Today

• Intro to the Washington Health Alliance
• MedInsight Health Waste Calculator to Identify Low Value Care
• “First, Do No Harm” Results
Washington Health Alliance

• 14-year history as trusted convener
• 12-year history as Washington state’s successful voluntary All Payer Claims Database
• Private, non-profit 501 c 3
• Multi-stakeholder. 185+ member organizations statewide representing health care purchasers, health plans, providers and other health partners, and consumers
• Governed by a diverse, multi-stakeholder board of directors including very senior leaders from a variety of sectors
• Purchaser-led. The majority of our governing members represent employers and labor union trusts
• Statewide 39-county focus
Alliance’s All Payer Claims Database (APCD)

- Voluntary, initiated in 2007 → grassroots initiative with significant community stakeholder support and involvement since 2005
- Lead organization and data vendor based in Washington state
- Data back to 2008
- 4M covered lives (Commercial and Medicaid)
- Data submissions include: enrollment, utilization, pricing, provider demographics
- Data Vendor: Milliman (since 2007)
  - MedInsight platform includes important tools such as Global RVUs, 3M APR-DRG, Milliman Health Cost Categories (HCGs), data auditing/validation, Health Waste Calculator
  - Actuarial backing and rigorous data quality, with multiple steps of validation – over 1,000 unique data quality checks
  - Community Checkup results reviewed by provider community through secure portal
Washington Health Alliance – Our Mission

The mission of the Washington Health Alliance is to build and maintain a strong alliance among purchasers, providers, health plans, and consumers to promote health and improve the quality and affordability of the health care system in Washington state.

• The value of health care can only be substantially improved through reductions in
  – the underuse of effective care,
  – the overuse of unnecessary services, AND
  – total cost of care and unwarranted price variation.

• Performance data and transparency is essential, but by itself, insufficient to move the market.

• Collaborative approaches among purchasers, health plans, health care providers and consumers will improve health and health care delivery; system transformative change cannot be achieved through independent and siloed action.
Community Checkup: Our Signature Product

www.wacommunitycheckup.org
Areas of Measurement

- Patient Experience
- Primary Care/Prevention – Children/Adolescents, Adults
- Behavioral Health
- Effective Management of Chronic Illness in Outpatient Setting
- Effective Hospital-Based Care
- Low Value Care (Waste)
- Geographic Variation in Care (Different Regions, Different Care)

“Units of Analysis”

- State
- Counties, Accountable Communities of Health
- Health Service Areas
- Health Plans (Commercial, Medicaid MCO)
- Medical Groups* (4 or more providers)
- Clinics* (4 or more providers)
- Hospitals
We Share Results Broadly

Results shared publicly via our website:

By written report:

In meetings:
First, Do No Harm

Calculating Health Care Waste in Washington State

December 2018
Overview of the MedInsight Health Waste Calculator™

- Standalone software that analyzes health insurance claims data to identify and quantify wasteful services as defined by national initiatives such as Choosing Wisely® and the U.S. Preventive Services Task Force
- 48 measures
- Analysis done at the claim line level and includes professional and facility-related claims
- The Health Waste Calculator includes situational intelligence that creates an assessment of the degree of waste:
  - **Necessary**: Data suggests appropriate services were administered by the healthcare provider
  - **Likely Wasteful**: Data suggests the need to question the appropriateness of services rendered
  - **Wasteful**: Data suggests the service should not have occurred based on current evidence, clinical guidelines and professional recommendations

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Summary of Our Results in Washington

• Results include both commercially insured and Medicaid insured individuals in Washington state

  • **4.3 million** members included
    - 2.2 million commercially insured individuals
    - 2.1 million Medicaid insured individuals

  • **2,934,526** services measured, totaling an estimated spend of $849 million

• **48 common treatments, tests and procedures** known by the medical community to be overused – all tie to specific Choosing Wisely recommendations.
Health Waste Calculator Results (Overall, Commercial + Medicaid)

- 2,934,526 services examined
- 47% of services (1,383,720) determined to be low value*

- 2,034,761 individuals* received services
- 1,020,081 (50%) individuals* received low-value** services

- Approximately $849 million spent
- Approximately $341 million (40%) spent on low-value* services

*Low value includes Likely Wasteful + Wasteful
Results for July 2016 – June 2017
Targeting Key Drivers of Waste

Ten out of 48 measures account for 88% of the waste measured for the combined population. Listed in priority order based on the number of wasteful services measured:

1. Opiates for Acute Low Back Pain in the First 4 Weeks
2. Antibiotics for Upper Respiratory and Ear Infections
3. Annual EKGs or Cardiac Screening for Low-Risk Individuals
4. Imaging Tests for Eye Disease
5. Preoperative Baseline Laboratory Studies Prior to Low-Risk Procedures
6. Two or more concurrent antipsychotic medications
7. Routine PSA Screening for Prostate Cancer
8. Too Frequent Cervical Cancer Screening for Women
9. Screening for Vitamin D Deficiency
10. Prescribing NSAIDs for Hypertension, Heart Failure or Chronic Kidney Disease
Pre-operative Baseline Lab Studies Prior to Low-Risk Procedures

The overall Waste Index is 85% for the commercially insured population and 86% for the Medicaid insured population. A total of 129,360 wasteful services were delivered, impacting 109,913 individuals at an estimated cost of $74.3 million.
Low Value Pre-op Lab Testing Prior to Low-Risk Procedures
Comparison of Alliance (APCD) results and Delivery System (EHR) results

Alliance Statewide Results, 1-year period

- Preoperative Baseline Lab Studies (Commercial):
  - Necessary: 80,117 (85%)
  - Likely Wasteful: 14,687 (15%)

- Preoperative Baseline Lab Studies (Medicaid):
  - Necessary: 49,243 (86%)
  - Likely Wasteful: 7,913 (16%)

Integrated Delivery System, 6-month period

- Not Waste: 354 (74%)
- Probable Waste: 123 (26%)
Educational Campaign to Reduce Unnecessary Pre-op Testing

Physicians Agree: All patients need pre-op EVALUATION, but a low-risk patient having a low-risk procedure does not need pre-op TESTING.

Benefits of Reducing Unnecessary Pre-op Testing

- Reduces unnecessary time spent at a lab or clinic.
- Reduces patients’ financial burden.
- Reduces need for test results and anxiety that false-positive results.
- Reduces unnecessary delay before procedure.

For physicians:
- Provides evidence-based care to patients and avoids unnecessary anxiety.
- Reduces time spent reviewing and explaining test results that add no value and won’t impact a decision regarding procedures.
- Reduces risk exposure from not carefully documenting follow-up on all pre-op tests.

Choosing Wisely® Recommendations

- Don’t obtain basic laboratory studies in patients without significant systemic disease (e.g., an underlying low-risk surgery-specifically complete blood count, basic or comprehensive metabolic panel, coagulation studies for a bleeding disorder or a platelet count to rule out the potential for bleeding).
- American Society of Anesthesiologists

- Don’t order annual electrocardiograms (ECGs) or any other cardiac screening for low-risk patients without symptoms.
- American Academy of Family Physicians

There are a variety of reasons why unnecessary pre-op tests are ordered, such as:
- Broad ordering that same “pre-op” tests for all patients/patients, regardless of their risk.
- A desire to be “thorough” and/or concern that an incomplete pre-op form may delay the procedure for the patient.
- Discussion with a family member and/or a concern about malpractice.
- A mistaken belief that all patients require pre-op testing.

Pre-op Testing Prior to Low-Risk Procedures for Low-Risk Patients

- Physical status of patient (underlying low-risk? procedure (determined based on history and evaluation)

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Low-Risk Patients</th>
<th>High-Risk Patients</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASA 1-2</td>
<td>A normal healthy patient.</td>
<td>A patient with minimal to mild acute or chronic disease.</td>
</tr>
<tr>
<td>ASA 3</td>
<td>A patient with severe systemic disease or a problem, who is not expected to survive without the procedure.</td>
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</tbody>
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DO NOT ROUTINELY ORDER

- Emergency Department
- Complete blood count
- PEC
- Electrocardiography
- Full blood count
- Pulmonary function test
- Urinalysis

Examples of low-risk Procedures: orthopedic procedures that only require local anesthesia, certain oral minor replacement and other oral maxillofacial procedures, certain other surgical procedures, dental extractions and root canals, hydrotomy, herniorrhaphy, certain hernia procedures, appendectomy, cataract surgery, cleft palate surgery, certain head and neck procedures, open renal surgery.

Recommended Actions

- Educate physicians and team members (e.g., RN, PA) involved in pre-op testing on evidence-based guidelines. Consult an anesthesiologist.
- Create prompts for pre-op testing in electronic health record (EHR) order sets designed for low-risk patients undergoing low-risk procedures.
- Use evaluation checklist to optimize surgical outcomes (e.g., restrict lab, inpatient care, medication management, and surgical care). In selected medical centers to evaluate the surgeon’s or anesthesiologist’s role in the pre-op evaluation. If the surgeon has been evaluated and does not require any pre-operative lab studies, chest x-ray, ECG or pulmonary function test prior to the procedure.
- Provide prompt and timely peer-to-peer feedback when unnecessary pre-op testing occurs, make this a topic of departmental and inter-departmental quality improvement discussions, including gathered with team data to inform discussions.
- Measure current rate of pre-op testing on low-risk patients prior to low-risk procedures and track improvements.

For more information and resources, visit wsa.org/ChoosingWisely

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The Challenge: Developing Effective Interventions When Low Value Care Spread Across Many Ordering Physicians (Many/Most with Small N)

Best Interventions:

1. Measure rate of pre-op testing on low-risk patients; share results and track improvement → be transparent (un-blind)
2. Delete prompts for pre-op testing in EHR order sets
3. In hand-off communication from PCP to surgeon or anesthesiologist, communicate: “This patient has been evaluated and does not require pre-op lab studies.”
4. Use pre-procedure checklists to reinforce when lab tests are needed (and not needed).
Next Steps:

- Refresh Health Waste Calculator (HWC) results for Washington State in 2019 (state, county, HSA)
- Develop capability to produce HWC results by delivery system in Washington
- Produce purchaser-specific HWC results for select self-funded purchasers who are data suppliers
- Select next area of focus for a deeper dive and intervention/implementation campaign
Thank you!

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Find our “First, Do No Harm” report: