



April 16, 2014

Christine Cassel, MD  
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National Quality Forum  
1030 15th Street NW, Suite 800  
Washington, DC 20005

Dear Dr. Cassel:

Thank you for the opportunity to comment on your *Risk Adjustment for Socioeconomic Status or Other Socio-demographic Factors* report. We know many stakeholders have interest in risk adjusting outcomes measures (and select process measures) for socioeconomic status (SES) or other sociodemographic factors. There also is no doubt that improving care for the most vulnerable members of society is a primary aim of risk adjustment proponents.

Risk adjustment proponents note that people with lower SES often have poorer outcomes which may sometimes be due to factors outside of healthcare. As payments are increasingly based on outcomes like readmissions, they worry that lower payments that result from poorer outcomes will make it even more difficult to provide good care.

However, SES risk adjustment at the individual measure level would unfairly lock in lower expectations for the very populations that most need better quality. It is simply wrong to deny lower SES populations the right to expect and receive high-quality care. There are much better ways to address concerns of providers serving lower SES populations without risk adjusting away very real differences in outcomes.

Instead of lowering the bar on measurement to mask disparities for lower SES patients, we should work to ensure that providers have the resources and skills to meet these patients' needs. Person-centered, culturally appropriate care has been shown to reduce income-based disparities in care.<sup>1</sup> In addition, some providers serving low SES populations, such as Denver Health, have consistently outperformed many non-safety net providers. Since good outcomes clearly are possible in lower SES populations, we should not be excusing providers for poor outcomes that result from a lack of person-centered, culturally appropriate care.

Better methods to address SES-related disparities that do not skew measurement results include:

- Directly enhancing payments to providers serving low SES populations, based on SES-related data such as patients' zip codes or census tracts, so they have resources needed to address disparities;
- Sharing best practices of providers who achieve good outcomes in lower SES populations;

- Stratification of results by payer (Medicaid/CHIP, Exchanges, Commercial, Medicare) in ways that do not mask important differences that urgently need to be addressed; and
- Rewarding providers for a combination of absolute performance and quality improvement.

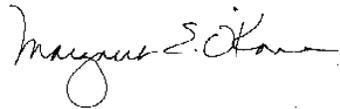
We also are concerned about unintended consequences of other provisions in the report.

- The recommendations would require measure developers to “prove the negative” by showing that there is not a relationship between SES status and outcomes. This would be difficult if not impossible in far too many circumstances and is simply not practical.
- The recommendations also suggest that NQF expand its role to issue guidance to payers on how to implement measures. This could inhibit innovation among payers in developing new ways to combine measurement and payment policies to reward high quality care and improvement.

NCQA is nearing its 25<sup>th</sup> anniversary and our vision is to transform healthcare quality through measurement, transparency and accountability. Risk adjustment for SES and sociodemographic factors at the measure level will impede our progress by artificially reducing variation in performance measurement, putting a filter over the bright light of transparency, and lowering the bar of accountability. We are committed to closing gaps in quality through measurement but the measures must tell true stories, no matter how uncomfortable the finding.

Thank you again for inviting our comments. If you have any questions about our thoughts, please contact Mary Barton, MD, Vice President for Performance Measurement, at [barton@ncqa.org](mailto:barton@ncqa.org) or 202 955-5109.

Sincerely,



Margaret O’Kane,  
President

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<sup>i</sup> Berenson, J et al, Achieving Better Quality of Care for Low-Income Populations: The Role of Health Insurance and the Medical Home for Reducing Health Inequities, Commonwealth Fund, May 2012.