

Report Cards & Reputational Incentives



- Incentive to “volunteer”
 - 0.4 – 2.0% CMS payments
 - Basically, a hospital’s profit margin
- Currently, 95% of hospitals now volunteer data on
 - 21 quality metrics
 - 260 for hospital enrolled in the Premier Hospital Quality Incentive Demonstration Project

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- What is CMS going to do with the data? Publish it

Hospital	CABG Cost	G6 Control
SM	\$17,870	100%
OP	\$19,305	73%
KU	\$24,625	100%

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- Do patient comparison shop for healthcare?
 - Yes, if the pt is
 - Young
 - College Educated
 - No,
 - Hospitalcompare.gov gets 2.5 M hits/month
 - Only 15 % of employers review provider-specific data
 - Avg patient researches a surgeon < 1h

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- **But** (there is always a but) such figures overlook:
 - Un- and under insured / Medical tourists
 - HSA/HDMI
 - Private insurers

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- The future: PHQIDP
- hospitals now compete for \$\$\$
 - Good: Top decile gets 2% bonus; second decile gets 1% bonus
 - Bad: Bottom decile gets 2% of DRG reimbursement.
 - Ugly: Shame?

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- PQRI



- Tax Relief and Health Care Act of 2006. P.L. 109-432
- Analogous process to HQI
- “Voluntary” performance measurement reporting began 2007

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- Incentive to “volunteer” in 2009
 - 2.0% CMS payments
 - Alone this may not get MD’s attention
 - Satisfactory reporting requires:
 - Reporting on 3 or more of 119 performance measures
 - For 80% of practice

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- Physiciancompare.gov
 - Seems imminent
 - Officially: No definitive plans
 - 2010 CMS can publish “who” has contributed
 - 2011 effective date?

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- Not unreasonable to think that PQRI will result in
 - fewer MDs in the market
 - A penumbra of fear
 - Those MDs that remain in the market will be more compliant