Oncology Issues

ISSN: 1046-3356 (Print) 2573-1777 (Online) Journal homepage: https://www.tandfonline.com/loi/uacc20

Physician Profiling: One HMO's View

Terry R. Rogers

To cite this article: Terry R. Rogers (1993) Physician Profiling: One HMO's View, Oncology Issues, 8:2, 17-18, DOI: 10.1080/10463356.1993.11904419

To link to this article: https://doi.org/10.1080/10463356.1993.11904419

Physician Profiling: One HMO's View

by Terry R. Rogers, M.D.

Considerable strength resides in information related to variances in physician and provider behavior—*if* managed care plans can quantify what doctors do and assess what actually happens when patients see physicians.

Managed care plans require basic building blocks of accurate, broad-based information to track patients as they receive services. Looking at just one procedure or at one kind of service is unlikely to reflect accurately what happens in a clinical setting. Information must be patient-based. Focusing on a sole snapshot of what one physician does or what a group of physicians does to patients is not likely to result in an accurate representation of their services. In addition, the information must be statistically correct, address the doctor/patient experience, and reflect what has gone on as the patient tries to get care within the system. Finally, information must contain multiple variables. Physicians do lots of things, so it is important to look at what it is that they do.

Comparing one doctor to what the average doctor does will not provide valuable information because what the *average* represents is unknown. On the other hand, comparing, for example, Dr. X with a universe that is made up of many Dr. X's who do what Dr. X does is likely to result in a fairly accurate representation. Such a comparison is possible with sophisticated computer profiling programs.

Terry R. Rogers, M.D., *is Senior Vice President of Medical Affairs, King County Medical Blue Shield, Seattle, Wash. This article is an adapted version of his presentation made at ACCC's 19th Annual National Meeting.*

TABLE 1. NEW NON-HOSPITAL PATIENT ENCOUNTERS—ONCOLOGY GROUPS

Average charge	Mean	C.V.	10th Percentile	90th Percentile
1st Visit—Oncologist	$173	.486	$70	$344
1 Mo.—Oncologist	$223	.619	$83	$507
3 Mo.—Oncologist	$262	.631	$88	$584

The system we are using is PRO/FILE℠, from Health Services Analysis. A major feature of PRO/FILE℠ is that it is individual patient-based. It takes what happens to patients and reconstructs a universe of individual patient-based experiences, allowing stratification according to similar cases. Information can be evaluated over time, and episodes can be constructed that are related to procedures or hospitalizations. Longitudinal care of patients who are not hospitalized are compared as intervals.

What goes into the system? We chose to look at two years of claim data (1990 and 1991), which includes 25 million encounters, representing a base of 10,000 to 12,000 providers. There were no data on clinical outcome; nor were there data on quality services. We assume that all these physicians offer quality services. The data present an extremely large reference file that can be observed to find answers to a variety of questions about procedures, patients, physicians, hospitals, visits, and resources.

Carriers are resource managers, taking people's money, holding it, and spending it. They can direct patients to those places where they get health care—*without* any decrease in quality or any change in outcome and *with* savings. Everyone can benefit except those making excessive profits.

As an example of profiling, take arthroscopic surgery of the knee. In our analysis of Seattle physicians, total average costs for this procedure were $4,138, with a standard deviation of $800. However, 5 percent of our services charged $3,328, and more than 5 percent charged $6,000. Five percent of our practices that do arthroscopic surgery regularly charge us that amount of money.

As for total maternity care, fees for an uncomplicated pregnancy average

$7,000, yet vary from $5,400 to $8,500. The mean cost for a cesarean section is $10,000; however, some fees have come in at $14,000. Shop carefully for an obstetrician. Fees run from $2,500 to $4,000.

Cost patterns also vary within the practice of oncology. In fact, there are tremendous swings in costs for patients seen within oncology practices (Table 1). In radiation therapy, for example, a comparison of three individual practices revealed total episode costs for malignancy of the prostrate to be $7,900; $8,500; and $9,200 (Table 2). Many physicians do not even know what the hospital or radiation center is charging.

Our profiling system will allow us to hand any physician in the Seattle area a score card containing a number of variables. Each line measures the width of the distribution measured within the Seattle community. Where a physician's practice stands up to other practices in the community is clearly indicated, and physicians can easily see if they are on the high or low side. Clinical variables are specific to what individual physicians do. Everyone scores differently because everyone does different things.

TABLE 2. RADIATION THERAPY ANALYSIS

Diag 185—Malig. Neoplasm Prostate (Average Allowed $ Per Case)

	Mean	Prac-OS84	Prac-OTDR	Prac-OK00
Planning/Mgt	$3,104	$2,528	$2,695	$2,076
Other Oncology	$156	$248	$36	$196
Facility	$3,808	$4,953	$5,816	$6,268
Total	$7,540	$7,906	$9,203	$8,567

By focusing on those procedures and services that are furthest from the mean, physicians can achieve greater value and efficiency in health care. The bottom line is helping physicians do the right procedures for the right reason. Encouraging physicians to change certain behaviors and style will benefit us all.

FROM THE BOARDROOM

■ **ACCC Announces 1993–94 Officers and Trustees.** ACCC's new leadership includes: Albert B. Einstein, Jr., M.D., President, H. Lee Moffitt Cancer Center & Research Institute, Tampa, Fla.; Carl G. Kardinal, M.D., President-Elect, Ochsner Clinic, New Orleans, La.; John E. Feldmann, M.D., Treasurer, Mobile Infirmary Medical Center, Cedar Rapids, Iowa; and Diane Van Ostenberg, B.S., R.N., Secretary, Grand Rapids Clinical Oncology Program, Grand Rapids, Mich.

The Board of Trustees includes: Robert T. Clarke, M.H.A., Memorial Medical Center, Springfield, Ill.; Gordon R. Klatt, M.D., Tacoma General Hospital, Tacoma, Wash.; Albert F. LoBuglio, M.D., Comprehensive Cancer Center, Birmingham, Ala.; Nancy A. Nowak, M.A., Milwaukee, Wisc.; David H. Regan, M.D., Providence Medical Center, Portland, Oreg.; Margaret A. Riley, M.N., R.N., Saint Joseph's Hospital, Atlanta, Ga.; J. Michael Ryan, M.D., Rice Memorial Hospital, Willmar, Minn.; James L. Wade, III, M.D., Decatur Memorial Hospital Cancer Institute, Decatur, Ill.; Larry W. White, M.D., Washington, D.C.; and Connie Henke Yarbro, R.N., B.S.N., Memorial Medical Center, Springfield, Ill.

■ **Committee Chairs Appointed.** Ad Hoc Committee for Strategic Planning: Carl G. Kardinal, M.D., New Orleans, La.; Ad Hoc Committee on Reimbursement: David K. King, M.D., Phoenix, Ariz.; Ad Hoc Standards Committee: Connie Henke Yarbro, R.N., B.S.N., Springfield, Ill.; Bylaws Committee: Luana Lamkin, B.S.N., M.P.H., Denver, Colo.; CRG Steering Committee: Lloyd K. Everson, M.D., Indianapolis, Ind.; Governmental Affairs Committee: James L. Wade, III, M.D., Decatur, Ill.; Membership Committee: H. Irving Pierce, M.D., Tacoma, Wash.; Program Committee: David H. Regan, M.D., Portland, Oreg.

■ **Nominating Committee Elected.** Paul N.Anderson, M.D., Colorado Springs, Colo.; Robert E. Enck, M.D., Davenport Iowa; Lloyd K. Everson, M.D., Indianapolis, Ind.; Jennifer L. Guy, B.S., R.N., Columbus, Ohio; Patti Jamieson, M.S.S.W., M.B.A., Chattanooga, Tenn.

■ **Special Interest Group (SIG) Chairs Appointed.** Administrative: Michael E. Mohnsen, M.H.A., Cedar Rapids, Iowa; CCOP: Carl G. Kardinal, M.D., New Orleans, La.; Medical Director: Dean H. Gesme, Jr., M.D., Cedar Rapids, Iowa; Nursing: Margaret A. Riley, M.N., R.N., Atlanta, Ga.; Radiation Oncology: R. Lawrence White, M.D., Washington, D.C.

■ **Proposal for Formal Special Interest Group Membership.** A proposal to establish a more formal membership structure for SIGs was approved by the Board in concept. Final approval and an implementation schedule will be considered as part of the budgeting process for the 1993–94 fiscal year. The proposal was presented after a year of work by the Ad Hoc Committee to Review ACCC's Organizational Structure. The Committee was charged with reviewing ACCC's organizational and membership structures and making recommendations to strengthen its interdisciplinary nature.