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Key Issues to Consider When Evaluating Healthcare Reform Models

Part 3: Quality



THE CENTER FOR
Health Affairs

Policy Snapshot

Quality is one of the buzzwords in healthcare today. With healthcare spending on the rise, everyone from consumers to payers to employers wants more information about the return they are getting on their healthcare investment.

Accrediting bodies, healthcare providers, payers and business groups each have spearheaded a vast array of quality measurement initiatives. While they all look a bit different, they share some basic characteristics: an emphasis on the use of treatment guidelines for particular illnesses or conditions, the measurement of treatment outcomes, and the reporting of data. Most recently, payers have begun tying reimbursement to progress on quality measures, and this trend is expected to continue.

Access, Cost & Quality: in Perfect Harmony

While the quality movement in healthcare has been evolving rapidly, it is important to keep in mind that quality improvement has long been a part of hospitals' day-to-day operations. It is a cornerstone of every hospital's mission, and they stake their reputations on their ability to provide quality care.

Hospitals and all other stakeholders operate within a healthcare system that balances the need for high quality care against access and cost considerations. And although quality improvement initiatives are sometimes considered an extra expense, oftentimes these initiatives actually generate savings by avoiding additional costs down the road. In fact, this is a strong component of the rationale behind pay for performance.

The increased public attention to quality assessment and improvement is not expected to abate any time soon. As healthcare reform proposals are debated and politicians explore which models might be replicated on a national scale, any plan should be scrutinized based on its ability to achieve the ideal balance of cost, access and quality. Using this cost, access, quality framework, The Center for Health Affairs has developed a series of Policy Snapshots that explores each of these three key facets in detail. In the coming weeks, we will be releasing an Issue Brief that ties these concepts together to explore which existing models most successfully address all three dimensions while minimizing potential unintended consequences.

The Distinction Between Quality of Care & Health Status

Critical reviews of the U.S. healthcare system sometimes make the mistake of pointing to the population's poor health status as an indicator that there must be a problem with the quality of care. However, in order to most effectively develop strategies for improving the U.S. healthcare system, it's important to distinguish between the quality of care provided by our healthcare practitioners and the overall effectiveness of system, which encompasses health status, public health initiatives, research, preventive care, our financing structure and a whole host of components in addition to the quality of hospital and physician services.

Data from the Organisation for Economic Co-operation and

Cost, access and quality are like the three legs of a stool; they are the three elements that must be considered in any healthcare system, and they exist in a balance. An ideal system could be defined as one with completely unfettered access, where people could have on-demand care for their every health need great and small; one with perfect quality, with the best, most-advanced procedures and technologies and flawless quality control systems; and one that is able to do all of this at bargain prices. Clearly, compromise is unavoidable, and any existing health system or proposal for reform must weigh these three elements and make choices regarding cost, access and quality to create an approach that is best suited to those being served.



Development's 2007 *Health at a Glance* help to demonstrate the difference between health status and quality of care. For example, while the U.S. is a world leader when it comes to the percentage of the population that would be categorized as obese, an indicator of health status, it is also a leader in breast cancer survival, an indicator of quality of care. The distinction is important because to be effective, a healthcare system has to be good at not just treating illness, but preventing it as well, and this is where the other resources described above, such as research and public health, are especially important.

What are the Crucial Components of Quality?

Ensuring quality is a complex endeavor. Below are some of the key issues related to quality that should be considered when developing or evaluating healthcare reform models.

Recommended Treatment Guidelines

A large part of the quality movement has been focused on ensuring that all healthcare providers are aware of and consistently follow recommended treatment guidelines that are based on the best medical knowledge available. For example, research has shown that the use of drugs called beta-blockers reduces heart attack mortality in the first week by 13 percent and long-term mortality by 23 percent¹. Given the clear clinical science supporting the use of beta-blockers for heart attack patients, many payers and accrediting bodies now measure their usage.

Providers support the use of recommended treatment guidelines that are based on clear clinical science and they have played a key role in collaborating with various organizations to improve the quality of care provided to patients. At the national level, through the Hospital Quality Alliance hospitals have partnered with consumer representatives, physician and nurse organizations, employers and payers, oversight organizations and government agencies to make meaningful, relevant, and easily understood information about hospital performance accessible to the public and to inform and encourage efforts to improve quality.

