March 16, 2017

National Quality Forum Board of Directors
National Quality Forum
1030 15th Street, N.W., Suite 800
Washington, DC 20005

Dear Board of Directors:

The undersigned organizations representing America's hospitals, health systems, and other health care organizations wish to share with the National Quality Forum (NQF) Board of Directors our thoughts and concerns about the Sociodemographic (SDS) Trial Period. It is our understanding that the SDS trial period is slated to end in the spring of 2017. We believe it should be extended for the reasons articulated below and ask that the Board extend the trial period for a minimum of at least one year.

The extension of the SDS trial period would be responsive to ongoing NQF member concerns and the growing evidence that demonstrates how SDS factors such as income and education level impact a hospital, physician or other provider's ability to influence patient outcomes, including readmissions and cost. Further, the extended trial period would enable measure developers to examine whether there is conceptual evidence demonstrating this linkage and to test specific risk models with robust data sets to identify the potential impact on performance scores. The goal was to ensure that NQF-endorsed accountability measures would represent accurately the quality of care provided, while also shedding light on factors (e.g., within a community) that would be considered outside of a provider's control.

However, the execution of the trial period across the various Consensus Development Process (CDP) projects has been limited and confounded by confusing communications to the NQF membership and the public on the progress being made during the SDS trial period. Collectively, we support an extension of the trial period to ensure that the outcomes are responsive to the Board's charge and that the measures receiving endorsement are reliable and valid with minimal unintended consequences to patients and providers. We hope that by highlighting the various discrepancies and inconsistencies we will be able to work with the NQF to reshape and restructure any future work during an extended trial period.

We also strongly believe that the findings of recent reports on SDS should be used to inform and shape a robust set of criteria by which NQF Standing Committees can evaluate measures for appropriate SDS risk adjustment. New research indicates a more

robust understanding of various factors that could and should be tested during a SDS trial period. In addition to NQF's own task force citing a substantial number of well-done studies in its landmark report, *Risk Adjustment for Socioeconomic Status or Other Sociodemographic Factors*, the Office of the Assistant Secretary for Planning and Evaluation (ASPE) and the National Academy of Medicine's (NAM) series of reports on accounting for social risk factors recently were released and should serve as vital resources during the extension of the trial period.

As the NQF moves forward, we pledge to work with you to identify the successes of this trial period and areas for improvement. We ask that NQF conduct an assessment that includes critical evaluations and feedback from the multiple committees tasked with informing the Board's decision on whether to make SDS adjustment a permanent policy. In addition, NQF should request input from the membership and other external stakeholders. Further, the NQF should follow the guidance and recommendations of the Disparities Standing Committee, which has been tasked with evaluating the entirety of the trial period.

Our key concerns are outlined below.

KEY CONCERNS

Lack of Clear Oversight and Consultation. The NQF divided responsibility for the trial period between the Consensus Standards Approval Committee (CSAC), the Disparities Standing Committee and various CDP Standing Committees. While the Disparities Standing Committee is responsible for assessing the entirety of the trial period following its conclusion, no single overarching entity has been responsible for directing and evaluating the multiple committees assessing SDS proposed adjustments during this period.

The ability to refine the trial period, prospectively, based on input from NQF committees and external reports or findings, is important to the success of the trial period. However, over the course of the trial period, no refinements appear to have been made. This static process does not allow for committees or developers to be responsive to new information, such as the reports from NAM and ASPE, or NQF member input that was provided during multiple CDP evaluations.

The current NQF measure evaluation criterion on risk adjustment only allows for adjustment of patient factors; yet, as the trial progressed, it became clear that SDS factors should be considered more broadly, such as at the community level, to provide additional perspectives and insights.

Flawed Rollout of the Trial Period. The implementation plan of the trial period led to evaluations of the relevance of SDS factors in the risk-adjustment models by standing committees with limited expertise and experience in this area. In addition, the one committee with the relevant experience – the Disparities Standing Committee – was not

asked to provide any input on individual measures, the general adequacy of the information submitted by measure developers, or any other aspect of the trial period.

We are concerned that the implementation of the trial period did not provide adequate time for measure developers to be truly responsive and thorough in their analyses. Many of the measures were already scheduled to undergo maintenance reviews and were promptly moved into CDP projects and the trial period. It remains unclear the degree to which this expedited process impacted the rigor and robustness of the factors and supporting data used in the analyses.

Given the evidence provided in the conceptual models that SDS factors influence patient readmissions, it leads us to believe that insufficient data used in the empirical tests of those conceptual models may have contributed to the null results.

Inaccurate and Incomplete Communications to Members and Stakeholders throughout the Trial Period. Information on the trial period has been difficult to identify and monitor on the NQF website. For example, the list of measures included in the trial period, and posted on the NQF's website, was last updated on October 2015. Additional measures were included by NQF staff in the trial period and standing committees were tasked with evaluating the SDS data after October 2015. However, there was no central location in which this information could be found.

The division of responsibility across the CSAC, Disparities Standing Committee and various CDP Standing Committees also made it extremely difficult to follow all of the discussions and evaluations of individual measures and the trial period as a whole, therefore making it difficult to monitor the committee evaluations of measures for appropriate SDS adjustment.

The NQF's SDS trial period is important work to promote equity and an even playing field as well as increased awareness of the SDS issue. However, there is a clear need to extend this trial period so that it can be refined and users and the public can be confident in the findings. For example, of the many measures reviewed in the trial period, only two post-acute readmission measures were endorsed with the inclusion of SDS factors in the risk models, while most if not all measures under review demonstrated a conceptual link between SDS factors and patient outcomes. Rather than seeing this result as indicative of the success of the trial period, it may be an indication of the need to continue the trial period with additional refinements.

RECOMMENDATIONS

With the goal of assisting the NQF in refining the trial period, we offer the following recommendations:

- Clearly define the roles of each review group participating in this trial period and determine which group is best suited to complete these reviews.

For example, in previous projects, the NQF asked an external consultant to provide an unbiased review of any risk-adjustment model included in outcome measures under consideration. This review was then provided to the CDP committees to assist them in their evaluations and standardize the reviews across committees. We encourage the NQF to explore whether this model may prove useful during the extension of the trial period, as it would allow for a level of consistency and content expertise that may not exist on all CDP Standing Committees.

An alternative would be to centralize the review of the SDS factors in these models with the Disparities Standing Committee. Members of this committee are well-regarded experts in the field who could play an invaluable role in ensuring consistent and comprehensive analyses on this issue. This centralization also would enable the NQF to more effectively evaluate the progress and efficacy of the extension.

- Determine whether the measure submission requirements and current measure evaluation criteria should be further modified to incorporate the findings of the ASPE and NAM reports. We recommend the following:

    - Materials should clearly define what is intended by conceptual and empirical analyses;
    - Materials should outline exactly what information, factors and data must be provided with the goal of reducing variability in information across submissions; and
    - Guidance should be incorporated on what types of data, statistical testing and parameters are necessary to yield optimal results.

  We urge you to look at the NAM's report *Accounting for Social Risk Factors in Medicare Payment: Data* for examples of currently available SDS data that could be included in measure risk adjustment. The measure evaluation criteria also should be reviewed to determine whether it is overly prescriptive (e.g., limiting analyses to only patient-level factors). This step is particularly important given that this field continues to evolve and the criteria should not limit innovation and improvements to how a measure is specified and represented.

- Regularly communicate information to the membership and public that is concise, user friendly and transparent.

  Information on all discussions, guidance, materials, measures under review and other items around this trial period should be easily accessible on the NQF website. Providing a location through a dedicated web page is one example of how communication and active engagement of all interested groups could be accomplished.

  For measures included in the trial period—forthcoming measures and measures that

were previously reviewed under the trial period—we would expect that the following questions to be addressed:

- To what extent were the SDS variables and associated risk models able to capture new and innovative factors and data as outlined in the ASPE and NAM reports?
- What impact did the SDS variables in the risk models have on representing performance?
- What changes, if any, should be made to the measure evaluation criteria?
- Are there areas that require additional investigation and/or evaluation?

We remain committed to working with NQF to improve its processes and advance health and health care quality through measurement. Thank you for your consideration of these important issues and our request to extend the SDS trial period for at least one year. If you have further questions, please contact Nancy Foster at nfoster@aha.org, Jayne Hart Chambers at jchambers@fah.org, Ivy Baer at ibaer@aamc.org, and Beth Feldpush at bfeldpush@essentialhospitals.org.

Sincerely,

American Hospital Association
Association of American Medical Colleges
America's Essential Hospitals
Federation of American Hospitals