



WHY HEALTHCARE ORGANIZATIONS PREFER INDEPENDENT PEER REVIEW

IRO reviews educate physicians, while improving patient care and quality processes



MATTHEW ALLSWEDE, MD

Medical Director
Physicians Review Organization

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Recent media coverage has put the spotlight on egregious cases in which physicians were negligent in meeting basic care standards, including one health plan medical director who failed to actually review patient medical records when making claims decisions—yet, an internal review process at that health plan found nothing amiss. As these cases make the daily headlines, they illustrate why independent peer review often is a better option than relying on internal peer review processes. “Independent peer review allows organizations to be proactive rather than waiting until they have a problem,” says Rebecca Blake, senior director of health care delivery and education with the Physicians Review Organization in East Lansing, Michigan.

Matthew Allswede, MD, a practicing board-certified obstetrician-gynecologist and medical director of Physicians Review Organization, shares similar sentiments. “Independent peer review is a critically important service at a time when provider quality is essential as organizations make the move to value-based care and all that entails, including risk-based contracting,” he says.

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Independent peer review offers four key advantages

Indeed, Doctor Allswede and Blake agree that independent peer reviews offer a much-needed service for providers, hospitals, and health plans seeking an unbiased medical review. “Independent peer review supports health care organizations that want to make sure they are becoming patient-focused and not only institution- or provider-focused,” says Doctor Allswede. Blake adds, “When done correctly, independent peer review increases physician education and patient safety, while improving overall patient care.”

Here are the top four reasons to consider using independent peer review.

1. URAC accreditation. Independent review organizations (IRO) with URAC accreditation are the gold standard of external peer review, says Blake. “Their URAC accreditation makes the review process independent.” Not only that, URAC requires IRO physician reviewers to be board-certified, clinically active, and free of conflicts of interest. IROs are audited randomly and reviewed by a QI committee and the board. “All of this makes

a URAC-accredited IRO more effective, transparent, and unbiased as it performs medical reviews,” says Blake. Often, peer review organizations will assign a nurse or a medical assistant to perform reviews, she adds.

Under URAC standards, reviewers must be physicians and specialty-matched. “IRO physicians often have direct experience with a specific procedure or treatment they are being asked to review,” says Cheryl Lockwood, clinical manager, Physicians Review Organization.

IROs perform a wide range of services, from case reviews focused on an individual patient to global reviews that examine practice patterns and high-volume procedures. Independent peer reviews generally fall into three categories.

Utilization reviews

Health plans and insurance companies drive utilization cases, which can be retrospective or prospective. Utilization reviews assess whether hospital stays or admissions were justified under medical necessity. They also review coding accuracy. “Many of these reviews examine whether or not the primary diagnoses were accurate and whether the secondary diagnoses were pertinent in hospitalization cases,” says Lockwood. “Cases involving experimental treatments or procedures are also common,” she says.

Quality reviews

There are two types of quality reviews; the most common occurs when a provider has been flagged for a serious adverse event or a series of adverse outcomes that may have a common basis in practice. These case reviews often include a summary of practice patterns that require focused improvement or a discussion of how extenuating circumstances led to the event or outcomes. “In some cases, institutional issues contributed to the outcome pattern that was referred,” says Doctor Allswede.

Why Independent Peer Review?

Independent review organizations with URAC accreditation work with board-certified physicians who are free from conflicts of interest and provide a review process that allows organizations to be proactive, not reactive.

- Independent
- Transparent
- Unbiased
- Specialty-matched reviewers
- Random audits
- Appeals process

Some organizations may also choose to do proactive quality reviews. For example, an organization may want to survey a series of diagnostic procedures, such as echocardiograms or cardiac catheterizations, to ensure accurate diagnoses and appropriate documentation of the procedures, findings, and recommendations, says Doctor Allswede. Or, smaller institutions may choose to prospectively review a subset of cases to ensure they are complying with standards of care and best-practice guidelines. “These type of reviews play a proactive and educational role for new providers and even entire departments in maintaining care quality,” he says.

Adverse benefit determination reviews

Adverse benefit determination reviews look at health plan denial appeals for coverage due to extenuating circumstances. This type of denial can occur when the determination of benefits document does not specifically apply to the case in question. “These cases often involve a closer examination of the contractual language and the medical situation to ensure that an appropriate determination was made on behalf of the patient and the third-party payer,” says Doctor Allswede.

Readying Your Organization for a Successful Independent Peer Review Process

Matthew Allswede, MD

Independent peer reviews can be lengthy and involved without the proper front-end preparation. Matthew Allswede, MD, medical director of Physicians Review Organization, says the best way to create an efficient and expeditious external peer review process is by identifying the main issue in advance and weeding out clinically irrelevant details.

1. Isolate the core problem. “It is important that the referring organization accurately define the issue,” says Doctor Allswede. “There are many facets to the delivery of health care, and if a case is submitted with a very generic query, the final report returned is often not helpful because it doesn’t address the specific issues that initiated the referral.”

2. Stay neutral. “I often spend time working with quality reviewer referrals, in particular, to refine the specific issue and questions that the referring entity wants answered so that we don’t get off track and

address issues that don’t impact the referral or the reason for referral in the first place,” says Doctor Allswede. There is almost always a reason why a case gets referred for external review that initiated at the internal level, he says; being able to describe that reason clearly and without biasing the outcome is important. “Sometimes the reason cases are referred have as much if not more to do with professionalism or documentation than they do the technical care that was provided,” he says.

3. Less is more. Finally, try to prioritize the clinically relevant information in a compact fashion, advises Doctor Allswede. “EHRs often produce mountains of documentation, including metadata, which makes the review process more challenging. Try to modify your export system to make it easier for an administrator to connect the dots between the medical record and the reviewer’s final report.”

2. Risk reduction. While health care organizations can and do perform internal peer reviews, the process is fraught with challenges. “For one, they face the risk of bias and also allegations of restraint of trade if those assessments result in limitation of privileges or other practice-related activities,” says Doctor Allswede. “They must ensure they do not impinge upon the rights and the ability to provide care for the individual who is under review. Internal peer reviews are more difficult because there are personalities, turf battles, and other things, whether real or implied, that can undermine the credibility of the review recommendations.”

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—Matthew Allswede, MD, practicing board-certified obstetrician-gynecologist and medical director of Physicians Review Organization, East Lansing, Michigan

Additionally, internal reviews leave the health care organization fully responsible for inappropriate care assessment quality issues, which may increase the organization’s liability risk if a significant adverse event related to that topic happens later. Smaller health care organizations also face internal review limitations, particularly in departments with only a handful of members who rely on each other for night and weekend call coverage. “They may be reluctant to be critical of another provider’s care practices,” says Doctor Allswede.

“Using an IRO can reduce tension among the committee, surgeons, and staff members,” says Lockwood. Doctor Allswede agrees. “With an external peer review service, particularly one that uses a specialty-matched reviewer, everyone can rest assured that there are no turf issues because this is someone who has already attested to having no conflict of interest with the institution or the individual being evaluated,” he says. “Also, they are in active clinical practice, which puts them in a true peer role where

3 Ways Independent Peer Review Improves Physician Performance

1. Provides education rather than just reviewing errors
2. Offers a system review
3. Helps improve care standards

they live and breathe the same clinical experiences, challenges, and limitations every day that the clinicians under review deal with.”

3. Maintenance of treatment guidelines and physician education.

The independent peer review process helps organizations take a proactive approach to improving care quality and physician performance. “Through independent peer review, hospitals can identify outdated care practices that need to be modified to keep up with best-practice research,” says Doctor Allswede.

For example, sepsis treatment guidelines have changed three times in the last 25 years, he says. While academic medical centers and other organizations on the cutting edge of medical practice are working with updated definitions and standards, other care settings might be one or two process changes behind. “They may not be aware of the new priorities in patient care that improve outcomes and patient safety,” says Doctor Allswede. “The external peer review process provides reports that reference current practice guidelines or standards, which can lead to process change on both an individual and institutional level.”

“It’s important to stay on top of current practice guidelines and protocols both for improving care quality and controlling costs,” says Doctor Allswede. “Independent peer review fills this gap by highlighting the current standards or changes in the standard of care that are now being utilized, for both physicians that do not actively keep up to date with their specialty changes and also for hospitals that may not have a large enough medical staff to be able to internally evaluate their providers’ care quality level.”

Blake adds, “Examining physician behavior and competence through independent review rather than by the maintenance of certification process, which varies from specialty to specialty, can provide a more meaningful review.”

From a health plan perspective, independent peer review also provides key information about care standards, says Lockwood. “A health plan may have a policy to deny a treatment that was not the standard of care three years ago but is the standard today. IRO reviews provide health plans with the most up-to-date information, which leads to policy changes.”

Common Pitfalls of Traditional Peer Review

- Reviews are not performed on a regular basis
- They don’t use the same specialty
- Physician colleagues may be too close to the situation

4. Physician support. “Independent peer review helps physicians provide a high standard of care and to educate them before anything wrong happens,” says Venkat K. Rao, MD, with Chest and Sleep Consultants, PLC. Independent peer reviewers also can weigh in on complicated care decisions called into question by insurers, says Doctor Allswede.

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Third-party payers often use standardized treatment guidelines to determine medical necessity and to justify or deny a payment for services provided. “Although this may work well for broad populations, those guidelines may not be nuanced enough to apply to all situations,” Doctor Allswede says. An IRO specialty reviewer, however, has the expertise to address cases that fall outside of broad guideline areas and can evaluate cases where there is evidence-based support for deviating from the routine. “This ensures that proper reimbursement is made to the health care institution and the provider, ultimately improving their ability to continue to serve their population.”

While most physicians want to do the right thing in the traditional peer review process, it is human nature to give their acquaintances and organizations the benefit of the doubt, which puts organizations and patients at risk. Ultimately, the external peer review process offers unbiased reviews for health care organizations that need every tool in their arsenal to improve care quality and reduce costs.

About Physicians Review Organization:

Founded in 1983, Physicians Review Organization is an accredited independent medical review organization. Recognizing that hospitals and medical staff have the responsibility to maintain high-quality standards, we have developed a unique peer-review approach to meet these standards.

Physicians Review Organization
1305 Abbot Road, Suite 100 | East Lansing, MI 48823
517-336-1442 Main | 517-999-0031 Fax
padmin@physiciansreview.org | physiciansreview.org