

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

The following chart contains an American Medical Association (AMA) staff description and analysis of Aetna’s “Aexcel” program. In this chart, the “Aexcel” program is broken horizontally into five sections that correspond to the AMA’s five Principles for Pay-for-Performance Programs. There are also four vertical columns, the first of which contains each of the five AMA Principles. The second column contains descriptions of aspects of the program, as derived from Aetna’s Web site and other Aetna-generated documents, that pertain to each particular AMA Principle. The third column contains information about the implementation of the “Aexcel” program that AMA derived from sources other than Aetna, including discussions with participating physicians and practice managers. The last column is an AMA analysis that compares the program to the AMA Principles.

It is apparent that the “Aexcel” program is not a pay-for-performance program, as evidenced by the absence of physician incentives noted opposite the fifth AMA Principle. Rather, Aexcel is a physician-profiling program that confers the Aexcel designation on some physicians, depending on how highly they are rated on Aetna’s “quality” and efficiency measures. Depending on the benefit plan, Aexcel members either pay a higher copay to see non-designated physicians or are required to see only physicians with the Aexcel designation.

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>1. Ensure quality of care</i></p> <p>Fair and ethical PFP programs are committed to improved patient care as their most important mission.</p>	<p>Designated Aexcel specialists are the centerpiece of Aetna’s Performance Network, a network of specialty physicians that also includes participating primary care physicians, hospitals and physicians in non-Aexcel specialties.</p> <p>Aetna’s Aexcel physician-specialist network is a sub-set of physicians in 12 designated specialties: Cardiology, Cardiothoracic Surgery, Gastroenterology, General Surgery, Obstetrics/Gynecology, Orthopaedics, Otolaryngology (ENT), Neurology, Neurosurgery, Plastic Surgery, Urology and Vascular Surgery.</p> <p>For Aexcel designation, Aetna first looks at specialists in its network who have managed a minimum number (20) of Aetna member cases over the past three years. Then, physicians who meet this case volume threshold are</p>	<p>Cardiologists and OB/GYNs have a portion of their clinical performance based on evidence-based guidelines.</p> <p>Aetna plans to bring other factors, such as member satisfaction, to</p>	<p>Aetna contends its Aexcel program measures physician quality and encourages physician improvement; however, with the possible exception of cardiologists and OB/GYNs, clinical performance for physicians is not</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Ensure quality of care (cont.)</i></p> <p>Evidence-based quality of care measures, created by physicians across appropriate specialties, are the measures used in the programs.</p>	<p>evaluated against Aexcel’s measures of “quality,” termed clinical performance (hospital re-admission rates and adverse event rates). For specialists who meet the “quality” or clinical performance standards, a measure of efficiency of their care is developed and compared to their peers.</p> <p>Aexcel designation distinguishes physicians in the 12 specialties based on some aspects of clinical performance and efficiency in delivering care. Other factors considered in the designation process are caseload and network adequacy.</p>	<p>the evaluation at such time there are credible sources for that development.</p> <p>Aetna contends that the CMS-based 30 day re-admission rate and an AHRQ-based inpatient adverse event index that are used to measure “quality” are case-mixed adjusted and use a 95% confidence interval in their scoring.</p> <p>Most of the diagnoses treated by physicians in the 12 specialties are episodic, as opposed to chronic, in nature. Aexcel measures clinical effectiveness by profiling specialists on: adverse events during inpatient hospital stays, 30-day unplanned hospital re-admission rates, and only with cardiologists and OB/GYNs are evidence-based quality measures used to profile performance.</p>	<p>based on evidence-based guidelines.</p> <p>Once physicians pass the clinical performance criteria, the efficiency ratings are the only criteria used to exclude physicians from receiving Aexcel designation. The program cannot be considered quality-based and primarily committed to improving quality of care because of this efficiency-rating component; instead, it becomes more of a “cost”-based program.</p> <p>The effectiveness of measuring quality of care using the parameters of re-admission rates and adverse events has not been scientifically verified, especially without a sophisticated mechanism to adjust for patient risk factors and patient compliance with physician-recommended regimens. Because the majority of the measures used in the program to rate clinical performance are not</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Ensure quality of care (cont.)</i></p> <p>Variations in an individual patient-care regimen are permitted based on a physician’s sound clinical judgment and should not adversely affect PFP program rewards.</p>		<p>Aetna worked closely with a number of large employers to develop Aexcel. Aetna has spoken with the AMA, medical societies and physicians where Aexcel operates.</p> <p>Physicians who perform every procedure, order every test and prescribe every medication that is dictated by the patient’s condition may have high short-term costs.</p>	<p>evidence-based measures, the resulting physician ratings may be inaccurate in terms of judging true quality of care.</p> <p>We are uncertain as to the amount of physician involvement in conceptualizing and developing the Aexcel programs.</p> <p>Physicians could provide appropriate, quality care and then lose Aexcel designation for having high costs of care.</p>
<p>2. Foster the patient-physician relationship</p> <p>Fair and ethical PFP programs support the patient-physician relationship and overcome obstacles to physicians treating patients, regardless of patients’ health conditions, ethnicity, economic circumstances,</p>	<p>Aetna provides its members with access to detailed information based on cost, clinical quality and efficiency of their physicians’ care. Patients who are not in an Aexcel program may still refer to the directory to find ratings on</p>	<p>Patients can log onto Aetna Navigator and search for specific specialists using the DocFind tool. A blue star adjacent to a physician’s name indicates that he/she is an Aexcel-designated physician in this directory. Aetna</p>	<p>The use of tiered and narrow networks limits patients’ choice of physicians and may result in severing long-term patient-physician relationships, which may threaten continuity and quality of care. Many of these</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Foster the patient-physician relationship (cont.)</i></p> <p>demographics or treatment compliance patterns.</p>	<p>physicians.</p> <p>“We believe the critical source of continuity is with the primary care physician, whom we expect to ‘quarterback’ the patient’s care. As a result, we consciously decided to leave primary care out of Aexcel.”</p> <p>The episodes of care for individual patients are severity adjusted for age, co-morbidities and complications in both Cave and Symmetry. There are additional variables added to the case mix for Symmetry (product, year of service, pharmacy rider and gender).</p>	<p>designed Aexcel to encourage members to seek care from Aexcel-designated specialists. Depending on the benefit plan, some patients receive incentives to seek care from Aexcel-designated physicians through lower copays (tiered network), or the plan may require patients to see only Aexcel-designated physicians (narrow network).</p>	<p>physicians are not designated only because of a lack of data or higher-than-average costs.</p> <p>Case mix and severity adjustment should control for differences among patients in severity, co-morbidities and demographics. Demographic differences often correlate to patient compliance with therapeutic regimens. If indicators are not properly adjusted to control for such differences, the Aexcel program can create perverse incentives for physicians to stop treating certain types of patients. According to expert, William Thomas, PhD, the risk-adjustment capabilities of the Cave and Symmetry systems are minimal.</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Foster the patient-physician relationship (cont.)</i></p>	<p>If the performance network option is not large enough to meet the needs of Aetna’s membership, Aetna may add specialists to the network to satisfy access standards.</p>	<p>Only a limited number of physicians attain Aexcel status.</p>	<p>Aexcel appears to consider adequate patient access to physicians in building their networks.</p>
<p><i>3. Offer voluntary physician participation</i></p> <p>Fair and ethical PFP programs offer voluntary physician participation and do not undermine the economic viability of non-participating physician practices.</p> <p>These programs support participation by physicians in all practice settings by minimizing potential financial and technological barriers, including costs of start-up.</p>	<p>Eligible physicians are automatically assessed for Aexcel designation consideration and receive written communication from Aetna as to the results.</p> <p>Aexcel designates specialists within 12 areas of care. These specialists represent those areas that typically generate the highest spending for Aetna. Aexcel’s full network includes participating non-rated primary care physicians</p>	<p>Participation is mandatory for all Aetna-contracted physicians in specialties covered by the program.</p> <p>Other specialists in those 12 areas can be excluded from receiving the Aexcel designation because Aetna does not have enough data on them.</p>	<p>Physicians are not given the opportunity to voluntarily participate in Aexcel. One of the primary concerns physicians have with tiered and narrow networks is that these schemes place profits ahead of patients by lessening patient access to physicians who are not included in the networks and resulting in irrevocable damage to patient-physician relationships.</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
	and other specialists.		
<p><i>4. Use accurate data and fair reporting</i></p> <p>Fair and ethical PFP programs use accurate data and scientifically valid analytical methods.</p>	<p>Aetna reviews the previous three years of data for inpatient, outpatient, diagnostic, laboratory and pharmacy claims for patients of eligible specialists.</p> <p>For specialists who meet the case volume and clinical performance standards for Aexcel network designation, a measure of the efficiency of their care is developed and compared to their peers. Aetna uses two methodologies to measure efficiency: Symmetry Episode Treatment Groups (ETGs) and the Marketbasket System for Physician Efficiency Measurement from Cave Consulting Group. Physicians with efficiency scores equal to or</p>	<p>Aetna compares the resources used to treat these patients to those of other specialists in the same specialty and general location. If the resulting network of specialists is not large enough to satisfy access standards, specialists who met the quality standard but not the efficiency criteria might be added to the network.</p> <p>Cost-of-care profiling systems using grouper methodologies attempt to move away from looking at isolated encounters and instead look at an entire episode of care.</p> <p>Aetna uses a statistical confidence interval of 0.90; therefore, a physician’s score is considered to be efficient and statistically significant if the entire 90% confidence interval (range of scores) is better than the median for that market and specialty.</p>	<p>Claims data do not capture all information associated with a patient encounter; therefore, errors are inevitable. There will frequently be information that is not captured in claims data. Three-year-old data does not reflect the current quality or efficiency of a physician practice.</p> <p>A frequent consultant to health insurers on their physician cost-efficiency measurement programs and the AMA, Thomas’ modeling of cost efficiency ratings would suggest that confidence in these ratings is likely to be considerably lower when Aetna uses as few as twenty episodes to satisfy its definition of “efficiency.” Studies indicate that there is no “gold standard” grouper system for looking at episodes of care. Furthermore, the profiling results obtained from different</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Use accurate data and fair reporting (cont.)</i></p>	<p>better than the mean efficiency score for the market and specialty are considered efficient. Those physicians who are efficient and statistically so, using a 90% confidence interval, are used as the “starting point” group for designating Aetna’s Performance Network.</p> <p>Aexcel uses case-mix adjusting of the results, a minimum of 20 episodes, as well as a 90% confidence level, to determine the physician’s efficiency score.</p>	<p>Aexcel designates physicians as “efficient” if they score in a designated percentage for both methodologies.</p> <p>Aetna identifies specialists who have managed at least 20 cases of Aetna members over the past three years.</p>	<p>applications, using data on the same population of patients, may vary greatly. In other words, using the same data, a physician may be rated efficient by one system and inefficient by another.</p> <p>Grouping methodologies are inaccurate; therefore, Aetna uses two methodologies to calculate physicians’ efficiency scores for Aexcel designation. There is no indication that this calculation practice reduces, rather than compounds, errors.</p> <p>One unusual result can drastically affect a rating based on small sample sizes. According to Thomas, the potential accuracy of efficiency rating improves dramatically when higher numbers of episodes are used as the basis for a rating. Thomas’ modeling of cost-efficiency ratings would suggest that confidence in these ratings is likely to be considerably</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Use accurate data and fair reporting (cont.)</i></p> <p>Physicians are allowed to review, comment on and appeal results prior to the use of the results for programmatic reasons and any type of reporting.</p>	<p>Aetna allows physicians to view their quality and efficiency scores through its Web site.</p>	<p>Patients may view physicians’ quality and efficiency ratings, including the reasons for non-Aexcel network selection, through Aetna’s online physician directory (DocFind).</p>	<p>lower when Aetna uses as few as 20 or fewer episodes to determine so-called efficiency.</p> <p>This could seriously impact the financial viability of practices as well as damage some patient-physician relationships. It is unknown whether profiled physicians are afforded the opportunity to review and comment on or appeal their results prior to the use of the results for reporting.</p>
<p><i>5. Provide fair and equitable program incentives</i></p> <p>Fair and ethical PFP programs provide new funds for positive incentives to physicians for their participation, progressive quality improvement or attainment of goals within the program.</p>		<p>Aexcel is not a physician PFP program; instead, employers may use Aexcel as either a tiered network (whereby patients receive incentives through lower copays when they obtain their health care services from Aexcel-designated physicians) or as a narrow network (whereby patients are required to seek care from Aexcel-designated specialists).</p>	<p>This could seriously impact the financial viability of some practices, as well as damage some patient-physician relationships. Instead of offering physicians incentives for their participation and quality improvement efforts, Aexcel penalizes both the physicians who are not designated as Aexcel and their patients.</p>

Aetna’s “Aexcel” program measured against AMA’s Principles for Pay-for-Performance Programs

AMA PRINCIPLES FOR PFP PROGRAMS	AETNA DESCRIPTION OF “AEXCEL”	“AEXCEL” IMPLEMENTATION STRATEGIES	AMA ANALYSIS & COMMENTS
<p><i>Provide fair and equitable program incentives (cont.)</i></p> <p>The eligibility criteria for the incentives are fully explained to participating physicians. These programs support the goal of quality improvement across all participating physicians.</p>			<p>The AMA strongly opposes the use of physician networks that deny patient access to or attempt to steer patients towards certain physicians primarily based on cost-of-care factors.</p>