

**Contacts:** Ruben Mejia, Office of the Patient Advocate  
(916) 445-3110, [ruben.mejia@opa.ca.gov](mailto:ruben.mejia@opa.ca.gov)

Alwyn Cassil, Integrated Healthcare Association  
(202) 271-9260, [acassil@policytranslation.com](mailto:acassil@policytranslation.com)

**March 9, 2016**

## **California Medical Group Report Card Now Includes Cost Information** *Also New Rating System for California Medicare Medical Groups Now Available*

SACRAMENTO— The Office of the Patient Advocate (OPA) today released its annual [OPA Medical Group Report Card](#), adding newly available cost information for the first time to the existing quality information for more than 150 medical groups caring for nine million commercially insured Californians. This cost and quality information is available at [www.opa.ca.gov](http://www.opa.ca.gov). With the addition of this new cost information, consumers and purchasers can now compare quality and cost information side by side. OPA also unveiled a newly-redesigned Medicare Report Card, for medical groups caring for seniors and people with disabilities enrolled in Medicare Advantage health plans. These new products are the result of a partnership between OPA and the nonprofit Integrated Healthcare Association (IHA).

The Medical Group Report Card contains such clinical measures as those for breast and colorectal cancer screenings, eye exams and blood sugar control for patients with diabetes, managing osteoporosis in women with a previous fracture, and appropriate medication management. Collecting these measures at the medical group level allows IHA to combine data from participating health plans to identify performance variations that can help plans and medical groups target quality improvement efforts.

The Medical Group Report Card's 4-star rating system measures each medical group's performance in 2014 on providing recommended clinical care, patient experience, and average payment by patient and health plan for care. This enables consumers to select a medical group that offers high-value health care defined as a combination of higher quality of care and lower costs.

“Making side-by-side quality and cost information for medical groups available on such a large scale marks a milestone in health care transparency that will help consumers make more informed choices and encourage providers to compete on cost and quality,” said OPA Director Elizabeth Abbott. “Research shows that higher costs do not necessarily mean higher quality care, and the report card shows that many medical groups provide high-quality care at a lower average cost than other groups.”

Across California, there is significant variation in the annual payment per patient—about \$1,600 per patient per year. Groups with the lowest costs receive a higher star rating. For example:

- For medical groups with a four star cost rating, the average annual cost per patient represents the lowest ten percent of costs.
- For medical groups with intermediate costs, the average annual costs are displayed with either two or three stars that correspond to a cost scale in between the highest and lowest ten percent.
- For medical groups with a one star cost rating, the average annual cost per patient represents the highest ten percent of costs.

—MORE—

The participating medical groups and physicians in independent practice associations care for nine million Californians enrolled in commercial health maintenance organization (HMO) and point of service (POS) products offered by ten health plans. The report card ratings are based on risk-adjusted annual payments to medical groups for each HMO/POS enrollee that include professional, pharmacy, hospital and ancillary services and consumer cost-sharing amounts.

“The first step in reducing health care costs is increasing accountability for patient care. California medical groups and health plans are leading the way through their collaboration and willingness to publicly report on both costs and quality,” said California Health and Human Services Secretary Diana S. Dooley.

The cost data in the Medical Group Report Card—labeled as “Rating of Average Payment by Patients & Health Plan for Care”—were collected through IHA’s Value Based Pay for Performance program, one of the nation’s largest advanced alternative payment models designed to encourage providers to integrate care and be accountable for both the quality and cost of patient care.

“Through commitment to insurance products relying on integrated care delivery where physicians are responsible for the quality and cost of patient care, California plans and providers are at the forefront of advancing the Triple Aim of better care, better health, and lower cost,” said IHA President and CEO Jeffrey Rideout, M.D., M.A.

#### ####

*The Office of the Patient Advocate (OPA) is part of the state of California’s Health and Human Services Agency. OPA’s mission is to improve California’s health care quality and to advocate for consumer interests by publicly reporting data for informed decision making. For detailed information about OPA’s public reporting, visit [www.opa.ca.gov](http://www.opa.ca.gov) or call (916) 324-6407 or write to them at [contactopa@opa.ca.gov](mailto:contactopa@opa.ca.gov).*

\*\*\*\* \*\*\*\*

*Based in Oakland, Calif., the nonprofit Integrated Healthcare Association (IHA) convenes diverse stakeholders—including physicians, hospitals and health systems, purchasers, and health plans—committed to high-value, integrated care that improves quality and affordability for patients across California and the nation.*