



THE **LEAPFROG** GROUP

Informing Choices. Rewarding Excellence.  
**Getting Health Care Right.**

# Implementing the Leapfrog Hospital Rewards Program

# Session Objectives

- Review program questions for administrators
- Discuss customizable program features:
  - Eligibility
  - Performance categories
  - Performance benchmarks
  - Rewards options
- Review processes necessary to launch the program
- Introduce tools created to assist with implementation efforts
- Discuss options for program participation

# PROGRAM DECISIONS

# Program Decisions - Design

- Geographic boundaries?
- National, regional, or local benchmarks?
- Attainment and improvement requirements?
- Types of rewards for attainment and improvement?
- Timelines and rewards cycles?

# Program Decisions - Implementation

- How many hospitals?
- How many hospitals already participate in the Leapfrog Survey?
- Are other health plans offering the LHRP in our market?
- Are other plans offering alternative hospital rewards programs, and, if so, how do these align with the LHRP?

# Program Decisions - Communication

- Hospitals
  - Program requirements
  - Results and rewards
- Employer clients
- Members and consumers
- Other stakeholders, such as government, local coalitions, local medical associations, etc.

# Program Decisions - Administration

- What resources/capacity do we have to recruit hospitals?
- What administrative resources will we need to support the program?

# Program Decisions - Evaluation

- How will we define success for the rewards programs (e.g., hospital participation rates, quality improvement, dollar savings, improved outcomes)?
- What data is necessary to measure against this definition, and what processes must be put in place to collect the data?



# PROGRAM CUSTOMIZATION

# Program Flexibility

Health Plan administrators can customize LHRP to suit the needs of their market(s):

1. Eligibility requirements
2. Performance categories
3. Rewards structure

# Eligibility Requirements

- How to determine geographic scope
  - Urban and/or rural
  - Statewide or regional
- How to structure hospital participation?
  - Invite hospitals to incentivize
  - Require hospitals to participate
- How to emphasize importance of participation to hospitals?
  - Special network tiering
  - Network performance report card
  - Rewards structure

# Performance Categories

Two categories: Attainment and Improvement

## 1. Attainment

- Top xx% of hospitals (e.g., top decile)
- Pre-set score (e.g., LHRP score of 80 or better)

## 2. Improvement

- Compare to own performance benchmark in prior year
- Peer group performance to set minimum benchmarks
- Option to split improvement category into sub-levels (e.g., improve one decile)

# Rewards Structure

- Depends on contracting opportunities, state regulations, plan and product structure
- Recommend separate rewards structure for each category:
  - Attainment
  - Improvement
- Pass/Fail or Incremental rewards approaches

# Rewards Eligibility

	Binary – “Pass/Fail”	Incremental – “Number Grade”
Attainment	<p><b>Top quartile for Efficiency</b></p> <ul style="list-style-type: none"> <li>• Set benchmarks using previous year data</li> <li>• If less than 50<sup>th</sup> percentile for quality, then set to “fail.”</li> </ul>	<p><b>=(Efficiency score – 50<sup>th</sup> percentile eff. score)/(90<sup>th</sup> percentile eff. score – 50<sup>th</sup> percentile eff. score)</b></p> <ul style="list-style-type: none"> <li>• Set benchmarks using previous year data</li> <li>• If less than 50<sup>th</sup> percentile for quality, then set to zero.</li> </ul>
Improvement	<p><b>Increase efficiency score by <math>\geq x\%</math> of the remainder</b></p> <ul style="list-style-type: none"> <li>• Not applicable if attainment award earned</li> <li>• Use highest previous efficiency score as benchmark</li> <li>• If decrease in quality score, then set to “fail”</li> </ul>	<p><b>Efficiency score increase <math>\geq y\%</math> of the remainder</b></p> <ul style="list-style-type: none"> <li>• Use highest previous efficiency score as benchmark.</li> <li>• If decrease in quality score, then set to zero.</li> </ul>

# Rewards Options

Health Plan administrators can customize the rewards packages for the Attainment and Improvement performance categories in LHRP.

## Attainment Category

- **Contract rate adjustment**
- **Patient shift**
- **Public recognition**
- **Pre-set dollar amount**

## Improvement Category

- **Pre-set dollar amount**
- **Shared savings dollar amount**
- **Contract rate adjustment**

# PROGRAM LAUNCH



# Example Program Timeline

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Program Customization &amp; Communications to Hospitals</b>			<b>Hospitals Complete Leapfrog Survey</b>			<b>Results Calculated and Publicly Available</b>		<b>Verify Results and Calculate Rewards</b>		<b>Recognition and Rewards Distribution</b>	

# Communications

- Discuss program with hospitals in defined market area
  - Invitation letter
  - Webinars
- Distribute program materials that specify participation and process details
- Publicly announce program launch
  - Press release
  - Website
  - Employer customers

# Administration

- Resource allocation
  - Appoint internal contact to collaborate with Leapfrog support team
  - Appoint internal contacts to communicate with external parties (hospitals and community stakeholders)
  - Create an evaluation team composed of quality improvement and analyst personnel

# Evaluation

- Set goals for success then define measures and data needs
- Data required for analysis
  - Leapfrog data
  - Claims data
  - Consumer experience/satisfaction

# PROGRAM TOOLS

# Administrator's Tools

- Program education
  - Website
  - Developed materials
- Licensee Toolkit
- Technical assistance packages

# Product Offerings

- LHRP Data Package
- LHRP Data & Analysis Package
- LHRP Full Licensure Package

## Available services:

- Program education
- Technical support from Leapfrog staff
- Licensee Toolkit

# Questions?

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