



Innovations in the Use of Financial Incentives in Chronic Addiction Treatment

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What Comes First?

- Before there were financial incentives there was performance measurement
- Treatment organizations needed to learn the difference between performance of their organizations AND the outcomes of treatment
- While these are linked, they are not the same

Performance Measurement in Addiction Tx

- Washington Circle Group Process of Care Measures:
 - Implemented in the NCQA/HEDIS and the Public Sector: *identification, initiation and engagement in treatment*
 - Being Tested in the Public Sector: *retention in treatment; continuity of care*
 - Under Development (Clinical Best Practices): *SBI; continuing care (telephone follow-up); medication availability and use*

Why Process of Care Measures?

- Identification of those in need of treatment occurs in healthcare most often
- Treatment of substance use disorders occurs in specialty programs
- To be effective, movement across these sectors and within levels of care must be timely
- Therefore, process of care measures include a timeliness component

What Do We Know?

- Most individuals identified as in need of treatment are not receiving treatment:
 - Nationally, about 25% of individuals are admitted to treatment following detoxification
 - In HEDIS, only half or fewer of those identified with an alcohol or drug disorder initiate treatment; of those only 15% or fewer engage in treatment

What is the Evidence?

- Engagement and retention in treatment produces improved outcomes e.g., reduced use, abstinence, less violence
- There is a cost-offset between treatment of substance use disorders and health care costs, welfare costs, and criminal justice costs

Rewarding Quality in Addiction Tx

- Necessary to focus the attention of treatment organizations on quality goals
- Commitment of organizations to performance measurement, monitoring of treatment programs, and financial incentives is developmental and takes time

Placement of Incentives

- Incentives Are Placed at the Organizational Level With Purchaser Performance Contracts
- Results-Oriented: patient management, movement across levels of care, effective follow up
- Unit of Accountability is the Organization

Quality Improvement Infrastructure

- Treatment organizations lack important resources for achieving quality goals—NiaTx is helping
- Data availability in the public sector for calculating performance measures is lacking
- States often lack resources for data infrastructure to support management of performance-based contracts

What Have We Learned?

- Focusing the attention of treatment organizations on processes of care can produce results
- Data availability improves as performance measures are put in place
- As we move toward understanding addiction as a chronic disease care models improve

What Do We Need to Learn?

- Given a chronic disease framework, what additional performance targets need to be identified?
- What is the optimum set of non-financial incentives that need to be available to maximize the effectiveness of financial incentives e.g. audit and feedback, IT support

What Do We Need to Learn?

- How do different payment structures affect implementation of performance incentives at the organizational level?
- How do treatment organizations use their financial rewards within their or organizations? And, what is the impact on improved performance?