Practice Trends

RHEUMATOLOGY NEWS • May 2005

# MDs Caution CMS on Measuring Performance

BY JOYCE FRIEDEN
Associate Editor. Practice Trends

WASHINGTON — The Centers for Medicare and Medicaid Services is jumping on the pay-for-performance bandwagon, but members of a physician advisory group warned CMS officials to be careful how they go about it.

"I'm only hoping that you'll structure this so that the quality indicators will be that you've [performed] certain processes, not necessarily the outcome [of them]," said Laura B. Powers, M.D., a Knoxville, Tenn., neurologist and member of the Practicing Physicians Advisory Council.

For example, outcomes are not good in terminal patients, Dr. Powers told this newspaper. "What outcome are they going to measure with an amyotrophic lateral sclerosis patient who is definitely going to die?" she said. Instead, Medicare should assess whether the physician has followed appropriate standards of care for terminal patients.

Trent Haywood, M.D., acting deputy chief clinical officer at the agency, said CMS has debated that very issue. "There has been a lot of discussion about what is the right thing [to measure]. We've always said that we think it's both," he said. "We definitely want process measures ... and the current financial structure is also easier for measuring processes, because that's the way we traditionally pay people."

However, he added, "our goal is toward getting some evidence of outcomes. The process measures we normally collect are always related to outcomes."

Council member Peter Grimm, D.O., a radiation oncologist in Seattle, said he believes that outcomes are the most important thing to measure. "You have to have outcomes as the bottom line," said Dr. Grimm, who runs a quality assurance business involving 300 physicians. "I don't care how people get there. I just care that they get there."

In his testimony to the council, Dr. Haywood outlined the various steps Medicare

is taking to introduce pay for performance into physician reimbursement, including demonstration projects with hospitals and group practices.

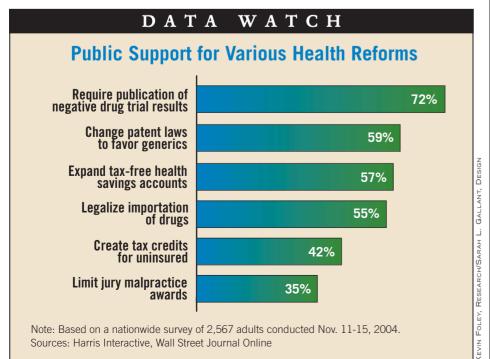
Geraldine O'Shea, D.O., an internist in Jackson, Calif., said that she is concerned about the impact of pay for performance on the doctor-patient relationship. "Could it discourage physicians from caring for noncompliant patients?"

There are different ways to address patient compliance, Dr. Haywood said. "If you lean more heavily on process measures, that takes care of part of that problem, because those process measures look at whether you prescribed something or did something. But because we still want to look at outcomes measurement, we also talk about ways in which you allow that patient to be excluded. You can have documentation saying, 'Provided counseling and patient refused.'"

Council member Barbara McAneney, M.D., an oncologist in Albuquerque, N.M., said she was concerned about the expense of the computer system that would be required for physicians to keep track of their outcomes data.

"The most recent quote I got for the EMR that can provide the functions I want ... for a practice of nine physicians, they want \$400,000," she continued. "Well, my Medicare drug money just went away, the physician fee schedule is going down, and the [Medicare payment formula] is going to nail us 30% over the next 6 years. Where am I going to find \$400,000 to put in an EMR that I can search and find all stage II breast cancer patients, and see whether they got their chemotherapy, and how they are doing, and by the way, how many of them are on Vioxx, and I have got to call them up and get them off it? All these kinds of issues are really going to have to be addressed."

Dr. Haywood agreed. "We've started to map out strategies to address some of those issues." The agency is considering certifying EMR systems to help physicians decide which ones to purchase, he noted.



## POLICY & PRACTICE-

#### **Understanding Vitamin D**

More than half of women aged over 50 years reported that they have not discussed vitamin D with their physicians, according to a national survey released by the Society for Women's Health Research. The society also found that women over 50 may lack an overall understanding of the importance of vitamin D to bone health. About 46% said they felt vitamin D was "extremely important" for maintaining bone health, compared with 72% who said they felt that way about calcium. One in six women (16%) said they thought vitamin D was "somewhat important" or "not important at all" for bone health, compared with 4% for calcium. The nationwide survey was conducted in February and included responses from 492 women aged 50 years and older. "These survey results should serve as a wakeup call for women over 50 to talk to their doctors about the importance of vitamin D as it relates to overall bone health due to the impact of vitamin D insufficiency on calcium absorption, bone loss, and fracture risk," said Felicia Cosman, M.D., clinical director of the National Osteoporosis Foundation.

### **Risk Minimization Guidance**

The Food and Drug Administration has released three guidance documents to help industry improve its methods of assessing and monitoring the risks associated with drugs and biologic products in clinical development and general use. One document addresses risk minimization action plans (RiskMAPs) that industry could use to address specific risk-related goals and objectives. How the new guidance protocols would specifically address a drug with red safety flags such as Vioxx (rofecoxib), "is hard to speculate," Paul J. Seligman, M.D., director of the Office of Pharmacoepidemiology and Statistical Science with the FDA's Center for Drug Evaluation and Research, said at a press conference. "It would be difficult for us to come up with a drug that would allow us to walk through the guidances," as all drugs need to be evaluated on a case-by-case basis, Dr. Seligman said.

#### **Top 'Fortified' Cities**

Bethesda, Frederick, and Gaithersburg, Md., have the distinction of being at the top of a list of the most "fortified" cities in a new ranking from the General Nutrition Centers (GNC) based on vitamin intake and other nutritional factors. GNC, a global retailer of nutritional supplements, determined its rankings by looking at fruit and vegetable intake in 94 sampled markets, along with per capita GNC multivitamin sales in those areas. Wichita and Topeka in Kansas topped the list of least fortified cities. "One trend we noticed is that participating markets in the East seemed to rank high, while the Midwest and Southern markets ranked toward the bottom," said Susan Trimbo, Ph.D., senior vice president of scientific affairs at GNC. "The results seem to indicate that people in the East

consume more fruits, vegetables, and multivitamins." A complete ranking of the 94 markets is available online at www.gnc.com.

#### **Trading Choice for Savings**

More patients are willing to limit their choice of physicians and hospitals to save on out-of-pocket medical costs, the Center for Studying Health System Change (HSC) reported. Between 2001 and 2003, the proportion of workingage Americans with employer health coverage willing to make this trade-off increased from 55% to 59%—after the rate had been stable since 1997, the study found. Low-income consumers were the most willing to give up provider choice in return for lower cost. In addition, the proportion of chronically ill working-age adults with employer coverage who are willing to trade choice for lower costs rose from 51% in 2001 to 56% in 2003. The study's findings were based on HSC's Community Tracking Household Survey. In 2003, the survey included 20,500 adults aged 18-64 with employer-sponsored health coverage; in 2001, it included 28,000 workingage adults with employer coverage.

#### **Part B Costs Expected to Rise**

Payments for Medicare Part B services—coverage for physician visits and outpatient services—are expected to grow at an annual average rate of about 6.9% over the next 10 years, the program's trustees announced in their annual report. More use of services like office visits and lab and diagnostic tests account for the accelerated growth in Part B costs-and needs further detailed examination, said Mark McClellan, M.D., administrator of the Centers for Medicare and Medicaid Services. Medicare's hospital fund in the meantime isn't expected to dry out until 2020, 1 year later than estimated in last year's report. "However, if you look at historical projections, President Bush has presided over an unprecedented drop in solvency," countered Rep. Pete Stark (D-Calif.), ranking Democrat on the House Ways and Means health subcommittee, in a statement.

#### **Report on Health Care Disparities**

Disparities related to race, ethnicity, and socioeconomic status continue to plague the health care system, according to the 2004 National Healthcare Disparities Report from the Agency for Healthcare Research and Quality. Using comparable data from 2000 and 2001, researchers analyzed 38 measures of effectiveness for health care and 31 measures of access to care. Of the measures tracked for these two consecutive years, AHRQ found that blacks received poorer quality of care than whites for about two-thirds of the quality measures and had worse access to care than whites for about 40% of access measures. Hispanics, Asians, American Indians, and Alaska natives also scored lower than whites on quality measures and access

-Mary Ellen Schneider