

# *Performance Incentives in the Southern California Permanente Medical Group (SCPMG): 1994-2007*

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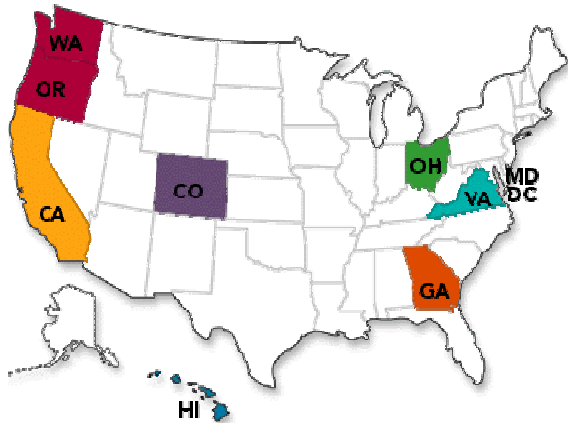
The 2<sup>nd</sup> National Pay for  
Performance Summit

2/15/2007

- SCPMG with P4P since 1994
  - Access, Care Experience, and Clinical Quality
- Primary Care and Specialty Care (MD and NP/PA)
- Ancillary staff incentives aligned
- Evolution & Change (1994-2007)
  - Metrics
  - Level of incentives (Region, Area, Department, clinician)
  - Ambulatory and Hospital clinical and service metrics
  - “Bonus” to “At-risk compensation”
- Rewards Performance and Improvement
- Going public through IHA and OPA
  - Issues

# About Kaiser Permanente

- Largest US nonprofit health plan – Founded 1945
- Integrated health care delivery system
- 8 Regions Serving 9 States and the District of Columbia



- 8.4+ million members
- ~ \$30 Billion annual Budget



Noon-hour loudspeaker health education program in Kaiser Shipyard, Richmond.  
Staff physician talking on the common cold

*From Industrial Medicine, 14:4, April 1945*

- Over 12,000 Physicians and Over 130,000 Employees
- 30 Hospitals and Medical Centers, and 431 Medical Offices
- Large investments in Research and Information Technology
- **All employees and their families are KP members**

# SCPMG Background

## The Southern California Permanente Medical Group (SCPMG)

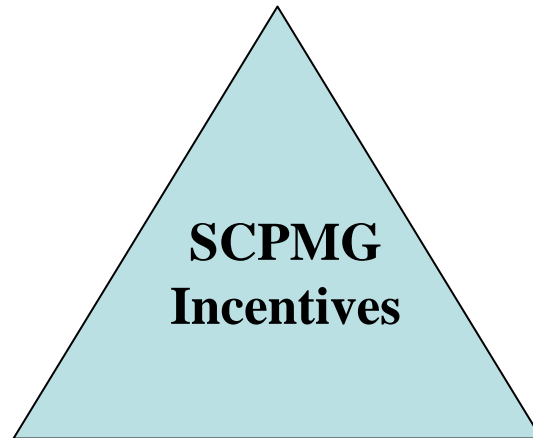
- **Integrated Multi-Specialty Group Practice** caring for 3,220,982 people
- **Large for profit Partnership** consisting of 4,140 partners and associate physicians
- **Governed by an elected Board of Directors and an elected Executive Medical Director and his appointees**
  - The Board of Directors governs the partnership through proposals and changes to the partnership rules and regulations
- **Partnered exclusively with Kaiser Foundation Health Plan (KFHP) through long-standing agreement that is periodically updated**
- **SCPMG determines the rules by which physicians are compensated, including incentive compensation rules**
  - SCPMG develops the systems and tools used to determine which physicians receive the incentive compensation

# Principles behind SCPMG's Pay for Performance Programs

- Determined by SCPMG Board not KFHP
- Rewards are attached to improving members' care experience, quality, and access
- Measurement tracked and reported prior to compensation being attached
- Targeted to reward most of our physicians
- From “Bonus” to “At Risk Compensation”

## Three Performance Incentive Areas

**Personalized Care**



**Quality You  
Can Trust**

**Convenient &  
Easy Access**

- ➔ – **Caring with a personal touch**
  - **Satisfaction surveys**
    - » **MAPPS**
    - » **ASQ**
  - **Quality you can trust**
  - **Convenient and easy access**

# What is MAPPS?

- **M**ember **A**ppraisal of **P**hysician/**P**rovider **S**ervices
  - First implemented at KP in 1993
  - First incentive payout 1997
  - A survey and Training program

## Purpose:

- To obtain patient perceptions of their interaction with their physician or other health care provider.
- To define, outline and provide educational forums and other support activities to improve awareness and skills for clinician-patient communication.



# Goals

- To provide ongoing feedback regarding patient perceptions.
- To improve skills of physicians/providers in managing interaction & communication with the patient.
- To serve as one component of measuring member satisfaction.
- To support the strategic goal of member satisfaction with personalized care.
- To use data for research purposes and to identify performance improvement opportunities
- To support SCPMG Pay for Performance Programs

# MAPPS Program Overview

<b>Sponsors</b>	Medical Directors represented by MAPPS Steering Committee & SCPMG leadership
<b>Method</b>	Mailed surveys
<b>Sample Selection</b>	Weekly for most physicians & practitioners; random selection of patients who were treated in the preceding week
<b>Response Rate</b>	Approx. 29% (based on '05 data)
<b>Valid Return Count</b>	60-100 patient responses per physician/provider per yr.
<b>Survey Year</b>	July 1 – June 30
<b>Performance Assessment Management System (PAMS)</b>	Web based query tool. MAPPS data update monthly
<b>Frequency of Electronic Reports</b>	Monthly on PAMS & SCMPG portal

# MAPPS Survey Questions



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**INSTRUCTIONS:** For each question, please use a number from 1 to 10 to let us know how you feel. 1 is the lowest rating and 10 is the highest rating. Mark your answer in the oval above the number, like this . Please mark only one oval for each question.



1. How courteous and respectful was this doctor or health care provider?
 

01	02	03	04	05	06	07	08	09	10
Not at all courteous							Very courteous		
2. How well did this doctor or health care provider understand your problem?
 

01	02	03	04	05	06	07	08	09	10
Did not understand at all							Understood very well		
3. How well did this doctor or health care provider explain to you what he or she was doing and why?
 

01	02	03	04	05	06	07	08	09	10
Did not explain at all							Explained very well		
4. Did this doctor or health care provider use words that were easy for you to understand?
 

01	02	03	04	05	06	07	08	09	10
Hard to understand							Easy to understand		
5. How well did this doctor or health care provider listen to your concerns and questions?
 

01	02	03	04	05	06	07	08	09	10
Did not listen at all							Listened very well		
6. Did this doctor or health care provider spend enough time with you?
 

01	02	03	04	05	06	07	08	09	10
Spent very little time							Spent as much time as needed		
7. How much confidence do you have in the ability or competence of this doctor or health care provider?
 

01	02	03	04	05	06	07	08	09	10
No confidence at all							Total confidence		
8. Overall, how satisfied are you with the service you received from this doctor or health care provider?
 

01	02	03	04	05	06	07	08	09	10
Extremely dissatisfied							Extremely satisfied		

**OPTIONAL**

- A. To which race/ethnic group do you belong?
- |                           |                    |                           |                    |       |
|---------------------------|--------------------|---------------------------|--------------------|-------|
| 01                        | 02                 | 03                        | 04                 | 05    |
| African American or Black | Latino or Hispanic | Asian or Pacific Islander | Caucasian or White | Other |
- B. What is your age?
- |          |       |       |       |             |
|----------|-------|-------|-------|-------------|
| 01       | 02    | 03    | 04    | 05          |
| Under 18 | 18-29 | 30-44 | 45-64 | 65 or older |
- C. What is your gender?
- |      |        |
|------|--------|
| 01   | 02     |
| Male | Female |

Please return this survey to: Patient Survey Coordinator  
Kaiser Permanente, P.O. Box 7017, Pasadena, CA 91109-9977  
MAC2

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En Español a la vuelta de la página.

**Note: This is the current standard MAPPS survey.**

# MAPPS Incentive Awards Evolve to At Risk Compensation

## MAPPS Pay for Performance to At Risk Compensation

### ■ Start-up

- Started in 1997 for performance 8.50 or better
- On implementation, 95% of the physicians scored 8.50 or above
- The amount was about 3.5% of the compensation of a General Internist

### ■ Advanced

- Advanced in 2003 for performance 9.00 or better
- On implementation, 87% of our physicians scored 9.00 or above
- The amount was about 4% of the compensation of a General Internist

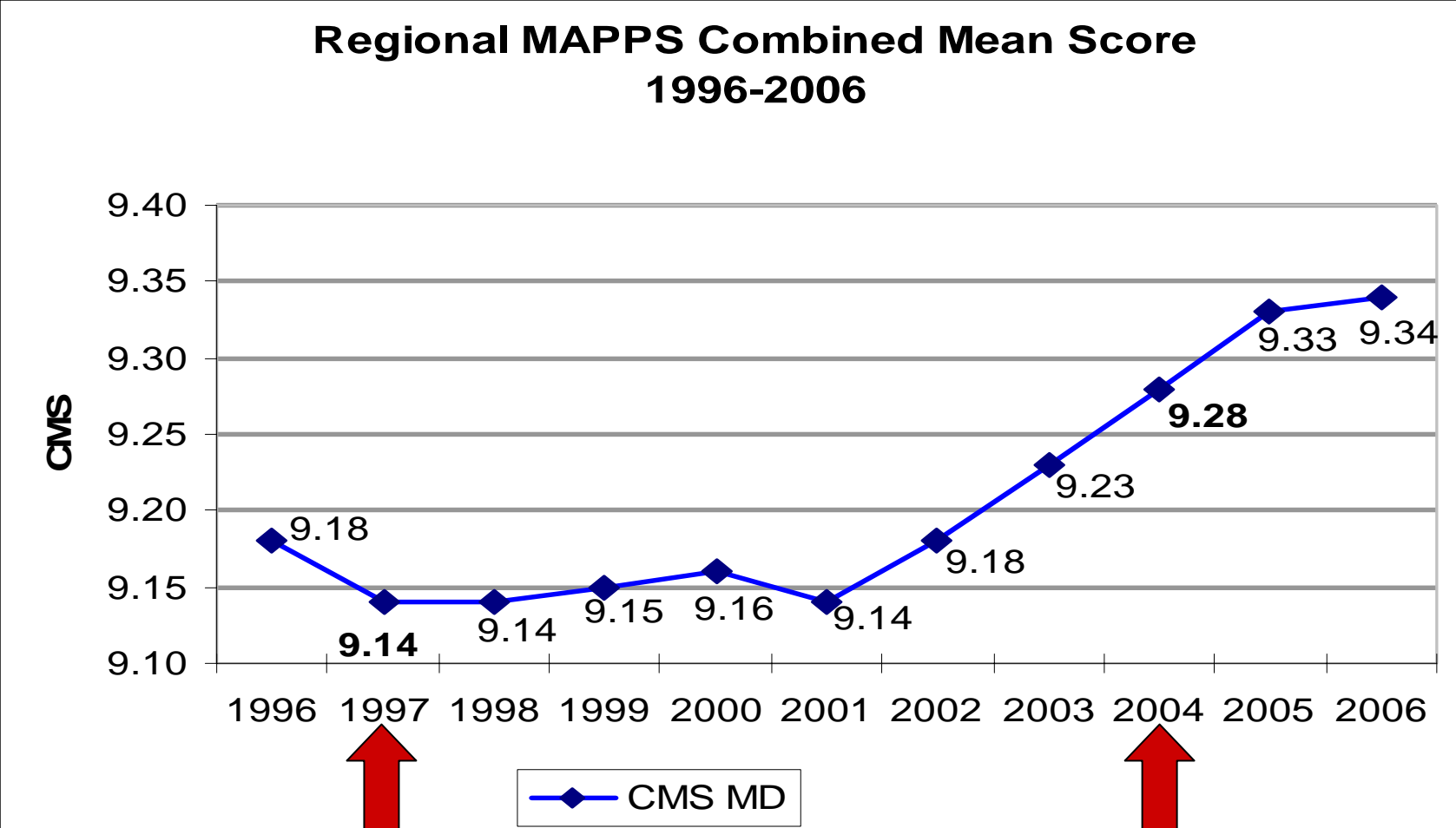
# SCPMG Personalized Care Incentive (MAPPS)

## Multi-Specialty and Multi-Provider Participation

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
MDs: Office Based				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Per Diem MDs				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Radiology MDs				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Pathology MDs				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Emergency MDs				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Anesthesia MDs				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Residents				>8.5	>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
NP/PA's					>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Continuing Care MDs					>8.5	>8.5	>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Hospitalist MDs							>8.5	>8.5	>8.5	>9.0	>9.0	>9.0	>9.0	>9.0
Radiology/Nuclear Med MDs										>9.0	>9.0	>9.0	>9.0	>9.0
Neonatology POS Survey													>9.0	>9.0
Continuing Care POS Survey														>9.0

Target for Combined Medium Score/MD was increased in 2003 from 8.5 to 9.0 to receive the incentive award

# Caring with a Personal Touch: MAPPS Results



Award  $\geq$  8.5

Award  $\geq$  9.0

# MAPPS Educational Support for Physicians

- Appointment With Success
  - Required for all Associate Physicians
- Conversations at the end of life
- Care for the Caregiver
- Beyond Appointment with Success
- Video Coaching for Clinician Patient Communication

# What is ASQ?


- **A**mbulatory **S**atisfaction **Q**uestionnaire
- **Purpose:**
  - To monitor patient satisfaction with outpatient services at the department level, with a focus on member perceptions of access and personalized care
  - Involves Ancillary Staff (e.g., nursing, reception)
  - **Supports compensation incentives for union and non-union staff and Administrative Managers**



# ASQ Program Overview

<b>Sponsors</b>	Medical Group Administrators
<b>Method</b>	Mailed surveys
<b>Sample Selection</b>	Weekly; random selection of patients who were treated in the preceding week; linked with MAPPS sample
<b>Performance Assessment Management System</b>	Web based query tool ASQ data updated quarterly
<b>Frequency of posting to PAMS website</b>	Quarterly

# ASQ Survey Questions

**INSTRUCTIONS:** For each question, please use a number from 1 to 10 to let us know how you feel. A rating of 1 is the lowest rating, and a rating of 10 is the highest rating. Mark your answer in the oval above the number, like this . Please mark only one oval for each question.

1. How satisfied were you with the ease of getting through by telephone to make this appointment?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

2. How satisfied were you with your ability to get this appointment as soon as you wanted it?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

3. How satisfied were you with the courtesy and helpfulness of the non-medical people you saw in this department during this appointment, such as the receptionists, office workers and so on?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

4. Thank you for completing the previous questions, only a few more to go.

5. How satisfied were you with the personal interest and attention given to you by the nurses you saw in this department during your last visit?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

6. Overall, how satisfied were you with this medical visit?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

7. Overall, how satisfied are you with all of your healthcare in the last 12 months from all doctors and other health care providers at Kaiser Permanente?

01  02  03  04  05  06  07  08  09  10

Very Dissatisfied Very Satisfied

8. Including this visit, how many visits have you made to this department in the past 12 months?

01  02  03

1-2 visits in the past 12 months 3-5 visits in the past 12 months 6 or more visits in the past 12 months

Q2: MD  
Access  
Metric

**Note: This is the current standard ASQ survey.**

- Caring with a personal touch



- **Quality you can trust**

- Convenient and easy access

# Quality You Can Trust

- Since 1996 SCPMG has attached an incentive of approximately 3% of the General Internist compensation for every physician in a Service Area based on the Service Area's performance on certain quality measures
- At first, the award was given for improvement
- Over past 3 years, maximal award given for a target at HEDIS 90<sup>th</sup> percentile (NCQA Quality Compass).
  - Movement toward the goal is also rewarded with a lesser amount (tiered)
- 12-month rolling measurement period
  - Changed from calendar year to fiscal year

# SCPMG Clinical Quality Incentives 1996-2007

Measurement Yr	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Pay Out Yr	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Breast Ca Screening												
Cervical Ca Screening												
Childhood Immuniz.												
Influenza Immuniz					0	0						
Glycemic Control <9.0												
Glycemic Control <7.0												
BetaBlkrs PCE												
Asthma IAI Meds												
PneumoVaccine												
BP Control												
Lipid Ctl PCE (LDL<100)												
Lipid Ctl Diab (LDL<100)												
Colorectal Ca Screen												
Smoking Cessation												
Hospital: AMI Bundle												
Hospital: CAP Bundle												
Specialty Specific												
Primary Care:DPRP												
Endocrine: DPRP												
Peds: Pharyngitis												
Psych:F/u Hosp Millness												
Ortho:Osteoporosis												
Others												

DPRP:NCQA/ADA Diabetes Physician Recognition Program; CAP: Community Acquired Pneumonia (IHI); PCE-Post Cardiac Event; “0” – no payout with vaccine shortage

# Change from 2006 to 2007

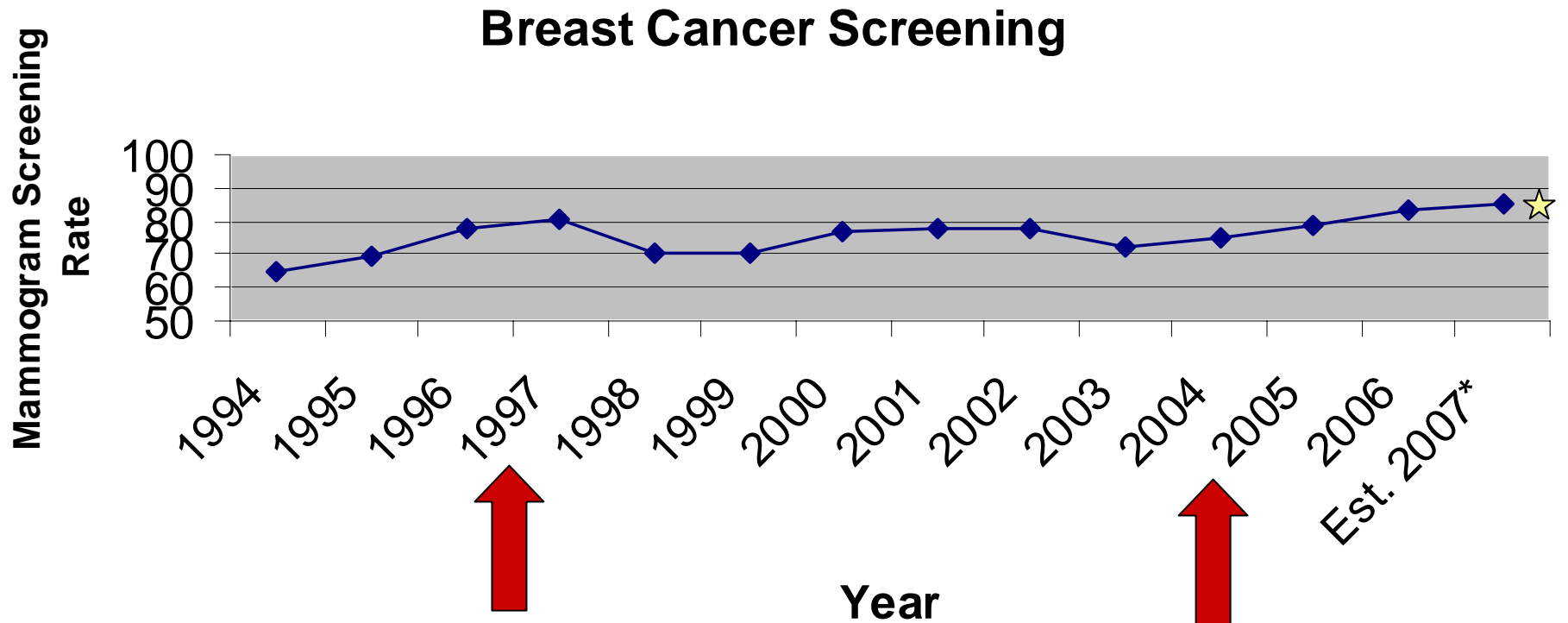
## 2006 Incentive Measures (8)

- Mammography Rate
- Glycemic Control (A1c  $\leq$  9.0)
- Use of Appropriate Medication for People with Asthma
- Controlling high blood pressure
- Lipid control for patients with CVD
- Lipid control for patients with DM
- Cervical Cancer Screening Rate
- Colorectal Cancer Screening Rate

## 2007 Incentive Measures (11)

- Mammography Rate
- Glycemic Control (A1c  $\leq$  9.0)
- Glycemic Control (A1c  $\leq$  7.0)
- Controlling high blood pressure
- Lipid control for patients with CVD
- Lipid control for patients with DM
- Cervical Cancer Screening Rate
- Colorectal Cancer Screening Rate
- Smoking Cessation Advice
- AMI Bundle (JCAHO)
- Community Acquired Pneumonia Bundle (IHI)

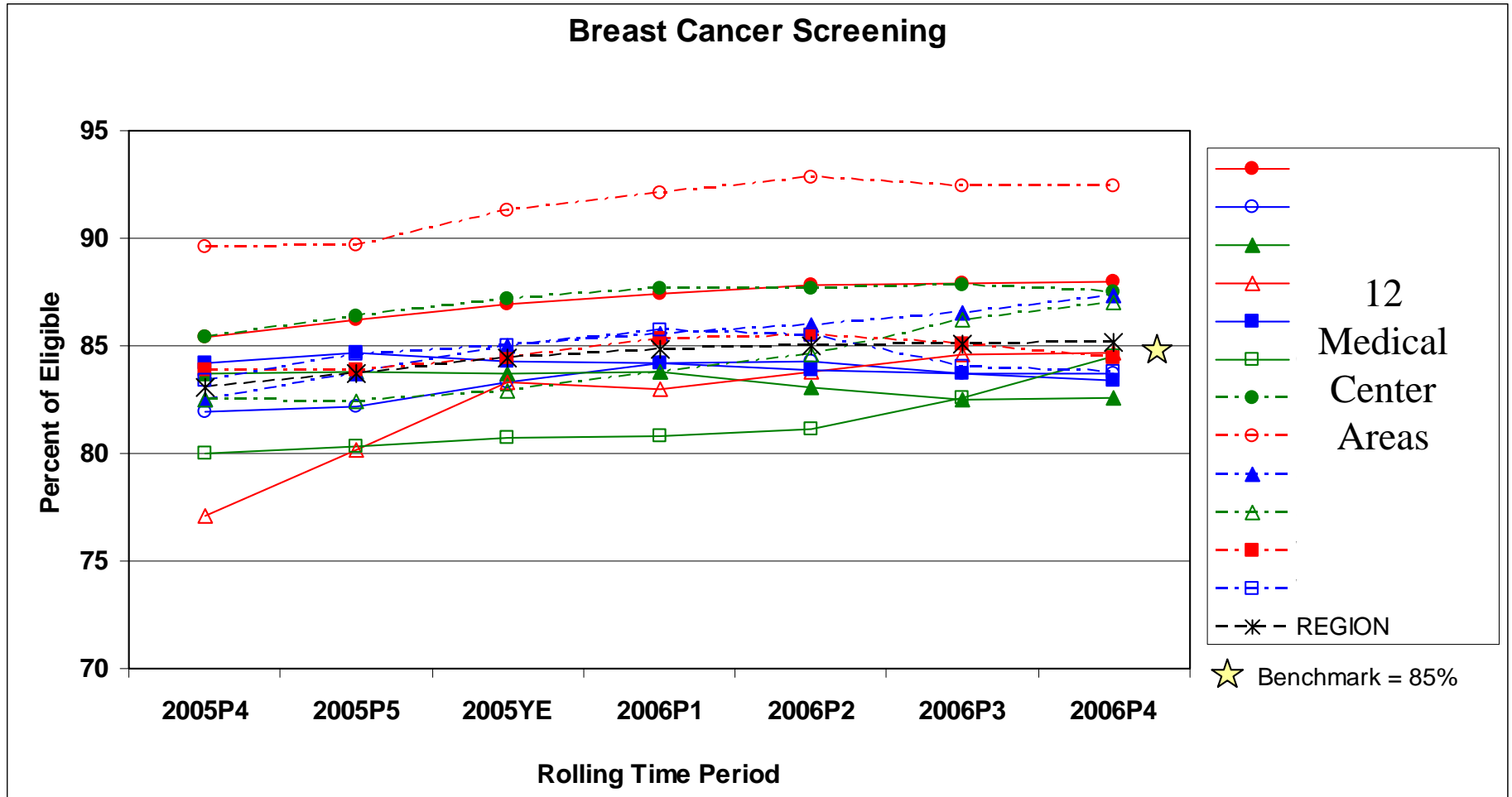
# Breast Cancer Screening Performance (HEDIS)



★2007 Target (2006 MY) is 85%;  
Estimated Performance is 85.2% YTD  
8/30/2006.

# Breast Cancer Screening Performance by Area

(Bimonthly admin. data)

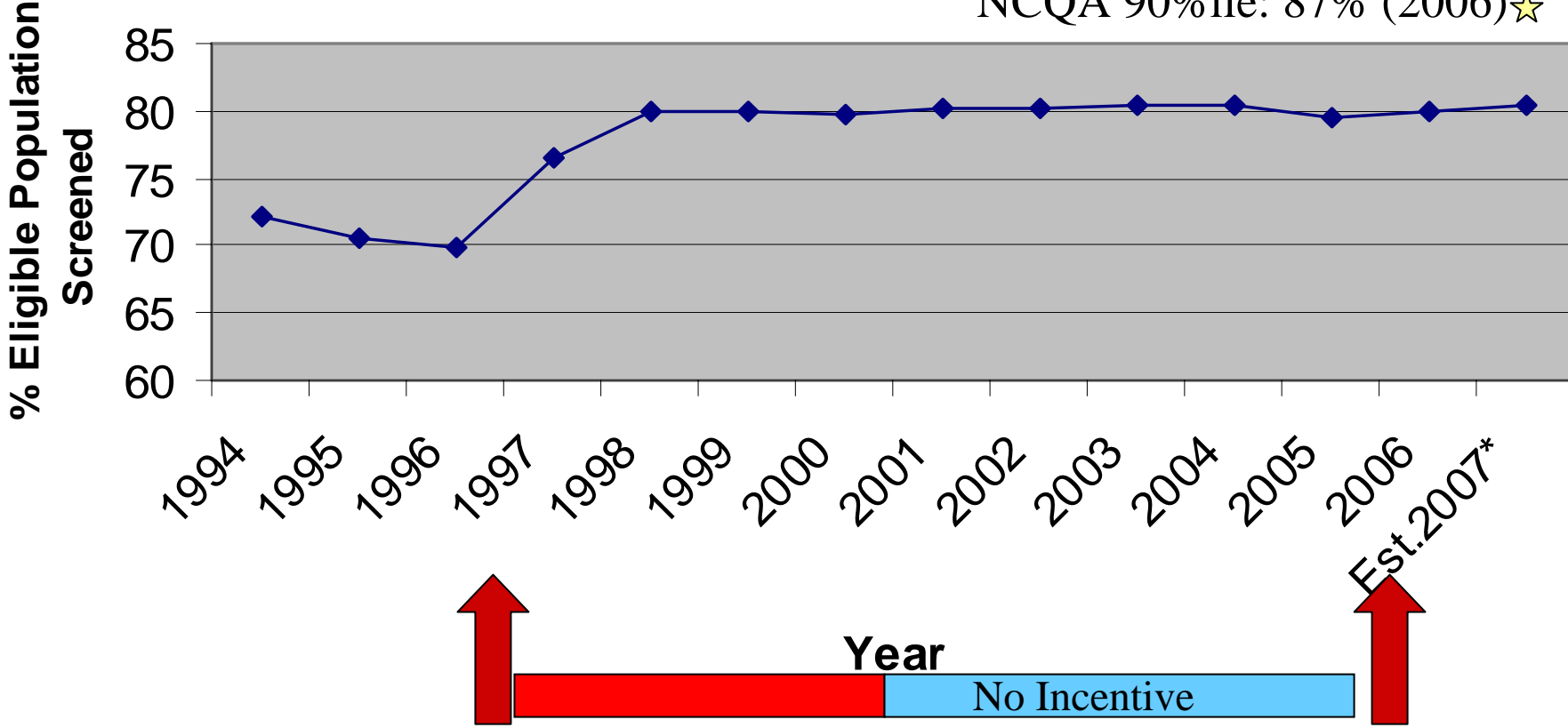




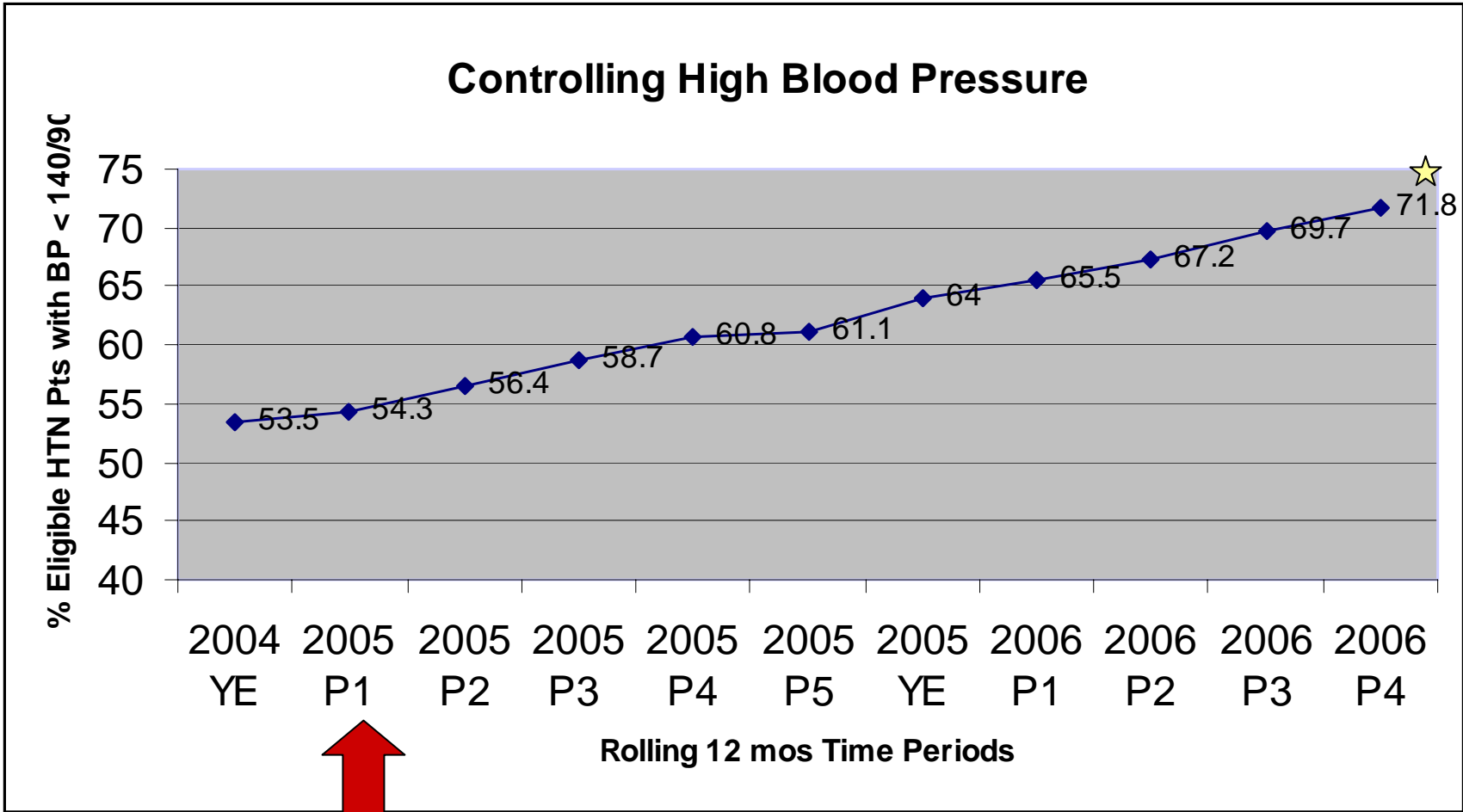
# Cervical Cancer Screening Performance (HEDIS)

## Cervical Cancer Screening

NCQA 90%ile: 87% (2006)★



# Hypertension Control Performance (Bimonthly admin data)



★ 2006 Target is 75%

# Specialty Specific Clinical Quality Incentives

- NCQA/ADA Diabetes Physician Recognition Program (DPRP) for FM, IM, Peds, and Endocrinology (2006)
- Pediatrics: Pharyngitis (HEDIS)
- Psychiatry : Follow-up after Hospitalization for Mental Illness (HEDIS)
- Orthopedics: Osteoporosis (HEDIS)
- Others in development, e.g., Allergy Chiefs and HEDIS Inhaled Anti-inflammatory Medication use

- Caring with a personal touch
- Quality you can trust



- **Convenient and easy access**

# SCPMG Access Incentives

Perception of Access	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008					
Routine Appts	STAR Survey (KP)																			
Urgent Appts																				
Specialist Appts																				
Access Index							COMET Survey (CAHPS)													
a. Timely Help/Advice																				
b. Routine Appts																				
c. Urgent Appts																				
Ability to Get This Appt												ASQ Survey (SCPMG)								
MD Specific Access												Adjusted Utilization								

# SCPMG Access Incentives

- Starting in 1994, Access award based on Regional and Service Area Specific satisfaction with access composite (routine, specialty, urgent)
  - First using KP STAR survey
  - COMET survey (KP CAHPS-like) started in 1999-2000
- Re-design of the Access Performance Award in 2004; instituted in 2005
  - The SCPMG Board of Directors created the Physicians Performance Enhancement Committee (PPEC)

# New Access Performance Incentives

## Two new measures were chosen (2004+)

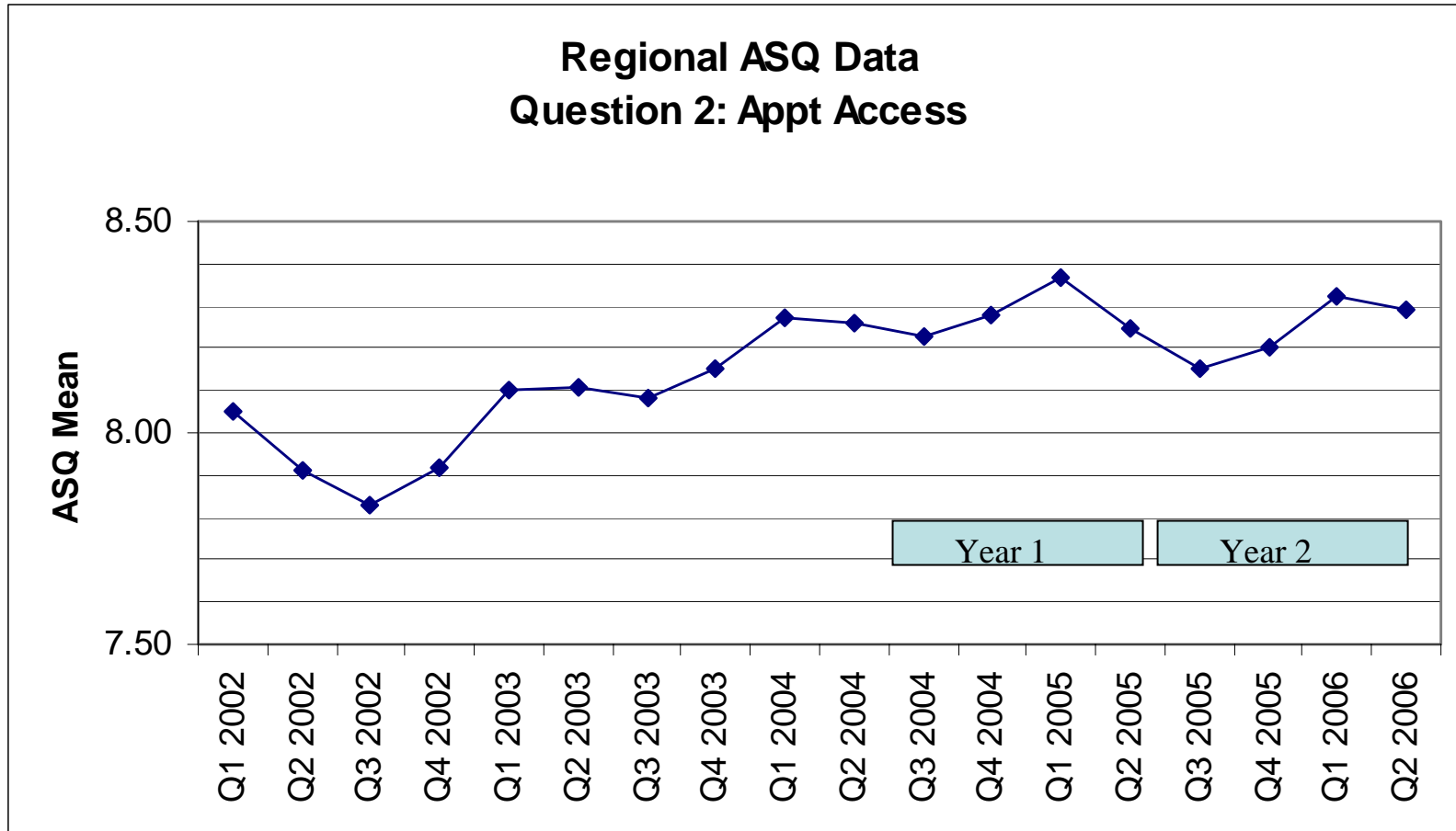
1. Ambulatory Service Questionnaire (ASQ) item: “How satisfied were you with your ability to get this appointment as soon as you wanted it?” (By Department)
  - Response scale 1-10
  - This measure was set so that 25% of the departments meet the target
  - This measure was at the department level in the Service Area

***If not met, then.....***
2. (Step 2): Individuals physician’s clinic utilization (Adjusted Utilization)
  - This is calculated by dividing the number of patients seen by the number of appointment slots available
  - This number is increased by reducing no shows and adding on patients in excess of the scheduled patients
  - This measure target was set at 90% or higher utilization

# Access Performance with ASQ

## Question #2 (by Department)

- Starting 2004-2005, performance awarded for the top 75% of Departments
- The remaining department physicians could apply the Adjusted Utilization

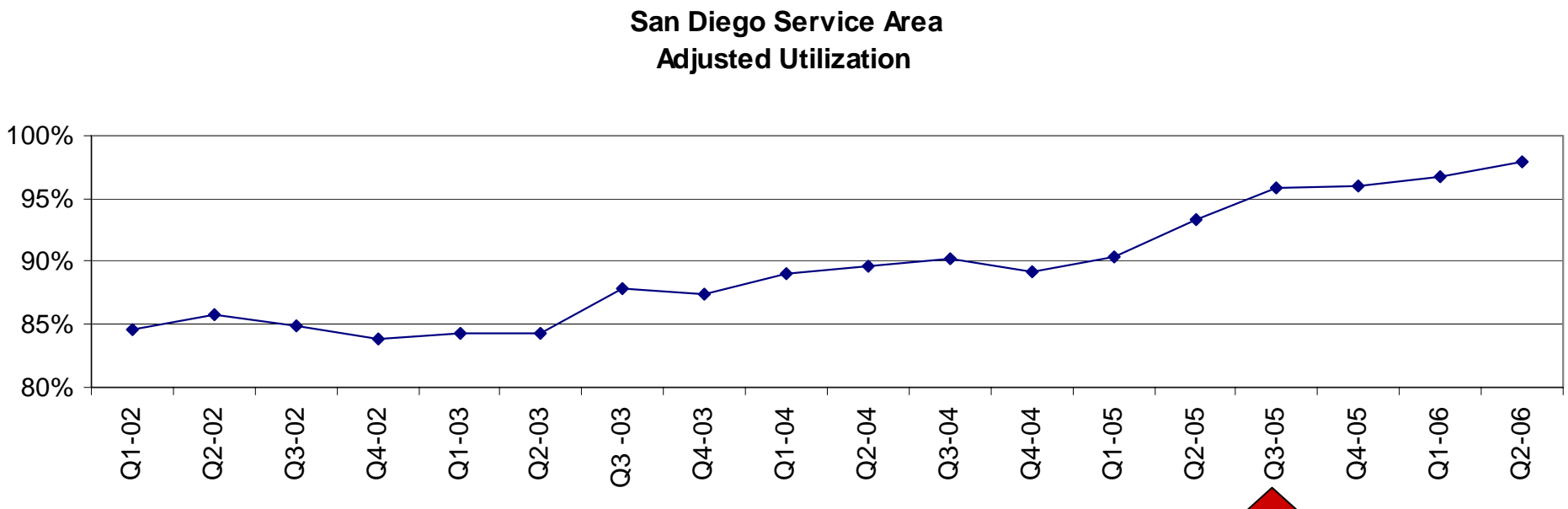




# Access Performance with Adjusted Utilization (AU) – (July to June)

- The Adjusted Utilization scores rose rapidly
- MD specific target set at 90% for MD to get award

In 2005 90.8% of the physicians received access awards  
In 2006 91.4% of the physicians received access awards



# Employee Incentives, too

So that employees share in the success of the organization as enhanced performance is accomplished, the Performance Sharing Program (PSP) for union represented employees in the LMP and the Variable Pay Program (VPP) for managers provide for cash rewards when annual Regional financial goals and the performance goals established by the Southern California LMP Regional Council are met.

For 2007, the Regional Council is piloting a new and more equitable approach to distributing PSP funds that will recognize excellent work being done at individual Medical Centers as well as overall regional performance. This method calls for a payout for each goal calculated on the basis of 50% for Medical Center performance and 50% for regional performance. As an example, if a Medical Center (and the associated facilities that roll up to it) achieves

**Controlling High Blood Pressure:** This is once again a goal for 2007. In 2006 the organization adopted an interim goal that helped many of our health plan members manage their blood pressure. For 2007 the improvement levels are higher and will require a full partnership effort on the part of physicians and medical office staff if we are to be successful. This is a critical objective for improving the lives of health plan members. Bringing hypertension under control can prevent strokes, heart attacks, kidney failure, and dementia.

CONTROLLING HIGH BLOOD PRESSURE	Min	Max	Weight
	74%	76%	20%

**Patient Care Experience—Courteous and Helpful Staff & Emotional Support:** We must provide the members of Kaiser Permanente with the best possible care and service in Southern California. Achieving our goals in Patient Care Experience is the key to success in today's marketplace. A great care experience enhances member loyalty, increases patient adherence to care plans, and builds new member growth through word of mouth advertising. The PSP goals set for 2007 are based on moving our performance to levels of service and quality that will ensure we remain competitive and facilitate our ability to grow.

COURTEOUS AND HELPFUL STAFF	Min	Max	Weight
	93.1%	96.1%	20%
EMOTIONAL SUPPORT	61.5%	66.3%	20%

# Non-Financial “Incentives”

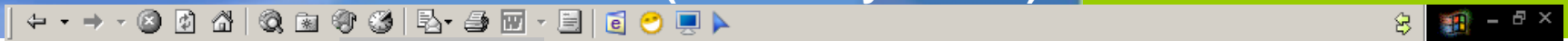
- IT Support (EMR, Registries, Internet)
  - Decision-support
  - Documentation & information available
  - Online, timely performance information
- Quality management infrastructure
  - Performance Goals, measurement, reporting, feedback
  - Peer pressure in group practice
- Administrative Resources for priorities
- Training support
- Public Reporting
  - SCPMG – Region and Medical Center

# Strengths of the Programs

- Physicians and staff worked together to improve performance
- Positive reward system
- Used the HEDIS measures for quality
- Measures and targets developed by physicians being measured
- Feedback and Awards given on Area, Department, and Physician level performance
- Data collection done for the physician
- Very transparent process: Individual physicians scores are on their personal web page
- All patients treated are within the incentive program
- At-risk incentives total up to 10% compensation

# MD Specific Clinical Scores

## SCPMG MD Intranet Portal (bimonthly admin)



Partner Earnings  
**Financial Services**  
 Venture  
 Investment  
 Capital  
 Contribution

**Performance**  
 Individual

**MAPPS**  
 Scores

**CSG**  
 MD Specific Rates

**Access Award**  
 Scores  
 Logoff  
 Benefits/Comp

Physician Name:  
 Department: **Family Practice**  
 Location: **Medical Offices North III**  
 Medical Center: **Panorama City**  
 Domain Name: **CSG Imperatives**  
 Reporting Period: **Period 4 - 2006**



CSG Measures * (CSG Imperatives)	Your Denominator	Your Numerator	Your Physician Rate (%)	Members needed to reach Benchmark	Your Rank in Your Department	Your Department Rate (%)	Your Medical Center Rate (%)	Regional Rate (%)	2006 Benchmark (%)
Breast Cancer Screening	119	103	86.55	0	27	89.6	87.54	85.16	85.0
Lipid Control (<100 mg/dL)									
> Patients with cardiovascular conditions	38	23	60.53	0	17	58.6	61.79	59.53	0.0
> In members with diabetes	97	55	56.7	0	6	49.32	49.33	51.68	47.0
HbA1c <=9.0% in Members with Diabetes	97	83	85.57	0	3	73.53	74.85	74.58	79.0
Controlling High Blood Pressure	150	107	71.33	5	12	68.76	65.98	71.77	75.0
Use of Appropriate Medication for People with Asthma									
> Ages 5-9	N/A	N/A	N/A	0	4	100.0	95.14	94.41	0.0
> Ages 10-17	N/A	N/A	N/A	0	15	92.31	95.88	92.74	0.0
> Ages 18-56	8	8	100.0	0	1	94.62	95.33	93.49	0.0
> TOTAL ages 5-56	8	8	100.0	0	1	94.51	95.41	93.47	0.0
Cervical Cancer Screening	159	138	86.79	0	9	84.82	81.44	80.34	87.0
Colorectal Cancer Screening	485	290	59.79	10	2	49.05	49.06	48.25	62.0

# Access Award Scores – SCPMG MD Intranet Portal (monthly)

Select Reporting Year

Reporting Year:

[Help](#)

Provider



### Adjusted Utilization Data

### ASQ Data

	Kept	DKA	Unused	Supply	Add Kept	% Adj Util	Period	Dept Name	Count	Mean
2005 Award:	979	152	36	1167	425	120	Q1-Q3	ORTHOPEDECS	822	8.25

### Adjusted Utilization Data

	Dept Name	Dept #	Location	Loc #	Module	Kept	DKA	Unused	Supply	Add Kept	% Adj Util
November 2005	Dept Name Here	2294	4760 SUNSET	003	O1	139	17	4	160	76	134
October 2005		2294	4760 SUNSET	003	O1	175	30	5	210	88	125
September 2005		2294	4760 SUNSET	003	O1	118	13	6	137	56	127
August 2005		2294	4760 SUNSET	003	O1	220	31	9	260	74	113

# Issues with P4P

- Measurement burden
- Does it work?
- Competing measures and specifications

# Summary/Conclusions

- SCPMG with P4P since 1994
  - Access, Care Experience, and Clinical Quality
- Primary Care and Specialty Care (MD and NP/PA)
- Ancillary staff incentives aligned
- Evolution & Change (1994-2007)
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  - Issues involved