

HEDIS[®] Measurement Moves Outside the Managed Care Box

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The article by Mencke and colleagues¹ in this issue of the *Journal* makes an important contribution to our understanding of how HEDIS, the principal tool for measuring, managing, and improving healthcare in the private sector, can be applied in the public sector as well. The authors' conclusion, that "with few or no modifications... HEDIS measures [can be] successfully adapted to the VA setting," helps dispel the notion that HEDIS is a tool specific to commercial managed care. This report opens the door to further testing and use of HEDIS measures within the Veterans Administration (VA) setting. We believe that this, in turn, will help the VA realize its goal of providing top quality care and service to those it covers.

HEDIS has actually been successfully used outside the commercial managed care industry for some time and in a variety of settings. In fact, HEDIS has been used by health plans serving both the Medicare and Medicaid populations since as far back as 1996. In 1998, the Health Care Financing Administration (HCFA) was so confident of the value of HEDIS for Medicare plans that it actually mandated the reporting of selected Medicare HEDIS measures.² In 1999, HCFA took the logical next step and made these data available publicly on its Web site.² Numerous states have similar HEDIS reporting requirements for health plans participating in their Medicaid programs. HEDIS measures have also been applied to medical groups, hospitals, preferred provider organizations, and a variety of other locations.

What is perhaps most promising about the study by Mencke et al is that the 3 selected HEDIS measures—Ambulatory Follow-up After Hospitalization for Mental Illness, Cervical Cancer Screening, and β -Blocker Treatment After a Heart Attack — were applied with little or no modification. While it would be optimistic to expect that *all* HEDIS measures will be equally applicable without modification to the VA setting, this finding is nonetheless promising. It clearly suggests that most or all of the remaining measures could be successfully applied as well.

To the extent that this is so, it is promising. HEDIS is an invaluable management tool. Applied to the VA setting it will expand our knowledge of how that sector works as compared with other sectors of the industry. Furthermore, it will help answer important questions about the care and service the VA delivers. The answers to those questions will help the VA appropriately manage and improve its performance in the future. For example, HEDIS will help the VA to:

- gauge the impact of adopting managed care practices in the VA system
- quantify the effect of efforts to promote primary care
- track changes in member satisfaction
- target areas on which to focus future quality improvement efforts, and
- inform the opinions of beneficiaries and others about the quality of the VA system.

Although each of these is an important ancillary benefit to adopting HEDIS, the main reason for doing so is that it will help to improve care. Measurement is the foundation on which quality improvement is based, and the private sector gives us countless examples of dramatic improvements that began with the application of HEDIS. These improvements are often system wide. Last year's

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state of managed care report by the National Committee for Quality Assurance (NCQA) (an assessment of the commercial managed care industry as a whole) confirmed that performance in almost all areas moved steadily upward among health plans that were reporting HEDIS data for the third year in a row.³

The conclusion by Mencke and colleagues about the applicability of HEDIS within the VA setting dovetails nicely with an ongoing effort to standardize performance measurement across different parts and levels of the healthcare system. The Performance Measurement Coordinating Council, a group representing the industry's 3 leading measurement bodies (NCQA, the Joint Commission for the Accreditation of Healthcare Organizations, and the American Medical Accreditation Program), has been working over the past 2 years to ensure that measurement processes are better coordinated across different levels of the healthcare system. The effort was borne out of a broad acknowledgment that the status quo was inefficient—3 different oversight bodies were developing performance measures independently. This often made it necessary for healthcare providers and organizations to undertake 3 different data collection, calculation, and reporting efforts.

To the extent that this effort is successful (and much work has already been done to align priorities, merge efforts to develop measures, and to streamline the data collection process), it will benefit any and all organizations that report HEDIS. Ultimately, we envision a system whereby data collection and performance measurement are essentially hard-wired into a sophisticated electronic health data sys-

tem that facilitates regular reporting of quality and performance data with a minimum of hassle or expense. That system, in turn, will be a management tool of immeasurable value, allowing managers to pinpoint problems and custom-design solutions.

As the Veterans Health Administration continues its push to apply the tools of managed care within the VA setting, it will become all the more important to also ensure that healthcare quality and service meet the VA's high standard. To apply the tools of managed care—without also applying the measurement systems used to ensure that the tools are operating as expected—is to invite a poor return on efforts to manage care. We look forward to working together with representatives of the VA to address these challenges so that veterans continue to get the high-quality healthcare they deserve.

... REFERENCES ...

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