

FACT SHEET



The Leapfrog Group

On behalf of the millions of Americans for whom many of the nation's largest corporations and public agencies buy health benefits, The Leapfrog Group (www.leapfroggroup.org) uses its members' collective leverage to initiate breakthrough improvements in the safety, quality and affordability of health care for Americans. Leapfrog mobilizes the combined purchasing power of its members to alert America's health industry that giant leaps forward in health care safety, quality and value will be recognized and rewarded. Founded in November 2000 by the Business Roundtable, The Leapfrog Group secures its support from major corporations, business coalitions and public agencies that purchase health care benefits, as well as from products and services it provides to support value-based purchasing.

A 1999 report by the Institute of Medicine gave the Leapfrog founders their focus – reducing preventable medical mistakes. “To Err is Human” found that up to 98,000 Americans die every year from preventable medical errors made in hospitals. In fact, there are more deaths in hospitals each year from preventable mistakes than there are from vehicle accidents, breast cancer and AIDS. The report recommended that employers provide more market reinforcement for the quality and safety of health care. By rewarding those hospitals that implement proven quality and safety practices, Leapfrog founders realized they could take “leaps” forward in the health and safety of their employees, retirees and their families.

If all hospitals implemented just the first three of Leapfrog's four “leaps” (our recommended quality and safety practices): over **65,000 lives could be saved**, more than **907,000 medication errors could be avoided** (Birkmeyer 2004), and up to **\$41.5 billion could be saved** (Conrad 2005) each year.

The Leapfrog Group's growing consortium of major 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 agree to base their purchase of health care on principles that encourage quality improvement among providers and consumer involvement in health care decision making.

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.

Four Leaps in Hospital Quality, Safety and Affordability

Through the annual **Leapfrog Hospital Survey**, Leapfrog rates hospitals across the country on a range of quality and safety practices that should be employed by all hospitals. Leapfrog ratings are posted on our website and are free to the public. Endorsed by the National Quality Forum (NQF), the practices are:

- 1. Computer Physician Order Entry (CPOE):** With CPOE systems, hospital staff enter medication orders via computers linked to software designed to prevent prescribing errors. CPOE has been shown to reduce serious prescribing errors by more than 50%.
- 2. Evidence-Based Hospital Referral (EHR):** Consumers and health care purchasers should choose hospitals with the best track records. 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 a procedure each year or other process or outcomes data — studies indicate that a patient's risk of dying could be significantly reduced.
- 3. ICU Physician Staffing (IPS):** Staffing ICUs with intensivists – doctors who have special training in critical care medicine – has been shown to reduce the risk of patients dying in the ICU by 40%.
- 4. Leapfrog Safe Practices Score:** The National Quality Forum-endorsed 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 three leaps above. This fourth leap assesses a hospitals' progress on the remaining 27 NQF safe practices.

These leaps adhere to four criteria. 1) There is scientific evidence that their implementation would significantly reduce preventable mistakes. 2) Implementation by the health industry is feasible in the near term. 3) Consumers can appreciate their value. 4) Health plans, purchasers and/or consumers can easily ascertain their presence or absence when assessing health care providers. Because the health industry needs time to meet these standards, Leapfrog works with the provider community to arrive at aggressive *but feasible* target dates for implementation of Leapfrog's recommended quality practices.

Buying Right: Leapfrog's Purchasing Principles

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 advance the purchasing principles and save a substantial amount of lives and dollars, the **Leapfrog Hospital Rewards Program** allows implementers to reward hospitals that demonstrate excellence and/or sustained quality and efficiency improvement. For more information, visit http://www.leapfroggroup.org/for_hospitals/fh-incentives_and_rewards/hosp_rewards_prog.

Current Progress

The Leapfrog Group began collecting data via the Leapfrog Hospital Survey in June 2001, surveying urban and suburban hospitals in six regions. Today, we operate in 37 major US markets. (The full list of regions is available at http://www.leapfroggroup.org/for_members/members_resources/regional_roll_outs/1277465.) Leapfrog's 37 regions cover over half of the US population and 62% of all hospital beds in the country. Over 1,300 hospitals participate in the Survey each year. To view hospital ratings, visit www.leapfroggroup.org.