Clinical Quality Measures: Private payer, PQRS and Meaningful Use

By [CONTRIBUTING WRITER](http://www.practicefusion.com/blog/clinical-quality-measures-clearing-the-confusion/#author-anchor), 26 July 2011

Clinical quality can be measured. And, if the measures used are done right, measuring quality can make a difference in health outcomes. However, the devil is in the details.

Clinical quality measures (CQM) has been around for a few decades, and many clinicians and hospitals have become familiar with this – it has become a part of every-day clinical life. However, there are hundreds of different things which have been measured by a variety of different stakeholders, and the result can be quite confusing. We will attempt to review this field, hoping to shed some clarity on an otherwise overwhelming ecosystem.

**The private payer arena**  
Like with payment for healthcare, two main arenas for CQM development have emerged: private and public/governmental. On the private side, numerous health plans have developed a performance-based segment of how they pay hospitals, medical groups and individual clinicians. Pay-for-performance (P4P) has been a prominent feature in a number of markets – for example, in California, the [Integrated Healthcare Association](http://www.iha.org/) (IHA) has emerged as a forum where health plans, physician groups and hospitals come together to agree on a unified set of performance measurements, so that performance-based “report cards” are all using the same evaluation measures. The criteria set used here are HEDIS (Healthcare Effectiveness Data and Information Set) measures, which are developed and managed by the [National Committee for Quality Assurance](http://www.ncqa.org/tabid/675/Default.aspx) (NCQA).

The NCQA is a private, non-profit organization that develops quality measures, comments on public policy, and conducts accreditation and certification of hospitals, health plans, physician organizations and numerous other entities. NCQA Recognition, for example, is needed by Patient-Centered Medical Homes (PCMH) in order to receive differential pay structures by various payers. PCMH quality measures, therefore, utilize the HEDIS measure set.

NCQA consistently raises the bar. Accredited health plans face a rigorous set of more than 60 standards, and must report in more than 40 areas in order to receive NCQA continuing accreditation. NCQA accredits health plans in every state, and these plans cover 109 million Americans, or 70.5% of all Americans enrolled in private health insurance.

**The public arena – PQRS**  
Separate from this, Medicare has developed a [Physician Quality Reporting System](http://www.practicefusion.com/pqrs/) (PQRS) – formally known as the Physician Quality Reporting Initiative (PQRI) – which has developed its own set of measures. Given that it is a Medicare (governmental) program, and the covered population are primarily people over the age of 65 (or younger, with chronic disabilities), the thrust of PQRS measures are focused on this population. As of 2011, there are [240 PQRS measures](https://www.cms.gov/PQRS/Downloads/2011_PhysQualRptg_MeasuresList_033111.pdf), grouped into [14 clinical Measure Groups](https://www.cms.gov/pqrs/downloads/2011_PhysQualRptg_MeasuresGroups_SpecificationsManual_033111.pdf?agree=yes&next=Accept).

The measure set used by PQRS comes from a number of sources, including many from NCQA. But the AMA and a number of specialty medical societies also contribute to the measure set.

Clinicians who see Medicare can participate in PQRS bonus payments by reporting specific claim codes (CPT-II codes) along with regular billing codes. There are a couple of options: (1) reporting on individual measures, or (2) reporting on a Measure Group. With individual measures, at least 3 (of the 240) measures are selected, and then at least 50% of all the “eligible encounters” for patients who fall into that measure category (e.g. diabetic patients) must have a CPT-II code (the numerator of the measure) submitted. With Measure Group reporting, a single G-code must be submitted that alerts Medicare that a specific Measure Group is being selected; subsequently all the measures in that group need to be reported upon, for a minimum of 30 patients during the course of the year.

Participation in PQRS results in a small bump in Medicare reimbursement rates (1%). There is a looming penalty phase here, which is important to note – [failure to participate](http://blogs.aafp.org/fpm/gettingpaid/entry/four_reasons_to_participate_in) satisfactorily in PQRS reporting by 2015 will result in a 1.5% reduction in Medicare payments.

**Meaningful Use CQM**  
The quality measures used by the [Meaningful Use](http://www.practicefusion.com/meaningful-use/) (EHR Incentive Program) are a set of 44 measures, developed specifically for the Meaningful Use program. Even though this program is administered by CMS (so payments run through Medicare or Medicaid), the population being measured is the entire population in the practice – after all, the intent of Meaningful Use is to encourage clinicians and hospitals to use EHRs everywhere they can.

The measures used for Meaningful Use CQMs are drawn from a non-profit umbrella organization, the [National Quality Forum](http://www.qualityforum.org/Home.aspx) (NQF). The NQF works with many organizations to (1) build consensus on national healthcare priorities, (2) endorse national consensus standards for measuring and reporting on performance, and (3) promote attainment of goals through education and outreach.

The NQF has a vetting process that makes sure the quality measures make a difference – that they are measurable, and that there is evidence that achievement has a positive impact on healthcare. Currently, the NQF has endorsed [685 different measures](http://www.qualityforum.org/Measures_List.aspx). Each measure has a “steward” which submits its criteria to the NQF for inclusion – the NCQA standards and the PQRS standards are all subsets of the NQF.

**Implications for EHR developers**  
The creation and vetting of quality measures is becoming more routine and systematized. The number of measures is vast, and a given health care organization (like a physician’s office) will need to select a small subset of measures to implement – for PQRS, one need select 3 Individual Measures, or 1 Measure Group; for Meaningful Use, one needs to select 3 core (or alternate core) measures, and 3 (out of 38) from the “menu” set. Other organizations may choose a different subset – medical groups that are involved in Pay for Performance, as well as Patient Centered Medical Homes, will need to measure a larger number of HEDIS measures; [ACOs will need to measure](http://www.practicefusion.com/ehrbloggers/2011/04/more-about-acos-clinical-quality.html) a set of 63 NQF criteria.

Clearly, tallying CQMs in an EHR will be a core feature of such technology going forward. Reporting directly out of an EHR will become an expected feature, and this type of reporting will gradually replace the more error-prone claims-based submission of the past. According to a study in [*Family Practice Management*](http://blogs.aafp.org/fpm/gettingpaid/entry/four_reasons_to_participate_in), the success rate for claims-based reporting of 3 individual PQRS measures was only 47%, whereas the success in more structured reporting (in this case, a Registry) was 97%.

At first EHRs will focus on the smaller set of Meaningful Use CQM items. It will be important, however, to build the reporting platform in a sufficiently flexible way so that it can be used for a larger set of measures – a HEDIS measure set, or a PQRS measure set. The NQF is committed to helping Health IT integrate CQM reporting by making the measures more systematic and structured; and EHR vendors need to build reporting engines that can consume these criteria easily. Flexible reports and printouts of patients needing attention, as well as Clinical Decision Support prompts that display when a given patient needs a particular intervention (a CQM reminder) – these are the kinds of things that will become regular features of EHRs in the coming few years.