The Leapfrog Group &
Catalyst for Payment Reform:
Early Elective Deliveries Webinar for
Employers & Purchasers

February 21st, 2012

Hosted by:
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Suzanne Delbanco, Executive Director, Catalyst for Payment Reform
The Leapfrog Group

• Members include healthcare purchasers, large employers, and business coalitions

• Focus is on getting healthcare right and assisting purchasers and consumers in making good decisions regarding the purchase of healthcare

• Leapfrog supports full transparency of performance in healthcare delivery; both quality of care and efficiency of care

• One of the vehicles for achieving these goals is the Leapfrog Hospital Survey
The Leapfrog Hospital Survey

• Serves interests of purchasers and consumers

• Is a dashboard of process, structural, and outcome measures that purchasers and consumers want and need

• Includes national measures not being publically reported anywhere else (i.e. early elective deliveries, ICU physician staffing, CPOE adoption, efficiency)

• The dashboard selection criteria include:
  – evidence base in peer reviewed literature
  – high impact on quality *without increasing costs*
  – harmonized with data hospitals already report to CMS, The Joint Commission, and other national and statewide organizations

• Provides public accountability and transparency of performance and drives behavior change in providers, purchasers, and consumers
Details on Press Release on 2011 Early Elective Delivery Data

- National release on January 25, 2012

- Data in the national release reflected on the aggregated hospital performance on the measure

- Hospital-level data available at: www.leapfroggroup.org/tooearlydeliveries

- National partnership with: Childbirth Connection, Institute for Healthcare Improvement (IHI), and Catalyst for Payment Reform

- National plans (Aetna, Cigna, UnitedHealthcare, Wellpoint) also sending communications to expectant moms educating them about the safety implications of electively delivering their infant early, with a link to Leapfrog’s data

- Also promoting March of Dimes website and materials
Early Elective Delivery Measure

• Measure: The proportion of a hospital’s newborns delivered with a gestational age between the 37th and 39th completed week, that were delivered electively

• Evidence reflects infants delivered before the 39th completed week of gestation have higher morbidity rates than those infants born at/after the 39th completed week of gestation

• Measure introduced to Leapfrog Hospital Survey in 2009

• 2011 measure fully aligned with Joint Commission perinatal measure specifications; some minor changes in exclusions for 2012.
Results from 2011 Hospital Submissions

• Since we launched the 2011 survey on April 1, 2011, 757 hospitals have reported on the elective deliveries measure.
• Of those hospitals, 39% reported an elective delivery rate of 5% or less. This is up from only 30% of hospitals that were able to meet this target last year.
• 65% of hospitals that reported in 2010 and then again in 2011 reported a reduction in their rate of elective deliveries.
• The national average rate has improved from 17% in 2010 to 14% in 2011.
• We’ve seen some impressive improvements across states as well…a sample of states is on next slide..
# State Rates of Elective Delivery

<table>
<thead>
<tr>
<th>State</th>
<th>2010 Elective Delivery Rate</th>
<th>2011 Elective Delivery Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>32.2%</td>
<td>19.5%</td>
</tr>
<tr>
<td>California</td>
<td>14.7%</td>
<td>11.2%</td>
</tr>
<tr>
<td>Florida</td>
<td>20.9%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Illinois</td>
<td>17.7%</td>
<td>13.7%</td>
</tr>
<tr>
<td>Indiana</td>
<td>26.5%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>14%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Michigan</td>
<td>14.3%</td>
<td>9.2%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>15.7%</td>
<td>11.7%</td>
</tr>
<tr>
<td>New York</td>
<td>22.8%</td>
<td>19.8%</td>
</tr>
<tr>
<td>Ohio</td>
<td>14.2%</td>
<td>7.6%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>27.8%</td>
<td>19.4%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>19.0%</td>
<td>14.9%</td>
</tr>
</tbody>
</table>
For More Information

• For more information on The Leapfrog Group: www.leapfroggroup.org

• For information on hospital performance on the Leapfrog Hospital Survey Early Elective Delivery measure  www.leapfroggroup.org/cp
Catalyzing Maternity Care Payment Reform Through Purchaser Leverage

February 21, 2012
CPR’s Approach

Shared Agenda

Demand payments be designed to cut waste or reflective of performance
- Track progress with National Scorecard
- 20% by 2020

Leverage purchasers and create alignment
- Model health plan RFI questions and contracts and dialogue with plans
- Alignment with CMS, e.g. HHS Partnership for Patients

Implement Innovations
- Price transparency
- Reference or value pricing
- Maternity care payment
Purchasers Have a Catalyst Role to Play

Coordinated Purchaser Action

Leverage Purchaser Power: Critical Mass

- Shared vision - payment reform framework & principles
- Aligned employer agenda - short term wins, longer-term bold approaches
- Clear signals to plans – RFIs and contracts
- Toolkit for local action – Market Assessment, Action Briefs, etc.

Environment Conducive to Reform

- Direct dialogue with HHS for alignment and influence
- National Scorecard on Payment
- Compendium of Payment Reform Efforts – what works?
- Analyze and raise visibility of provider market power and cost shifting issues

February 21, 2002
CPR Toolkit developed to create shared understanding of opportunities and to encourage actions that leverage payment to improve value.

- **Payment Framework**: Help purchasers understand range of payment models and associated benefits and challenges.
- **Action Briefs**: Outline steps to implement payment reforms and ways to mitigate potential unintended consequences.
- **Market Assessment**: Identify opportunities based on market conditions, health plan capacity, and delivery system organization.
- **Sourcing Tools**: Support purchaser initiatives through standardized RFI/RFP language and contract modules.

Plus, a National Scorecard to monitor the nation’s progress.

SPECIAL INITIATIVES
- Maternity Care Payment
- Value Pricing
- Price Transparency
Unnecessary interventions are increasing costs and the incidence of complications among both mothers and babies, with no evidence of improved outcomes.

Delivery Trends

- Cesarean delivery rates for the privately insured have now risen to over 32% in the U.S. (up from less than 20% in 1996)
- Induced labor has doubled since 1990 to about 20% of all deliveries

Payment Trends

- Perverse incentives: *cesarean delivery reimbursement averages 50% more than that for spontaneous vaginal birth*
CPR is working alongside Leapfrog to support employers and other health care purchasers, as well as health plans, to encourage adherence to clinical guidelines through payment reform.

The Leapfrog Group’s Hospital Rates of Early Scheduled Deliveries: measuring hospital’s percentage of non-medically indicated (without a medical reason) births between 37 and 39 weeks gestation, that were delivered by caesarean section or induction.
• Use health plan RFI & contract language
• Remove perverse incentives for intervention in labor and delivery
• Push for hard stop policies on elective births <39 weeks
• Include maternity metrics in P4P contracts
• Educate consumers, doctors and hospitals
• Credential midwives
• Stand by your plan
• Implement benefit design and shared decision making tools that support smart choices

CPR Action Briefs detail options & steps purchasers can take toward positive reforms
Health Plan Sourcing Tools: RFI Questions

General Questions

支付机制的影响

未来策略

测量绩效

产科护理支付

参考和价值定价

价格透明度

与Medicare的对齐

ACOs的监督

RFI开发通过全面、经过充分考量的多相关方流程

Distribution of the RFI is made possible through the support of Aetna Inc. and the Aetna Foundation.
RFI Questions: Maternity Care Payment

• The incidence/rate of and use of performance measures on:
  - Cesarean delivery
  - Births electively induced prior to 39 weeks
  - Vaginal births after cesarean delivery, etc.

• Strategies employed to address the rising rate of cesarean deliveries and inductions
  - Payment
    • Bundled payment
    • Blended payment for cesarean and vaginal deliveries
    • Payment incentives or penalties
    • Payment to midwives
  - Education
  - Policy
Outlines purchaser expectations

For use during renewals or as addendum

Focuses on value-oriented payment, transparency, provider competition and consumerism
Administrators must:

• Remove the established financial incentives for medically unnecessary intervention in labor and delivery

• Measure and report results

• Educate network about what constitutes high-quality, safe, cost-effective maternity care

• If successful, consider applying payment approach to other areas where care is not evidence-based
Aligning Incentives to the Evidence: Examples of Payment Alternatives

- Financial incentives to eliminate elective deliveries <39 weeks
  - Creating a “do not pay” policy for elective deliveries prior to 39 weeks

- Blended payment for delivery
  - Providing one case rate for delivery, regardless of mode, removes the financial incentives for unnecessary intervention in delivery

- New bundled payments for pregnancy
  - Option 1: Bundle the hospital birth payment and the professional (obstetrician or midwife) fee for labor and delivery into a single payment
  - Option 2: Bundle the hospital delivery payment for both mother and infant into a single payment
  - Option 3: A comprehensive, single bundled payment for a maternity care “episode”
More to Come

- **Dec 2011**: Reference/value pricing, price transparency, and maternity care payment RFI modules
- **Jan 2012**: Model health plan contract language
- **Spring 2012**: Market Assessment Tool
- **2012**: Quarterly engagement with health plans and benefits consultants
- **Spring 2012**: CPR National Scorecard and Compendium on Payment Reform
- **Fall 2012**: Report on maternity care costs
- **2013**: Initiative on ensuring provider competition

CPR Initiative on ensuring provider competition.

www.catalyzepaymentreform.org
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