The impact of low-value care received by Medicare beneficiaries outside of their health systems

August 8 2023

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Results from a new study conducted by a team of researchers at Dartmouth's Geisel School of Medicine and Harvard Medical School/Brigham and Women's Hospital, published in the August issue of *Health Affairs*, show that a substantial portion—nearly half—of low-

value care received by Medicare beneficiaries happens outside of their health systems.

The study also revealed that factors such as advanced age put beneficiaries at higher risk of receiving this type of care. Low-value care is defined as medical services that offer little or no benefit. For example, prostate cancer screening is considered low-value for men older than age 75 who have no history of prostate cancer.

Policy makers and payers are increasingly holding health systems accountable for the cost and quality of the services they provide to their beneficiaries—typically through the use of financial incentives administered by accountable care organizations (ACOs)—regardless of where that care originates. But low-value care remains common, and beneficiaries receiving it outside of their health systems pose a particular challenge for systems seeking to reduce spending and improve health outcomes.

"Understanding the scope and origins of out-of-system, low-value care use may help health system leaders design and implement effective interventions to reduce spending and harms to their attributed beneficiaries," explains Ishani Ganguli, MD, MPH, assistant professor of medicine at Harvard Medical School and the Brigham's Division of General Internal Medicine and Primary Care, who was lead author on the study. The study team included Elliott Fisher, MD, MHP, a professor of The Dartmouth Institute for Health Policy and Clinical Practice, medicine, and community and family medicine at Geisel.

"To this end, we sought to answer two main questions," the research team wrote in the paper. "First, how much of low-value care use and spending by these beneficiaries originates outside of their health system, and from which types of clinicians? And second, which beneficiaries are at greater risk of receiving out-of-system, low-value care?"

To accomplish this, the investigators used national Medicare claims data for fee-for-service beneficiaries ages 65 and older in 595 U.S. health systems, measured across 30 of the most common low-value services during 2017-18.

They found that 43% of low-value services received by the beneficiaries originated from out-of-system clinicians: 38% from specialists, 4% from primary care physicians, and 1% from advanced practice clinicians.

Recipients of low-value care who were older (age 75-plus), male, white, rural-residing, more medically complex, had less continuity of care, and were attributed to a system with lower market share were more likely than other beneficiaries to receive that low-value care outside of their system.

However, the ACO status of a beneficiary's attributed system (that is, the percentage of that system's physicians participating in an ACO contract) was not associated with the beneficiary's likelihood of receiving low-value care out of system.

"Our results provide insights on the magnitude and sources of out-of-system, low-value care, which could inform health systems' efforts to reduce the use of these often costly, potentially harmful, and generally avoidable services," the researchers wrote.

"Given the threat of out-of-system, low-value care to accountable care goals," health system leaders might consider extending low-value care reduction interventions outside of system walls," they wrote. "These interventions might include things like referral network management, patient education, and increased access to high-value, in-system specialists."

More information: Ishani Ganguli et al, Who's Accountable? Low-

Value Care Received By Medicare Beneficiaries Outside Of Their Attributed Health Systems, *Health Affairs* (2023). DOI: 10.1377/hlthaff.2022.01319