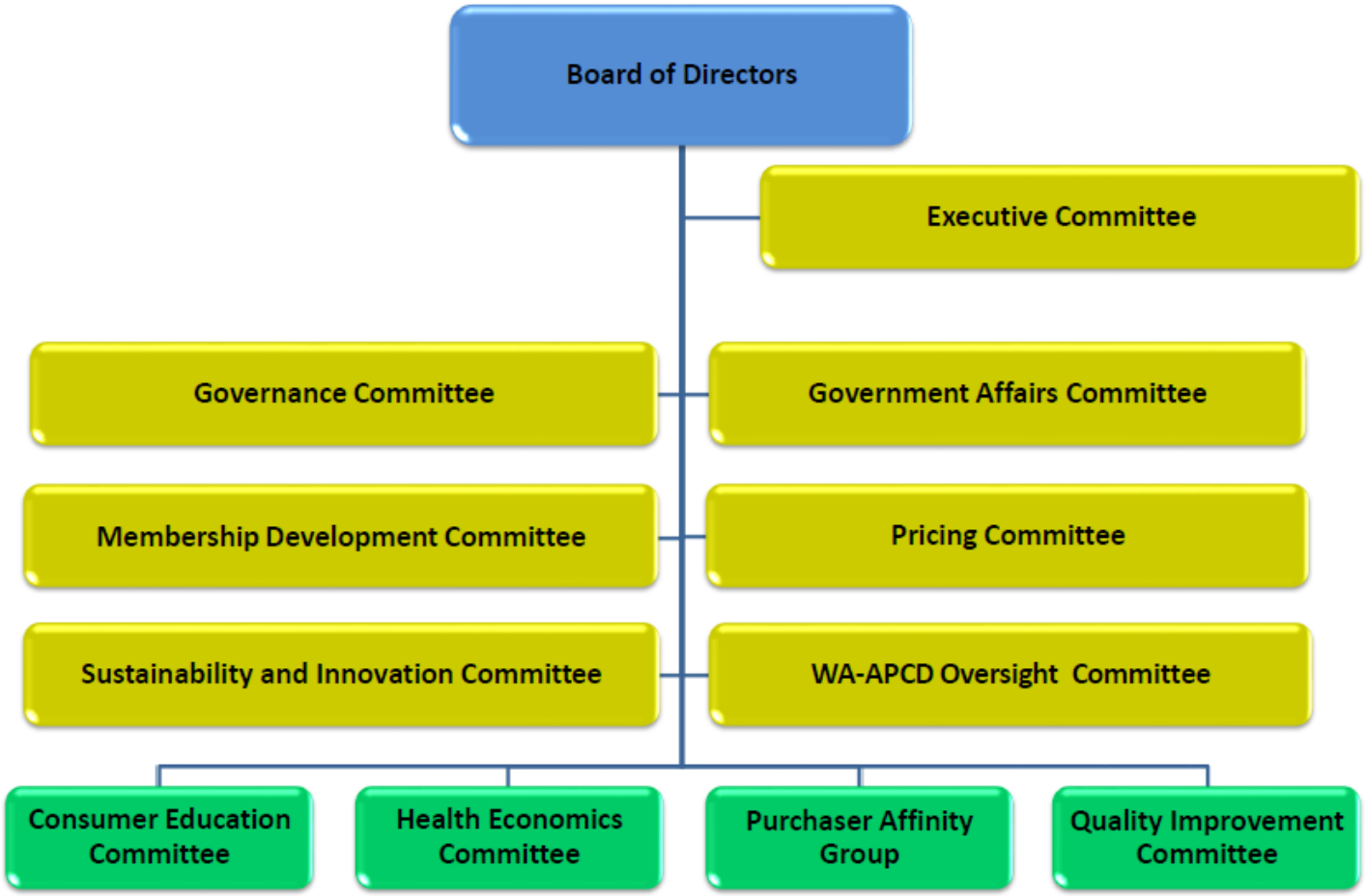


Driving **ACTION**:

Promote and align strategies to have impact and improve performance based on data-driven insights

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Organizational Structure



© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Alliance Board of Director Members

Purchasers

Association of Washington Cities
Bloodworks Northwest
King County
Northwest Administrators, Inc.
SEIU 775 Benefits Group
The Boeing Company
Washington Health Benefit Exchange
Washington Roundtable
Washington State Health Care Authority
Washington State University

Providers

Virginia Mason Franciscan Health/
CommonSpirit Health
Confluence Health
Everett Clinic/The Polyclinic, Part of Optum
Pacific Northwest Clinically Integrated Network

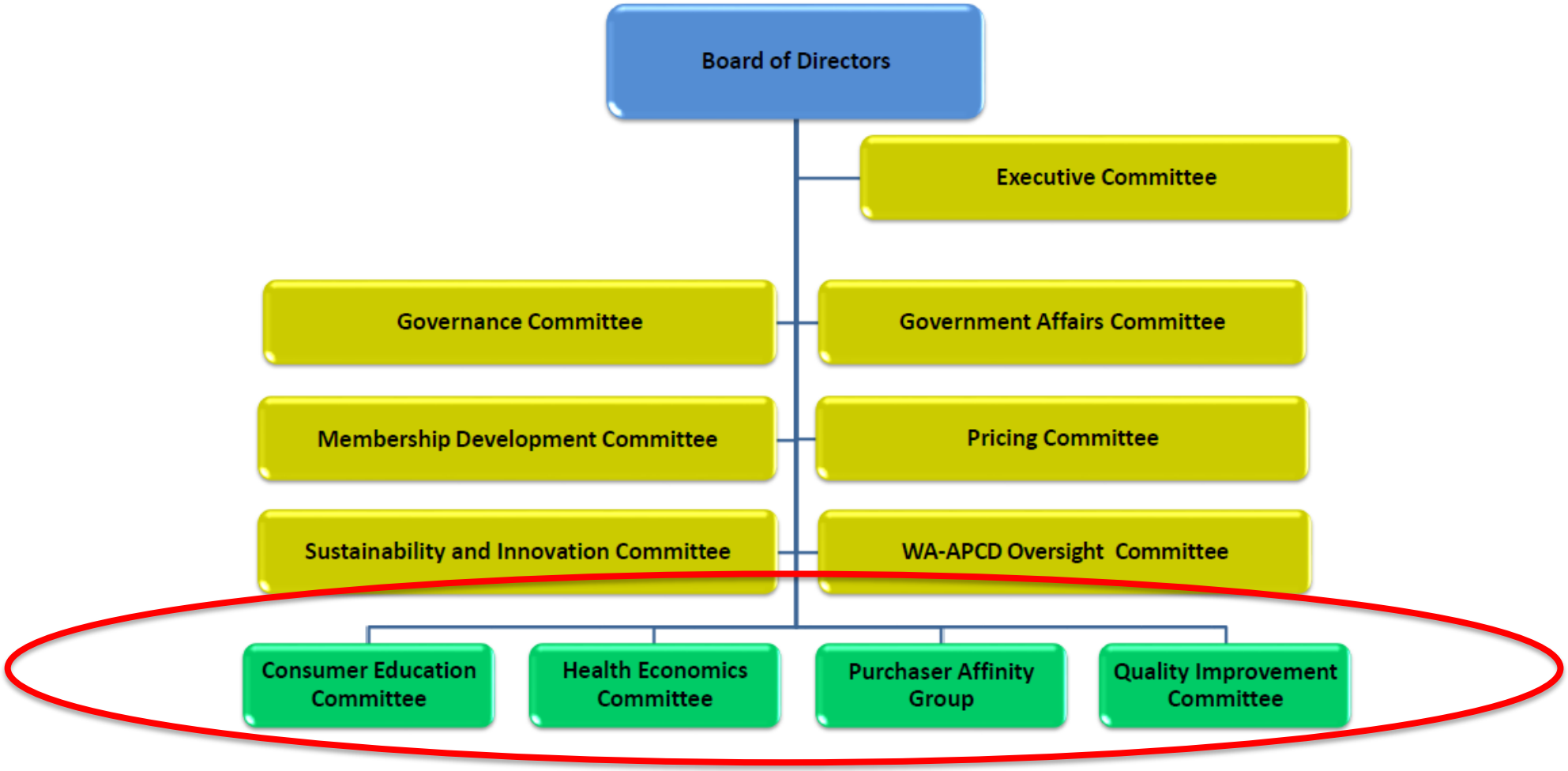
Plans

Aetna
Kaiser Permanente WA
Molina Healthcare
Premera Blue Cross

Consumers

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

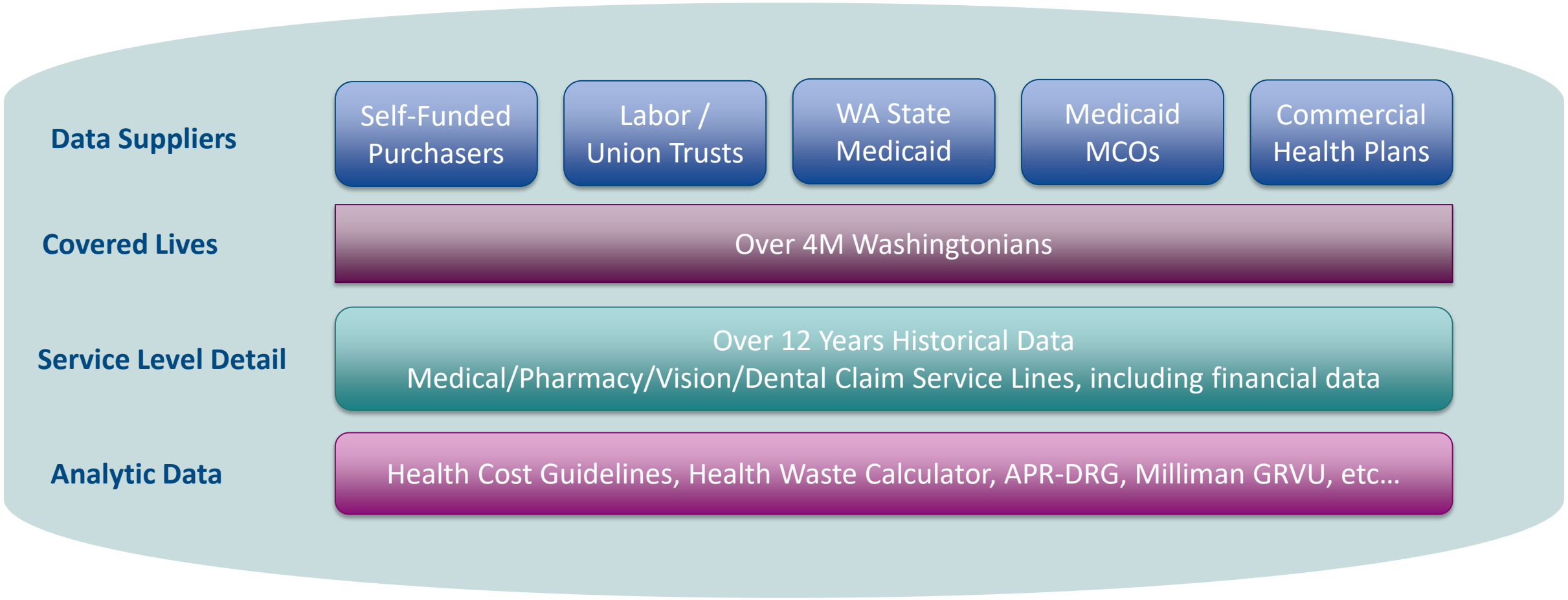
Organizational Structure



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Alliance Voluntary All-Payer Claims Database



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

What We Report On

- Variation (quality, spending, pricing)
- Underuse of evidence-based care
- Overuse of low-value care



2021

Quality Composite Scores

Mar. 2021 — The Washington Health Alliance releases new results for clinics, medical groups, counties, and Accountable Communities of Health using the 2021 Community Checkup report.

See our key findings

2021

Variation in Health Care Quality

Mar. 2021 — Most people assume that no matter where they live or where they go for health care, it will always be the same quality. Unfortunately, as the Community Checkup demonstrates, that's simply not the case. Even when there are clear evidence-based guidelines for providers to follow, the quality of care that Washington citizens receive varies tremendously.

See our key findings

2021

Opioid Prescribing Practices

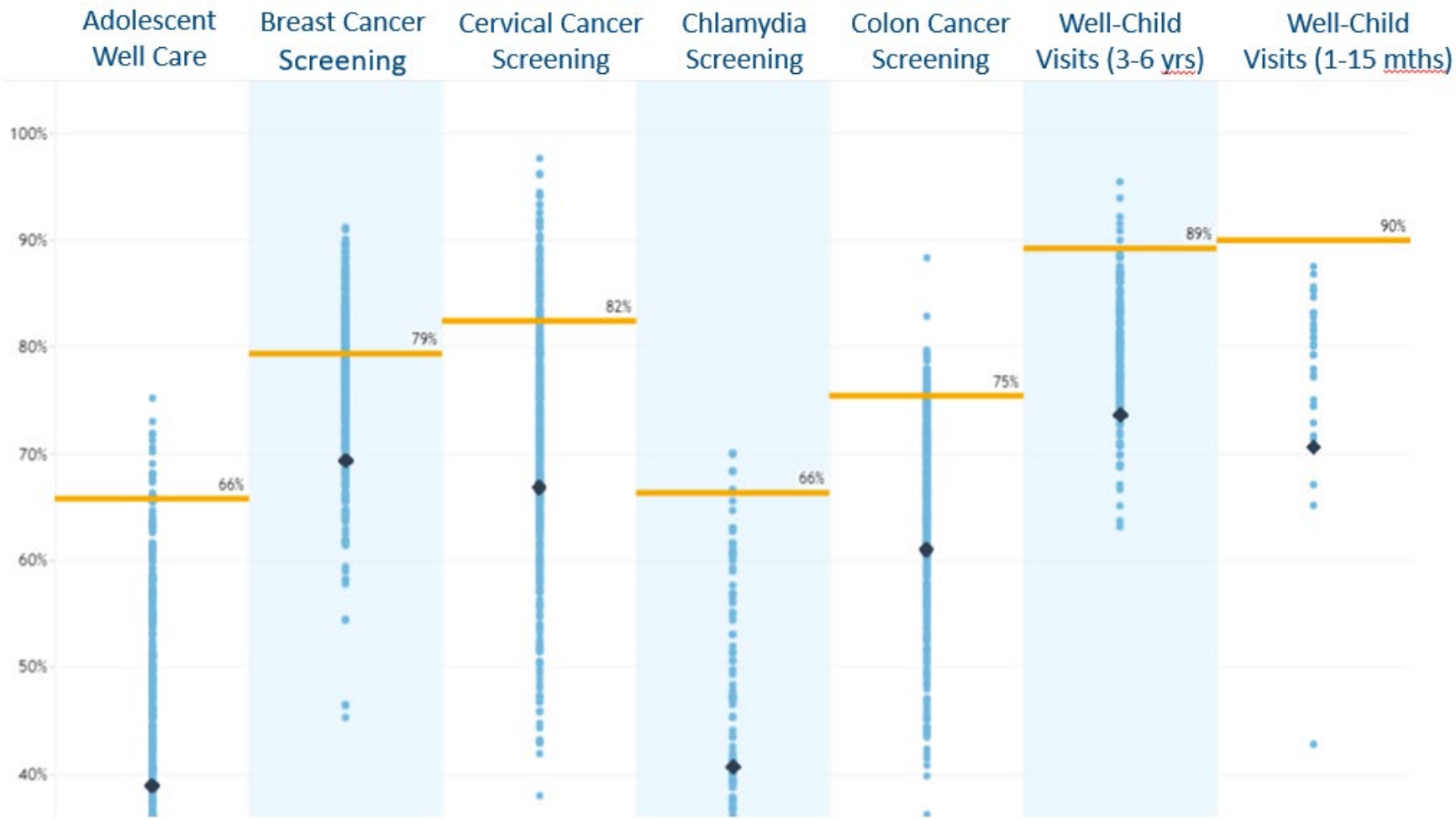
Mar. 2021 — The opioid epidemic is widely recognized as a national and state public health crisis. Learn how Washington state is doing on three important opioid prescribing measures.

See our key findings

www.wacommunitycheckup.org/highlights

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Statewide Variation

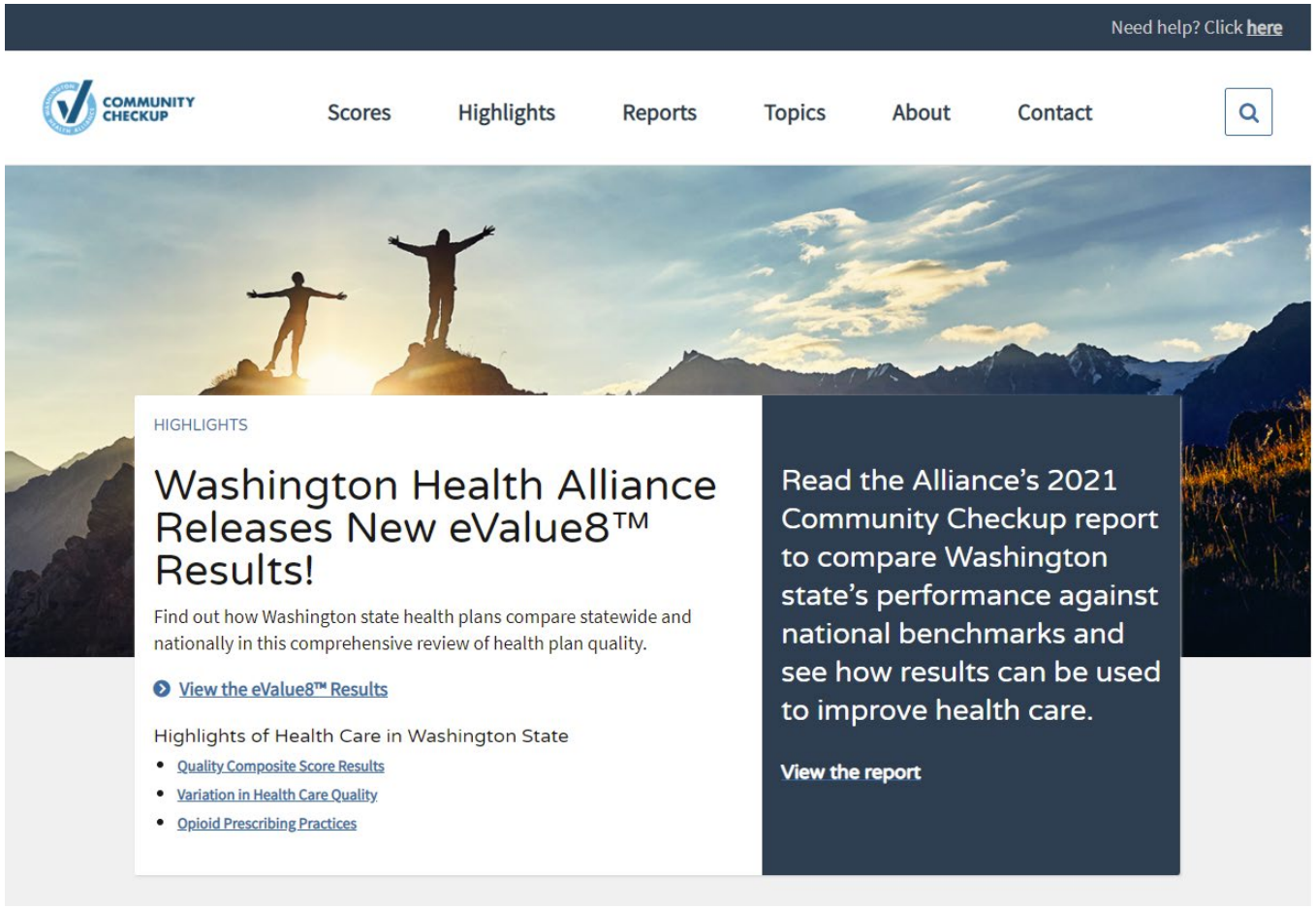


2021 Community Checkup, Highlights, Variation in Health Care Quality.

WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

2021 Community Checkup wacommunitycheckup.org



© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Quality Composite Score

Prevention and Screening
Breast cancer screening
Cervical cancer screening
Colon cancer screening
Chlamydia screening
Adolescent well-care visits
Well-child visits (in the first 15 months)
Well-child visits (ages 3-6 years)

Chronic Disease Care
Follow up for children prescribed ADHD medication (30 days)
Follow up for children prescribed ADHD medication (9 months)
Staying on antidepressant medication (12 weeks)
Staying on antidepressant medication (6 months)
Asthma medication ratio
Eye exam for people with diabetes
Blood sugar (HbA1c) testing for people with diabetes
Kidney disease screening for people with diabetes
Taking diabetes medication as directed
Monitoring patients on high blood pressure medication
Taking hypertension medications as directed
Taking cholesterol-lowering medications as directed
Statin therapy for patients with cardiovascular disease

Coordinated, Cost-Effective Care
Potentially avoidable ER visits
Hospital readmissions within 30 days

Appropriate, Cost-Effective Care
Avoiding antibiotics for adults with acute bronchitis
Appropriate testing for children with sore throat
ADHD medication generic prescriptions
Stomach acid medication generic prescriptions
Antidepressant medication generic prescriptions
Avoiding X-rays, MRIs and CT scans for low-back pain
Avoiding antibiotics for children with upper respiratory infection

Congratulations to these medical groups for their Quality Composite Score ranking!

Commercial

- The Polyclinic
- Kaiser Permanente Washington
- Virginia Mason Medical Center
- University of Washington Medical Center
- Association of University Physicians, DBA UW Physicians

Medicaid

- International Community Health Services
- Yakima Valley Farm Workers Clinic
- Columbia Medical Associates
- University of Washington Medical Center
- Family Care Network

2021 Community Checkup, Highlights, Quality Composite Score.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Quality Composite Score – Medical Group Results

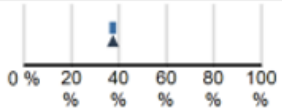
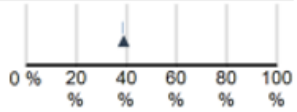
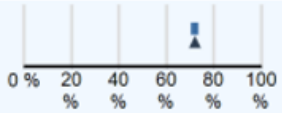
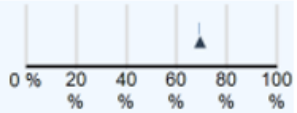
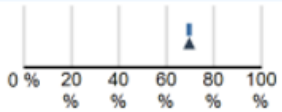
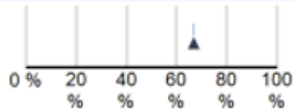
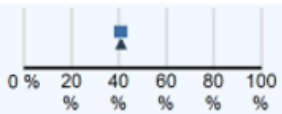
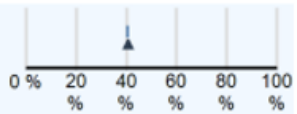
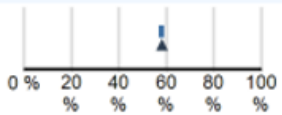
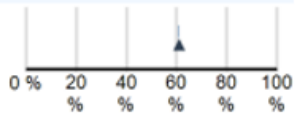
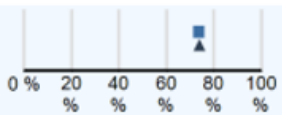
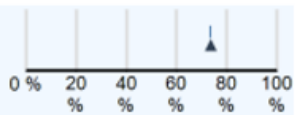
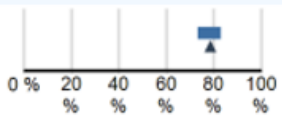
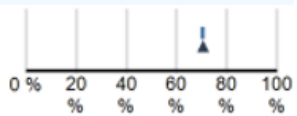
Medical Group	Composite Percentile	Composite Score
The Polyclinic	85.19%	1.045
Kaiser Permanente Washington	82.18%	0.922
Virginia Mason Medical Center	81.21%	0.886
University of Washington Medical Center	79.33%	0.818
Association of University Physicians, DBA UW Physicians	74.67%	0.664
Pacific Medical Centers	73.07%	0.615
Cancer Care Northwest	71.73%	0.575
Swedish Medical Group	68.96%	0.495
Southlake Clinic	67.40%	0.451
The Everett Clinic	66.80%	0.434
Columbia Medical Associates	66.15%	0.417
Overlake Medical Clinics	64.95%	0.384
Family Care Network	63.86%	0.355
Harborview Medical Center*	63.83%	0.354
Memorial Physicians, PLLC	63.81%	0.353
Providence Medical Group - Southwest	62.98%	0.331
Providence Medical Group- Southeast	62.84%	0.328
Providence Medical Group - Spokane*	62.41%	0.316
UW Medicine - Valley Medical Group	62.38%	0.315
Confluence Health Wenatchee Valley Hospital and Clinics	61.84%	0.301

Medical Group	Composite Percentile	Composite Score
MultiCare Rockwood Clinic	61.55%	0.294
PeaceHealth Medical Group*	61.26%	0.286
CHI Franciscan Medical Group*	60.31%	0.261
Pioneer Family Practice, PLLC	60.06%	0.255
Totem Lake Family Medicine	57.58%	0.191
Northwest Physicians Network	56.31%	0.159
MultiCare Health System	55.75%	0.145
Skagit Regional Health*	55.29%	0.133
EvergreenHealth Medical Group	55.27%	0.132
Providence Physicians Group	53.30%	0.083
Western Washington Medical Group	52.64%	0.066
Sound Family Medicine	51.96%	0.049
Kadlec Clinic	49.31%	-0.017
Tumwater Family Practice Clinic	46.47%	-0.089
Yakima Valley Farm Workers Clinic*	38.85%	-0.283
Neighborcare Health*	35.62%	-0.369
Whitman Medical Group	34.56%	-0.397
RCCH TRIOS HEALTH LLC*	34.27%	-0.405
Sea Mar Community Health Centers*	30.46%	-0.511

2021 Community Checkup Highlight: Quality Composite Scores.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Purchaser Use of Data and Market Comparisons

Measure	Supplier Performance				State Summary		
	Score	Rate	Denominator	Confidence Interval[1]	Rate	Denominator	Confidence Interval[1]
Adolescent well-care visits	■	37%	4,400		39%	200,104	
Breast cancer screening	●	72%	3,143		69%	234,860	
Cervical cancer screening	●	70%	7,227		67%	445,732	
Chlamydia screening	■	41%	1,145		41%	50,989	
Colon cancer screening	▼	58%	7,103		61%	482,161	
Well-child visits (ages 3-6 years)	■	74%	1,393		74%	59,909	
Well-child visits (in the first 15 months)	●	78%	265		71%	12,009	

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Variation in Pricing:
Adding Cost to the Transparency Mix





© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Price Variation and Spending Trend Reports

2019

Calculating Health Care Waste in Washington State (October 2019)



Oct. 2019 — In the latest edition of its First, Do No Harm series, we look at more than 9.5 million services from 2014 through 2017 and find that nearly half of patients received care that is considered low-value or wasteful, at an estimated cost of $703 million.

See our key findings

2019

Variation of Pricing for Inpatient Treatments in Washington State



Mar. 2019 — Washington Health Alliance analyzes inpatient treatments with few or no clinical complications to show the wide variation in prices across the state.

See our key findings

2019

Inpatient Spending Trends in Washington State



Mar. 2019 — For the first time, the Washington Health Alliance integrates spending trends into its data analysis to help answer the question "How has inpatient spending changed over time and why?"

See our key findings

www.wacommunitycheckup.org/highlights/

WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Price Variation for Common Inpatient Treatments

- Results are multi-payer – we do not reveal contract prices between a payer and provider
- Analyzed price variations for 171 distinct inpatient treatments for hospitals across WA
- Analysis includes both facility and professional fees
- We only looked at “minor severity” cases, using 3M APR-DRG grouper
- Seven inpatient treatments accounted for over half of spending
- There is a wide range of prices for the same treatment across hospitals AND within hospitals.
    - This means a patient paying the highest price could pay up to four times more than the patient who pays the lowest price.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Statewide Price Variation – Top 7 Spend

Prices based on actual allowed amounts, commercial insurance.

Inpatient Treatment – All "Minor Severity*"	Low	Median	High	Diff
Vaginal Delivery	$6,451	$11,060	$18,947	2.9
C-Section	$9,576	$16,459	$28,285	2.9
Normal newborn (Neonate >2499g)	$1,336	$2,495	$4,789	3.6
Knee Replacement Surgery	$15,910	$30,759	$51,749	3.3
Hip Replacement Surgery	$16,405	$31,988	$50,631	3.1
Dorsal and lumbar fusion surgery	$30,897	$60,620	$118,375	3.8
Cervical spinal fusion surgery	$19,370	$37,634	$68,747	3.5

Prices for CY 2016, based on actual allowed amounts (commercial). Cases below the 5% and above the upper 95% of the price range excluded.
*The analysis is limited to only those treatments considered "minor severity," meaning with few or no complications.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Too Much Low-Value Care in the US

25% of Total Health Care Spending **= WASTE***



Care Delivery Failure



Care Coordination Failure



Pricing Failure



Fraud & Abuse



Administrative Complexity



Over-treatment

*Shrank WH, Rogstad TL, Parekh N., Waste in the US Health Care System: Estimated Costs and Potential for Savings. *JAMA.* 2019;322(15):1501–1509. doi:10.1001/jama.2019.13978.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

And . . . We are Harming People

Physical Harm
Healthcare acquired infections
Surgical errors
Medication errors
Excessive radiation
False positives resulting in MORE . . .



Emotional Harm
Worry
Anxiety
Lower productivity
Absenteeism

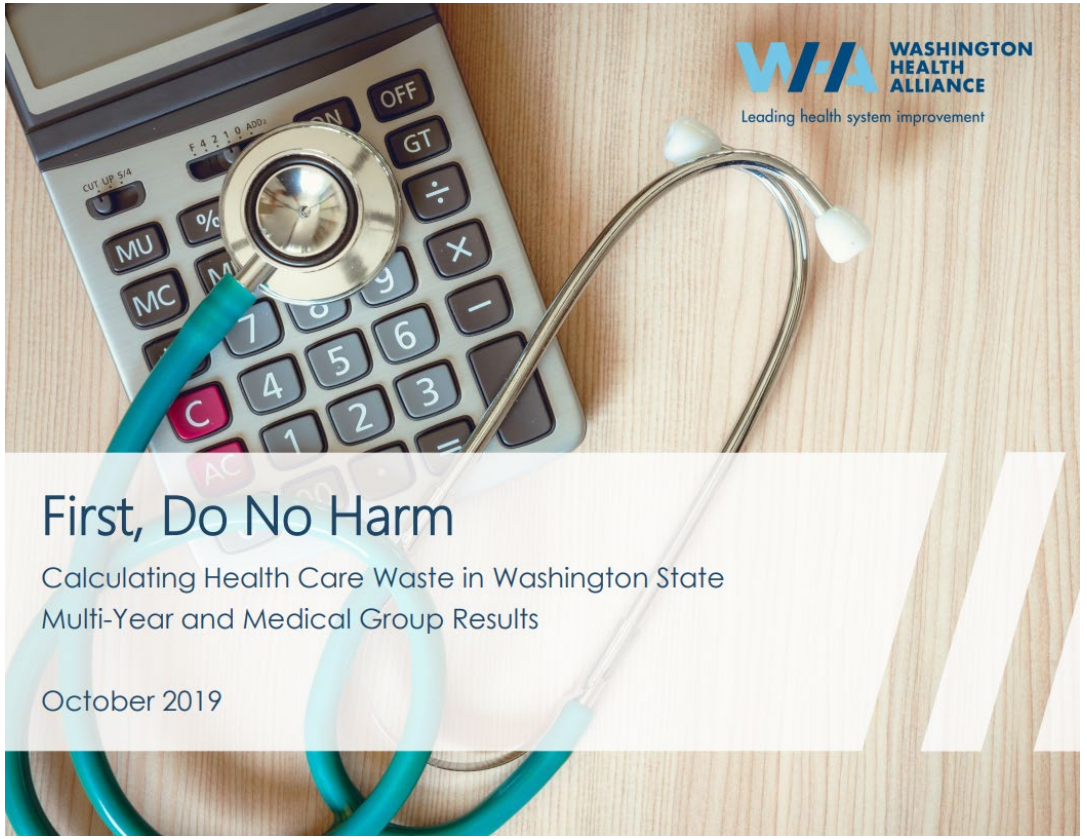




Financial Harm
Debt
Bankruptcy
Devastating trade-offs: food, medication and other health care, education, housing, employment

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

First, Do No Harm
Calculating Health Care Waste in Washington State
October 2019



Product of Milliman MedInsight Health Waste Calculator™

WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Defining and Quantifying "Waste"

Milliman MedInsight Health Waste Calculator™

- Analyzes claims data
- Uses 48 Choosing Wisely® Measures*
- Nuanced analysis considers individual circumstance

Necessary (not wasteful)

– The service was clinically appropriate

Likely Wasteful

– The appropriateness of the service should be questioned

Wasteful

– The service was very likely unnecessary and should not have occurred

*WHA state-level analysis used 47 of the 48 measures.

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Take-Aways



51% of services measured found to be low-value;



an average of **846,973** patients received at least one low-value service in each year;



an estimated **$703 million** was spent on low-value care on just these measures from 2014 through 2017; and

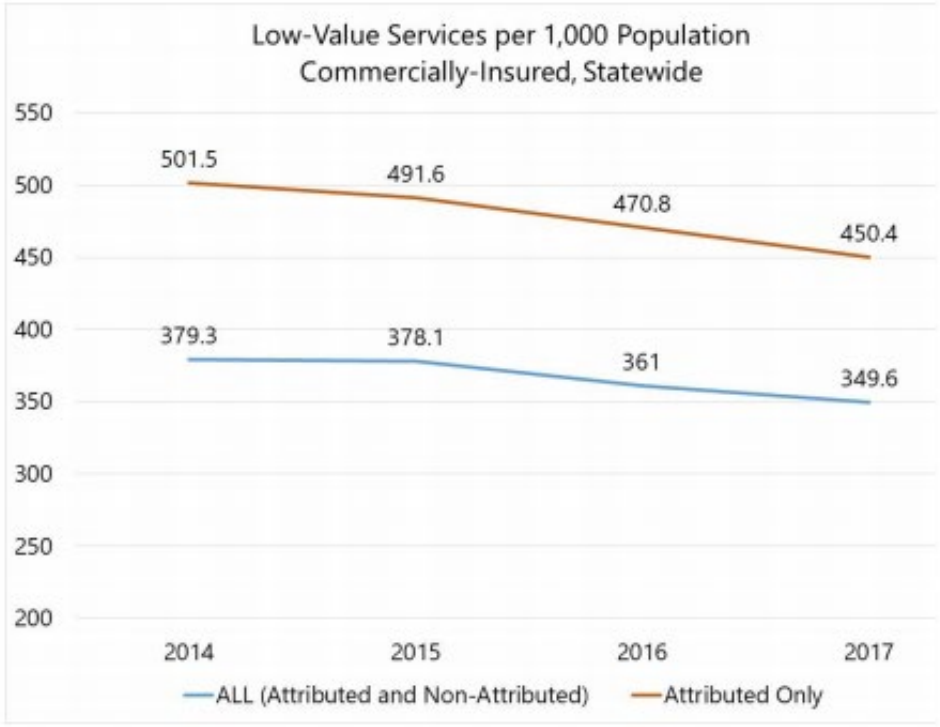


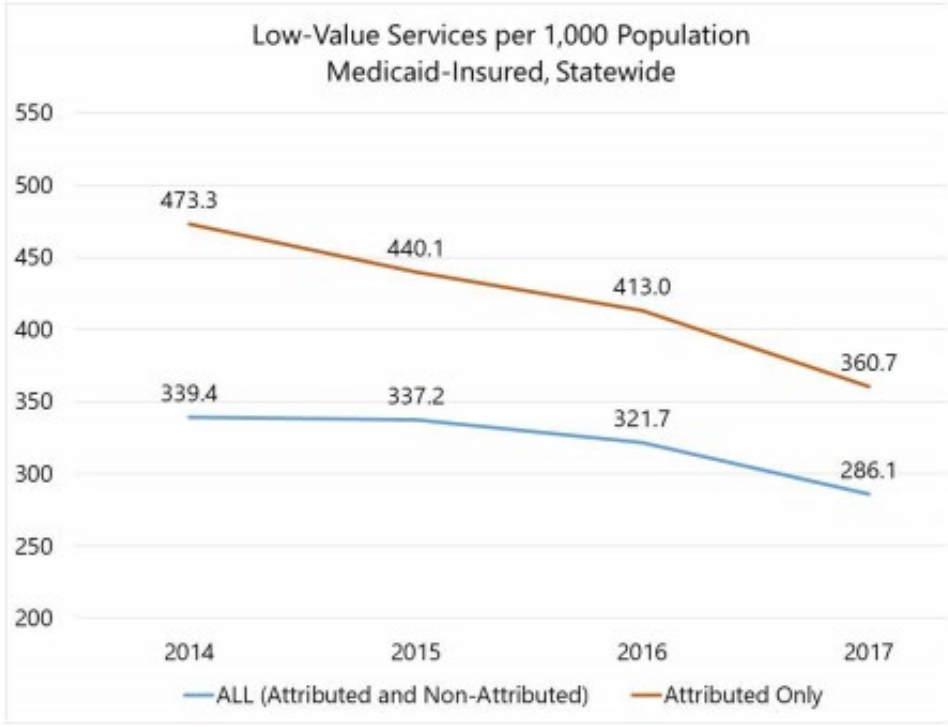
10 areas of low-value care accounted for more than 90% of the waste found in this analysis.

Product of Milliman MedInsight Health Waste Calculator™

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Statewide Trend
Low-Value Care Reduction from 1/2014 to 12/2017
10% Commercial 24% Medicaid

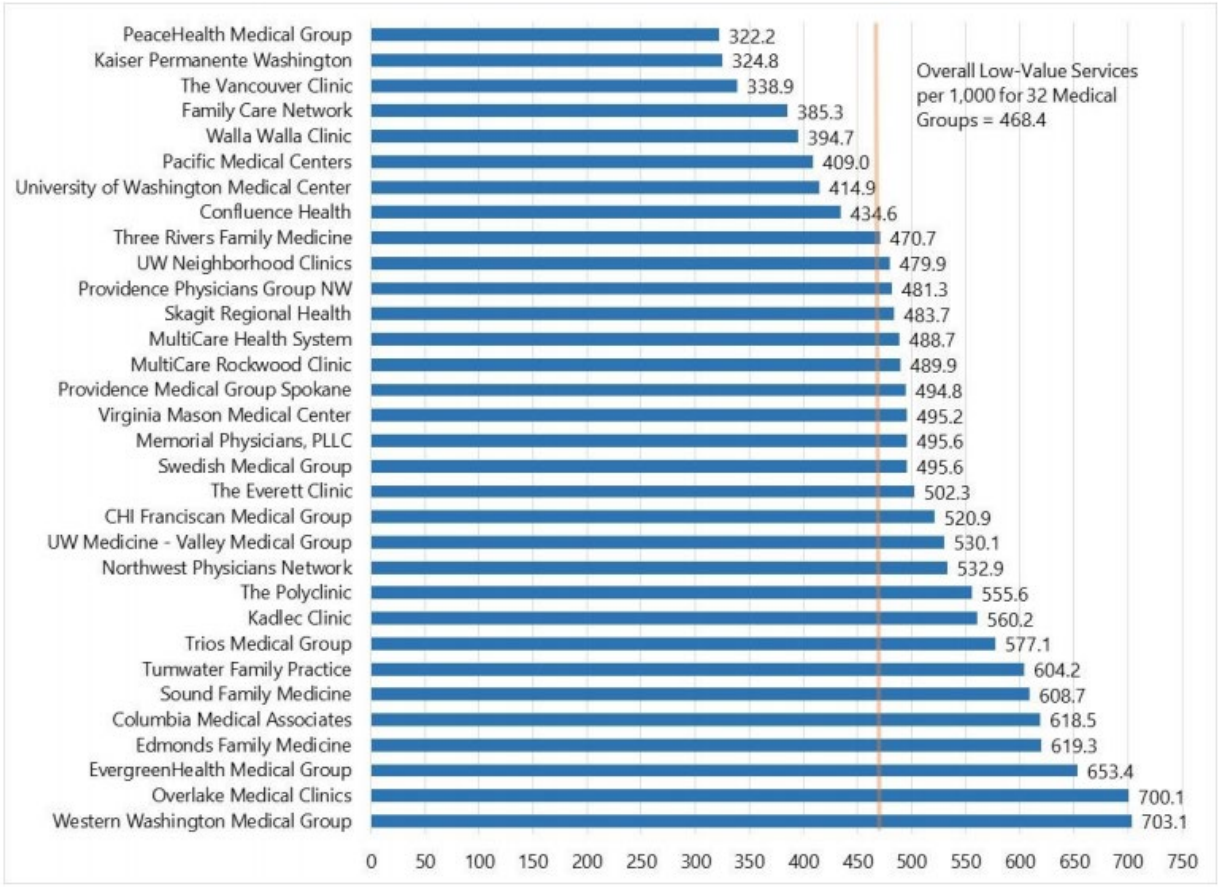




Product of Milliman MedInsight Health Waste Calculator™

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

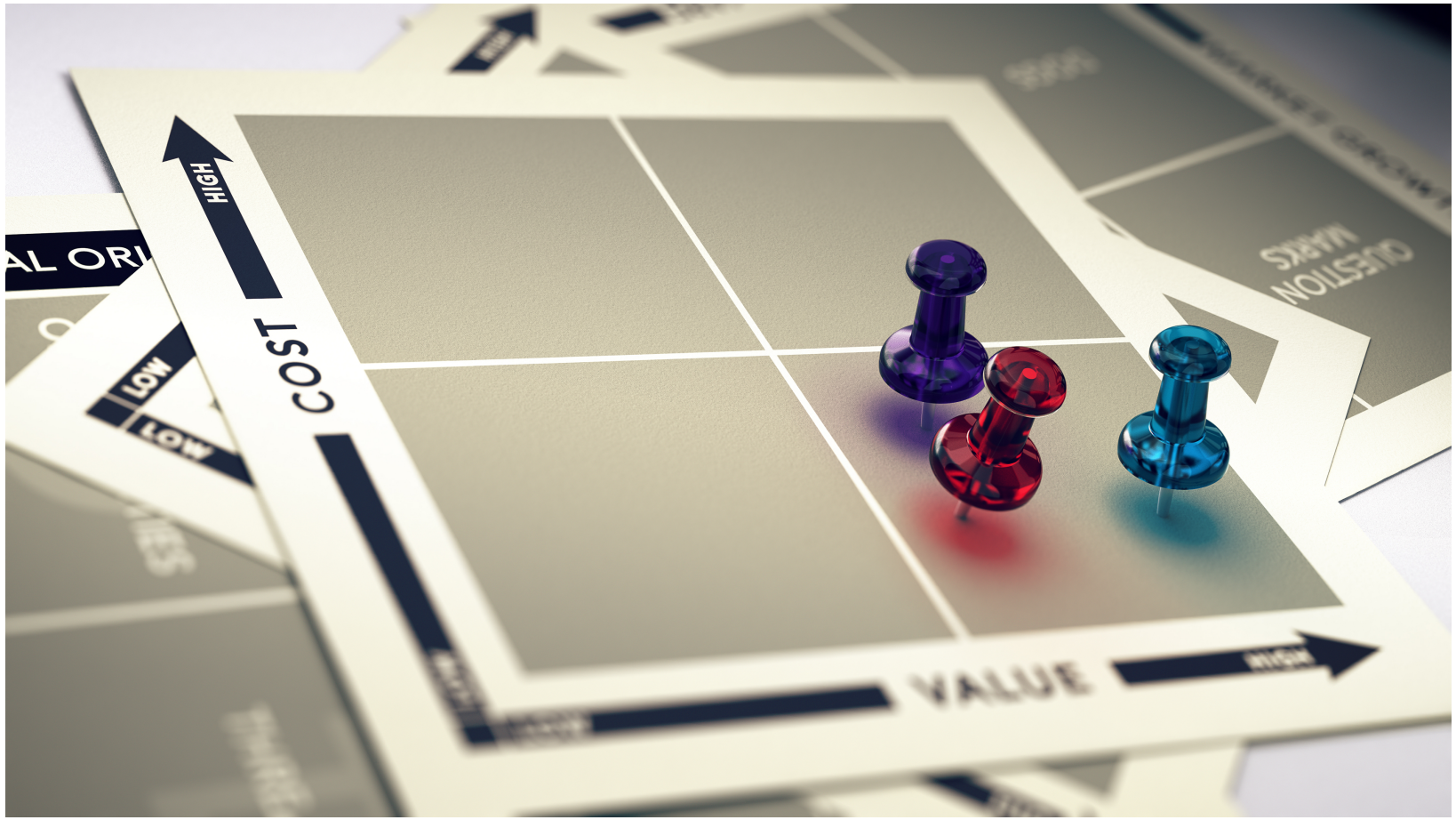
Medical Group Results Commercially-Insured Low-Value Services per 1,000



Product of Milliman MedInsight Health Waste Calculator™

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Driving Value Project



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Using The Tools in the Toolbox as Levers for Change



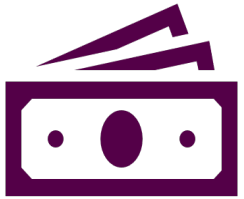
Quality Measurement

Clinical Appropriateness = High Quality



Practice Culture

Changing Practice Patterns



Provider Payment Models

Reward Smart Choices



Benefit Designs

Reward Smart Choices



Patient Engagement

Empower with tools and resources

Value-Based Framework = Aligned Incentives

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

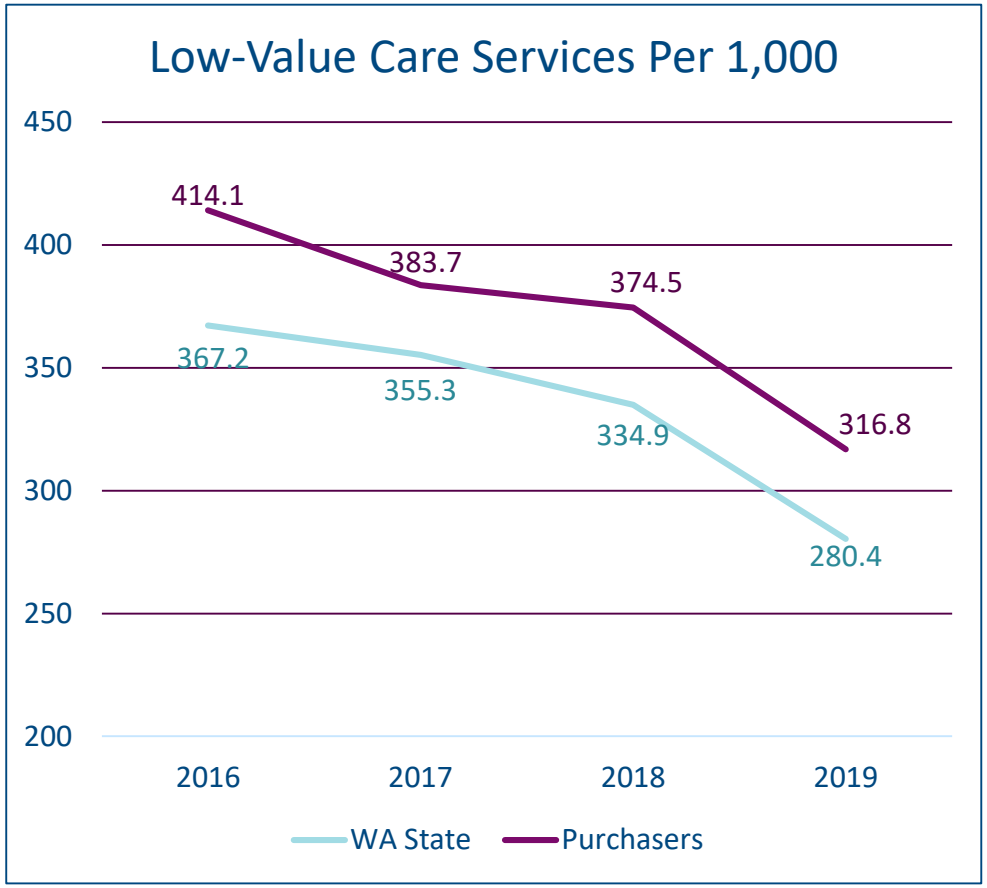
What We Found In The Data

(42-month period from 1/1/2016 – 6/30/2019)

~20% individuals received at least one low-value service

> $320 million was spent on low-value care by these eight purchasers

The average cost per low-value service is ~$129.00



© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

The top ten is the top ten…

1. Annual EKG or cardiac screening in individual who are low-risk and without symptoms (3)
2. Opiates for acute low back pain (1)
3. Antibiotics for URI and ear infections (2)
4. Pre-operative baseline lab studies prior to low-risk surgery in healthy individuals (5)
5. PSA-based screening for prostate cancer in men without specific indications (7)
6. Imaging tests for eye disease in the absence of significant eye disease (4)
7. Too frequent cervical cancer screening in women (8)
8. Routine general health checks in adults 18-64 (no other diagnosis) (N/A)
9. Screening for Vitamin D deficiency (9)
10. NSAIDS prescribed for adults with hypertension, heart failure or chronic kidney disease (10)

92%

of all low value care

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Low-Back Pain Implementation Collaborative

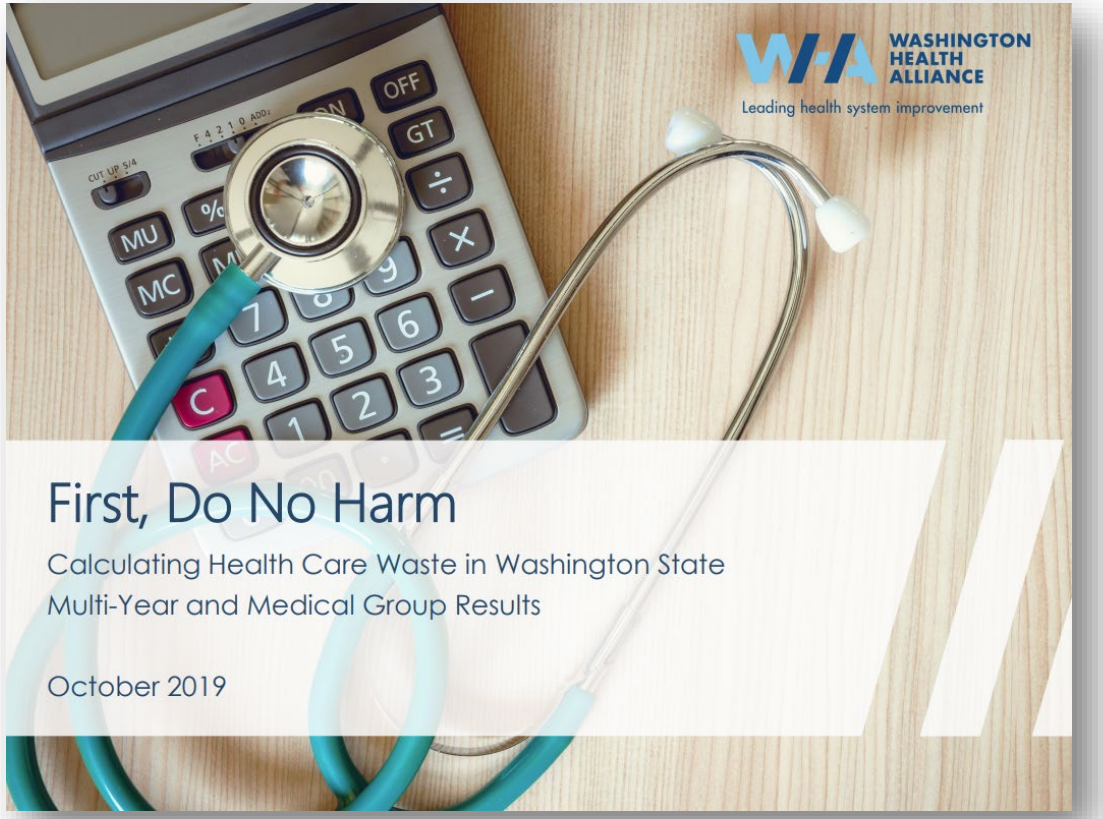
- Increase reliance on evidence-based non-opioid, non-invasive care
- Reduce inappropriate opioid prescribing
- Avoid unnecessary surgery

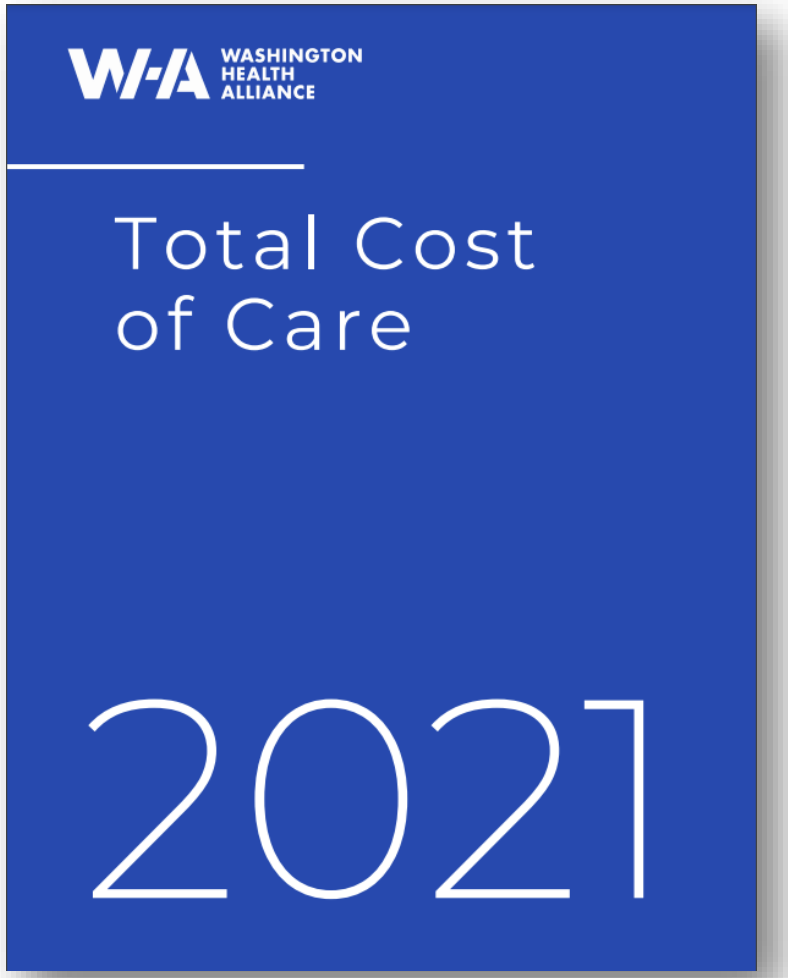


WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Evolution of a Major Alliance Initiative and Leveraging our BOD and Advisory Committees





© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

All Roads Start at the Annual Plan…



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

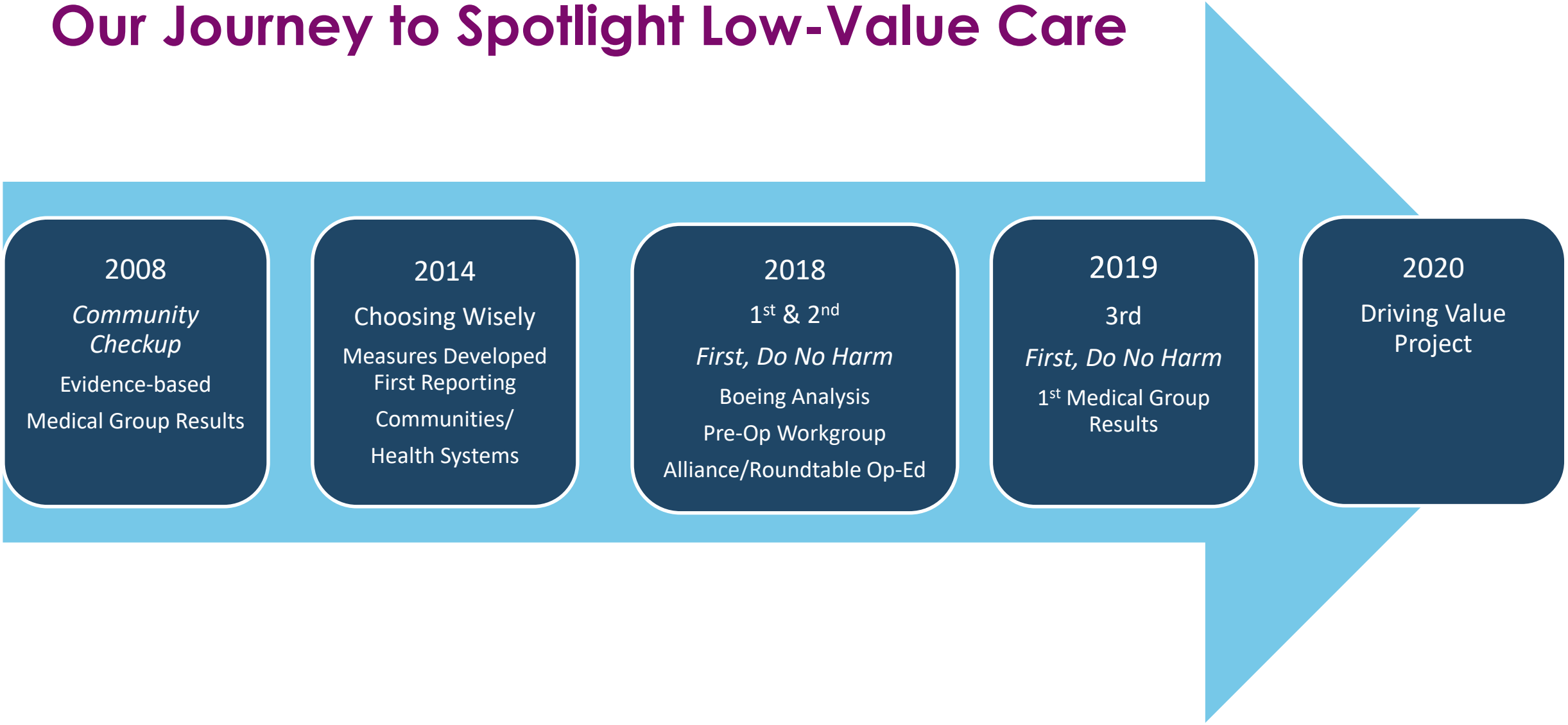
Our Work Builds on Past Initiatives



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Our Journey to Spotlight Low-Value Care



© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Process for Developing *First, Do No Harm* Report at the Medical Group Level



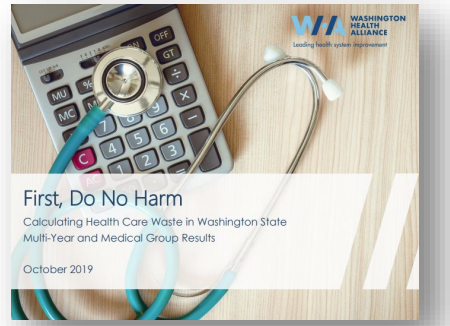








RELEASE



BOARD
Approves report in concept

HEC & QIC
Develop methodology
Review preliminary results
Approve unveiling of final results

PAG
Endorses concept
Reviews results

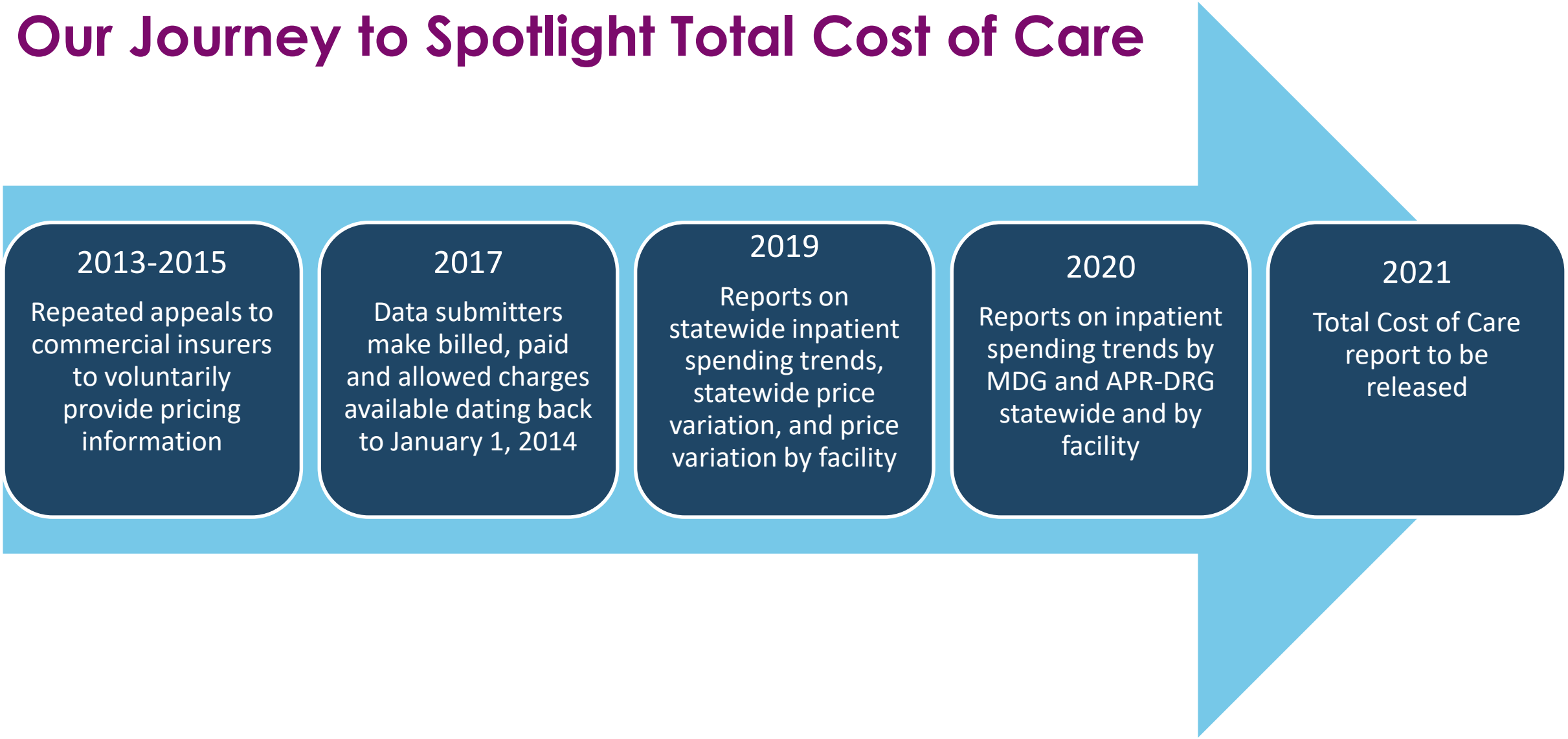
BOARD
Previews final results



CEC
Produces materials

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Our Journey to Spotlight Total Cost of Care



WASHINGTON HEALTH ALLIANCE

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Process for Developing Total Cost of Care Report



BOARD
Approves report in concept





HEC & QIC
Develop methodology
Review preliminary results
Incorporates feedback
Reviews final results

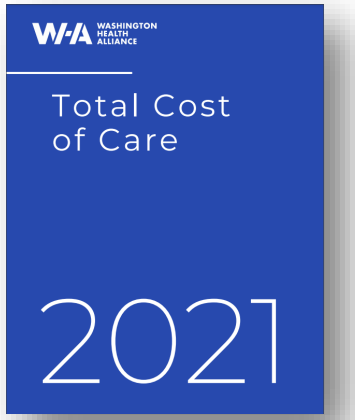


PRICING
Reviews concept & use cases
Makes recommendations
Approves methodology
Reviews preliminary results
Makes recommendations
Reviews & approves final results



BOARD
Previews final results

RELEASE





CEC
Produces materials

© 2021 Washington Health Alliance. Proprietary, all rights reserved.
This material may not be reproduced or modified without the prior permission of the Alliance.

Questions?
ngiunto@wahealthalliance.org

WASHINGTON HEALTH ALLIANCE

Leading health system improvement