

**Transparency Summit**  
***Key Highlights***  
**August 24, 2006**

This document summarizes the proceedings from the Transparency Summit convened by Secretary Leavitt on August 24, 2006. Secretary Leavitt opened the meeting with the following set of objectives that, if met, would define a successful meeting:

- A. Allow Secretary Leavitt to share his current thinking on this initiative, which has been influenced by his visits to quality-focused collaboratives in 27 cities over the past two and half months, including the six pilot sites.
- B. Allow attendees to offer refinements or suggestions about his current thinking on this initiative.
- C. Establish a clear path forward for constructing a network of pilots that can be dramatically expanded.
- D. Define the three top priorities on the path forward:
  - 1. Cross-pollination of best practices across sites
  - 2. Harmonization of measures and standards across care settings
  - 3. Chartering of new collaboratives

Secretary Leavitt outlined several factors that are driving the need to bring transparency to quality and cost information, beginning with economic pressure.

The Secretary noted that widespread nervousness and unease exists due to increases in health care costs. Employers are eager for transparency initiatives to get started as quickly as possible, while physicians also recognize the need for transparency but are more cautious about making sure it is done right rather than just doing quickly.

Secretary Leavitt cited several other political, technological, and market issues giving the initiative momentum.

In addition to recent reductions in Medicare's Physician Payments and discussions about pay for performance, the Secretary shared that the recent progress on HIT standards and increasing adoption of HIT are why the timing of transparency is right. He explained how HIT will help to address what is now an unsustainable business model for measuring quality (e.g., a lone nurse conducting chart reviews). HIT standards and increasing HIT adoption will help to create the platform for pay for performance. In terms of market readiness, Secretary Leavitt stated that the President's Executive Order will help to cultivate a critical mass of purchasers and other stakeholders backing this initiative.

Secretary Leavitt went on to note that while CMS and AHRQ have already selected six pilot sites, there are many other organizations around the nation that are also running thoughtful and unique enterprises that would qualify them to participate. The Secretary

closed by stating that he has 881 days to have an impact and make a change. He shared the need for urgency while affirming that changes made should be driven by the private sector to assure long term sustainability.

Secretary Leavitt, in an effort to learn more about the six pilot sites and to garner support for the initiative, made visits to each of the pilot sites.

Dr. Carolyn Clancy and Dr. Mark McClellan shared observations from their recent experiences accompanying the Secretary on his site visits.

Dr. Clancy echoed Secretary Leavitt's appreciation for the work done by the pilot sites and commented that each community had its own unique flavor; she noted that although differences exist across sites, common themes were ever-present as well. Dr. Clancy also stated that the representatives around the table had cleared their schedules to be at the meeting with Secretary Leavitt because they all share his sense of urgency.

Dr. Clancy shared that the pilot sites and the AQA/HQA Steering Committee are coming back to Washington, D.C. on October 23<sup>rd</sup> and 24<sup>th</sup> for the next face to face meeting. She told the group how the AQA/HQA Steering Committee had formed the following five workgroups that will continue to move the committee's agenda:

1. The Expansion Workgroup: chaired by Peter Lee
2. The Infrastructure Workgroup: chaired by Chris Queram
3. The Transparency Workgroup: co-chaired by Debra Ness and Bruce Bradley
4. The Harmonization of Measures Workgroup: chaired by Janet Corrigan
5. The Efficiency and Episodes of Care Workgroup: co-chaired by Kevin Weiss and Greg Meyer

Dr. McClellan reiterated his appreciation to the pilot sites for the work on the project to date. He shared that the AQA has already identified a set of ambulatory quality care measures that are now being discussed by Congress. He expressed appreciation for the AQA/HQA steering committee's rapid turnaround on addressing the challenges and creating respective workgroups to accomplish tasks.

Dr. McClellan closed by reiterating that CMS, AHRQ, and HHS have supported these efforts, and that support will continue to increase in terms of infrastructure and increasing QIO involvement.

Secretary Leavitt then outlined goals for the next 881 days, which include the development of the following standards:

- A. *HIT Standards*: Secretary Leavitt wants to see standards established which offers interoperability and confidence to consumers. This process should be driven and sustained by the private sector and market forces, not by the federal government.

- B. *Quality Standards*: Secretary Leavitt again stressed that quality standards should be driven by the private sector. He expressed the need to develop a formal process for adopting the standards and a recognition in the market of these standards once adopted through this process.
- C. *Price Comparison Standards*: Secretary Leavitt stated that there is a need to formulate the technical capacity to aggregate claims data and segment data into episodes of care that can be further divided at the local, regional, and national levels. He shared that anyone should be able to access the information. The Secretary will be asking the top 100 employers and unions to make the same commitment that the President made through his Executive Order.
- D. *Creating Incentives*: Secretary Leavitt articulated the need to identify a method for addressing pay for performance. He expressed that making the information available for the public will develop pathways for incentive models. Market forces will shape how the data will be used.

The success factors behind obtaining this vision, as outlined by the Secretary, are:

- A. *Garnering Private Sector Support*: Secretary Leavitt stated that a political will (federal support) to change the current environment exists, but that the way to make the change happen is to get the market to adopt, own, and sustain it.
- B. *Keeping It Simple*: Secretary Leavitt used the analogy of initially assembling this initiative into a very simple vehicle or “go-cart.” For now, the focus should be to quickly assemble a basic model. With time and market pressures, it will naturally evolve to a more sophisticated model.

Secretary Leavitt articulated his vision for expansion of the project and then posed a series of questions for the meeting attendees to respond to in a roundtable discussion. He stated that the organization needs to have a “brand” and that those who are given a charter must abide by that “brand.” Once they are chartered and agree to the terms of the “brand,” the Secretary said that CMS will then be prepared to share data with these groups and provide them funding when available. His hope is that this trend will begin to quickly catch on and ultimately develop into a national network.

After Secretary Leavitt described his vision for the Network, he posed the following question: “Is the network the right thing to do?”

The meeting attendees voiced their agreement that forming a Network was the right thing to do. The expansion and workgroup chairs agreed to produce a plan of action for the existing pilots and expansion within 45 days. This will establish the set of minimum standards expected of the initial six and for new organizations to be chartered. Along the same line, the federal government was requested to develop plans of instituting the executive order across its agencies.

Some additional thoughts related to the Network included:

### Network Purpose

Participants said the ultimate goal for the network is not transparency, but to improve the quality of care, to lower costs, and to do it much faster than done in the past. Secretary Leavitt agreed and offered to change his newly printed brochure to be entitled “Better quality, lower costs” instead of “Transparency.”

### Healthcare Provider Engagement

It was stressed that physicians and other health care providers need to buy into this process, and they should be included in a meaningful way. Secretary Leavitt concurred and relayed that he would be visiting eighteen states in September to have discussions with healthcare providers.

### Innovation vs. Standardization

Another concern raised during the discussion was that the network should encourage innovation, not stifle it. The group acknowledged that the challenge to promote innovation across pilots must be balanced with the need to standardize for comparability and scalability. Everyone agreed that formalizing processes within the pilots/future chartered organizations would require a fine balance between structure and allowing for local flexibility/customization.

Secretary Leavitt recognized the need to promote local culture, but emphasized the chartering process would require a level of standardization and formal processes to develop a self-sustaining structure which can be ultimately acknowledged through Congressional discussions.

### Network Expectations

The group wanted to ensure that this network does not become a bureaucracy or a standards setting organization. Secretary Leavitt confirmed the need to keep quality measurement and information scientific, yet simple enough for usability and adoption. He reiterated that the network would not be a standards development organization; rather this network should decide which standards to implement.

After attendees responded to Secretary Leavitt’s first question, the Secretary defined the Network as a federation of local collaboratives that can create a sustainable brand. He then asked the following questions:

- Is it the right idea to make this Network part of the AQA/HQA or should it be separate in the future?
- Are there natural divisions of interest that should or could exist that would indicate that it would be healthier for the network to have an identity of its own?

The meeting attendees agreed that the Network would be a natural point of intersection for AQA/HQA and that AQA/HQA could serve as the starting vehicle for the Network. Attendees also agreed that time will dictate whether the Network should have a separate identity from AQA/HQA.

Secretary Leavitt stated that while this Network may start as an entity of AQA/HQA, ultimately it should emerge as an independent organization.

After this discussion concluded, Secretary Leavitt stated that the way to get started is to actually issue charters to the six pilots and create a sense of momentum. The Secretary said he would like charter criteria for the pilots to be established in the next 45 days.

The desire to name the chartered members was expressed. Names were mentioned and solicited, but Secretary Leavitt emphasized the need for the name to include both “Quality” and “Price.” Secretary Leavitt proposed naming the chartered members as “Quality and Price Information Collaborative” or QPIC.

Some fundamental criteria to be considered for inclusion in the charter were discussed. These include:

- Need to have data
- Need to have buy-in from the local community
- Need to have IT capability
- Need to have financial viability
- Need to keep emphasis at the local level

Secretary Leavitt also stated that plenty of existing sites are mature enough to become chartered members. Within six months, Secretary Leavitt would like to have the next group of charters enrolled. The charter system will create a mechanism for legally releasing CMS data.

Referring to the chartered entities, the Secretary stated that sixty *implementers* are needed, not *experimenters*. He said that AQA/HQA will be tasked to determine how to implement this as quickly as possible. The chartered entities would be adopting accepted measures, not developing them.

Attendees at the meeting voiced their concerns about establishing a set of minimum criteria required to get the “go-cart” going. They pointed out that numerous places exist that are not as technologically sophisticated and that the group needs to be prepared to address the needs of this population or they may miss half the places where care is being delivered across the nation. Secretary Leavitt acknowledged this challenge. The expansion and infrastructure workgroups will propose a minimum set of criteria and plans for the chartering process.

As the meeting drew to a close, attendees asked Secretary Leavitt to comment on his vision for the next phase of the pilots, when the pilots are going to be launched, and how many are going to be launched.

Secretary Leavitt stated that he would like to build “go-carts” in as many places as possible as fast as possible, but his ability to ratchet it up depends on his ability to say that there is a plan in place with specific timelines.

It was noted that the expansion and infrastructure workgroups will begin putting guidelines together. The guidelines will address the following three questions:

1. What is the network going to do (and not do)?
2. How is this network different?
3. How will the network sustain itself?

Secretary Leavitt closed the meeting by comparing the level of enormity of this project to other challenges that society has taken on, such as “going to the moon.” He underscored the number of people involved and emphasized this comparison was not an exaggeration. Secretary Leavitt confirmed, “It’s a big deal.” The group concurred and thanked him for his support.