# 2011 P4P Summit:

# Motivating Physicians: Time to Reconsider Incentive Programs

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# Agenda

- Looking at the Facts.
- Do Rewards Help?
- What about Physicians?
- Is there a Better Way?
- Lessons Learned.

# Problems with Quality of Care

| For every … | There appear to be … |
|---|---|
| 1,000 patients coming in for outpatient care | 14 with life threatening or serious adverse drug events (ADE) |
| 1,000 outpatients who are taking a prescription drug | 90 who seek medical attention because of drug complications |
| 1,000 prescriptions written | 40 that have medical errors |
| 1,000 women with marginally abnormal mammograms | 360 who will not receive appropriate follow-up care |
| 1,000 referrals | 250 referring physicians who have not received follow-up information 4 weeks later |
| 1,000 patients who qualify for secondary prevention of high cholesterol | 380 who will not have a low density lipoprotein cholesterol (LDL-C) measurement recorded within the next three years |

# Quality of Medical Care Delivered

**Table 3.** Adherence to Quality Indicators, Overall and According to Type of Care and Function.

| Variable | No. of Indicators | No. of Participants Eligible | Total No. of Times Indicator Eligibility Was Met | Percentage of Recommended Care Received (95% CI)* |
|---|---|---|---|---|
| Overall care | 439 | 6712 | 98,649 | 54.9 (54.3–55.5) |
| Type of care | | | | |
| Preventive | 38 | 6711 | 55,268 | 54.9 (54.2–55.6) |
| Acute | 153 | 2318 | 19,815 | 53.5 (52.0–55.0) |
| Chronic | 248 | 3387 | 23,566 | 56.1 (55.0–57.3) |
| Function | | | | |
| Screening | 41 | 6711 | 39,486 | 52.2 (51.3–53.2) |
| Diagnosis | 178 | 6217 | 29,679 | 55.7 (54.5–56.8) |
| Treatment | 173 | 6707 | 23,019 | 57.5 (56.5–58.4) |
| Follow-up | 47 | 2413 | 6,465 | 58.5 (56.6–60.4) |

* CI denotes confidence interval.

McGlynn,et.al, New England Journal of Medicine, 2003

# The Quality of Medical Care Delivered

| Condition | % Receiving Recommended Care |
|---|---|
| Breast Cancer Screening | 76% |
| Heart Attack & CAD | 68% |
| Immunization | 66% |
| High Blood Pressure | 65% |
| Osteoarthritis | 57% |
| Asthma | 53% |
| Diabetes | 45% |
| UTI | 41% |
| STD | 37% |

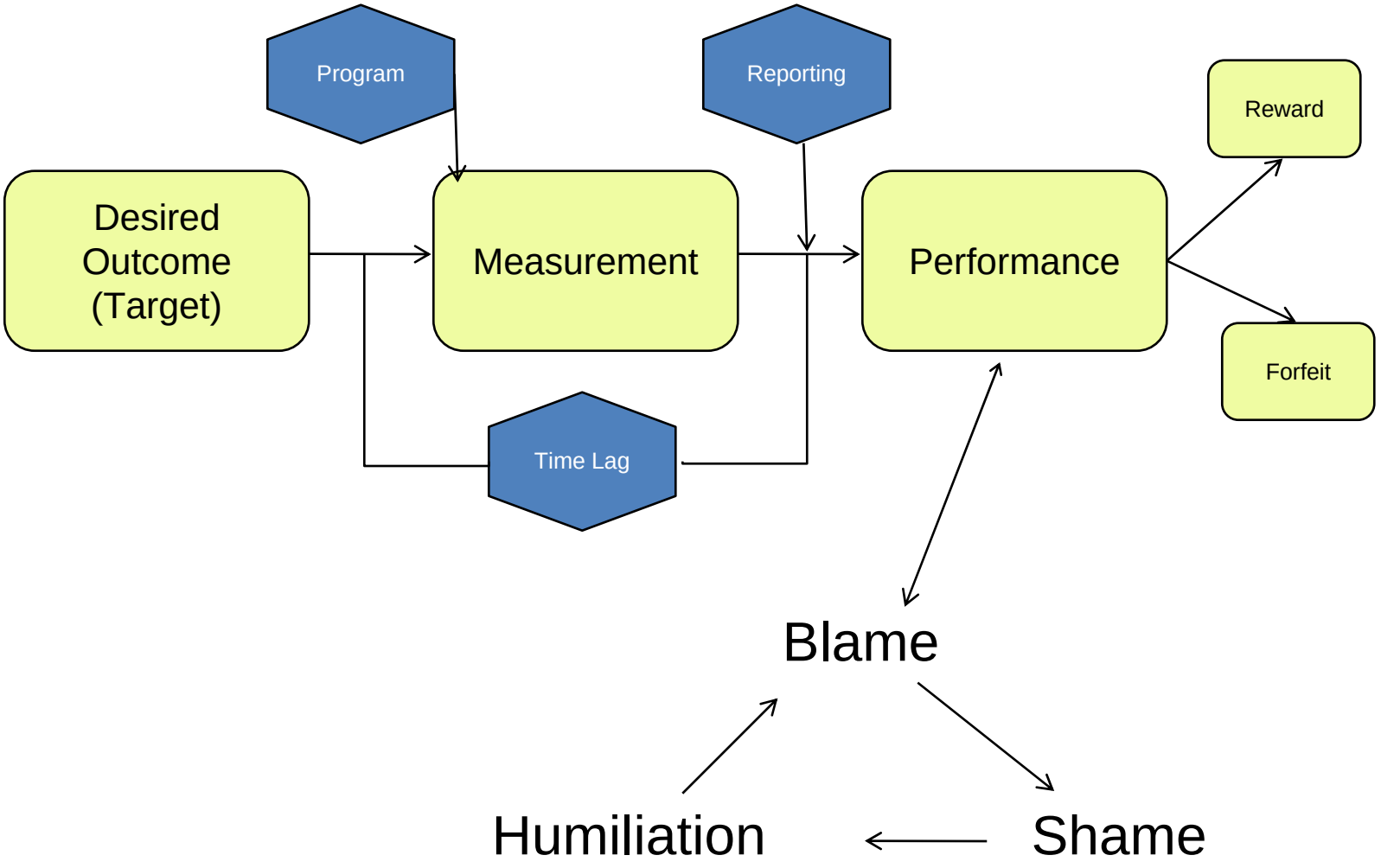
McGlynn,et.al, New England Journal of Medicine, 2003

# Philosophy of Physician Behavior

Is this the best way to motivate highly skilled and intelligent people?

# But Why Would You Want To?

# Current State of Pay for Performance



# Do Rewards Change Behavior?

Yes, but……

1. For whom are rewards effective?
   - Laboratory animals
   - Workers performing simple tasks
   - Individuals needy enough to require rewards
2. How long are rewards effective?
   - Short term
   - Need to keep them coming and be “impactful”
   - “When the goodies stop, people go back to acting the way they did before”
3. At what are rewards effective?
   - Typically, rewards do not alter attitudes or emotional commitments
   - Only effective at altering what we do

# Theories

#1 Whether it be in the classroom, workroom or playground, when a reward (incentive) follows a behavior, it is more likely that the behavior will be repeated

#2 "Management can provide or withhold salary increments, authoritatively, while it can only create conditions (or fail to) for individuals to achieve satisfaction of their higher level needs" McGregor

#3 People are lazy and ordinarily would not accomplish required tasks

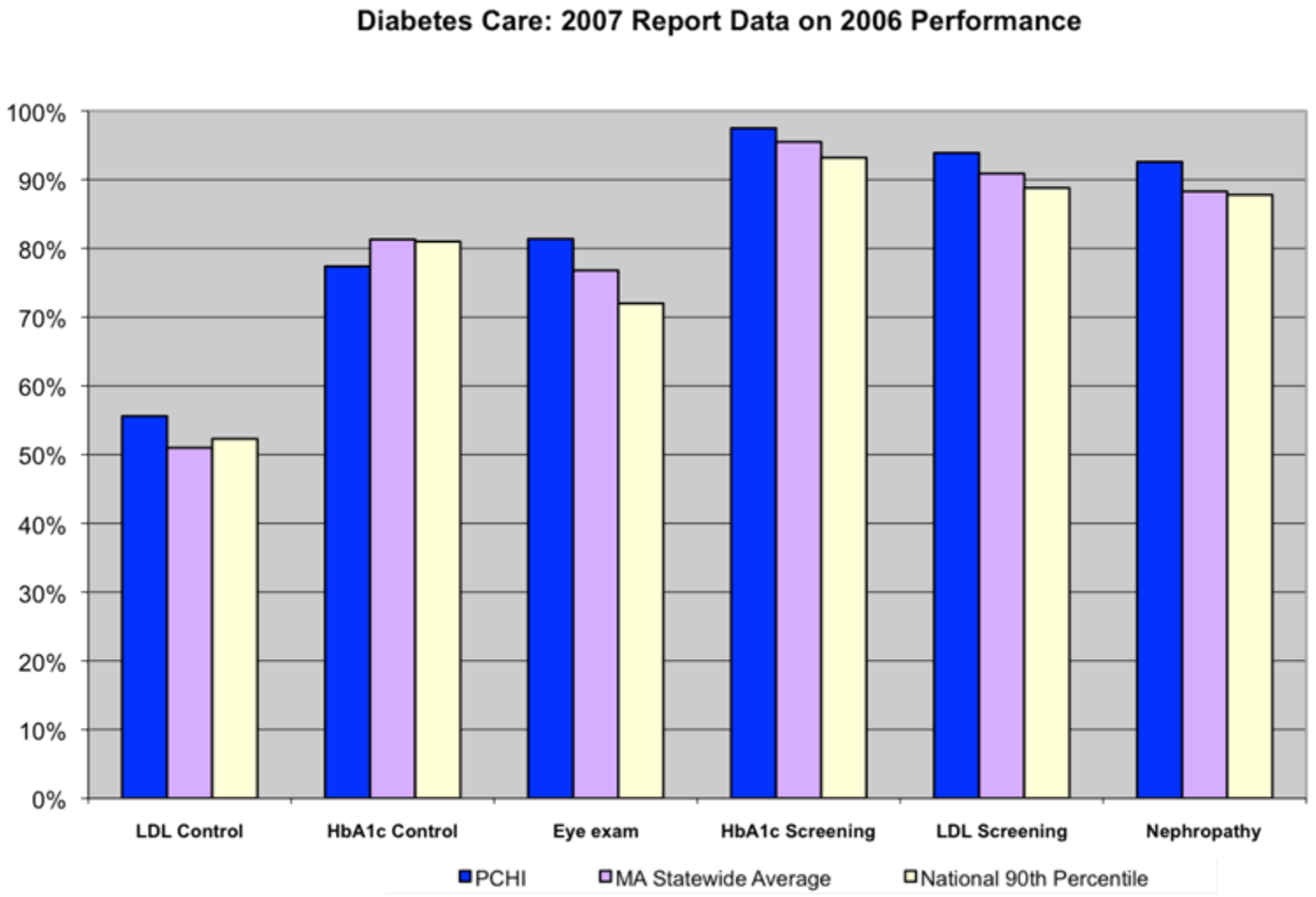
Seductively easy to understand and manage

# Example of Dashboard for Quality

| Quality | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | RSO | | | PCHI | | |
| Payer | Measure | On Target? | Actual | Target | On Target? | Actual | Target |
| | Diabetes Comp | Y | 86.60% | 78.53% | Y | 81.24% | 78.53% |
| | ADHD | Y | 80.00% | 48.73% | Y | 70.00% | 48.73% |
| | BMI Charting | Y | 99.08% | 90.00% | Y | 96.39% | 90.00% |
| | Obesity Pop Mgmt | Y | 86.49% | 80.00% | N | 78.88% | 80.00% |
| | LDL Outcomes | Y | 68.09% | 51.58% | Y | 56.88% | 51.58% |
| | HbA1c Outcomes | Y | 82.88% | 80.78% | N | 80.52% | 80.78% |
| | BMI Charting | Y | 99.00% | 80.00% | Y | 96.70% | 80.00% |
| | Obesity Pop Mgmt | Y | 87.00% | 75.00% | Y | 81.67% | 75.00% |
| | Chlamydia | Y | 52.50% | 39.13% | Y | 60.46% | 39.13% |
| | ADHD | Y | 77.78% | 41.67% | Y | 50.31% | 41.67% |
| | Diabetes Comp | Y | 77.47% | 64.50% | Y | 66.28% | 64.50% |
| | CVE Comp | Y | 88.35% | 78.00% | Y | 83.90% | 78.00% |
| | HTN Comp | Y | 86.13% | 72.70% | Y | 75.64% | 72.70% |
| | ADHD | N | 45.00% | 58.22% | N | 51.73% | 58.22% |
| | BMI Charting | Y | 99.13% | 90.00% | Y | 95.19% | 90.00% |
| | BMI Pop Mgmt | N | 30.73% | 60.00% | N | 35.53% | 60.00% |
| | Obesity SPL | Y | 95.24% | 90.00% | Y | 92.25% | 90.00% |

- RSO is currently earning 92% of quality withhold

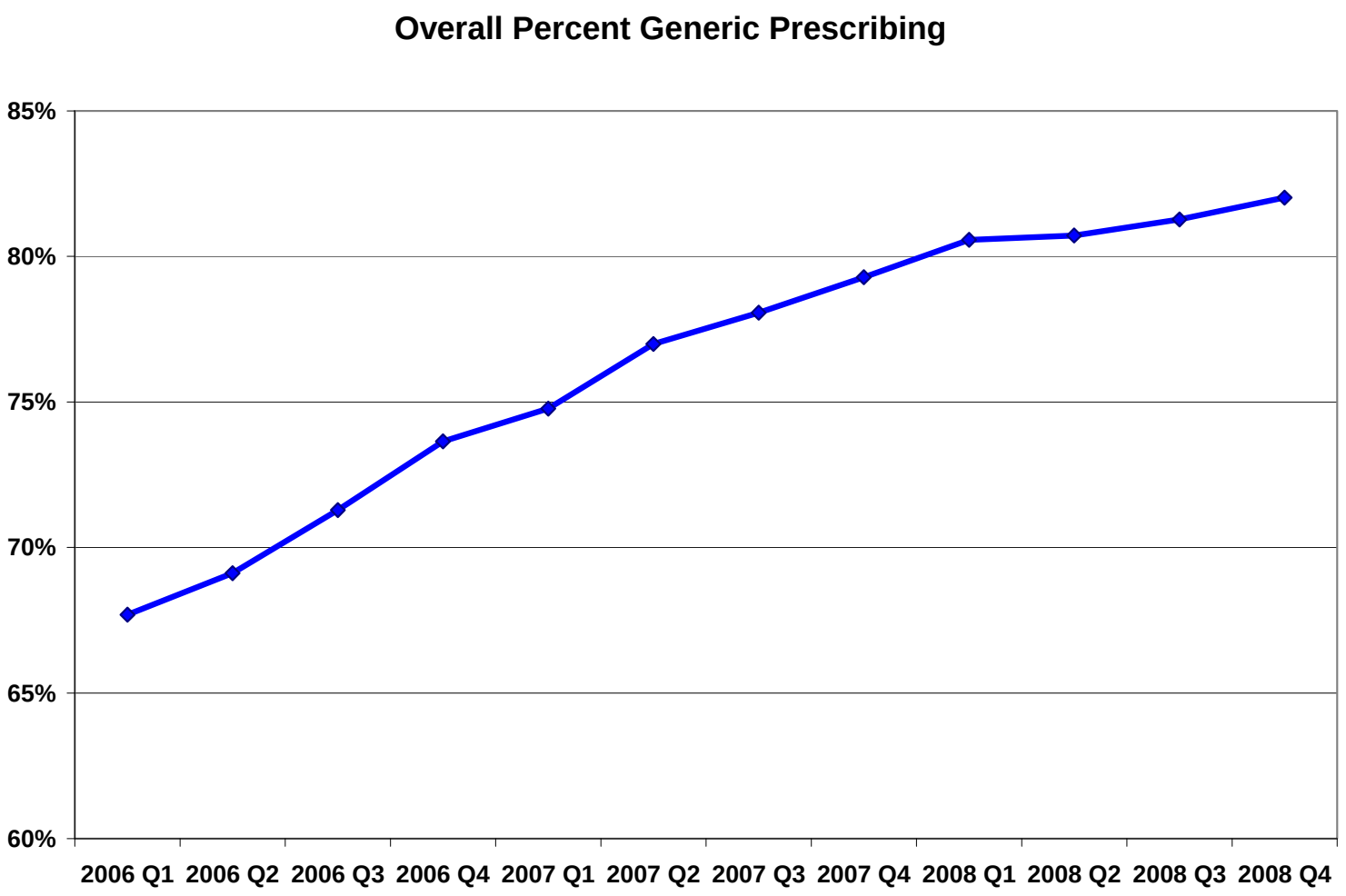
# Selected Quality Measure





Cornerstone
UMassMemorial

# % Generic Prescribing



# The Candle Problem

Two groups

1.Told that researchers were establishing norms to “see” how long it took to solve problem
2.Told they would receive $5 if the time they took to solve was in top 25% and $20 if they were fastest.

Karl Duncker 1930
revised by
Sam Glucksberg 1962

# A Twist to the Problem

With the tacks out of the box, the problem was easier to solve and the reinforcements led to better “outcomes”

# How Do We Interpret These Results?

- Rewards will usually improve performance only at extremely simple tasks and even then they may only improve quantitative results.
- People choose easier tasks and are less efficient in their use of information
- Seem to work harder, but lower quality and produce more errors

Incentives will have a detrimental effect when 2 conditions are met

1. The task is interesting enough for subjects that the offer of incentives is a superfluous source of motivation
2. The solution to the task is open-ended enough that the steps leading to a solution are not immediately obvious.

# Can Incentive Plans Motivate Employees?*

1. Rewards Punish
   - Punishment and rewards are two sides of the same coin
   - If you don't do this, this is what will happen
2. Rewards damage relationships
   - Maintain a hierarchical authority
   - Assumption: "The organizational effectiveness is the simple additive combination of individuals separate performances"*
     - Let me see what you can do!
       - Ignores the whole basis of team learning
     - If we all do well, we collectively get the prize
       - Humiliation and shame
   - Who decides what your targets are and when you achieve them?

Alfie Kohn, Punishment by Rewards, 1993, Houghton Mifflin Company
Jone L. Pearce

# Can Incentives Motivate Employees?

3. Rewards ignore reason
   - Rewards do not require any understanding of the reasons for the performance
   - Stephen Covey: Seek first to understand
4. Rewards reduce risk taking
   - When working for a reward, we tend to do exactly what will maximize our ability to get the reward.
   - Once we learn the behaviors necessary to receive the reward, we are unlikely to change
   - Stop doing what we have little chance at succeeding
   - Are we working to obtain the reward or are we working to complete the task?

Absolutely! Rewards motivate us to get the rewards!

# Extrinsic Rewards Reduce Intrinsic Motivation

- If something has intrinsic value, why do we have to reward you to make you do it?
- If you tell me I have to do something, then I do not want to do it
- Once I do it, the rewards will have to continue to increase to get long lasting results

*Rewards are seen as controlling. We tend to recoil from situations where our autonomy is threatened.*

*Extrinsic motivators almost always reduce creativity*

*Reduce interest in the task themselves, but also in the strategies to improve the task*

# Lets Talk about Physicians

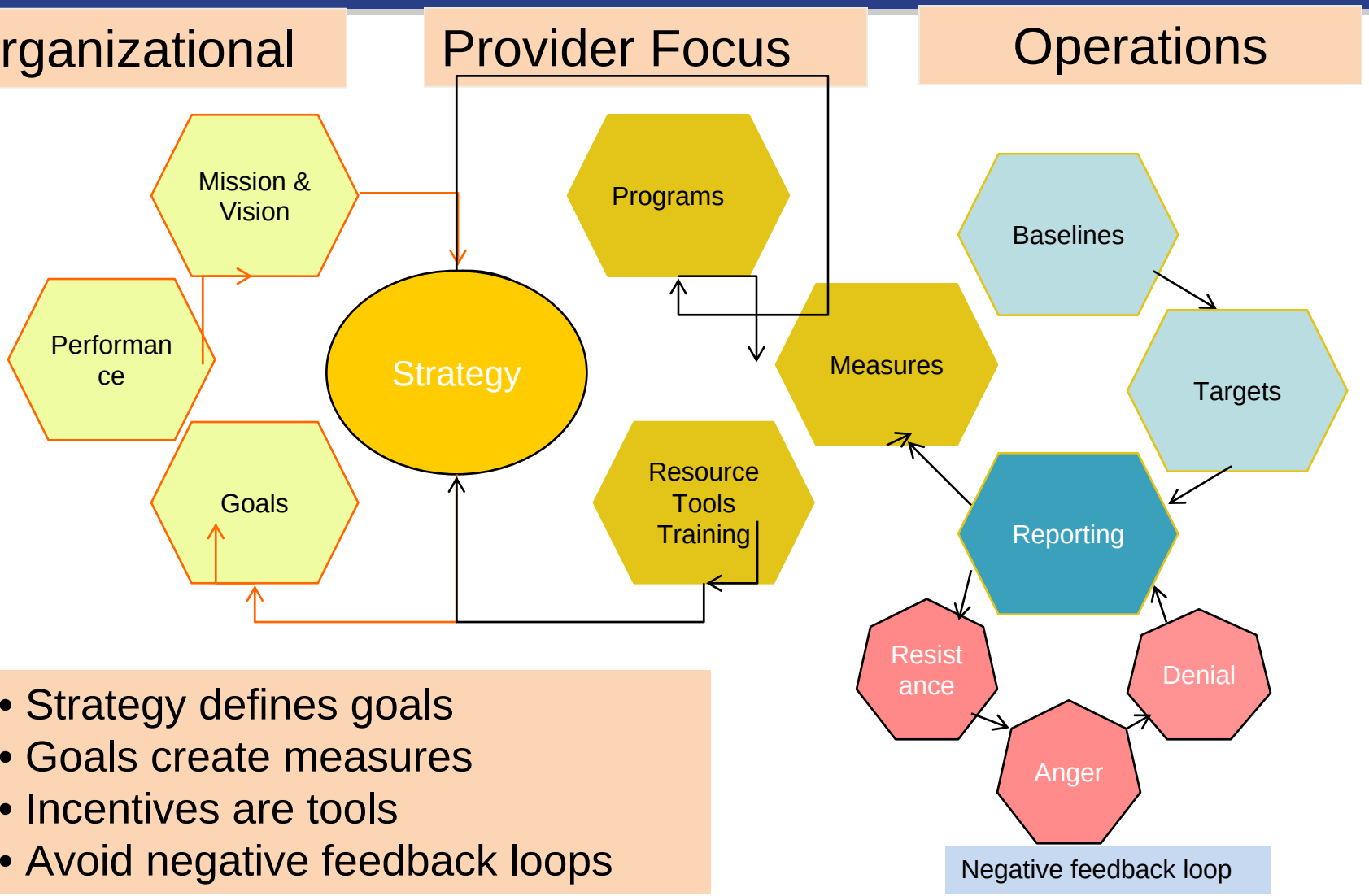
- As a group Physicians are;
  - Highly independent
  - Goal directed
  - Focused on individual components of care rather then series
  - Highly trained and intelligent
    - Managing multiple complex tasks concurrently
  - Professional guilds
    - Hierarchical
    - Reputation matters
    - Advocacy
  - Comfortable with imperfect data for clinical decision making, but suspicious of data for performance analysis

Based on what we discussed, would physicians perform well with externally applied motivators?

# How Should We Motivate Professionals?

- Autonomy
  - Focus on the strengths of physicians
  - What is under their control and what are their interests?
  - How would they determine needs to be improved?
- Mastery
  - Physicians are trained to excel. Let them.
  - Develop best practices in a collaborative method
  - Use data/information to illustrate and not humiliate
  - When there is no evidence based consensus, use local preferences to standardize and measure
- Purpose
  - Without strategy and vision, goals are superfluous!
  - High quality and safe care!
  - Patient Centered Care demands a new orientation from physicians

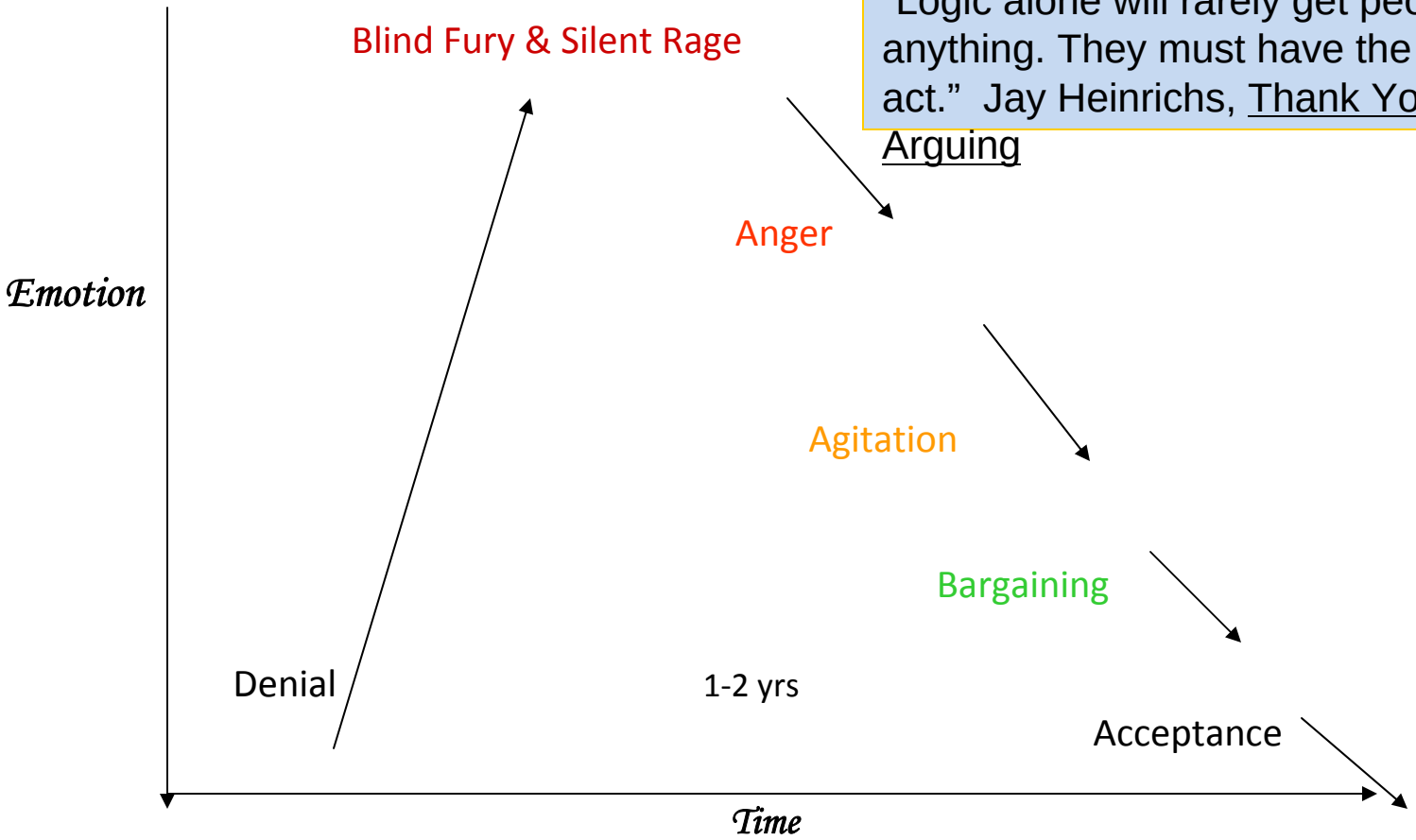
# Performance Feedback Loops




- Strategy defines goals
- Goals create measures
- Incentives are tools
- Avoid negative feedback loops

# The Predictable Stages of Change

"Logic alone will rarely get people to do anything. They must have the desire to act." Jay Heinrichs, Thank You For Arguing




H Beckman, MD, RIPA, 2004

# Lessons Learned

- Strategic direction is critical.
- You can not focus on everything.
- Use evidence based medicine where you can, but in the absence of evidence standardize processes and then measure outcomes.
- Incentives are tools for leverage, but are not a strategy
- Show the providers the big picture and how you want to get there. Include them in the journey and adjust as needed.
- Leadership determines the outcome, not the providers
  - Alignment
  - Communication
  - Values

"Incentives are the cornerstone of modern life. And understanding them – or, often, ferreting them out – is the key to solving just about any riddle."

From Levitt & Dubner. Freakonomics. NY: William Morrow. 2006

"…unintended consequences of hospitals narrowly focusing their interventions could occur at the expense of broadly improving care."

From Kahn. Health Affairs 2006;25:148-162.