

NEWS RELEASE

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MMA RANKS HEALTH PLAN TIERING SYSTEMS

Minneapolis - The Minnesota Medical Association (MMA), representing more than 10,000 state physicians, has graded the health plan tiering programs that slot physician clinics into tiers on the basis of cost and sometimes quality measures. Using primarily transparency criteria to evaluate the tiering programs, the MMA found several shortcomings and is calling for changes.

The state of Minnesota received low marks for its MN Advantage, which lags behind Blue Cross, HealthPartners and Medica on most criteria. Minnesota Advantage is the only plan that doesn't use any quality measures to assign tiers.

The MMA based its rankings on the amount of information given to physicians and enrollees including:

- the methodology used to tier physicians,
- the criteria for cut-off decisions between tiers;
- data that determined tiering placements,
- usefulness of information about cost and quality of referral, and treatment options,
- access to data on which quality measures are based, and
- relevance of quality measures.

The MMA supports efforts to give patients more information so they can make wise decisions about medical care. Tiering is one way to provide this information, but the MMA only supports tiering if health plans are forthcoming about the methodology they use to assign tiers and the data on which quality measures are based.

Blue Cross, HealthPartners, and Medica score fairly well on transparency, providing “advanced” information about tiering methodology to physicians, and “basic” information to enrollees. The state’s Advantage Health Plan, however, provides only “limited” information to enrollees.

The report points to a major limitation in any tiering effort. “We don’t know how reliable and valid the methods used to calculate medical groups’ cost of care are,” said MMA President David D. Luehr, M.D. “The science that underlies tiering is in its infancy. Health plans are making decisions based on the tiering software packages that are available, but research suggests that plans’ decisions about how to implement and use that software can affect the accuracy of the results.”

Luehr explained why the MMA is concerned about possible inaccuracy. “If physician groups are placed in lower tiers on the basis of faulty cost-of-care data, their patients might assume –incorrectly—that they were providing poor quality care or being wasteful,” Luehr said. “This could disrupt their relationships with their patients, damage their professional reputations and even threaten their economic survival.”

The MMA report identifies another serious problem. Cost of care measures reflect only the money spent to treat patients or conditions--they are not linked to quality outcomes. “A clinic that is spending more money to provide medical care that patients need and getting better results could be rated as less efficient than a clinic that spent less, did less, and didn’t have as good results,” said Luehr.

Cost is the driving element in assigning tiers. “Health plans tend to overstate the role of quality in assigning tiers,” said Luehr. “The MMA is urging health plans to be clear about how much they take quality into account when they make tiering decisions.”

The MMA is also asking health plans and the state to give physicians more information about the criteria used to set the cut-off line between tiers and to determine where they will be placed.

To see the MMA’s tiering report, visit www.mmaonline.net and click on “Tiering Report & Info” under Featured Links (to be posted Sept. 6) or call Lorrie Holmgren at 612/362-3742.