

# FACT SHEET



## The Leapfrog Group

The Leapfrog Group is an initiative driven by organizations that buy health care who are working to initiate breakthrough improvements in the safety, quality and affordability of healthcare for Americans. It is a member supported program aimed at mobilizing employer purchasing power to alert America's health industry that big leaps in health care safety, quality and customer value will be recognized and rewarded. The Leapfrog Group was founded by a small group of large employers, initially supported by the Business Roundtable (BRT) and launched in November 2000. Leapfrog is supported by the BRT, The Robert Wood Johnson Foundation, Leapfrog members and others.

A 1999 report by the Institute of Medicine gave the Leapfrog founders an initial focus – reducing preventable medical mistakes. The report found that up to 98,000 Americans die every year from preventable medical errors made in hospitals alone. In fact, there are more deaths in hospitals each year from preventable medical mistakes than there are from vehicle accidents, breast cancer, and AIDS. The report recommended that large employers provide more market reinforcement for the quality and safety of health care. Leapfrog's founders realized that they could take 'leaps' forward with their employees, retirees and families by rewarding hospitals that implement significant improvements in quality and safety.

The Leapfrog Group's growing consortium of Fortune 500 companies and other large private and public healthcare purchasers provide health benefits to more than 37 million Americans in all 50 states; Leapfrog members and their employees spend tens of billions of dollars on health care annually. Leapfrog members have agreed to base their purchase of health care on principles that encourage provider quality improvement and consumer involvement. Leapfrog's initial three recommended quality and safety practices have the potential to save up to 65,341 lives and prevent up to 907,600 medication errors each year (Birkmeyer, 2004). Implementation could also save up to \$41.5 billion annually (Conrad, 2005).

## The Mission

The Leapfrog Group's mission is to trigger giant leaps forward in the safety, quality and affordability of health care by:

- Supporting informed healthcare decisions by those who use and pay for health care; and,
- Promoting high-value health care through incentives and rewards.

This effort is rooted in four ideas:

1. American health care remains far below obtainable levels of basic safety, quality, and overall customer value.
2. The health industry would improve more rapidly if purchasers better recognized and rewarded superior safety and overall value.
3. Voluntary adherence to purchasing principles by a critical mass of America's largest employers would provide a large jump-start and encourage other purchasers to join.
4. These principles should not only champion superior overall value but should initially focus on a handful of specific innovations offering "great leaps" to maximize media and consumer support and adoption by other purchasers.

## Leaps in Hospital Quality and Safety

The Leapfrog Group identified and has since refined four hospital quality and safety practices that are the focus of its health care provider performance comparisons and hospital recognition and reward. Fully endorsed by the National Quality Forum (NQF), the quality practices are: computer physician order entry; evidence-based hospital referral; intensive care unit (ICU) staffing by physicians experienced in critical care medicine; and the Leapfrog Safe Practices Score, based on the 27 other NQF-endorsed Safe Practices.

- **Computer Physician Order Entry (CPOE):** With CPOE systems, hospital staff enter medication orders via computer linked to prescribing error prevention software. CPOE has been shown to reduce serious prescribing errors in hospitals by **more than 50%**.
- **Evidence-Based Hospital Referral (EHR):** Consumers and health care purchasers should choose hospitals with extensive experience and the best results with certain high-risk surgeries and conditions. By referring patients needing certain complex medical procedures to hospitals offering the best survival odds based on scientifically valid criteria — such as the number of times a hospital performs these procedures each year or other process or outcomes data — research indicates that a patient's risk of dying could be reduced by **40%**.
- **ICU Physician Staffing (IPS):** Staffing ICUs with doctors who have special training in critical care medicine, called 'intensivists', has been shown to reduce the risk of patients dying in the ICU by **40%**.
- **Leapfrog Safe Practices Score (NQF's 27 Safe Practices):** The National Quality Forum-endorsed 30 Safe Practices cover a range of practices that, if utilized, would reduce the risk of harm in certain processes, systems or environments of care. Included in the 30 practices are the original 3 Leapfrog leaps. For this fourth leap, added in April 2004, hospitals' progress on the remaining 27 safe practices is assessed.

This list is based on four primary criteria. (1) There is overwhelming scientific evidence that these quality and safety leaps will significantly reduce preventable medical mistakes. (2) Their implementation by the health industry is feasible in the near term. (3) Consumers can readily appreciate their value. (4) Health plans, purchasers or consumers can easily ascertain their presence or absence in selecting among health care providers. These leaps are a practical first step in using purchasing power to improve hospital safety and quality.

Because the health industry needs time to meet these standards, Leapfrog purchasers are working with the provider community to arrive at *aggressive but feasible* target dates for implementation of Leapfrog's recommended quality practices.

Leapfrog is also exploring how health care can be improved by using proven practices and technology in the outpatient setting with the Agency for Healthcare Research and Quality, the Centers for Medicare and Medicaid Services and Bridges to Excellence.

### Buying Right

Leapfrog's member companies agree to adhere to the following four purchasing principles in buying health care for their enrollees:

- 1) Educating and informing enrollees about the safety, quality and affordability of health care and the importance of comparing the care health care providers give. Initial emphasis on the Leapfrog safety and quality practices.
- 2) Recognizing and rewarding health care providers for major advances in the safety, quality and affordability of their care.
- 3) Holding health plans accountable for implementing the Leapfrog purchasing principles.
- 4) Building the support of benefits consultants and brokers to use and advocate for the Leapfrog purchasing principles with all of their clients.

To help with this Leapfrog has launched the **Leapfrog Hospital Rewards Program** – an innovative, off-the-shelf pay-for-performance program that drives improvements in hospital quality and efficiency in five clinical areas while demonstrating dollar savings as hospital performance improves. Program implementers will reward hospitals that demonstrate excellence and/or sustained quality and efficiency improvement. For more information about the Program, see <https://leapfrog.medstat.com/hrp/index.asp>.

### Current Progress

The Leapfrog Group began collecting data in June 2001 by querying urban and suburban hospitals in six regions, we now cover 28 (see Regional Roll-Out Fact Sheet for listing of Regions). Leapfrog's 31 regions account for almost half of the U.S. population and encompass over 1,960 urban, suburban and rural hospitals. At the end of December 2005, 49 percent (966) of targeted hospitals had responded to the annual survey. In addition, more than 254 hospitals outside of the then 28 regions had responded to the survey on their own initiative, without a formal request from Leapfrog. For current Leapfrog Survey data see <http://www.leapfroggroup.org/cp>.