Something in the health care system is broken when 15% of patients in California are readmitted to hospitals within 30 days of discharge. This problem results in a direct expense to Members, as each readmission costs upwards of $11,000. Members also incur costs associated with lost worker productivity.

Members and other large health care purchasers can help fix this problem by rewarding health care providers — medical groups, hospitals — based on quality outcomes. To position providers to embrace these new market conditions and purchaser demands, California Quality Collaborative (CQC) works directly with healthcare providers, offering collaboration and training opportunities.

Although some medical groups in California have the resources to address these new challenges on their own, many smaller medical groups — often those in areas with lower capitation rates or serving less affluent populations — need help redesigning their processes in order to succeed. Through CQC, providers gain the expertise, infrastructure and resources to make effective and sustainable organizational changes.

How it works: CQC was created in 2007 when PBGH facilitated an agreement between major health plans and California medical groups to coordinate improvement strategies on care for patients with chronic disease. Through PBGH's efforts, health plans agreed to create standards for all providers and to help the entire medical community move towards these best practices.

Today, CQC continues to be the organization providing efficient, best-in-class improvement support to California's medical community. It specifically targets key improvement indicators that purchasers have identified as important, such as the Integrated Healthcare Association's (IHA) pay-for-performance program and the Center for Medicare Services (CMS) hospital readmission penalties and chronic care performance.

CQC guides providers through the process of developing work plans, establishing specific measurements or examining current measurements and facilitating peer-to-peer learning between similar organizations. Strategies undertaken by CQC - communicated via in-person learning sessions, webinars, coaching calls, and site visits - include:

- Coaching management teams to test and inspire change within hospitals and medical groups to reduce readmissions.
- Teaching teams to develop systems to monitor progress using available data.
- Enabling peer-to-peer sharing of best practices.

Recent successes of CQC programs include:

- A 15% reduction in the 30-day all-cause readmission rate across 24 hospitals, resulting in savings estimated at $60M over three years.
- Significant improvement in 10 chronic-care metrics for 3 million Californians, saving an estimated $1M per year.
Looking ahead: CQC adapts its improvement targets each year to respond to evolving market conditions and purchaser requirements. One focus area of improvement is the way patients are managed after leaving the hospital. Addressing this in recent years has meant moving beyond the medical group audience to bring hospitals and physicians together to improve care across the entire readmissions continuum.

Frequently Asked Questions (FAQs)

1. For whom are the collaborative and training sessions intended?
   CQC’s programs are designed for care teams within medical groups, Independent Practice Associations (IPAs), Managed Service Organizations (MSOs), hospitals and health plans. CQC believes that team involvement facilitates change and reaches goals aligned with “The Triple Aim.”

2. How much does a program cost?
   Costs for an individual from a medical group, hospital, etc. to participate in CQC vary, depending on the collaborative and training sessions. Many training sessions are low in cost or free, as they are subsidized by foundation grants, health plan contributions and contributions from PBGH Members.

3. Can provider organizations that are not based in California join?
   Although most of CQC’s initiatives are designed for California hospitals and physician groups, CQC’s programs are open to organizations outside of the state.