VIRGINIA CENTER FOR HEALTH INNOVATION

Improving Virginia Health Care Value

Beth A. Bortz, President and CEO

ABOUT VCHI

Founded in 2012 as a 501(c)3 non-profit.

Mission: To accelerate the adoption of value-driven models of wellness and healthcare.

Governed by a diverse, multi-stakeholder board of directors.

VCHI Board and Leadership Council

AARP Virginia
Advocate Health
Aetna
Anthem
APC
Augusta Health
Aviant Health
Ballad Health
Biogen
Boehringer-Ingelheim
Bon Secours Virginia
Carilion
Centra Health
Cigna
Commonwealth of Va
Dominion Energy

GIST Healthcare
GlaxoSmithKline
HCA Virginia
Inova Health System
Johnson & Johnson
LabCorp
Maxim Healthcare Services
MSV Foundation
Merck
Novo Nordisk
Optima
PATH Foundation
Patient First
Pfizer
PhRMA
Privia Health

Riverside Health System
Sanofi
Sentara
UnitedHealthcare
UVA Health Care System
Va Academy of Family Physicians
Va Association of Health Plans
VCU Health
Virginia Health Care Foundation
Va Hospital and Healthcare Assn
Va Oral Health Coalition
Va Community Healthcare Association
Va Council of Nurse Practitioners
Virginia Nurses Association
Virginia Premier
Walgreens
Westrock

Our Work

VCHI improves value in health care by focusing on four core services. These are:

Convening and Educating Stakeholders interested in accelerating the adoption of value-driven models of wellness and healthcare in an effort to improve patient outcomes and advance Virginia's well-being and economic competitiveness.

Overseeing and Facilitating Demonstration Research to test and evaluate models of value-driven wellness and health care.

Leveraging Data and Analytical Resources that educate and equip health care providers, public health professionals, government representatives, community organizations, employers, and consumers to make more informed decisions.

Helping Prepare the Health Care Workforce and the Public for a high quality, value-driven health care marketplace which features engaged and satisfied clinicians and patients.

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The Virginia Story

- Virginia first identified reducing low value health care as a top priority in 2014 as part of its *State Innovation Model* (SIM) Design work through a contract with the Centers for Medicare and Medicaid Innovation (CMMI).
  - Employer community strongly advocated for establishing baseline data to guide our work.
  - Provider community advanced using the national Choosing Wisely campaign as a primary reference for identifying low value care.
- VCHI partnered with Virginia Health Information, administrator of the Virginia All Payer Claims Database, the VBID Center, and Milliman MedInsight to develop the baseline data.
- The Health Waste Calculator was utilized and Virginia became the first state in the nation to generate meaningful data as to its low value care reduction targets.
- Annual Reports have been generated for 3 years now.

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Our Most Recent Results

Health Waste Calculator (Version 6, 42 Measures), Data for ~5M Virginians, includes Medicare, Medicaid and about 50% of the Commercial Market

	January 2018
Reporting Period	2016
Number of Measures	42
CMS Data Included?	Yes
Dollars Spent on Unnecessary Services	$706 million per year
Unnecessary Services Identified	2.05 million per year

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What the Data Tell Us

41% of members exposed to 1+ low service

37% of services measured were low value

$11.13 PMPM in unnecessary claims

Top 5 Measures by Percent of Low Value Dollars for Virginia	RISK OF HARM	% of Low Value Dollars	Average Proxy Cost Per Service	Low Value Index
Don't obtain baseline laboratory studies in patients without significant systemic disease undergoing low-risk surgery.	L	28%	476.07	83%
Don't routinely order imaging tests for patients without symptoms or signs of significant eye disease.	L	24%	398.54	66%
Don't place peripherally inserted central catheters (PICC) in stage III-V CKD patients without consulting nephrology	H	8%	18,528.37	81%
Don't order annual electrocardiograms (EKGs) or any other cardiac screening for low-risk patients without symptoms.	M	7%	305.38	8%
Don't perform routine head CT scans for emergency room visits for severe dizziness	L	4%	1,732.25	68%

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Statewide Data Begins to Create A National Stir

COSTS & SPENDING

By John N. Mafi, Kyle Russell, Beth A. Bortz, Marcos Dachary, William A. Hazel Jr., and A. Mark Fendrick

DOI: 10.1377/hlthaff.2017.0385
HEALTH AFFAIRS 36,
NO. 10 (2017): 1701–1704
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The People-to-People Health
Foundation, Inc.

DATAWATCH

Low-Cost, High-Volume Health Services Contribute The Most To Unnecessary Health Spending

An analysis of data for 2014 about forty-four low-value health services in the Virginia All Payer Claims Database revealed more than $586 million in unnecessary costs. Among these low-value services, those that were low and very low cost ($538 or less per service) were delivered far more frequently than services that were high and very high cost ($539 or more). The combined costs of the former group were nearly twice those of the latter (65 percent versus 35 percent).

Health Affairs article, ***"Low-Cost, High Volume Services Contribute The Most To Unnecessary Health Spending"***, was the 3rd most read Health Article in 2017.

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What Happened Then…Partners Got Activated

- Data shared over and over with focus groups – opportunity for everyone to "kick the tires"
- Organization specific reports requested by the Virginia State Employee Health Plan, Medicaid, Virginia's 5 health planning regions, individual health systems, federally qualified health centers
- Creation of a Virginia Health Value Dashboard, where the reduction of low value care is one of three aims. Funding for the Dashboard provided by the Virginia General Assembly.
- Funding sought to advance a health system learning collaborative and an employer low value care task force
- Virginia Governor and Secretaries of Health and Human Resources and Administration fully engaged

The Virginia Health Value Dashboard

AIM 1 – Reducing Low Value Care

- Utilization and Cost of Avoidable Emergency Department Visits
- Low Value Care "Top Four" Tests and Procedures (4 of the National Top 5)
- PQI Discharges as a Percentage of Total Hospital Discharges: Avoidable Hospital Stays for Ambulatory Sensitive Conditions per 100,000 Persons

AIM 2 – Increasing High Value Care

- Children and Adolescents Current with Appropriate Vaccination Schedules
- Screening and Treatment of Virginia's Diabetic and Pre-Diabetic Population
- Clinically Appropriate Cancer Screening Rates

Aim 3 – Insuring We Have the Infrastructure to Measure and Reward Value

- Commercial in-Network Payments that are Value-Oriented (CPR Partnership)
- Claims in Virginia's All Payer Claims Database
- Value-Oriented Payments that Place Doctors and Hospitals at Financial Risk for Their Performance (CPR)

A Snapshot of the Dashboard Data on Low Value Care 2016

STATEWIDE 2016

REDUCING LOW VALUE CARE	Numerator	Denominator	Rate
Utilization and Cost of Avoidable Emergency Room Visits			
Potentially Avoidable ED Visits - As a Percentage of Total ED Visits	204,112	1,525,336	13%
Potentially Avoidable ED Visits - Per 1,000 Member Months	204,112	63,466	3.2
Potentially Avoidable ED Visits - Per Member Per Year	204,112	5,288,861	0.04
Low Value Services as Captured by the MedInsight Health Waste Calculator			
Don't obtain baseline laboratory studies in patients without significant systemic disease (ASA I or II) undergoing low-risk surgery – specifically complete blood count, basic or comprehensive metabolic panel, coagulation studies when blood loss (or fluid shifts) is/are expected to be minimal	417,580	504,827	83%
Don't obtain EKG, chest X-rays or pulmonary function test in patients without significant systemic disease (ASA I or II) undergoing low-risk surgery	32,518	426,836	8%
Don't perform population based screening for 25-OH-Vitamin D deficiency	123,950	487,412	25%
Don't perform PSA-based screening for prostate cancer in all men regardless of age	203,230	270,514	75%
Don't do imaging for low back pain within the first six weeks, unless red flags are present	31,670	41,304	77%
Inappropriate Preventable Hospital Stays			
Prevention Quality Indicator #90: Prevention Quality Overall Composite Rate (per 100,000 population)	79,463	3,678,939	2,160

STATE AND REGIONAL COMPARISON 2016

Legend
- ● (green) = Better than statewide rate
- ● (yellow) = Same as statewide rate
- ● (red) = Worse than statewide rate

REDUCING LOW VALUE CARE	Statewide	Northwest	Northern	Southwest	Central	Eastern
Utilization and Cost of Avoidable Emergency Room Visits						
Potentially Avoidable ED Visits - As a Percentage of Total ED Visits	13%	● green	● green	● red	● red	● red
Potentially Avoidable ED Visits - Per 1,000 Member Months	3.2	● green	● green	● red	● red	● red
Potentially Avoidable ED Visits - Per Member Per Year	0.04	● green	● green	● red	● red	● red
Low Value Services as Captured by the MedInsight Health Waste Calculator						
Don't obtain baseline laboratory studies in patients without significant systemic disease (ASA I or II) undergoing low-risk surgery – specifically complete blood count, basic or comprehensive metabolic panel, coagulation studies when blood loss (or fluid shifts) is/are expected to be minimal	83%	● yellow	● red	● green	● green	● yellow
Don't obtain EKG, chest X-rays or pulmonary function test in patients without significant systemic disease (ASA I or II) undergoing low-risk surgery	8%	● yellow	● red	● green	● green	● green
Don't perform population based screening for 25-OH-Vitamin D deficiency	25%	● green	● red	● green	● green	● green
Don't perform PSA-based screening for prostate cancer in all men regardless of age	75%	● green	● red	● red	● green	● green
Don't do imaging for low back pain within the first six weeks, unless red flags are present	77%	● green	● green	● green	● red	● green
Inappropriate Preventable Hospital Stays						
Prevention Quality Indicator #90: Prevention Quality Overall Composite Rate (per 100,000 population)	2,160	● red	● green	● red	● red	● red

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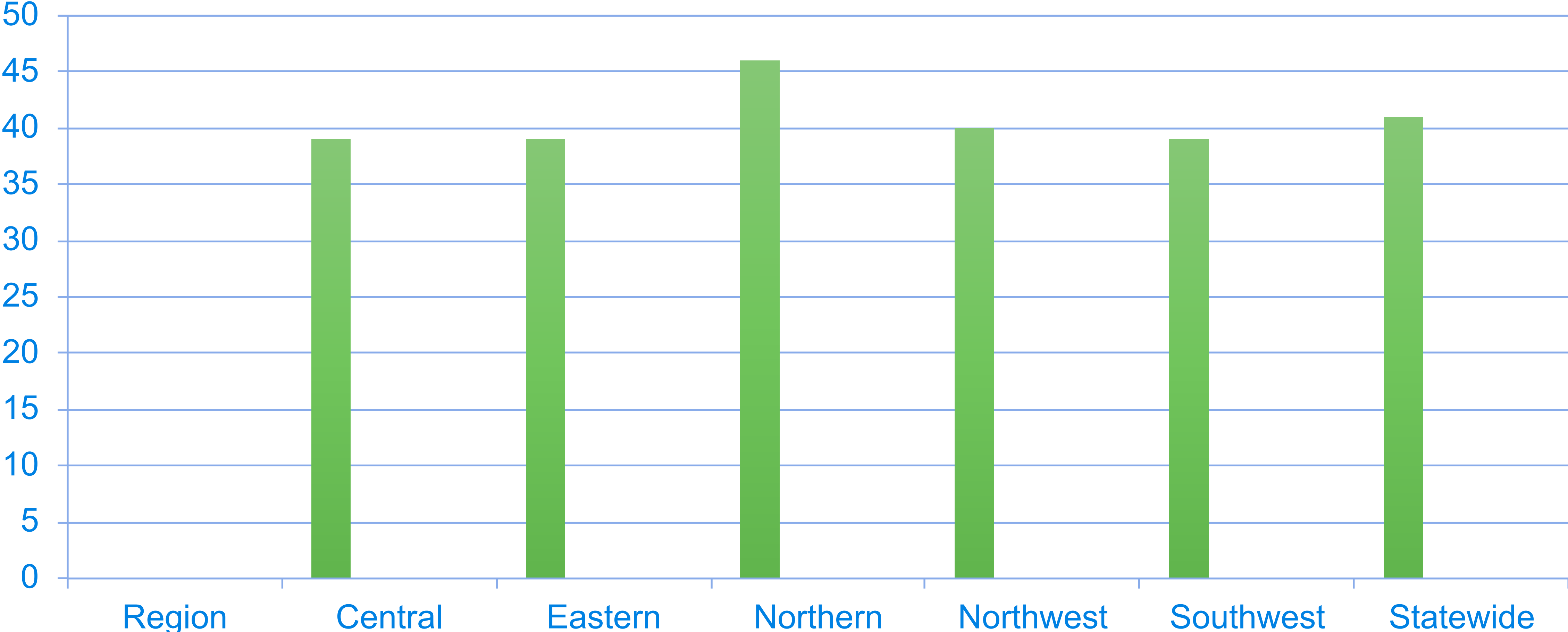
A Deeper Drive: Look Into Variations in Outcomes



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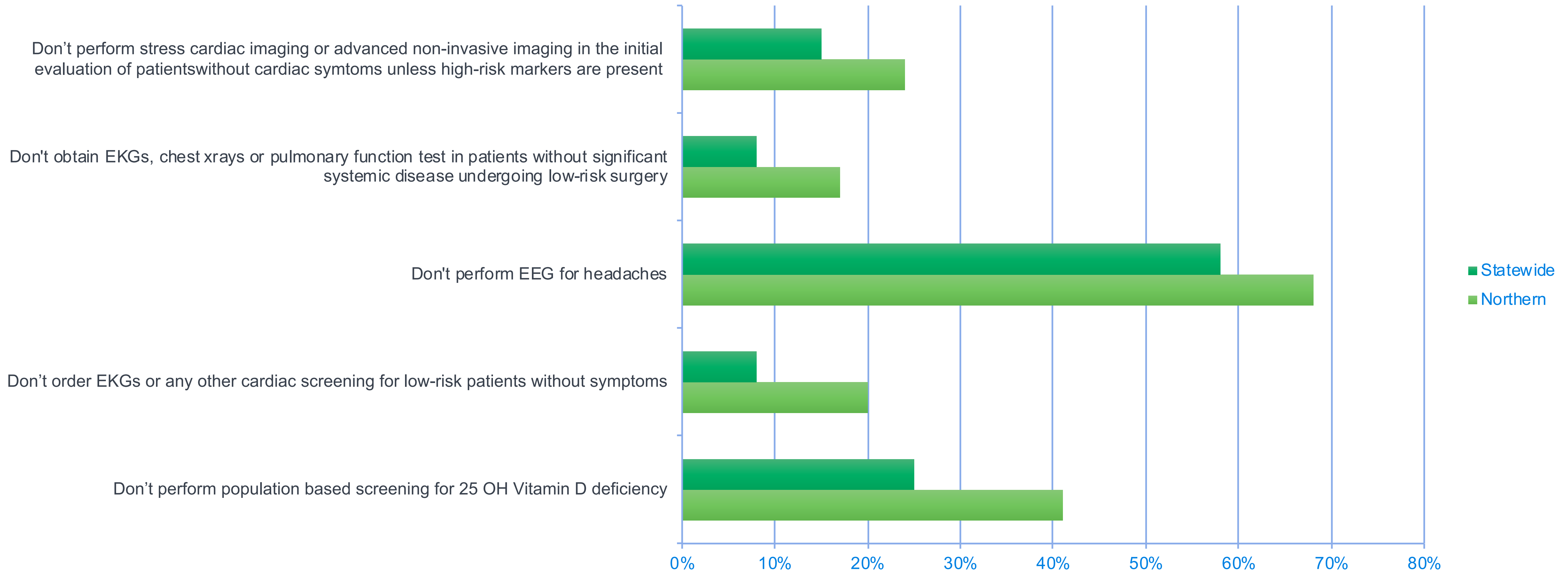
Variation in Low Value Index Scores between Virginia and Northern Virginia



Next Steps

- Expand data reports to more providers – seeing performance is the first necessary step!
- Secure grant funding to activate demonstration projects with key partners: health systems, FQHCs, Medicaid, employers, health plans
- State government uses its role as a large purchaser to require reductions in low value health care in contracting

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