

FY
2004



YEAR
IN
REVIEW

VERMONT PROGRAM FOR QUALITY IN HEALTH CARE, INC.

VPQHC

Mission Statement

*To develop and implement a system of quality design
and measurement for physicians and other health care professionals,
hospitals and other health care facilities,
users and purchasers that produces
continuous improvement of health care
and efficient uses of resources.*

Chair's Report

W elcome to the *VPQHC 2004 Year in Review*. As a family nurse practitioner in southern Vermont for the past 19 years, providing quality health care services to my clients has always been one of my goals. As founder and medical director of the Putney Free Walk-In Clinic in 1991, I have experienced first hand the disparities in the access to quality health care, both in lack of providers and lack of finances to afford health care. In my private family practice and in the local emergency departments I work in, I see the difficulty in providing services to patients in need due to the high volume demands on the providers and institutions. Health care in Vermont needs to continue to improve.

As a member of the board of directors of VPQHC over the past six years and now as board chair, I feel this organization can and has made a difference in the evaluation and improvement of quality health care in Vermont. I am proud to be part of an organization that fosters the critically needed link between state organizations, health practitioners of all types, institutions and insurers. We are all partners in the cause to improve the quality of health care in our state.

VPQHC has grown considerably in the past several years becoming a well respected entity in the state, one that State Government and Legislators look to for answers and to learn about the state of health care in Vermont. Our board is comprised of a diverse group of professionals and community leaders who have come to the table to unite in one common cause, to objectively identify problems and seek solutions to many of the areas in our health care system.

Our Executive Director, Helen Riehle, came to us with a great interest and much experience in health care legislation. She has been a driving force in recent years steering the board on a path of success and goal driven programs. As a result, VPQHC continues its leadership in the evaluation and improvement of quality health care and access to all Vermonters. The VPQHC staff are dedicated professionals who make it all happen. We owe them much gratitude for their efforts.

Please feel free to contact me if you have any questions, concerns or comments. I would be glad to provide any further insight that I have about this organization.

*Richard Fletcher, RN, MSN, NP
Chairman, VPQHC Board of Directors*

Executive Director's Message



Fiscal year 2004 was an exciting and busy year for VPQHC. We began a second Chronic Care Collaborative (V3C) with the participation of fourteen practices from nine hospitals and their communities. Using the Chronic Care Model and the Institute for Healthcare Improvement methodology, these fourteen practices have focused on improving care for patients with diabetes and diabetes related heart disease. The fifth edition of *Vermont Recommendations for Management of Diabetes* included a new chapter on

Prevention and garnered broad endorsement from all the insurers of the state. Our work in these two areas has led the way for a statewide focus to improve chronic care through the Vermont Blueprint for Health. An integrated and functional statewide health information system is fundamental to success in translating best practice into the fabric of health care. To that end, VPQHC has convened a broad partnership, HealthVT, to plan such a system for the state.

At the annual retreat, the Board of Directors and staff spent a day considering and adopting a vision statement, strategic goals for 2004 and operating principles that define the work of VPQHC. All three statements added clarity and depth to the original mission of VPQHC adopted in 1989. The newly articulated goals have been critical to envisioning and carrying out our on-going work and planning for FY 2005. By embracing **a global vision** of *improving the health status for all Vermonters* and linking it to the **aim** of *creating a health system that is safe, patient centered, effective, efficient, timely and equitable*, VPQHC continues to direct our work in the most efficacious way possible.

VPQHC has the capacity to offer high level and informative, qualitative analysis to the health care communities across the state as well as to policy makers in the state government. This comes as a direct result of adding a talented Director of Evaluative Sciences to the staff, Paul Turner, PhD.

Helen Riehle, Executive Director

VPQHC...Creating a Culture of Quality through Education, Measurement and Collaborative Partnerships

Our health care system does extraordinary things, and usually does them well. There are, however, always opportunities to improve the quality of health care in Vermont. The Vermont Program for Quality in Health Care (VPQHC) works with a variety of organizations to both assess and improve the care Vermonters receive by fostering a **culture of quality** throughout the health care system. We continually face this challenge with a three-pronged approach: education, measurement and collaboration. We work with providers to **educate** them about best practices; we develop **measurement** tools and data analysis to illustrate the quality of care and inform policy decisions; and we form **collaborative partnerships** to implement needed changes. VPQHC has been able to provide this type of leadership because of three key ingredients: an independent status; a broad-based Board of Directors; and fifteen years of developing and nurturing trusting relationships with all health care stakeholders. This combination of factors has enhanced our ability to work with the entire health care system to achieve sustainable and measurable improvements.

Each quality improvement effort undertaken by VPQHC includes at least two, if not all three elements necessary for fostering a culture of quality. A few of the important areas addressed during the past year include:

- ◆ The production of a fifth edition of clinical recommendations for the treatment of diabetes.
- ◆ Sponsorship of a second thirteen month collaborative effort focused on practice redesign for chronic diseases. Participation by all major health plans

Education of providers about best practices; measurement and use of data analysis to illustrate the quality of care and inform policy decisions; and collaborative partnerships to implement needed changes; describe the integrated efforts of VPQHC to improve the quality of health care for Vermonters.

and Medicaid broke new ground in the effort to foster and pay for quality diabetes care across all payers.

- ◆ The production of our annual *Vermont Health Care Quality Report* that examines many different health care quality and utilization indicators and provides an overview of Vermont's health care system.
- ◆ The identification of, and progress in, two areas for improvement in the *Quality Report*, diabetes and hospital acquired infection. VPQHC promised to take a leadership role and invited others to join in advancing improvement in both areas.
- ◆ Medical claims data analyses of various subpopulations of Medicaid covered individuals.
- ◆ Commencement of work on a plan for improving care at the end of life.
- ◆ Organization of a partnership to develop HealthVT, a statewide health information plan.

VPQHC...Focus On Quality

... through education

Educational quality improvement efforts by VPQHC are best illustrated by the VPQHC *Recommendations for the Management of Diabetes in Vermont*. Based on the American Diabetes Association (ADA) guidelines, they are promoted at a national level by the CDC. South Dakota adopted the *Recommendations for the Management of Diabetes in Vermont* for use as the standard of care for their state. They also serve as the foundation for the aims and measures of the Vermont Chronic Care Collaborative (V3C). V3C offered educational opportunities to the participants in the realm of quality improvement and clinical best practices for diabetes and diabetes related heart disease and the *Recommendations* are actively used as best practice guidelines by the participants. The Vermont Area Health Education Centers, the Northeast Health Care Quality Foundation and the Vermont Association of Diabetes Educators joined VPQHC as collaborative partners to promote and facilitate effective use of the *Recommendations* by practitioners around the state. The UVM College of Medicine uses the *Recommendations* as a teaching tool for instruction of the standard of care for diabetes.

***The Recommendations
newest chapter on
prevention addresses the
increasing number of
Vermonters diagnosed
with Type 2 Diabetes.***

As the number of Americans being diagnosed with diabetes continues to grow, the health care community is turning its focus to those individuals at high risk for developing Type 2 Diabetes. How do we delay or prevent the onset of this disease? To address this issue the fifth edition of the *Recommendations* includes a chapter on prevention. Primary Prevention defines Metabolic Syndrome and Pre-diabetes, while outlining the recommended protocols for preventing or delaying Type 2 Diabetes.

Importantly, Blue Cross/Blue Shield, MVP, Cigna, and the Office of Vermont Health Access (Medicaid) stepped forward to support the VPQHC *Recommendations for Management of Diabetes in Vermont* as consensus guidelines for diabetes care. In addition, The Vermont Department of Banking, Insurance, Securities and Health Care Administration (BISHCA) agreed that the *Recommendations* met the state requirements for treatment protocols.

(This action was a direct result of the work being done through the Vermont Chronic Care Collaborative (V3C).)

VPQHC has developed the capacity to analyze utilization and quality of care, and to build predictive models which assist policymakers as they search for ways to use resources efficiently.

What this means for the individual provider is that instead of receiving multiple documents from multiple payers regarding best practice in diabetes care, they will receive just one, user friendly resource document. What this means for the person with diabetes is consistency of information and care. Both will result in improved quality of care for Vermonters with diabetes.

...through measurement

One of the most important aspects of the mission of VPQHC is that of measuring health care quality through data analysis and comparison against accepted standards of care and indicators of quality. In FY 2004 VPQHC focused on five major projects.

1. Continued evaluation of Medicaid PCPlus quality of care.
2. Development of the capacity to analyze utilization and quality of care in all Medicaid programs and build predictive models of future resource needs and consumption.
3. Work with BISHCA as a resource in identifying appropriate measures for the Community Hospital Reports required by Act 53.
4. Improvement of current measures and the addition of new ones to the annual *Quality Report*.
5. Construction of a linked all private payer database compatible with the Medicaid claims data.

VPQHC, through a subcontract with the Vermont Children's Health Improvement Program at the University of Vermont, continued to provide the federally mandated external quality review of Medicaid beneficiaries in managed care programs for the Office of Vermont Health Access (OVHA), the state Medicaid department. Areas of investigation included diabetes, asthma and depression in the PCPlus population, and diabetes care for persons with persistent mental illness enrolled in the Community Rehabilitation and Treatment Programs. VPQHC analyzes Medicaid insurance claims and compares Vermont Medicaid results to national commercial and Medicaid benchmarks using the HEDIS measurement

system to provide insight towards utilization patterns, and quality of care for Medicaid populations.

The Quality Report organizes Vermont Healthcare data around the six IOM aims: safety, timeliness, efficiency, effectiveness and equity.

Building on VPQHC's Medicaid analysis capacity, the Vermont Department of Health requested more in depth analysis for the asthma population. The results of the analysis were presented at a Region I DHHS training meeting, using Medicaid Data for Asthma Surveillance in Boston. The presentation highlighted the model developed by VPQHC for cleaning and analyzing data, choosing the best asthma case definitions and using administrative data for public health purposes.

Also in the area of measurement, VPQHC successfully completed the first step toward an all-payer database by creating a linked database of all the private insurers in Vermont, including CIGNA, BCBS and MVP. The design allows Medicaid data to be linked when the Centers for Medicaid and Medicare Services (CMS) grants the state permission.

Unfortunately, work we anticipated for the Agency of Human Services did not occur, due to budgetary restraints and agency reorganization efforts. They had initially requested analysis focusing on the beneficiary populations of children with special health care needs and adults receiving mental health services, including assessing current and historic utilization and quality of care patterns. Resources necessary for this work were not available during FY 2004. VPQHC has developed the capacity to build predictive models of future resource needs and consumption that could be applied to the Medicaid claims database and assist policy makers with eligibility and benefit decisions in the future.

The ninth edition of the *Vermont Health Care Quality Report* continues the design initiated in 2003 consistent with recommendations of the National Academy of Science for a National Quality Report. Chapters identify needed improvements to ensure health care in Vermont centered on the six Institute of Medicine components of safety, effectiveness, patient-centeredness, timeliness, efficiency and equity. The present ability to measure these data is primitive, and the *Quality Report* calls attention to deficits in the capacity to effectively measure health care quality. VPQHC hopes the *Quality Report* will stimulate expanded measurement efforts. One promising area is our work with BISHCA around identification of appropriate measures for the Community Hospital Reports required by Act 53. Coordination of these activities would result in expanded knowledge about the quality of Vermont's health system.

Other efforts to expand measures for assessing quality and inclusion in the *Quality Report* have focused on the HCUP measures. Vermont data is available and will enable us to compare our state to the national figures.

The inaugural chapter of the *Quality Report*, Focus on Quality: Recommendations for 2003, was repeated in the 2004 report. The recommendations for 2003 identified two priority health care concerns; chronic disease management for diabetes and hospital-acquired infection. VPQHC promised to address these issues and challenged others to join them in focusing statewide efforts for improvement. Happily, considerable progress has been achieved in both areas. A second collaborative was sponsored with a greater number of practices participating (see below for details) and progress toward sustainable clinical improvement for persons with diabetes being realized.

VPQHC, with support from the Vermont Department of Health and VAHHS, convened a work group to develop a state action plan to minimize the incidence of nosocomial infections. In addition, the group includes health care providers, and infection control practitioners from all hospitals in the state and Dartmouth Hitchcock. Progress has been accomplished identifying and reaching consensus on areas to include in a state action plan. The goal is to develop a plan by December and determine if the National Nosocomial Infections Surveillance System can meet Vermont's needs for documenting and reporting nosocomial infections. Future activities will include populating the data base, analysis and identification of areas for improvement, and ultimately improvement activities to reduce the incidence of infections.

...through collaborative partnerships

One of the key strengths of VPQHC is an ability to facilitate and foster collaborative partnerships across the health care community. In 2003 VPQHC embarked upon its second statewide chronic care collaborative. Using the Institute for Healthcare Improvement's Breakthrough Series change model to assist primary care practices around the state to implement the practice redesign elements of the Chronic Care Model, 14 teams completed the training in October 2004. Developed by Dr. Edward Wagner from the W. A. MacColl Institute in Puget Sound, Washington, the model has proven to be an effective way to translate what we know to be high quality care into actual practice. The collaborative design facilitates adoption of change.

¹ Institute of Medicine. 2001. *Envisioning a National Health Care Quality Report*. Washington, D.C. 2001

The Chronic Care Model incorporates six essential elements, all of which are necessary for sustainable change and improvement. One of the elements, fostering and rewarding quality, i.e. paying for best practices, is one of the most challenging to achieve. The tenth recommendation in the Institute of Medicine's publication, *Crossing the Quality Chasm*, underscores the importance: "Private and public purchasers should examine their current payment methods to remove barriers that currently impede quality improvement, and to build in stronger incentives for quality enhancement." To that end, VPQHC has been a catalyst. We organized and hosted a New England Regional Conference on the subject with the Centers for Medicaid and Medicare Services (CMS) presenting their position. Follow-up informational meetings with Vermont health care leaders were then organized to figure out how to move ahead.

The second Vermont Chronic Care Collaborative on diabetes and diabetes-related heart disease produced improvement in office process measures, as well as clinical improvement for the patients.

VPQHC's partnership with the Vermont Association of Hospitals and Health Systems (VAHHS) and the Vermont Medical Society (VMS) to create a statewide peer review physician pool produced a statewide panel of physicians willing to provide review expertise. A process of identification and coordination for needed reviews and credentialing assistance is now in place. This effort was a priority for Vermont's hospitals to enhance and improve their peer review capacity. Peer review includes the routine review of patient charts for performance evaluation, education and reappointment as well as the review of potential quality concerns. Vermont hospitals have found that their peer review committees are frequently challenged to find outside physicians to review the quality of the services provided by their medical staff members. Many hospitals have physicians on their active staffs who are the only specialist on the staff, or the only available peer has a conflict of interest such as being in practice together. This physician peer review panel will be able to address these needs.

VPQHC facilitates collaboration and education among the emergency department representatives of Dartmouth Hitchcock Medical Center (DHMC), Fletcher Allen Health Care (FAHC) and Vermont community hospitals and the Emergency Medical Services Division of the Vermont Department of Health through the VPQHC/DHART peer review committee. They meet to review utilization patterns and quality of care dimensions of all helicopter flights into Vermont, discuss the appropriateness of each flight, the effect that the use of air transport

had on the clinical outcome of the patient and the relationship of the air transport system to the EMS ground transport system in Vermont. As a result of the partnership, DHMC has traveled to all community hospitals in the state to educate emergency department personnel on appropriate use of the air service. Presently, the committee is focusing on flights for pediatric cases and adults with spinal cord injuries. More information is needed about current availability of local critical care and transport services for both of these populations.

Finally, VPQHC recognized the important role they could play in creating a planning partnership across the state to begin a conversation about the components, design, functionality, governance and financing of a much needed statewide health information system. As a result of discussions with key stakeholders across the state, HealthVT was created with VAHHS to facilitate a planning process. The long-term goal for the system is by 2015, an electronic health information system will exist in Vermont that optimizes the safety, effectiveness and efficiency of health care delivery. The system will be based on national data standards to ensure effective and efficient exchange of health information and interoperability of systems across the dimensions and will consist of three dimensions. A Personal Health Dimension will promote a more patient-centered delivery system, with individuals able to manage their own health care through direct access to their medical records. A Health Care Provider Dimension will offer immediate access to patient and population health information, computerized order entry and other clinical decision support technology that will assist in the prevention of errors and guide the delivery of quality health care. A Population-Public Health Dimension will support public health policies, monitor population health, and guide the development of health prevention and intervention programs.

We welcome you to visit our web site: www.vpqhc.org to learn more about our work. The web site includes all of our reports and other publications.

VPQHC... The Vision for the Future

While the road to attaining a high quality health care system is a long, difficult journey, the unique and independent structure of VPQHC lends itself to providing important leadership. VPQHC looks ahead to a full and exciting year of making progress on the 2005 agenda.

A third chronic care collaborative is planned for March and will act as a vehicle for spread of the model. Partnerships with a broad range of organizations and health care providers continue to grow. Work with private and public payer communities to find sustainable ways to foster and reward quality becomes ever more promising. The statewide physician peer review pool strengthens and supports patient safety at all the hospitals in Vermont. A more robust picture of Vermont will continue to emerge with the addition of new quality indicators to the Quality Report and the community hospital reports. Increased analytic capability and relationships with government agencies will provide useful data and inform future policy decisions in new ways. A strategic plan for a statewide health information system will place Vermont in the forefront of effective, efficient and patient-centered care. A statewide action plan for reducing the incidence of nosocomial infection will be completed. Data will be gathered to better understand Vermont's experience with care at the end of life across all settings.

The VPQHC agenda is guided by a core mission to create and foster a culture of quality through education, measurement and collaboration. In addition, the Board of Directors has adopted a vision, aims and strategic goals designed to make measurable progress in quality improvements.

GLOBAL VISION

To improve Health Status for all Vermonters

AIMS

The Vermont health care system must be safe, patient centered, effective, efficient, timely and equitable.

VPQHC MISSION

“To develop and implement a system of quality design and measurement for physicians and other health care professionals, hospitals and other health care facilities, user and purchasers that produces continuous improvement of health care and efficient uses of resources.”

STRATEGIC GOALS

1. VPQHC will expand the application of the Chronic Care Model to other life conditions.
2. VPQHC will expand its capacity to produce useful data and analysis to inform and enhance information-based policy and decision making in the health care system.
3. VPQHC will reexamine and redefine its current and future role in the production, dissemination and implementation of clinical practice guidelines.
4. VPQHC will identify opportunities to improve end-of-life care.
5. VPQHC will identify opportunities to improve patient safety.
6. VPQHC will work to ensure that the organization's staffing, resources, and financial support are effectively matched to expected deliverables.

The strategic goals for 2004 are both challenging and exhilarating. VPQHC takes its role as a creative, convening force very seriously. We look forward to continuously working with the health care community to set new standards for improving the health care of all Vermonters.

VPQHC... History and Financial Support

VPQHC was created in 1988 by a coalition of health care providers, payers, employers and consumers as an independent, non-profit corporation. Its mission is to develop and implement a system of quality design and measurement to improve health care and utilize our resources efficiently. In 1989, the Vermont legislature recognized VPQHC, and Vermont's Peer Review Committee statute was amended to specifically designate the Vermont Program for Quality in Health Care as a peer review committee.

Financial support for VPQHC's work comes from a number of sources. As required by state law, the Department of Banking, Insurance, Securities and Health Care Administration (BISHCA) contracts annually with VPQHC to "implement and maintain a statewide quality assurance system to evaluate and improve the quality of health care services rendered by health care providers or health care facilities including managed care organizations..." (18 V.S.A. §9414). The Department, in turn, charges the cost of that contract to Vermont hospitals and to HMOs and health insurers doing business in the state. Dartmouth-Hitchcock Medical Center, while not subject to this law, makes a voluntary contribution to VPQHC's operations.

VPQHC's budget for fiscal year 2004 included \$ 969,300 in income, with 49 percent funded by the 9416 bill back through BISHCA. This funding supported general program operations and activities such as publication of the Vermont Health Care Quality Report and many of the quality improvement projects.

Additional revenue came from other grants and contracts. During FY 2004, VPQHC worked with the Agency of Human Services, the Office of Vermont Health Access, Vermont Department of Health, the Health Care Administration and a number of Vermont hospitals.

INCOME

\$9416 Billback	\$475,000
Other Contracts and Contributions.	\$494,300
TOTAL	\$969,300

EXPENSES

Personnel	\$577,000
Operating.	\$114,000
Project	\$233,000
TOTAL.	\$924,000

2003-2004 Board Of Directors

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26 V.S.A. SECTION 1449

Annually, the Vermont Program for Quality in Health Care, Inc. shall file a report with the general assembly. The report shall include an assessment of progress in the areas of data collection, feedback to physicians and professional accountability. (effective June 22, 1989)

VERMONT PROGRAM FOR QUALITY IN HEALTH CARE, INC.



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