

Consumer-Purchaser ALLIANCE

Better information. Better decisions. Better health care.

September 8, 2015

Patrick Conway, MD, MSc
Deputy Administrator and Chief Medical Officer
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

RE: CMS-5516-P; Comprehensive Care for Joint Replacement Model for Acute Care Hospitals Furnishing Lower Extremity Joint Replacement Services

Dear Dr. Conway:

The Consumer-Purchaser Alliance appreciates the opportunity to comment on the proposed rule regarding the Comprehensive Care for Joint Replacement (CCJR) model, CMS-5516-P. The Consumer-Purchaser Alliance is a collaboration of leading consumer, labor, and employer organizations committed to improving the quality and affordability of health care through the use of performance information to guide consumer choice, payment, and quality improvement.

We believe that a high-value health system requires value-driven payment arrangements and we applaud CMS for pursuing opportunities to spread value-based payment to more providers. Alternative payment models should result in better health outcomes, improved care coordination, and decreased costs. To that end, we support the focus on reducing variation in the delivery of care and in the cost of care.

Our constituents have seen success using episode-based payment models to improve health outcomes and the value of care; this success has come in tandem with lessons learned about how to implement such programs. Our comments below focus on the proposals regarding quality performance thresholds and the collection of patient-reported outcome information. For additional comments on the overall direction and other specific details of the CCJR model, please see the comment letters from the National Partnership for Women & Families and the Pacific Business Group on Health.

www.consumerpurchaser.org

Pacific Business Group on Health
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National Partnership for Women & Families
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1. Make the collection of patient reported outcome measures mandatory, or significantly increase incentives around their collection; rapidly disclose them to the public.

Capturing and publishing patient reported outcomes (PROs) is central to the success of a value-based purchasing program like CCJR. PROs measure what is important to patients: the impact of their health or their treatment on their overall quality of life and daily activities.¹ In the context of a care delivery model, risk-adjusted information on patient levels of pain and functional limitation help patients and their families, as well as purchasers implementing these programs, to know whether a provider or facility is delivering what matters most to patients. Given the importance of using PROs for improvement, transparency, and accountability in CCJR, we support mandatory collection and rewards that go beyond the agency's "break even" estimate, including per case incentives and additional discounts.

While the Consumer-Purchaser Alliance applauds CMS' very ambitious PRO completion rate for CCJR cases, the agency may want to revisit its specific target to 50 percent, at least in the initial three to four years of the program. In a joint replacement bundle program and a joint replacement registry administered by the Pacific Business Group on Health, post-op rates of PRO completion fell between 30 to 50 percent.² CMS should address the issue by setting an ambitious but achievable threshold of 50 percent and then facilitating collaboration among hospitals regarding best practices for increasing patient completion of the PRO tool.

2. Require higher quality performance by increasing thresholds and incentives.

We applaud CMS for requiring hospitals to meet quality thresholds that reflect clinical outcomes and patient experience of care. Value-based purchasing requires rewarding facilities that are excellent on important quality measures and significantly incentivizing improvement among those that are not. A well-established body of health services research demonstrates that better quality performance often leads to lower costs. The Employers Centers of Excellence Network (ECEN), including a bundled payment model for hip and knee replacements, collects and reviews both hospital- and orthopedic surgeon-level quality metrics annually. CMS should

¹ Hopkins D and Eames Huff, J. "Action Brief: Patient-Reported Outcomes," Consumer-Purchaser Alliance, July 2015, available from http://consumerpurchaser.org/files/CPA_Patient-ReportedOutcomesBrief_05.pdf.

² For more information about the Employer Centers of Excellence Network (ECEN) and the California Joint Replacement Registry (CJRR), please contact William Kramer, Executive Director for National Health Policy at the Pacific Business Group on Health and Co-Chair of the Consumer-Purchaser Alliance.

strongly consider increasing existing thresholds and rewarding those facilities who perform particularly well.

Rewarding hospitals that do the same as or better than the bottom 30 percent of facilities on any one measure does not meet the face validity requirement for a value-based purchasing program. In fact, any benchmark below the 75th percentile probably does not reflect high quality of care. However, given the mandatory nature of the program, CMS should expect hospitals to perform in the 30th percentile on the existing quality measures in the first year; the 40th percentile threshold should be accelerated to year two; and a new 50th percentile threshold should be added beginning in year four of the program. Those hospitals performing particularly well (75th percentile or higher) could be given additional incentives.

While the proposed quality thresholds are likely inciting negative feedback from some stakeholders, hospitals have been assessed on these measures for many years in other CMS programs. Facilities know their performance; they know 50 out of 100 can meet each proposed target in four years; and they know best practices for improving.

Thank you again for the opportunity to provide comments. Although it won't solve the problems of out-of-control spending and inconsistent quality of care by itself, the new mandatory payment model is an important step in improving our nation's health care system. It will help increase transparency, standardize care, and improve quality while stabilizing pricing. CCJR may not be the ultimate solution, but it points the way to a dramatic transformation of how health care works.

If you have any questions, please contact either of the Consumer-Purchaser Alliance co-chairs, William Kramer, Executive Director for National Health Policy at the Pacific Business Group on Health, or Debra Ness, President of the National Partnership for Women & Families.

Sincerely,

The Consumer-Purchaser Alliance