Introducing Payment Reform Evidence Hub
Developing Better Evidence for More Effective and Rapid Payment Reform

With support from the Laura and John Arnold Foundation, the Duke Margolis Payment Reform Evidence Hub aims to encourage more and better evaluations of care and payment delivery models. The Hub will focus on innovative payment reforms where there have been few independent evaluations, particularly those being implemented by private payers, purchasers, and states. As better evidence can guide more effective payment reform, the Hub will disseminate the results of these evaluations in a manner that is most useful for decision-makers.

To gather input, the Hub is holding a series of public meetings and gathering widespread stakeholder input. It has also been working collaboratively with the Health Care Payment Learning and Action Network (LAN). In its initial work, the Evidence Hub is focusing on the following activities:
- Building a clearinghouse of payment reforms (including evaluations where available)
- Identifying tools and best practices for evaluations
- Identifying approaches that could increase confidence in evaluation results

These activities will result in a series of white papers summarizing the lessons learned, which will be disseminated broadly. After these foundational activities, the Hub will initiate evaluations of several promising payment and delivery reforms, thereby increasing the supply of knowledge about these initiatives’ effects.

Here, we provide an overview of the Evidence Hub, summarize its initial activities, and describe how individuals and organizations can become more involved in its work – and how it can help support their efforts to implement effective payment reforms.

Motivation and Goals for Evidence Hub
The American healthcare system is in the midst of a transformation, with growing recognition that changes in payment, benefits, and other financing and regulatory policies are needed to achieve better outcomes and lower costs. However, this transformation is slowed by uncertainty about the financial and clinical effects of changes in payment and other health policy reforms.

Multiple organizations, such as the CMS Innovation Center¹ and private payers partnering with the Health Care Markets and Regulation Lab at Harvard,² have conducted comprehensive evaluations of payment reforms, and these have provided important insights about the impact of such initiatives on care delivery and outcomes. However, current evaluations are often lengthy and costly, and the evidence they produce may be difficult to generalize or does not answer pressing policy questions. Many evaluations have methodological issues, such as involving too few patients to draw statistically significant conclusions, lacking clear and carefully-considered evaluation strategy, or not being shared widely. As a result, stakeholders remain less than confident about the potential impact of payment reforms, which slows progress in improving care and lowering costs.

The Hub will provide practical support and solutions to overcome barriers to effective evaluations, with the following goals in mind:
• **Expand the breadth of evaluations (to new payment reforms, patient populations, and healthcare systems):** Increase number of evaluations conducted on payment reforms by commercial plans, self-insured employers, and states. These organizations typically have fewer evaluation resources available, and may have less access to data and advanced analytical methods. Specifically, they may have challenges acquiring data for control populations that have not participated in the payment reform. The Hub will help these groups by identifying common evaluation challenges and potential tools or best practices for overcoming them, link implementers with evaluation experts, and support a limited number of evaluation efforts.

• **Support greater efficiency, speed, and impact of evaluations:** Develop specific recommendations on evaluation methods and tools, as well as identify practical strategies that organizations can use in evaluation efforts. The Hub will also explore new methods for evaluating initiatives, as well as new techniques for integrating new research into the body of evidence for a particular payment reform.

• **Accelerate the dissemination of evidence to support improvements in payment:** Provide timely and useful evidence on the effectiveness of payment reforms over the long term, which will support policymakers and decision makers as they address gaps in quality and rising care costs. The Hub’s work will contribute to the development of infrastructure and processes that will generate results more quickly than the three to five years currently required for evaluation.

**Activities of the Evidence Hub**
To achieve these goals, the Evidence Hub and project leadership team have convened an Expert Working Group, made up of leaders in health policy evaluation, payment reform implementation, and public policy, to guide and support the Hub’s activities (see Appendix 1 for membership).

The initial work will be organized around “sprints” on the following topics:

- Clearinghouse of Payment Reforms (including evaluations where available)
- Tools and Best Practices for Evaluations
- Increasing Confidence in Evaluation Results

Building on the lessons learned in the first year, the Hub hopes to support two to three more comprehensive evaluations. These will be done in collaboration with organizations willing to share their data and have their key results reported publicly. Throughout the project, the recommendations and results will be disseminated to a broad audience in terms that provide practical, relevant, and compelling information for decision makers and key stakeholders. Where relevant, the results will be shared in the academic literature, although this is not a primary dissemination channel.

The Hub is working collaboratively with the Health Care Payment Learning and Action Network (LAN), which has developed an extensive public-private network and resources to promote better-aligned and more effective payment reform activities. The LAN will be asked to provide feedback on each area of effort, as well as assist with dissemination.

*Clearinghouse of Payment Reforms*
An initial task of the Evidence Hub is to develop a public clearinghouse of major payment reforms that have been undertaken in recent years. These reforms will include those underway or planned, and it will include examples with different payers, patient types, and settings. In addition to aggregating information about reforms, the Hub will also seek to include any publicly available evaluations on these
reforms. The Hub will also encourage payers and purchasers to share the methodology and results of evaluation that have been conducted but not been widely shared.

The clearinghouse will facilitate the Hub’s work in two important ways. First, it will describe the current payment reform environment and help identify opportunities for evaluations—especially for those innovative payment models where few comprehensive and generalizable evaluations have been conducted (such as payment reforms implemented by states or private payers). Second, it will start to build the foundation for future summary descriptions and meta-analyses of different categories of reforms once more evaluations have been completed and shared.

To assist in creating this clearinghouse, the Hub created a short survey tool that will collect basic information on the type of payment reform. Once collected, Hub staff will reach out to the organization sponsoring the initiative to gather more detailed information either through further surveys or interviews. The qualitative information will allow for a better characterization of the reform and its context, including the factors listed below:

- Type of payment model (categorized by the LAN framework for payment reforms)
- Number of participants
- Geography and location
- Methods
- Data sources
- Findings and results (cost savings and quality)
- Measures (including benchmarks, where used)
- Market dynamics and context

The Hub Expert Working Group has emphasized that local market dynamics and context can have a significant impact on how a delivery or payment reform works. Some market factors that could affect a payment innovation include:

- Market power of providers or insurers
- Care delivery changes that predated payment innovations
- Population-based aspect of the health care market

For example, plan concentration in a given healthcare market influences how much care may be affected by a payment reform, and may also affect prices in the market. Understanding market contextual factors is important for planned payment innovations, evaluation of ongoing efforts, and interpreting the evidence base of existing evaluations.3

The Hub seeks to develop the Clearinghouse by building on existing inventories of payment reforms, such as the Catalyst for Payment Reform’s compendium of payment initiatives implemented by healthcare purchasers, and the AHIP/BCBSA survey of health plan payment reforms in collaboration with the LAN. It will also draw from the CMS Innovation Center’s portfolio catalogue, online public reports about Medicare demonstrations and pilots, public reports (in academic or “gray” literature) on private initiatives, and reports on state and Medicaid innovations. The Hub working group and LAN members have identified organizations based on their personal knowledge, and worked to publicize the initial survey to increase its reach.

The Hub’s initial work has confirmed a strong need to describe and support the value proposition to organizations for participation in the Clearinghouse survey and in an evaluation, as a payment reform
may be viewed as a proprietary competitive edge, and organizations may be concerned about publicizing unsuccessful results. Organizations that have just started a payment reform may also be concerned about expending significant financial resources, time, and attention on an effective evaluation.

The value proposition will depend on the stakeholder. For payers and purchasers, an expanded inventory of payment reforms and evaluations will provide better evidence for their own programs, especially in how specific initiatives work in different market contexts. For organizations implementing payment reforms that are not yet being evaluated, the value proposition may be linking them to support—including expert evaluators that can provide early technical consultation and potentially more comprehensive support.

Tools and Best Practices to Support More Effective and Efficient Evaluations

To assist organizations conducting evaluations, the Hub will identify practical strategies, best practices, and tools that can address common evaluation challenges. The goal is to help organizations improve the effectiveness of their evaluations, increase the impact and generalizability of the resulting evidence, and reduce the evaluation costs where possible.

One evaluation challenge is access to data sources. Consequently, the Hub will explore best practices to support timely and effective data sharing for evaluations. This may include identifying key data elements, developing common data models for constructing measures, and addressing patient confidentiality and organizational proprietary concerns. As effective data sharing will be a major focus of the LAN in the coming year, the Hub’s work will complement those efforts.

A further evaluation issue is identifying “control” populations for the payment and delivery reform. This is critical for addressing the question of what would have happened in the absence of payment reform. Often, individual payers, purchasers, or states are not readily able to identify such populations, let alone obtain comparable data on them. Even if populations and data can be identified, those populations may themselves be subject to a range of confounding factors (such as other delivery and payment reforms or other policy and environmental changes) that could also affect trends in quality and cost. Through the Hub’s clearinghouse and its network of evaluators that have experience with a wide range of populations – including potential control populations – the Hub will seek to make it easier and faster to link evaluation opportunities to suitable control populations and methods. This might involve drawing on populations assembled by leading evaluators for their current and planned evaluations, and populations accessible through emerging research networks such as the Patient-Centered Outcomes Research Network (PCORnet) and AHRQ’s evidence dissemination network. To the extent that such networks also rely on consistent data collection (and consistent measures based on the data, as described in the next section), it will also be more straightforward to develop comparable data and measures on the control populations for meaningful evaluations.

One area where efficiency gains appear possible is in the use of consistent core performance measures. There have been multiple reports highlighting the burden of measurement for providers participating in payment and reporting programs, and a common recommendation is to identify a common (or core) set of measures that would reduce the effort and cost to collect and report measures. From an evaluation perspective, using common measures could reduce the costs of evaluation as the evaluators do not have to develop custom analytical tools, but rather could re-use standardized tools for calculating measures. In addition, using common measures should make it possible to compare results across evaluations of different payment and delivery reforms. One potential resource for common measures is the Core
Quality Measures Collaborative (CQMC), which has identified core sets for payment reforms affecting major areas of clinical care. There are also standardized, NQF-endorsed measures for total cost of care, which several organizations are now using in delivery and payment reforms, and national groups are identifying measures of overall episode costs. The LAN is also building on these efforts in its Action Collaboratives for supporting the implementation of payment reforms.

While metrics have proliferated, some major measurement gaps remain, including patient-reported outcomes and several highly-utilized clinical areas. As the Evidence Hub gathers information about evaluations, it will identify pilots using innovative measures that could help to fill these persistent measurement gaps.

**Increasing Confidence in Evaluation Results**

Today, most payment reforms are formally evaluated in isolation. However, there are opportunities to leverage evidence from multiple existing evaluations so that the next evaluation builds on what is already known. The Hub can advance this goal through the clearinghouse of payment reforms and evaluations, so that prior evidence is available at the start of an evaluation. Furthermore, inventorying tools and best practices helps to ensure that evaluations are comparable and produce the evidence that is most useful to decision makers. This will all ultimately accelerate the transformation of the healthcare system to achieve better outcomes and lower costs.
Appendix 1: Evidence Hub Leadership and Staff

The Hub is staffed by the Duke-Margolis Center for Health Policy. The Hub receives direction from an Expert Working Group made up of experts in health policy evaluation, payment reform implementation, and public policy. It is being implemented in collaboration with, and as a key component of the activities of, the Health Care Payment Learning and Action Network (LAN), a public-private effort to accelerate the implementation of effective payment reform nationwide.

**Leadership**

- **Principal Investigator/Chair:** Mark McClellan, who is Director of the Robert J. Margolis Center for Health Policy at Duke University. Professor McClellan has extensive policy experience with payment reforms and evaluations, as former Administrator of CMS and Commissioner of FDA.
- **Co-Chair:** Mike Chernew is the Leonard J. Davis Professor of Health Policy at Harvard and Director of the Harvard Health Care Markets and Regulation Lab (HML), one of the premier academic payment reform evaluators in the United States.
- **Co-Chair:** David Lansky is CEO of Pacific Business Group on Health, which has long been a lead implementer of payment reforms and is involved in a wide range of leading payment reform initiatives today.
- **Senior Advisor:** Don Taylor is Professor of Public Policy in the Duke Sanford School of Public Policy at Duke and the Co-Principal Investigator of a CMMI Round 2 Innovation Award in Community Based Palliative Care.
- **Key staff:** Robert Saunders, Matthew Harker, and Andrew Olson, who have extensive experience in conducting payment reform evaluations and in large-scale collaborative evaluation projects. Together they are responsible for the analytics and policy development aspects of this project.

**Project Contacts**

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Evidence Hub Expert Working Group
Membership as of August 2016

Amy Bassano, MA is Deputy Director of the Center for Medicare and Medicaid Innovation (CMMI) at the Centers for Medicare and Medicaid Services, and was formerly the Director of the Patient Care Models Group at CMMI.

John M. Bertko, FSA, MAAA, is an independent actuarial consultant working as the Chief Actuary with Covered California and was Director of Special Initiatives and Pricing in the Center for Consumer Information and Insurance Oversight at the Centers for Medicare and Medicaid Services (CMS).

Carmella Bocchino, RN, MBA, is the Executive Vice President, Clinical Affairs and Strategic Planning for America’s Health Insurance Plans.

Blair Childs, is Senior Vice President of Public Affairs for Premier, leading the Advocacy, Communications, Safety and thought leadership units and serving on the company’s executive team.

Dan L. Crippen, PhD, is the retired Executive Director for the National Governors Association and has served as Economic Advisor and Chief Counsel for Senate Majority Leader Howard Baker, Assistant and Domestic Policy Advisor to President Ronald Reagan, and Director of the Congressional Budget Office.

Leonardo Cuello, JD, is Director of Health Policy for the National Health Law Program (NHeLP) and focuses on programs related to Medicaid.

Lesley Curtis, PhD, is Director of the Duke University School of Medicine Center for Population Health Sciences, and oversees a portfolio of projects that use observational data to address questions related to healthcare delivery.

Suzanne F. Delbanco, PhD, MPH, is Executive Director of Catalyst for Payment Reform (CPR), an independent, non-profit corporation working on behalf of large health care purchasers to catalyze improvements to how we pay for health services.

Elliott S. Fisher, MD, MPH, is Director of the Dartmouth Institute for Health Policy and Clinical Practice and the John E. Wennberg Distinguished Professor of Health Policy, Medicine and Community and Family Medicine at the School of Medicine at Dartmouth.

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Frederick Isasi, JD, MPH, is Director of the Health Division for the National Governors Association Center for Best Practices.

Christopher F. Koller, is President of the Milbank Memorial Fund and Publisher of the Milbank Quarterly and has served the state of Rhode Island as the country’s first health insurance commissioner.

Renee Mentnech is Director of the Research and Rapid Cycle Evaluations Group for the Center for Medicare and Medicaid Innovation (CMMI).
Sunit R. Patel, FSA, is a Senior Vice President and Chief Actuary in Fidelity Investments Benefits Consulting Group and assists clients on the design, administration and financing of employee benefit programs.

Hoangmai Pham, MD, is a general internist and the Chief Innovation Officer and Acting Director of the Policy and Programs Group at the Center for Medicare and Medicaid Innovation (CMMI).

H. Scott Sarran, MD, MM, is Divisional Senior Vice President and Chief Medical Officer, Government Programs, Health Care Service Corporation (HCSC).

William Shrank, MD, is Chief Scientific Officer and Chief Medical Officer for Provider Innovation for CVS Health and focuses on developing innovative pharmacy solutions to help improve the quality of care while lowering costs.

Dorothy Teeter, MHA, is Director of the Health Care Authority (HCA) and led the successful implementation of the Affordable Care Act, expanding Apple Health coverage to an additional 600,000 Washington residents since 2013.

Lina Walker, PhD, is Vice President of Health Security in AARP’s Public Policy Institute and leads the Institute’s research to improve the health and well-being of older people.

Vincent Zuccarello, is Vice President of Healthcare Economics for United Healthcare and leads a national team focused on provider contract pricing, value based contracting, healthcare analytics and affordability.
References
4 LAN Population Based Payment (PBP) Workgroup will issue a white paper with a summary of such performance measures during Summer, 2016. https://hcp-lan.org/groups/pbp/ Draft white papers on Patient Attribution and Financial Benchmarking are available https://hcp-lan.org/groups/pbp/
6 Total Cost of Care Overview, resource use, & NQF endorsement: HealthPartners white/technical papers: https://www.healthpartners.com/hp/about/tcoc/ also endorsed by hcp-lan.