



Nursing Engagement in Performance Measurement and Public Reporting

PURPOSE

This study is intended to: (1) assess the current state of interest in rewarding high quality nursing care, (2) drive a coordinated response to the challenges and opportunities of creating pay-for-performance programs that recognize nursing's contribution, and (3) strategically engage nurses in performance measurement, public reporting, and value-based purchasing.

BACKGROUND

Over the last decade, there has been an enormous investment in holding health care providers accountable for the quality of care provided in hospitals and other settings of care. Performance measurement and public reporting are now recognized^{1,2} as key vehicles to motivate accountability and achieve improvements in patient safety and health care outcomes.

More recently, because of mounting health care costs and misaligned reimbursement systems, employers, purchasers, and policymakers, have begun to design and implement incentive programs – commonly referred to as “pay-for-performance” and “value-based purchasing” initiatives – that reward high performing hospitals^{3,4,5} and other providers of care^{6,7}. Measures, used for this purpose, were originally intended for quality improvement and public accountability. The consequences of such application have yet to be determined although mandatory and voluntary initiatives sponsored by organizations such as the Centers for Medicare and Medicaid Services, the Leapfrog Group, and Hospital Quality Alliance (HQA) have provided insight and early lessons. While experience is emerging, little is known about the risks and benefits of structuring, implementing, and maintaining pay-for-performance systems for high quality nursing care.

Recognizing that numerous initiatives and mounting research have resulted in a widely accepted and endorsed set of performance measures that quantify the contribution of nurses in acute care⁸, efforts should now shift to respond to key questions about the use of such measures for pay for performance:

- What is the national agenda with respect to rewarding nursing quality and what policy development should occur in this area?
- What conceptual model, principles, and framework should drive and/or guide a pay-for-nursing-performance system?
- Is there existing research, demonstration projects, and/or experiences in constructing a reward system to incentivize nursing quality in this country or internationally that might be useful models?
- What types of measures should be used in nursing-related pay for performance and are those already being used for quality improvement and/or public reporting adequate for this purpose?
- Are there advantages and/or methods to distribute rewards appropriately across the health care system with nursing as one of multiple services that benefit?

¹ The Strategic Framework Board's Design for a National Quality Measurement and Reporting System. *Med Care*. 2003;41(1)Suppl:1-I-89..

² National Quality Forum (NQF). *A National Framework for Healthcare Quality Measurement and Reporting: A Consensus Report*. Washington, DC: NQF; 2002.

³ Section 501(b) of the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) 2003 (Public Law No: 108-173); Available at <http://www.cms.hhs.gov/HospitalQualityInits/downloads/HospitalMMASection501b.pdf>. Last accessed November 1, 2006.

⁴ Leapfrog Hospital Rewards Program™; Available at <https://leapfrog.medstat.com/hrp/index.asp>. Last accessed November 1, 2006.

⁵ Premier, Inc. Hospital Quality Incentive Demonstration. Terms and Conditions. Available at <http://www.cms.hhs.gov/HospitalQualityInits/downloads/HospitalTermsAndConditions200601.pdf>. Last accessed November 1, 2006.

⁶ See Rewarding Results at <http://www.leapfroggroup.org/RewardingResults/about.htm>. Last accessed November 1, 2006.

⁷ See Bridges to Excellence at <http://www.bridgestoexcellence.org/bte/>. Last accessed November 1, 2006.

⁸ *National Voluntary Consensus Standards for Nursing-Sensitive Care*. Washington, DC: NQF; 2004.

- How might rewards be structured to incentivize improved quality over long periods of time?
For all patients? In all settings?

This 24-month project seeks to systematically respond to the risks and benefits of creating “pay-for-performance” models to incentivize high quality nursing inpatient care and will establish foundational principles and short- and long-term strategies to accelerate the adoption of such programs.

SCOPE

This project will:

- assess the current state of and appetite for incentive programs for nursing care quality through an environmental scan, observational data collection, and selected interviews;
- represent nursing on the Hospital Quality Alliance (HQA) and participate in selected activities of the National Quality Forum (NQF);
- promote the adoption of nursing quality performance measures by developing support for, alignment to, and strategies that influence their use.
- enhance, through a coordinated approach, national nursing leaders’ knowledge of and engagement in pay-for-performance directions and implications for the nursing profession;
- design and build support for policies, positions, and collaborative strategies that advance the understanding, application, and implementation of rewarding nursing’s essential role in quality;
- contribute to the business case for nursing quality through policy development that complements and aligns with other investigational research; and
- develop, and begin implementing, a national agenda for the nursing profession on how pay-for-performance can reflect nursing's contribution to quality.

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- advancing scientific discovery and translating discoveries into action;
- harnessing new technology;
- fostering multidisciplinary collaboration; and
- pursuing alliances unique to our location.

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