

Evaluation of a Pilot Initiative to Measure Total Cost of Care

The Client

The Robert Wood Johnson Foundation (RWJF)

The Challenge

Seeking to assess a pilot project aimed at addressing healthcare costs at a regional level, RWJF commissioned Health Management Associates to evaluate the Total Cost of Care Phase I Pilot, identify promising practices, and highlight critical lessons.

The Approach

The Robert Wood Johnson Foundation (RWJF) funded five regional healthcare improvement collaboratives (RHICs) to implement the Total Cost of Care and Resource Use (TCOC) framework, engage stakeholders, and publicly report TCOC measures using multi-payer commercial data. RWJF also funded the Network for Regional Healthcare Improvement (NRHI) to lead and coordinate this work and to establish national benchmarks for cross-regional analysis.

HMA conducted a qualitative evaluation between December 2014 and December 2015. The evaluation included:

- a review of background materials about RHIC activities and NRHI reports and memos, and attendance at two NRHI meetings featuring presentations from RHIC leaders;
- in-depth, semi-structured interviews via telephone and two site visits with key informants in the five regions and NRHI. We interviewed TCOC project directors, data analysts, physicians, health plan representatives, employers, consumer advocates, and other stakeholders, focusing on the collaboratives' and stakeholders' experiences planning and implementing the pilot;
- preparation of five, site-specific case studies of each RHIC's experience, and a cross-cutting synthesis report summarizing the approaches, accomplishments and promising strategies, challenges, perceived impact, and lessons learned.

The Results

The evaluation found the following:

- Each RHIC's specific approaches and progress varied according to pre-existing data collection infrastructure, stakeholder dynamics and the local healthcare environment.
- All of the collaboratives successfully engaged stakeholders in serious conversations about the potential benefits of cost transparency. With strong project management and technical

assistance, by mid-2015 the five RHICs analyzed multi-payer data, and produced and shared TCOC measures with physician groups or practices. One RHIC had reported TCOC ratings publicly, while the others were planning to do so and considering how to publicly report in light of stakeholder skepticism about the data or their value for consumers.

- All of the RHICs experienced challenges related to data quality issues, physician concerns, and questions about how best to make the reporting actionable for physicians and other audiences.
- The evaluation identified successful strategies such as use of a data quality checklist and inviting physicians to help design and plan the project. Also, the evaluation highlights the importance of: allowing sufficient time for planning and stakeholder engagement; incorporating technical assistance to assure data quality; seeking physician input and feedback for making TCOC reports actionable; and collaborating with other RHICs to accelerate progress.

These lessons may be applied to expanding TCOC efforts as well as to other regionally-based health care transparency and reform initiatives. The findings were incorporated into NRHI curriculum for regional collaboratives beginning similar initiatives, and disseminated through a webinar, press release, and publications.

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