

Provider Scoring Methodology Overview

The BCBS and Coupe Health **Network Optimization** initiative focuses on developing new and/or enhancing existing national BCBS provider networks, programs, and/or resources to enable the following BCBS and Coupe Health Strategic Pillars:

- ✓ Integrated, Affordable Healthcare
- ✓ Healthier Lives
- ✓ Convenient Seamless Experience
- ✓ Market Leadership

As part of Network Optimization initiative, BCBS and Coupe Health created a new data asset, the **Blue National Physician Performance Dataset**. The Dataset was created in response to market demand for a nationally consistent approach to evaluate physician performance. It will be used to leverage in national solutions enabling increased utilization of higher value providers or providers delivering higher quality, more appropriate, and more efficient care. Physician performance is inclusive of facility quality and outcomes so utilization of top performing physicians aligns with top performing facilities.

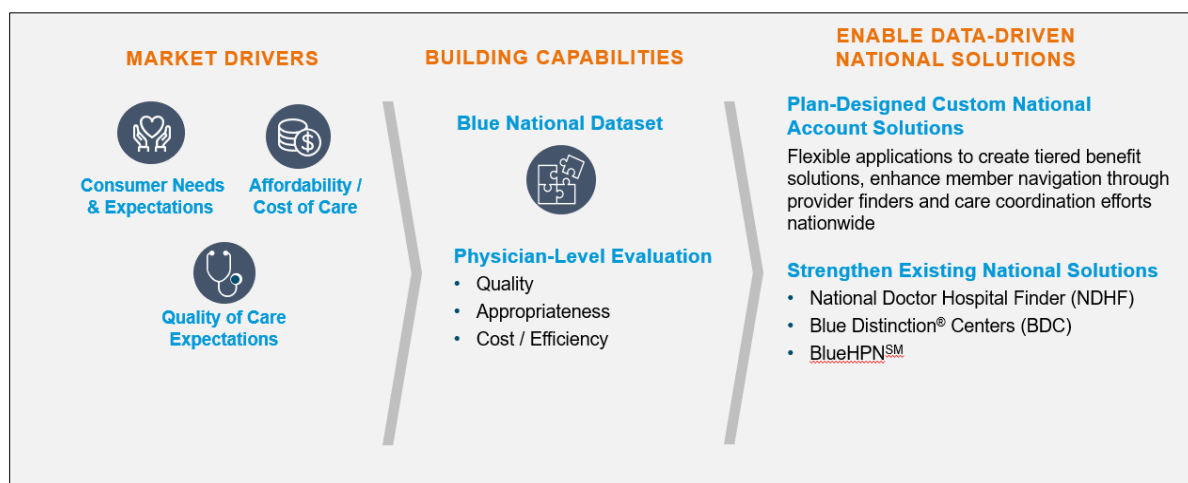


Figure 1

Dataset Design

BCBSA's approach for designing this dataset was driven by key stakeholder perspectives:

- **Employers** want their employees to have access to a **consistent solution across geographies**.
- **Providers** want to be **fairly and consistently evaluated** regardless of the payor or employer.
- **Blue System/Plans** want to tell national accounts a strong story of how we **guide members to the best providers and generate savings regardless of their location** and maintain **strong relationships with providers**.

To do this, BCBSA has engaged Blue Health Intelligence (BHI) and Motive Medical Intelligence (Motive) to deliver the performance insights across twenty (20) specialty areas, including primary care.

Cardiothoracic Surgery	Ophthalmology
Cardiovascular Disease	Otolaryngology
Obstetrics & Gynecology	Urology
Orthopedics	Nephrology
Primary Care	Oncology
Endocrinology	Pediatrics
Gastroenterology	Psychiatry
Pulmonology	Radiation Oncology
Surgery	Rheumatology
Neurology	Vascular Surgery

Motive is responsible for providing quality and appropriateness insights through their Practicing Wisely Solutions product.

- The Appropriateness of Care (AOC) domain measures the physician's evidence-based decision making and the elimination of unnecessary, wasteful, and low value care.
- The Quality of Care (QOC) domain measures the provider's adherence with guideline-directed care and avoidance of surgical complications.

BHI is responsible for providing the cost of care / efficiency evaluation, and is responsible for creating the combined dataset, establishing a consistent approach for placing evaluated physicians into performance bands, flagging provider inclusion in national networks (e.g., BlueHPN) and national programs (e.g., Blue Distinction Centers), and the addition of key Blue Provider Data identifiers.

- The cost of care evaluation approach includes procedure episode costs, condition episode costs, and total cost of care measures that are applied as indicated for the identified specialty types. Over time, the number of specialty areas with cost measurement will increase.
- Performance bands are applied to each evaluation domain (AOC, QOC, and cost of care) across each specialty type.

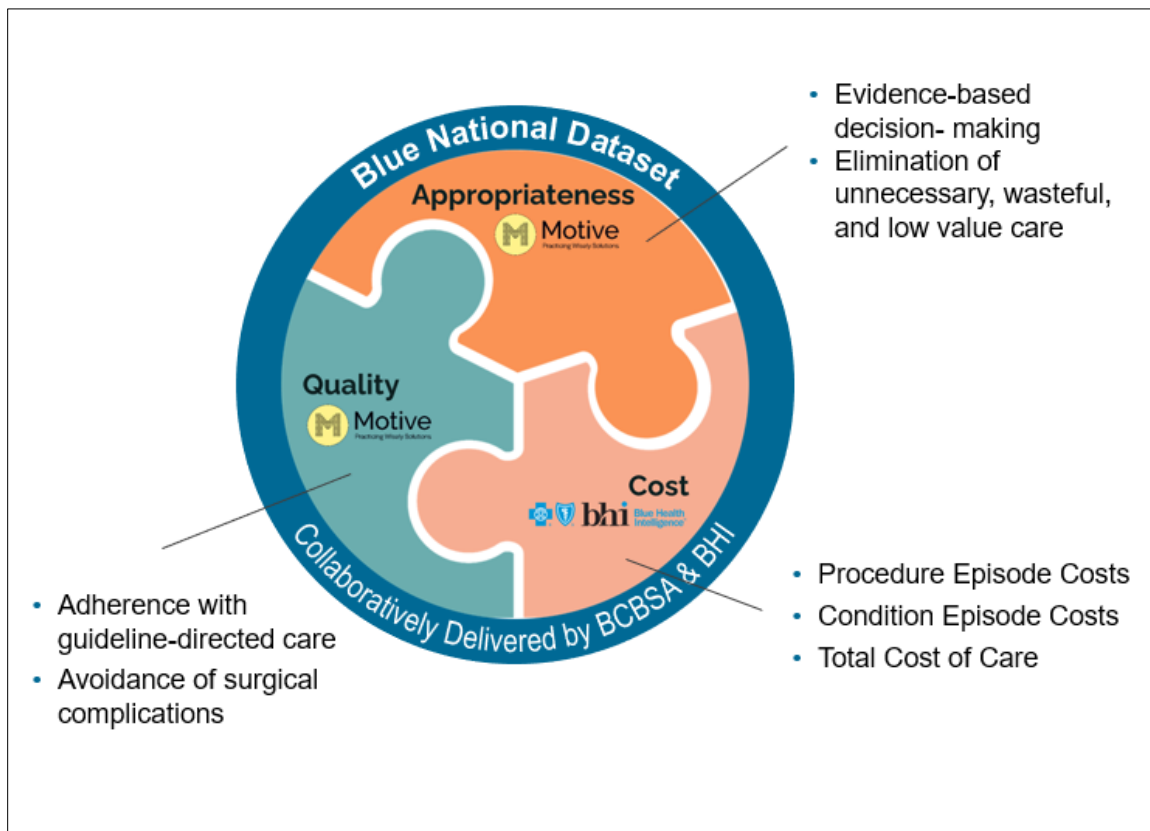


Figure 2

Performance Insights

For each of the measures and measurement domains, a minimum threshold for the number of cases is established to generate insights and overall domain scores. These minimum thresholds are based on statistically significant analyses and ensure physicians are evaluated based on the services they deliver, as well as their patterns of care.

a. Appropriateness of Care

The **Appropriateness of Care (AOC)** measures are an evaluation of evidence-based decision making and the elimination of unnecessary, wasteful, and low value care. The topics measured focus on the physician practice patterns that have the potential for both patient harm and avoidable use of high-cost resources, and where variations in care exist among physicians.

Each measure results in a range of better practice which allows for variation from clinical variables that are not captured in claims data, ensuring that the measure is reasonable and fair.

Example measures include:

- Pulmonary Function Testing Overuse before Cardiac Surgery
- Cardiac Rehabilitation Underuse after Cardiac Surgery
- Physical Therapy Underuse before Lumbar Surgery
- Lumbar Fusion Overuse in Spinal Stenosis
- Hepatitis Screening Underuse in Dialysis

The domain score, **Appropriateness Practice Score (APS)**, provides a summary view of the overall appropriateness of a physician's decision-making patterns with respect to standards of care and clinical practice guidelines. The APS is established when physicians meet a minimum threshold of measures for a specialty area. The APS is a composite score that is derived from the physician's performance against all measures, in a specialty area, for which the physician meets the minimum case count thresholds.

b. Quality of Care

The **Quality of Care (QOC)** measures evaluate adherence to clinical practice guideline-directed care and the avoidance of procedural complications. The QOC measures insights provide visibility into physician practice patterns that are inconsistent with guideline recommendations for specific conditions, as well as complication rates for specific procedures, for both primary care and specialty care—at the individual physician level.

The quality measures are either procedure or condition focused.

- Procedure-based quality measures focus on:
 - Universal complications, including acute myocardial infarction, pneumonia, sepsis, surgical site bleeding, pulmonary embolism, mechanical complication, surgical site infection, and death.
 - Procedure-specific complications derived from clinical trials and clinical registries.
- Condition-based quality measures focus on clinical practice guideline recommendations from the major specialty and subspecialty societies.

Example measures include:

- Adherence to Guideline Directed Care for Heart Failure
- Coronary Artery Bypass Graft Complication Rate
- Mitral Valve Repair Complication Rate
- Total Hip Arthroplasty Complication Rate
- Preexisting Diabetes in Pregnancy: Adherence to Guideline Directed Care
- Chronic Kidney Disease: Adherence to Guideline Directed Care

The domain score, **Quality Practice Score (QPS)**, provides a summary of the measured quality insights and measures. The QPS is a composite score that is derived from a physician's performance against all indicators and measures in each specialty area.

c. Cost of Care / Efficiency

Depending on the specialty type, two approaches to cost measurement are used, episodic cost of care measures or a total cost of care measure.

Most specialty types in the dataset are evaluated using **Episode Cost of Care** measures. Episode-based measures can be either treatment or condition-based.

- Treatment episodes are event-based and anchor around a surgery or major intervention event.
- Condition episodes are diagnosis-based and group together services related to care for a specific acute or chronic condition. The episodes capture a patient's condition and tie all services, admissions, and medications to the condition it is most likely intended to address.

For primary care providers (PCP), adults and pediatrics, a total cost of care measure is applied. To accommodate the data sources available for the creation of this dataset, the total cost of care measure is a **Total Fee for Service (FFS) Cost of Care** and does not include provider payments made outside the traditional FFS claims structure (i.e., value-based shared savings or incentive payments paid outside of the traditional claims transactions are not captured).

The domain score, **Combined Cost Index (CCI)**, is the ratio of the observed cost to the expected cost for each provider. For each provider the observed cost is calculated as either the total allowed amount across all episodes or as a risk-adjusted per member per month (PMPM) cost for the total cost measure. A provider's CCI is determined based on the ratio of that total observed cost to an expected cost, which is calculated as the sum of the average cost of episodes within the applicable risk cohort (non-PCP providers) or the national average PMPM (PCP providers). A score of one indicates a provider is performing as expected based on their patient population. Scores below one indicate lower (better) than expected costs while scores above one indicate higher (worse) than expected costs.

Performance Band Approach

Providers receive a score for the quality, appropriateness, and cost domains where there is sufficient data to support an overall domain score. Performance bands are based on physician performance relative to their peers, typically based on state boundaries. This approach accounts for variation across geographies and allows for identification of the top (and low) performers locally, where healthcare choices are typically made. Coupe Health uses these outcomes to create three levels of provider performance which guide members to the highest performance physicians and facilities.
