

# Pay for Performance: National Perspective

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[www.medvantage.com](http://www.medvantage.com)

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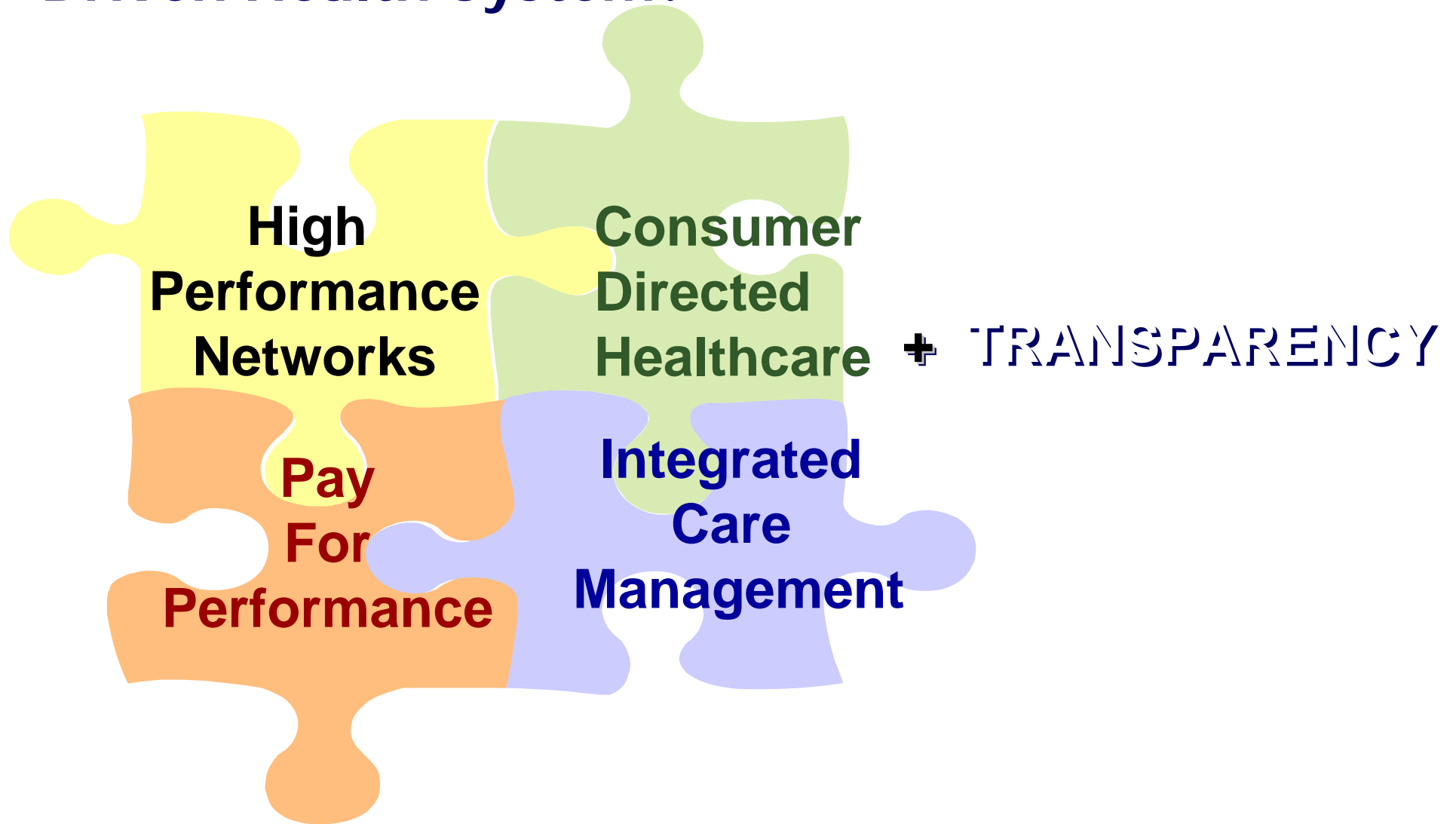
Miles

Affordability

Clinical Quality

Service Quant

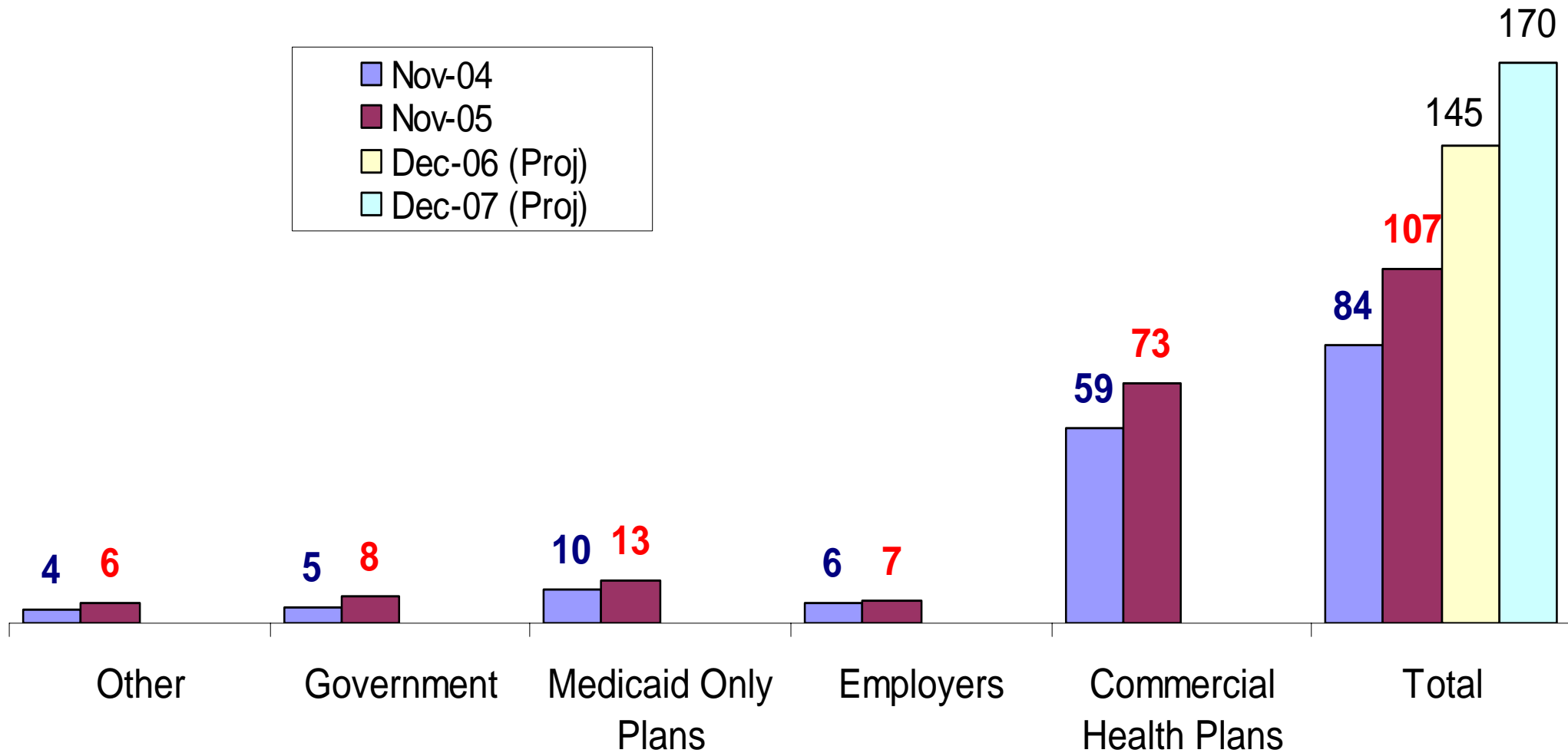
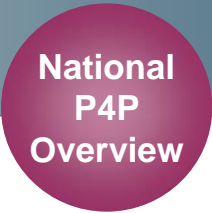
# Why is P4P a Significant Component of a Value-Driven Health System?



Endorsing/Supporting Organization	Status
The Commonwealth Fund	*Supporter
The Robert Wood Johnson Foundation	*Supporter
The Agency for Healthcare Research and Quality (AHRQ)	*Supporter
Maine Health Management Coalition	Endorser
Bridges to Excellence	Endorser
National Business Coalition on Health	Endorser
National Committee on Quality Assurance (NCQA)	Endorser
National Quality Forum	Endorser
Pacific Business Group on Health (PBGH)	Endorser
<i>Rewarding Results</i> National Evaluation Team	Endorser
Center for Health Care Strategies, Inc.	Endorser

\*Supporting organizations have either directly or indirectly funded this project. Special thanks to The Commonwealth Fund for their direct support of this effort.

# Med-Vantage Survey of P4P Programs



# Is P4P Progressing ?



## Features

- PCP HEDIS measure
- Hospital measures
- Minimal consumer reporting
- HMO product line
- Withhold or Bonus based payouts

- PCP + Facility measures, Multiple specialties
- Balanced Scorecard
- EB quality and affordability measures
- All products
- Differential fee schedules

- Enhanced data collection
- Clinical data exchanges + aggregation
- Standardized (+ outcomes) measures
- Actionable MD info - registries, reminder alerts
- PHR – EHR integration
- Transparency

## Benefits

- Informational
- Low impact on cost
- Preventive care
- Existing data sets

- Static consumer report cards
- Safety and medication errors
- Provider IT investment
- Collection of non-claims data (lab values, etc.)

- Enhanced Provider Directories (Provider ratings)
- Demonstrable ROI
- Member engagement (PHR)
- Point of care notification

# 2006 Preliminary Results

Criteria for Implementing P4P	Response Average	Response Total
Improve bottom line, lower cost	4.0	51
Respond to employer pressures	2.7	38
Comply with regulatory or accrediting standards (e.g., NCQA, JCAHO)	2.7	39
Improve patients' clinical outcomes	4.4	50
Improve member experience (e.g., patient satisfaction)	3.7	47
Reduce medical errors/improve patient safety	3.9	46
Improve data collection and reporting from providers	3.5	42
Differentiate in the market, convey positive image	3.8	46
Align with other initiatives (e.g., disease management, high performance networks, consumer-directed benefit designs, consumer-directed provider report cards)	3.8	49
Drive standardization of performance measures	3.7	44
Other	2.8	18

(N=52/185 health plans, employers, government)

Using a scale from 1-5, where 1 equals NOT important and 5 equals VERY important

What performance DOMAINS are you measuring in your P4P program and what are their relative WEIGHTS?	Response Average
Clinical quality (process or outcome measures)	57%
Patient safety or medical error reduction	12
Efficiency or cost of care	22
Patient satisfaction or experience of care	14
Clinical health information technology adoption (EHR, e-prescribing, registries, e-lab, etc.)	17
Administrative capability, such as electronic claims submission	8
Member access, such as open panel or evening hours	6
Other	29
<b>Total Respondents</b>	<b>62</b>

# 2006 Preliminary Results

P4P Measure Sources	Response Total	Response Percent
AMA Consortium or Specialty Societies	14	22%
AQA (Ambulatory Quality Alliance)	15	23%
CMS	16	25%
Efficiency, cost of care or utilization measures developed internally or by consultants	30	46%
Electronic medical record adoption, measures from any source	8	12%
Evidence-based medicine clinical measures developed internally or by consultants	23	35%
NCQA HEDIS®	46	71%
National Quality Forum	21	32%
NCQA Physician Recognition	19	29%
Patient surveys from any source including CAHPS	20	31%
Other	20	31%
<b>Total Respondents</b>	<b>65</b>	

<b>DATA CONSTRAINTS or reporting limitations that affect P4P Operations</b>	<b>Response Total</b>	<b>Response Percent</b>
Timeliness of the data	36	56%
Accuracy of the data	33	52%
Availability of lab data	30	47%
Availability of pharmacy data	13	20%
Need to abstract chart data efficiently	28	44%
Expense of collecting survey data	18	28%
Small numbers problem (too few cases)	28	44%
Attributing patients to doctors	18	28%
Defining a physician practice or medical group	12	19%
Inability to audit data	12	19%
Inadequate (or cost of developing) system for managing performance data	17	27%
Lack or limitations of risk adjustment methodology	12	19%
Other	11	17%
<b>Total Respondents</b>	<b>64</b>	

Use of Public Reporting on MD Performance for P4P	Response Total	Response Percent
Yes, we send reports to consumers	5	8%
Yes, we send reports to our enrollees	5	8%
Yes, we send reports to employers	7	11%
Yes, we send reports to all physicians so they can compare their performance to their peers	19	29%
Yes, we publish information in local newspapers	3	5%
Yes, we post information in the provider directory on our Web site	18	28%
No	29	45%
Other	9	14%
<b>Total Respondents</b>		<b>65</b>

# 2006 Preliminary Results

Results from P4P Program	Response Total	Response Percent
Performance on clinical measures has improved	29	74%
Performance on patient surveys has improved	11	28%
Cost performance has improved: either a positive Return on Investment (ROI), a net cost savings, or the trend in cost increases has slowed	14	36%
Members have shifted to high performing physicians	2	5%
Physicians have invested in QI or electronic systems	13	33%
None of the above have taken place	2	5%
Too early to tell the effects	7	18%
Other	4	10%
<b>Total Respondents</b>		<b>39</b>

# 2006 Preliminary Results

Changes anticipated in next 2 years	Response Total	Response Percent
Expand program to include other products (e.g. PPO, ASO, CDH)	10	18%
Expand program to include specialists if not doing so now	15	27%
Expand program to include additional specialties	14	25%
Expand program to include hospitals if not doing so now	12	22%
Expand the scope or number of measures used	38	69%
Change the performance domains or relative weighting	19	35%
Develop a public performance report	19	35%
Tie the P4P program more closely to disease management, tiered networks, or benefit design initiatives	17	31%
Discontinue the program	0	0%
Other	15	27%
<b>Total Respondents</b>	<b>55</b>	

# Road Ahead: Key Trends for P4P

- **Going beyond process measures (admin data)**
- **Physicians acting upon “actionable information” (buy-in first)**
- **Better support tools**
- **Data aggregation and clinical exchange**
- **Multiple outreach mediums**
- **Increased communication frequency**
- **Clinical trends are changing**
- **Budget neutral - shared savings models**
- **CMS is now in business**
- **Push for standardization**
- **Rush towards transparency (beware)**