

ValidationInstitute

2020 Validation Report

The Leapfrog Group







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Question/Intervention Goal/ Objectives

The Leapfrog Value-Based Purchasing Program creates composite scores reflecting each hospital's performance on safety, quality, and resource use standards, benchmarked nationally. Payers and purchasers can use the scores to compare how individual hospitals deliver value compared with peers nationally. From each composite score, payment can be calibrated to reward the highest performers. The ultimate goal of this program is for higher performing hospitals to be recognized and rewarded through various payment strategies, and for payers to have objective, consistent information upon which to gauge performance. Purchasers such as selfinsured entities can also utilize The Leapfrog Value Based Purchasing Program data to either tier or build a narrow network to either steer or concentrate volumes on better performing providers.



Method/ Calculation

The Value Based-Purchasing Program organizes the measures used in Leapfrog's national, annual hospital survey into six "domains:"

- Medication safety
- Inpatient Care Management
- Infections
- Maternity Care
- Inpatient Surgery, and
- Pediatric Care

Each hospital that participates in the Leapfrog Hospital Survey is automatically included in the Value-Based Purchasing Program so that individual hospitals can be compared on:

- VBP Measure Scores A score ranging from 0 (worst performance) to 100 (best performance) assigned to each measure in the Leapfrog Hospital Survey.
- VBP Domain Composite Scores A composite score for each domain, calculated by applying a relative weight to each measure score within the domain.
- VBP Value Composite Score An overall composite score combining all the weighted measure scores in all the domains.

The relative weights assigned to each measure are determined based on the number of patients affected by the measure, the severity of harm being measured or the potential harm when not following clinical



guidelines, and resource use (defined as excess cost or cost avoidance) related to the measure. These criteria align with value-based purchasing goals of achieving high quality at the right cost. For each measure in the composite, highest achievement nationally requires both highest quality and lowest use of resources.

For example, the composite includes several measures of healthcareassociated infections, which are weighted heavily. In term of excess cost, infections add excess cost by resulting in additional days in the hospital, additional medications to treat the infections, and readmission risks. In terms of severity of harm, some infections, like central-line associated blood stream infections, can result in severe disability or death. Thus, the Value Score reflects hospital performance on quality and safety measures known to cause significant harm and excess costs. The program's focus on safety and quality in hospitals is similar to <u>Medicare's Hospital VBP</u> program, which financially rewards hospitals for meeting benchmarks.

The data collection method is a nationally standardized methodology and follows established protocols to ensure reliability. The scoring methodology is the product of published literature and experts such as health economists and represents the priorities of employers and purchasers.



Findings/ Metric/ Outcome/ Savings

This validation is focused on the reliability of the data collected and its connection to value-based purchasing. As such, there are not findings.

Limitations

Responding to the Leapfrog Hospital Survey is voluntary. It is possible that non-responding hospitals, approximately half the hospitals nationally, have differing levels of quality, safety, and value. The composite scores in the Leapfrog Value-Based Purchasing Program compare hospitals against a national benchmark to identify the lowest to highest performance, but the benchmarks cannot incorporate the performance of the non-responding hospitals.



Validation

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