

Quality Performance Measurement in Medicaid and SCHIP:

2006 National Survey Results of State Officials



Executive Summary

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The National Association of Children's Hospitals (N.A.C.H.) commissioned Health Management Associates (HMA) to conduct a survey to identify the ways in which state Medicaid and State Children's Health Insurance Programs (SCHIP) are currently measuring the quality of care provided to children and families, including those with special needs.

The survey was designed to identify recent state initiatives to measure and improve quality, including states' efforts to report provider or health plan performance and to provide various incentives to meet specific quality performance targets. The survey was also designed to identify challenges and barriers to improving quality. HMA conducted the survey in the spring of 2006 and received responses from Medicaid and SCHIP programs in 40 states (including the District of Columbia), resulting in 47 completed surveys.

The results reveal that across the country the vast majority of Medicaid and SCHIP programs, large and small, are engaged in performance measurement and quality improvement activities of one kind or another. Current quality measurement in Medicaid and SCHIP focuses mostly on pediatric preventive and primary care, primarily related to measurement of health plans. Just over one-third of surveyed programs have hospital inpatient performance measures. Only one-sixth use one or more measures of quality of pediatric inpatient care in particular.

Collectively, Medicaid and SCHIP are large purchasers of children's health care services, particularly pediatric inpatient care. For example, the programs pay for more than 40 percent of all inpatient care for children. The market share of Medicaid and SCHIP puts these programs in a position to influence providers in adopting quality standards for these services.

Survey results suggest, however, that Medicaid and SCHIP programs, in general, do not have the resources, the expertise or the population size that would be needed to develop and validate evidence-based, pediatric quality and performance measures on their own. Most state programs will need to rely on publicly available and widely accepted measures that have been well-tested and validated as a more practical and effective approach in evaluating and ultimately improving the delivery of pediatric care.

The use of nationally uniform measures would be significant for children's hospitals, almost all of which serve multi-state regional markets and must respond to the requirements of Medicaid or SCHIP programs in the states in which their pediatric patients are enrolled. The Centers for Medicare and Medicaid Services (CMS) is the federal agency uniquely in a position to promote collaboration among Medicaid officials, providers, consumers and leading quality organizations to support development and testing of quality measures appropriate for pediatric care.

Highlights of Survey Results

Almost all states reported that they use some kind of policy or initiative to measure quality. Most commonly, these policies require the reporting of one or more (Health Plan Employer Data and Information Set (HEDIS) measures related to preventive or primary care. Only a handful of states have performance measures for inpatient pediatric care, for which HEDIS inpatient utilization measures are also often used. Of 47 Medicaid and SCHIP programs responding to the survey:

- A total of 40 programs—or 85 percent—require one or more HEDIS measures related to outpatient (preventive, primary, specialty) care. Pediatric preventive care (e.g., well-child visits, immunizations) measures were most commonly reported.
- In contrast, only 17 programs (16 Medicaid, 1 SCHIP)—or 36 percent—currently collect hospital inpatient performance data. Among these programs, utilization data (admissions and length of stay) for maternity care and newborn care were most commonly cited.
 - Only eight Medicaid programs currently have hospital inpatient measures for any combination of patient safety, process, serious reportable events, or infrastructure/structure measures included in their quality monitoring activities.
 - Only eight Medicaid programs indicated use of any pediatric inpatient measures. Two of these programs have undertaken initiatives recently to improve the quality of pediatric inpatient care.
 - Two Medicaid programs have a hospital “pay-for-performance” initiative in place. Only one includes incentives for limited measures for pediatric inpatient care performance.
- More than half of surveyed programs (26 of 47) publish performance results of providers, usually on a web site. These are largely limited to managed care organizations, rather than specific providers such as hospitals or physicians.
- States face significant challenges in their quality improvement efforts. Program officials frequently cited budget constraints, a lack of staff expertise, limitations of their information technology systems, and a need for improved measurement tools and performance measurement standards as major challenges to their quality improvement efforts.