Healthcare IT News

CDH plans need IT-generated metrics

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After a short-lived slowdown during the late 1990s, current increases in healthcare costs returned to their historically high levels. These escalating costs put tremendous pressure on employers to remain competitive in global markets. With managed care plans having failed to deliver the sustainable cost savings first envisioned, employers are looking to payers to develop innovative offerings that better manage all healthcare costs. Recent federal legislation coupled with strong support from the current administration is fueling the growth of high deductible consumer directed healthcare programs.

CDH programs offer patients great control over the level of care and the resources utilized in the treatment of any of their illnesses. Although CDH program details vary greatly, common elements include high first-dollar out-of–pocket costs for enrollees and the establishment of some form of health savings account which can be used to meet any out-of pocket costs. In addition, funds that go unused in any particular year can often be rolled-over to the next year to be used if needed. Some of these health savings accounts (HSAs) are similar to IRAs where the funds can be invested to generate returns until they are needed for care.

With more choices falling to the consumer, patients face the difficult task of identifying those providers that offer the best care at the best price. In traditional plans, patients have few incentives to be concerned about cost and often trust the treating physician to recommend the best specialists. In CDH plans, the cost-value ratio becomes much more important.

Without easy to understand and accurate provider evaluations, consumers will be unable to effectively utilize CDH programs to maximize benefits derived from the money they spend on care. This will in turn lead to dissatisfied enrollees, and ultimately, inadequate market penetration by these programs.

For CDH programs to be successful, program underwriters must offer enrollees two critical pieces of information: 1) Quality and patient safety data on providers, and 2) Episode of cost data for most high-cost and frequently utilized procedures. This information must be accurate, up-to-date and reliable.

Under our current healthcare system where most of our clinical information is locked up in paper-based or non-interoperable clinical information technology systems, consumers struggle to obtain reliable and comparable reporting on costs and quality. Fortunately, the movement to clinical IT systems in both the ambulatory and in-patient settings, coupled with the investment and building of interoperability models, offers some promise that accurate and useful reporting data will be generated.

A cross section of professionals from research institutions, payer organizations, government and provider entities are working to identify those metrics that provide the greatest value. To be useful, these metrics must represent a true measure of value while avoiding scoring systems that falsely represent real or unsupported differences. Reporting systems that utilize single numerical representations of quality or overall value should be avoided. Instead, reporting systems provide the most value when they offer matrix information, detailing numerous aspects of care. Each patient has different values which drive personal choices. Reporting systems must provide information that can be synthesized by the individual, and easily utilized to form conclusions and make healthcare decisions.

Interoperability, and its increased availability, is making clinical data more accessible and interchangeable. At the same time, the availability of more robust quality and cost data is becoming more critical. Without the summaries and metrics that can be generated from these newly available patient clinical databases, it would be impossible for enrollees in CDH programs to competently manage their care under the new financial realities of such programs.

To make CDH programs work, enrollees need the critical quality and cost metrics that only interoperable clinical information technology systems can provide. The robust investment in these systems is coming at just about the right time.

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