

4th National P4P Survey – Preliminary Results

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Change Afoot With Implications for P4P

**Stimulus ignites
health care debate**

**For stocks, worst
single-day drop in 2
decades**

**Why Does U.S. Health Care Cost
So Much?**

**Obama Vows to End
Stalemate on Health
Care Policy**

**Weak Health Care
Stocks Drop Stock
Market Lower**

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**Economists See
Longest Recession
Since World War II**

P4P Survey Technique and History

- 4th P4P voluntary survey: 2004, 2005, 2006, 2008
- 66 health plan respondents **so far** for 2008, 5 coalitions
 - » 68 physician P4P programs
 - » 26 hospital P4P programs
 - » Over 150M members
- Responses solicited through email requests from sponsoring organizations plus BCBSA – with telephone follow up
- New Transparency Survey: The next effort, to study use of measures for consumer information—currently in field

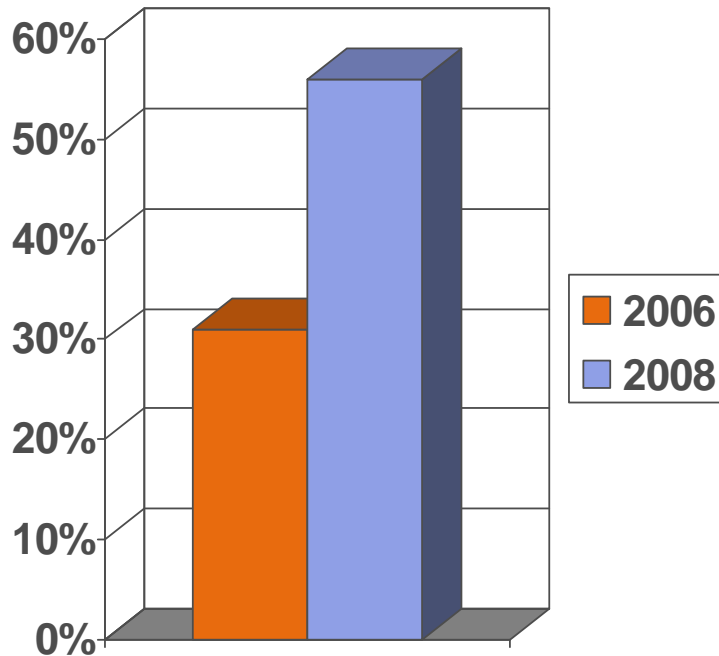
Where P4P Stands

- Working from a firm foundation
- Surging results reported for quality, cost, and especially IT adoption
- Significantly expanding in scope and financial support



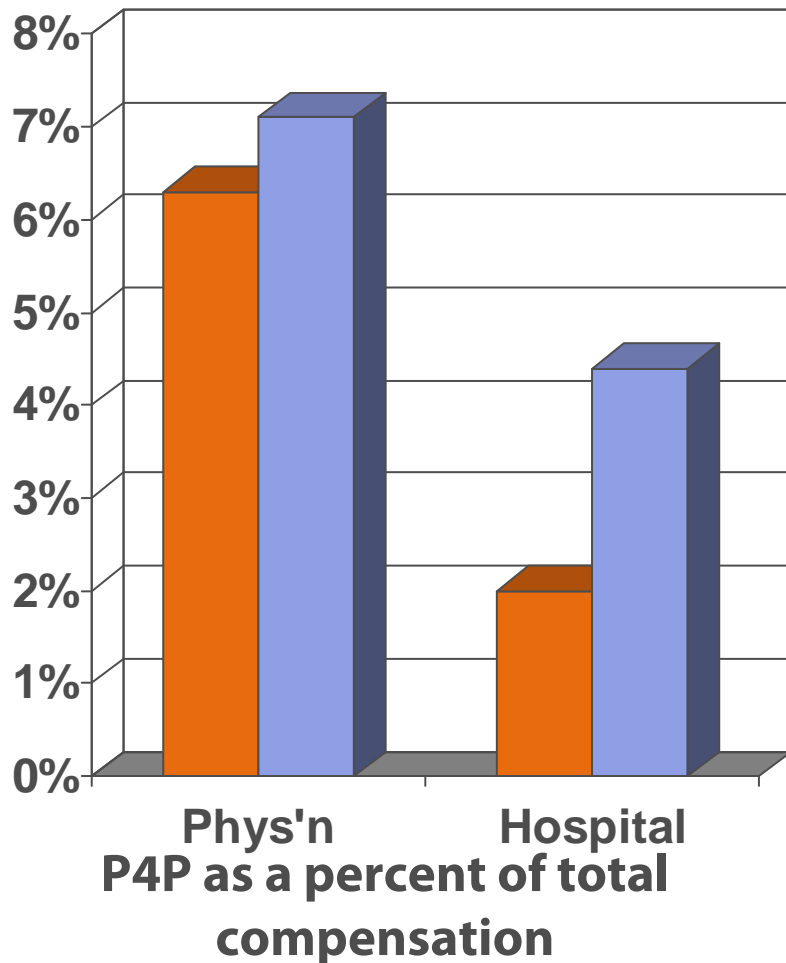
Firm Foundation of P4P

Here to stay—P4P programs in operation 5 years or more

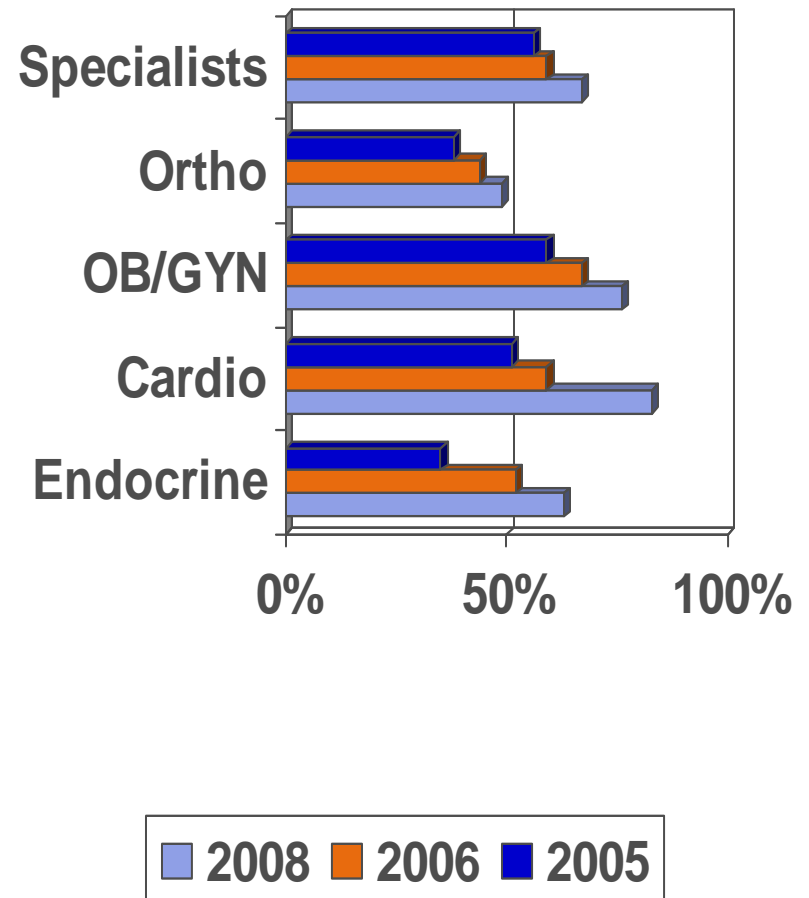


- **Proficient—P4P strategies settled:**
 - 90% have physician P4P
 - 35% have hospital P4P
 - Reasons for P4P continue to be: improve clinical outcomes, patient safety, patient experience; differentiate in market
 - Funding is increasing
 - Measures are mainly evidence-based and from national sources
 - Providers have input and appeal rights
 - Half of programs also use tiered networks or honor rolls

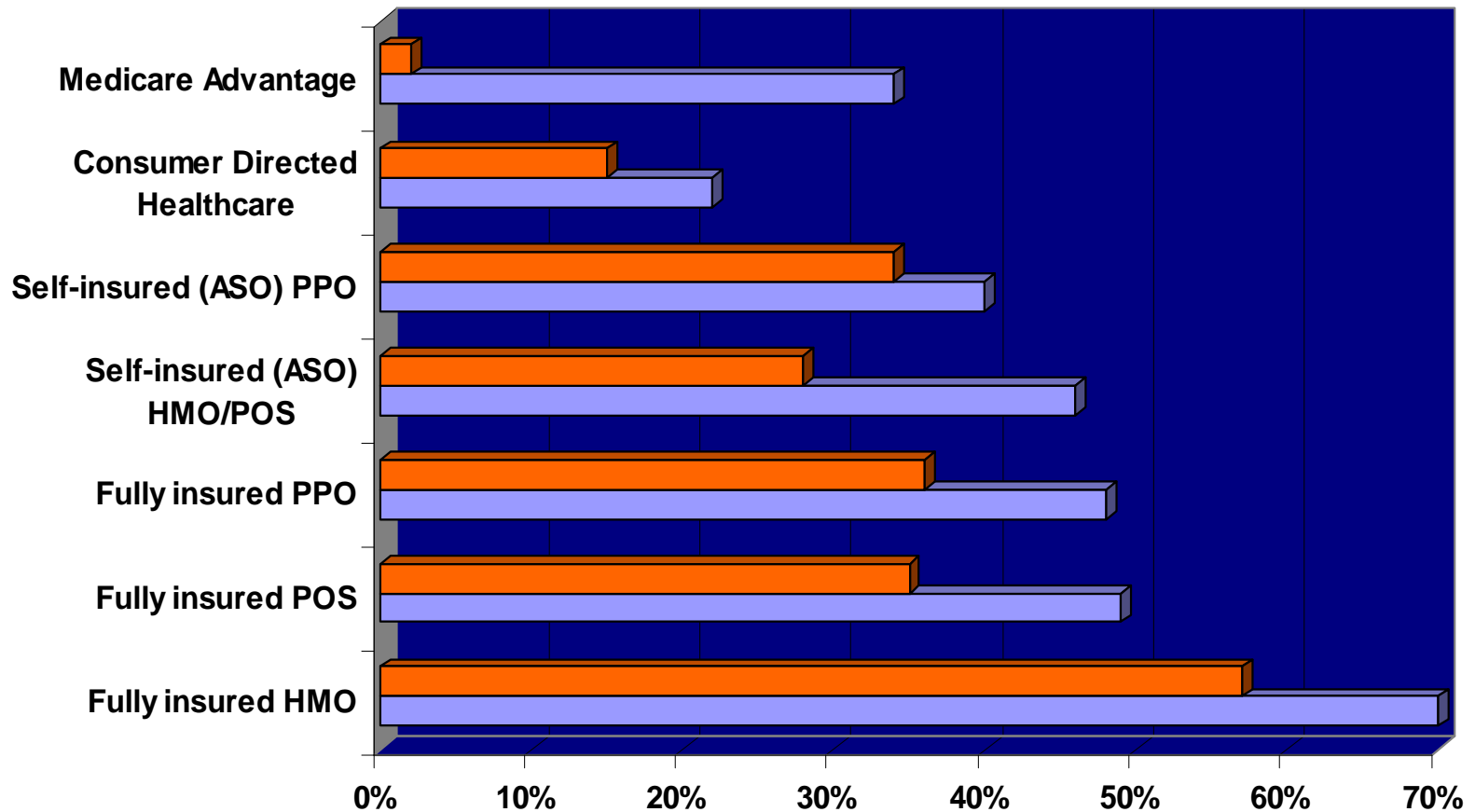
P4P Size and Scope—More Money, More Doctors



Percent of programs covering specialist physicians



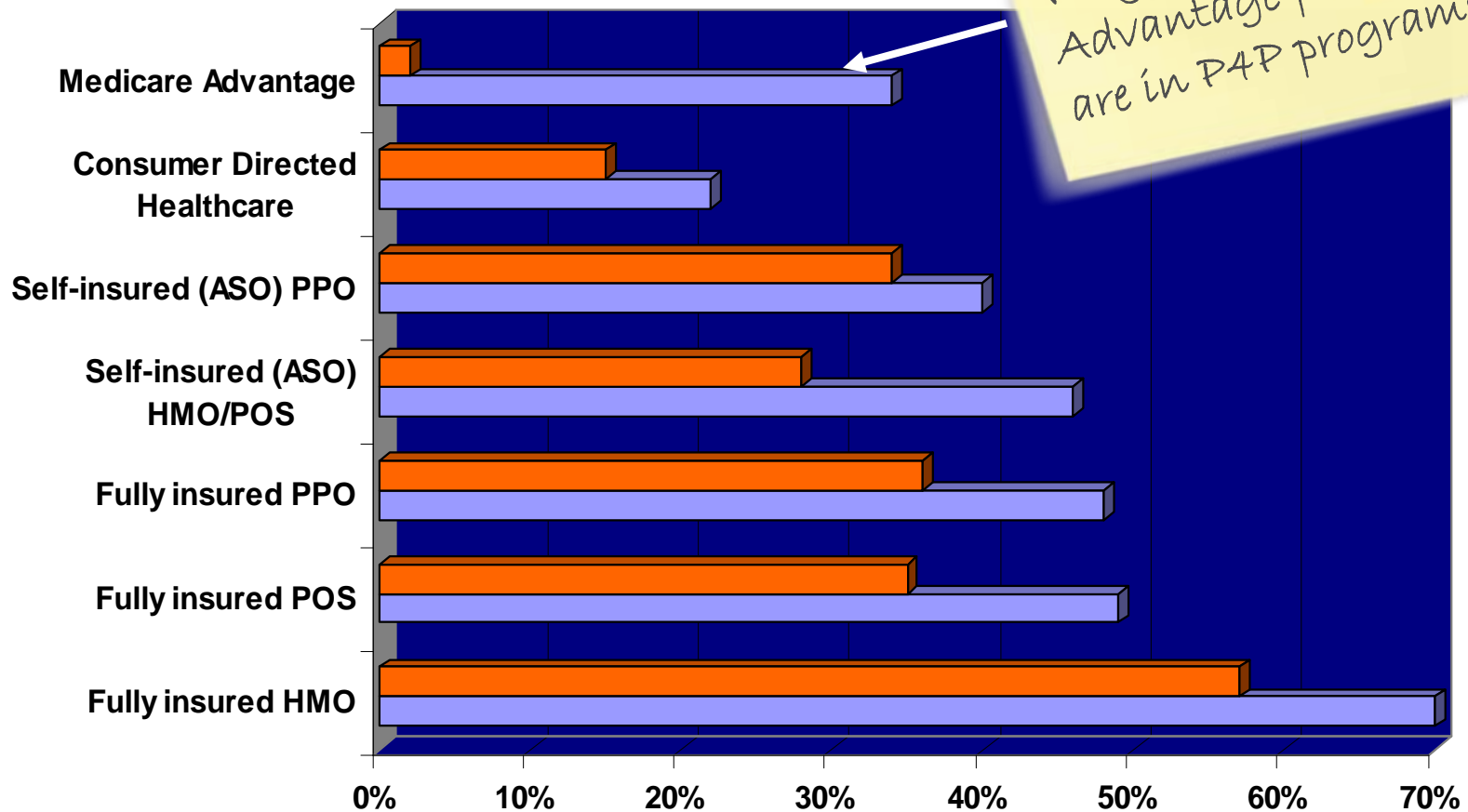
P4P Size and Scope--More Products



Percent of P4P programs including each product

■ 2008 ■ 2006

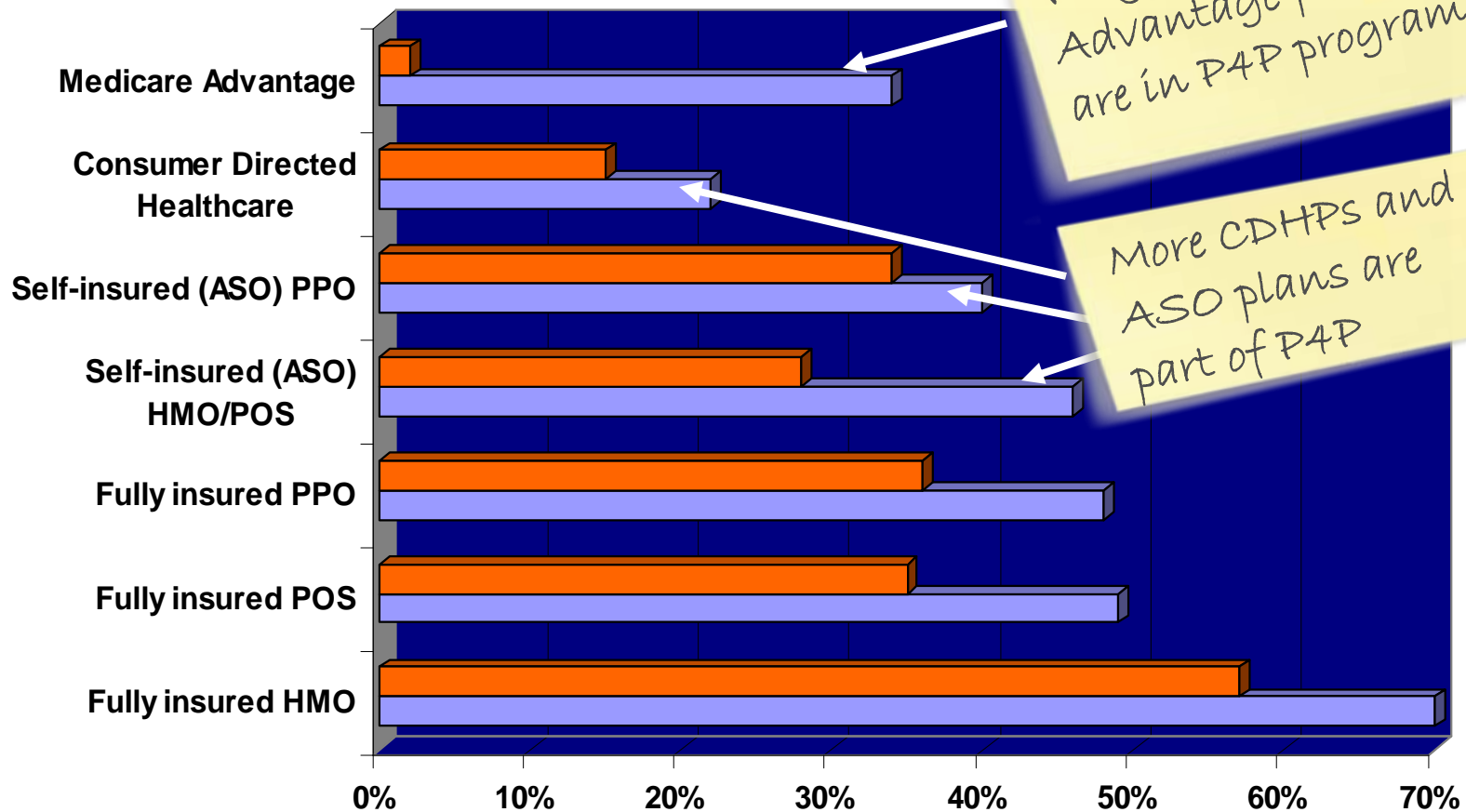
P4P Size and Scope--More Products



Percent of P4P programs including each product

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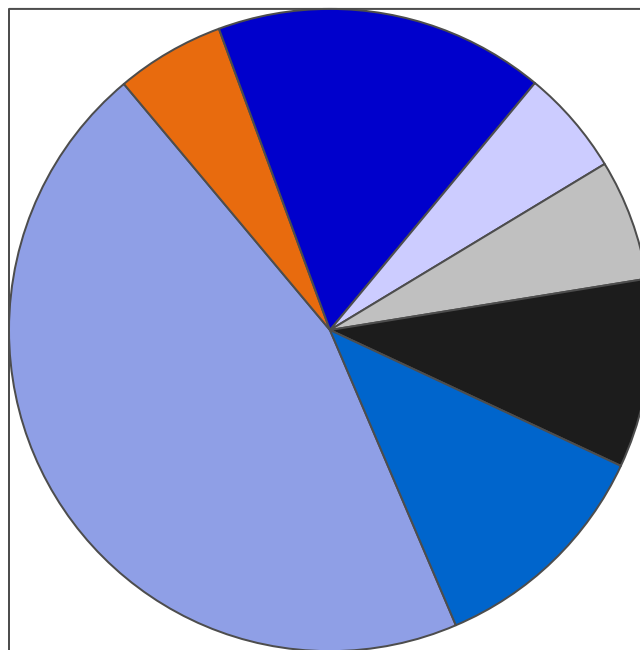
P4P Size and Scope--More Products



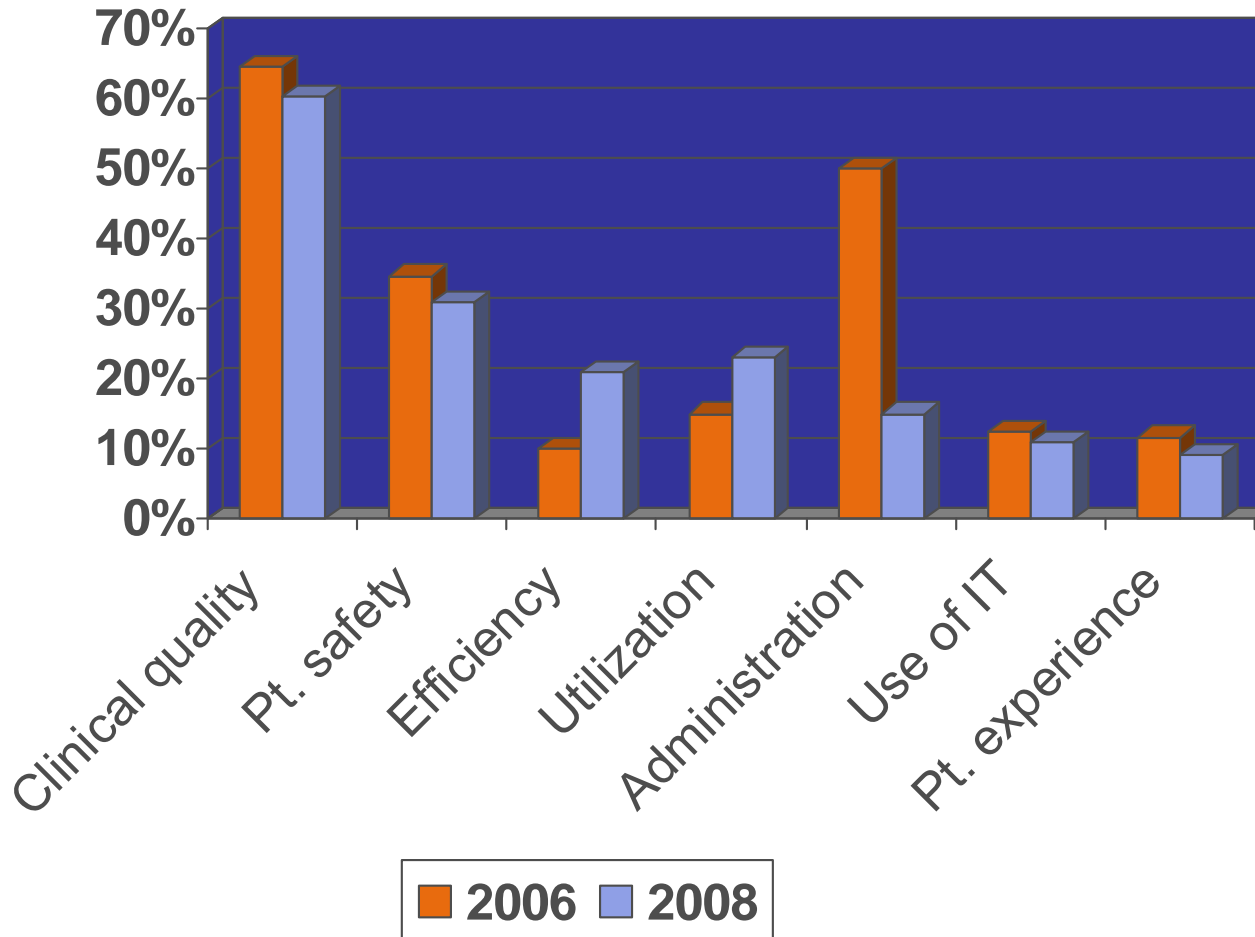
Percent of P4P programs including each product

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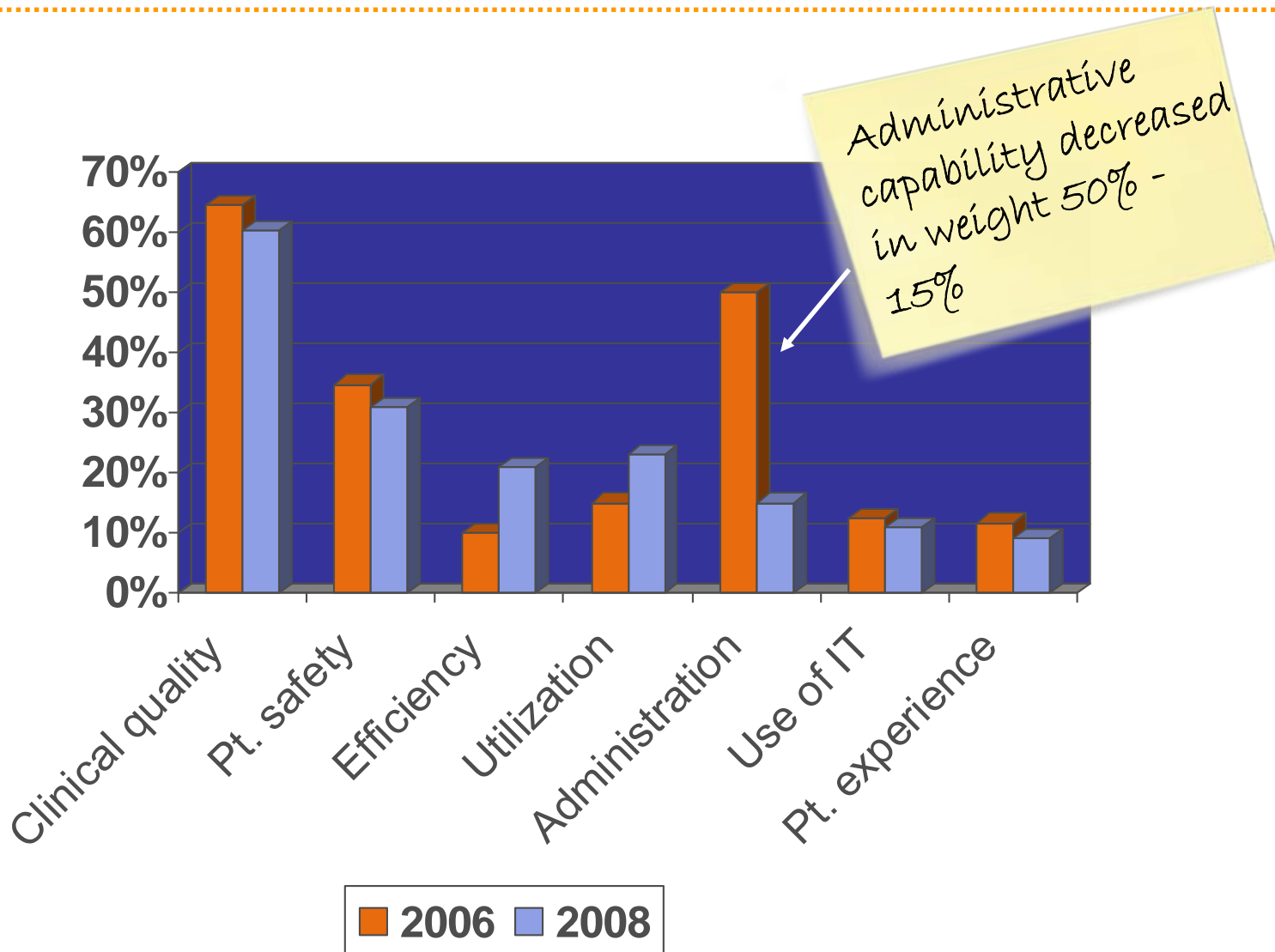
Physician P4P Programs – Priorities Among Domains



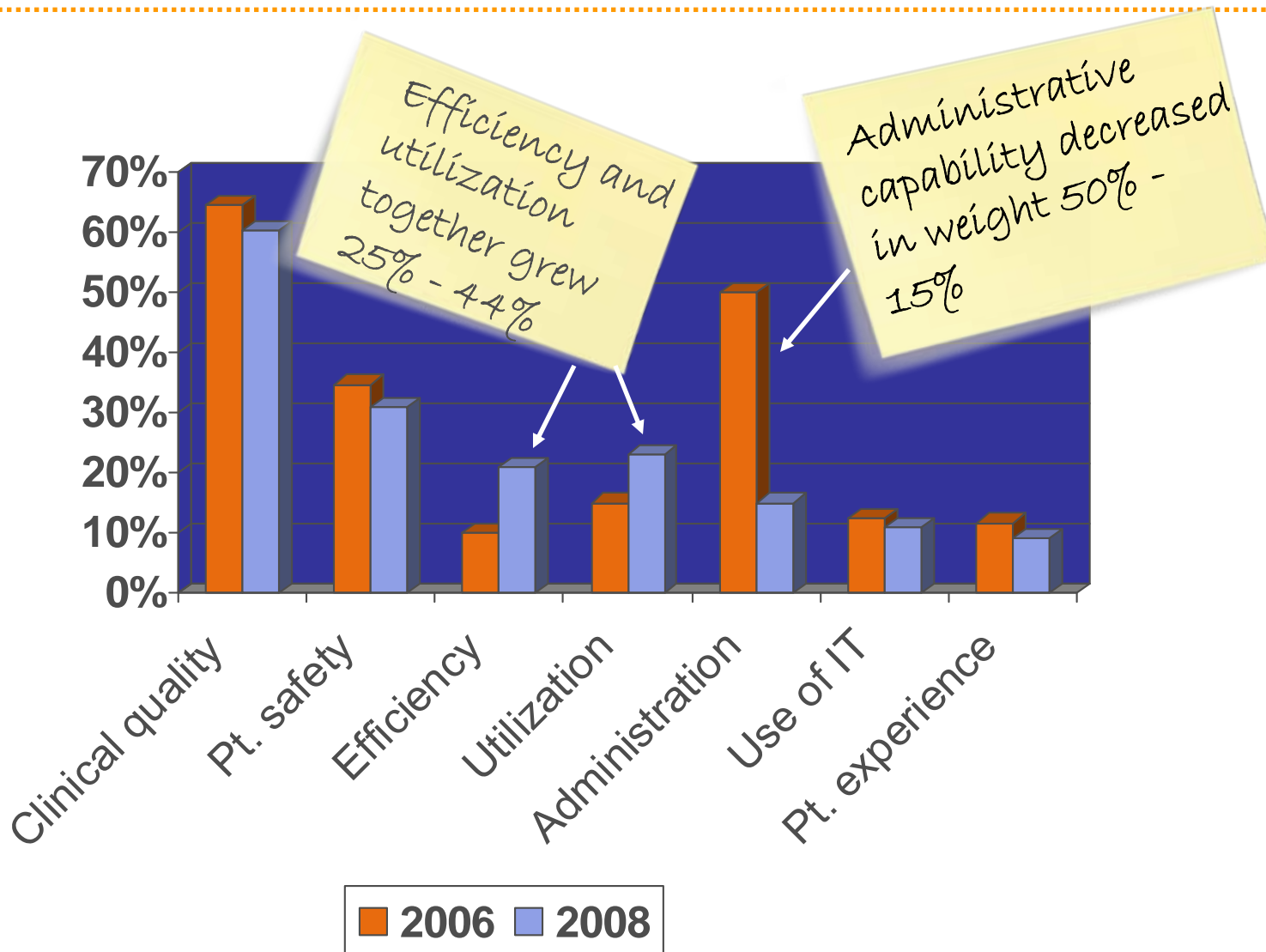
"Hospital P4P - Evolution of Priorities



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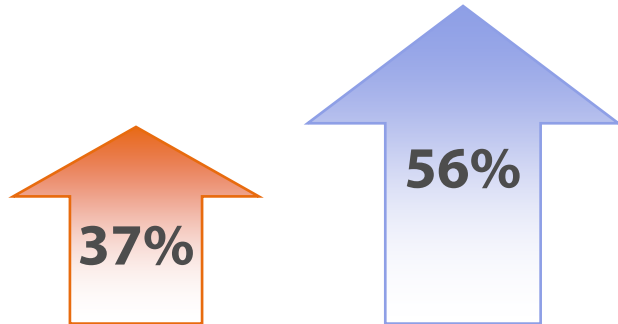
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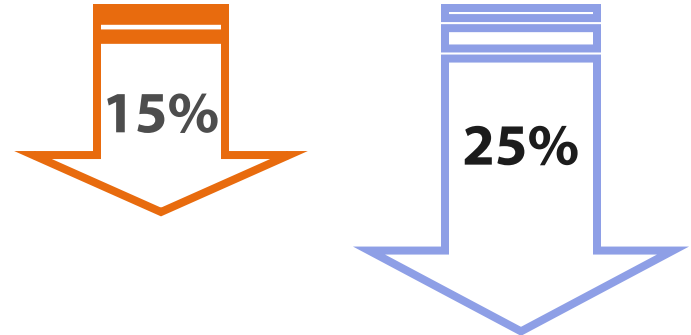
Physician "Performance"



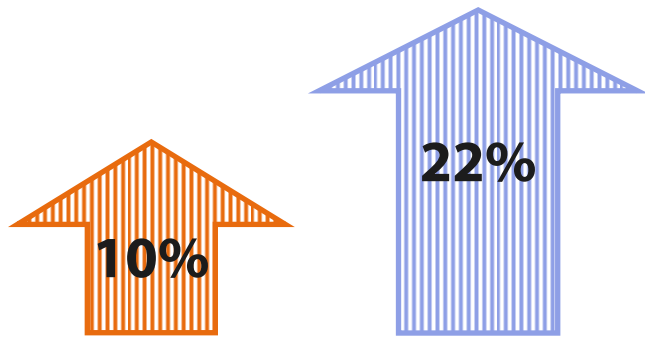
Percent of P4P programs reporting . . .



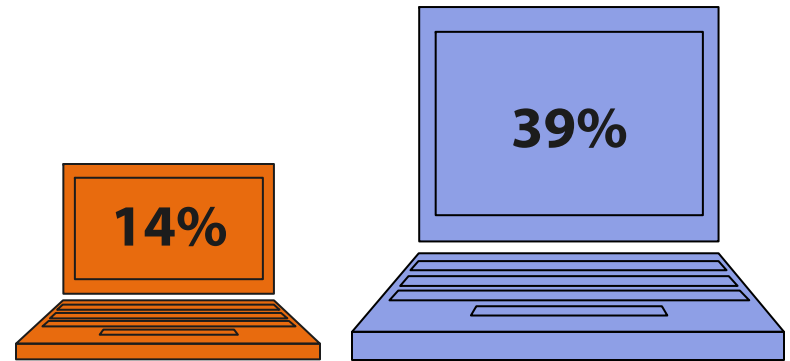
... Increased clinical quality



... Lower costs, slower trend or ROI



... Improved patient experience

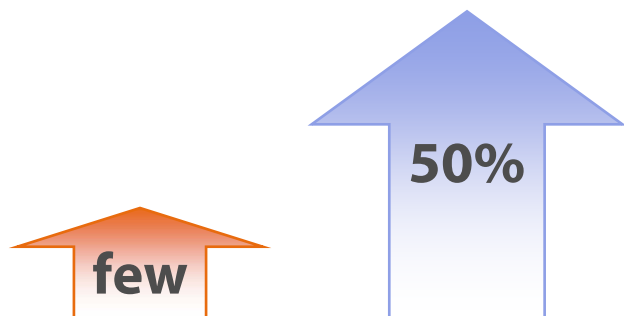


... Increased investment in IT or QI

Hospital "Performance"

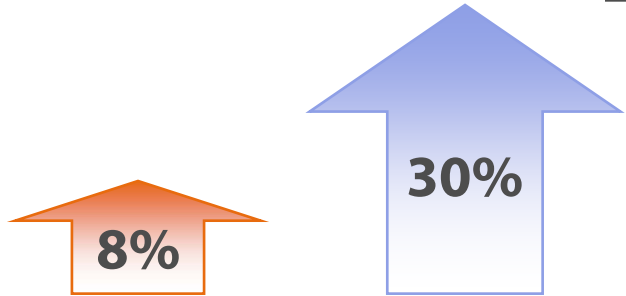
■ 2006 ■ 2008

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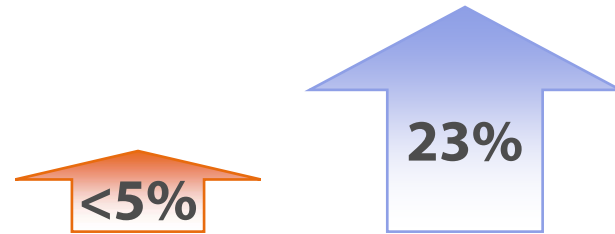


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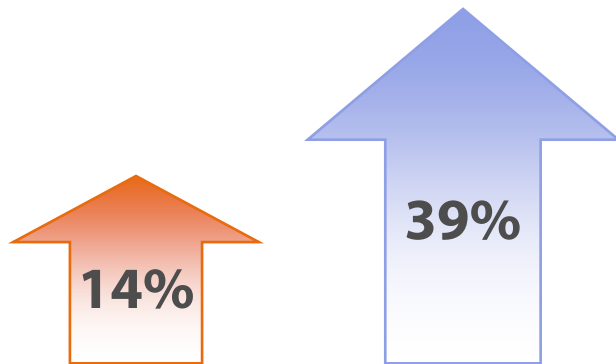
Special Focus on IT



Physician EMR adoption as a measure



Hospital EMR adoption as a measure



P4P programs reporting increase in physician investments in IT

Now measuring e-prescribing:
19% of physician P4P programs
27% of hospital P4P programs

Evolution and Experimentation

- Measures: 70% plan to continue increasing measures
- Domains: 48% plan to tinker with domains and weighting
- Coalitions:
 - » 11% of physician P4P programs currently use just a coalition P4P
 - » 33% of physician P4P programs currently combine a coalition P4P with their own
 - » 11% of hospital programs use coalition P4P



Future of P4P and Incentives

- The survey shows P4P is a dynamic area
 - » Performance-based share of payment is growing
 - » Processes are well-established
 - » Broader base of measures is available
- The economic situation raises the stakes
 - » Recession increases the need to show value
 - » Consumers are sharing more of the cost
 - » More change is coming!



Organizations Responding to P4P Survey

- Advocate Physician Partners
- Aetna, Inc.
- AmeriChoice
- Anthem (WellPoint)
- Anthem BCBS Central Region
- Anthem BCBS North East Region
- Anthem Blue Cross
- Arkansas BCBS
- BCBS of Alabama
- BCBS of Florida
- BCBS of Illinois
- BCBS of Kansas City
- BCBS of Louisiana
- BCBS of Massachusetts
- BCBS of Michigan
- BCBS of Minnesota
- BCBS of North Carolina
- BCBS of North Dakota
- BCBS of Rhode Island
- BCBS of Tennessee
- BCBS of Texas
- BCBS of Vermont
- Blue Cross Northeastern Pennsylvania
- Blue Cross of Idaho
- Blue Shield of California
- Blue Shield of Northeastern New York
- Bridges To Excellence
- Buyers Health Care Action Group
- Capital Blue Cross
- Capital District Physicians' Health Plan
- CareFirst BCBS
- CIGNA HealthCare of California
- Excellus Health Plan
- Fallon Community Health Plan
- Geisinger Health System

Organizations Responding to P4P Survey

- Harvard Pilgrim Health Care
- Hawaii Medical Service Association
- Health Alliance Plan
- Health Net
- Health Net/ CT State Medical Society
- Health New England
- HealthSpring
- Highmark Inc.
- Horizon BCBS of NJ
- Hudson Health Plan
- Independence Blue Cross
- Independent Health
- Inland Empire Health Plan
- Integrated Healthcare Association
- Kaiser Permanente
- MedEncentive
- Medical Mutual of Ohio
- MVP Health Care
- Pacificare/United Healthcare
- Paramount Health Care
- Passport Health Plan
- Presbyterian Health Plan
- Priority Health
- Renown Health/ Hometown Health
- Santa Clara Family Health Plan
- SC Dept of Health and Human Services
- Selecthealth
- St. Johns Health system
- Triple-S, Inc.
- United Healthcare Cardiac Gainsharing
- United Healthcare Practice Rewards
- Wellmark BCBS
- WellPoint
- Western Health Advantage

Its Not Too Late to Participate



Respondents will receive a complimentary copy of the final detailed results for both P4P and Transparency Surveys.

To participate go to
<http://survey.medvantage.com/2008p4psurvey/>

Questions?



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