

Disease Management Colloquium
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The Risk of Perverse Incentives in P4P Models Involving the Chronically Ill

An Information and Point-Counterpoint Presentation

By

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How can we improve Quality?

- We physicians cannot keep track of everything we need to do for every patient
- We must have a “systems” approach to help reduce errors, improve care, and prevent patients from “slipping through the cracks”
- We must have data systems to help us
- We must reduce errors, reduce hassle, reduce cost, improve care, and improve efficiency
- HOW CAN WE ACCOMPLISH ALL THIS?

Dollars for Quality

- As quality measures were starting to gain acceptance and physicians started buying into the idea that there is a better way to deliver better quality, some people started to think that putting some positive incentives behind good quality measures and quality improvement could speed up acceptance.
- “If a physician thinks the measure is a good idea, putting a little money behind it will speed quality improvement.”

BUT

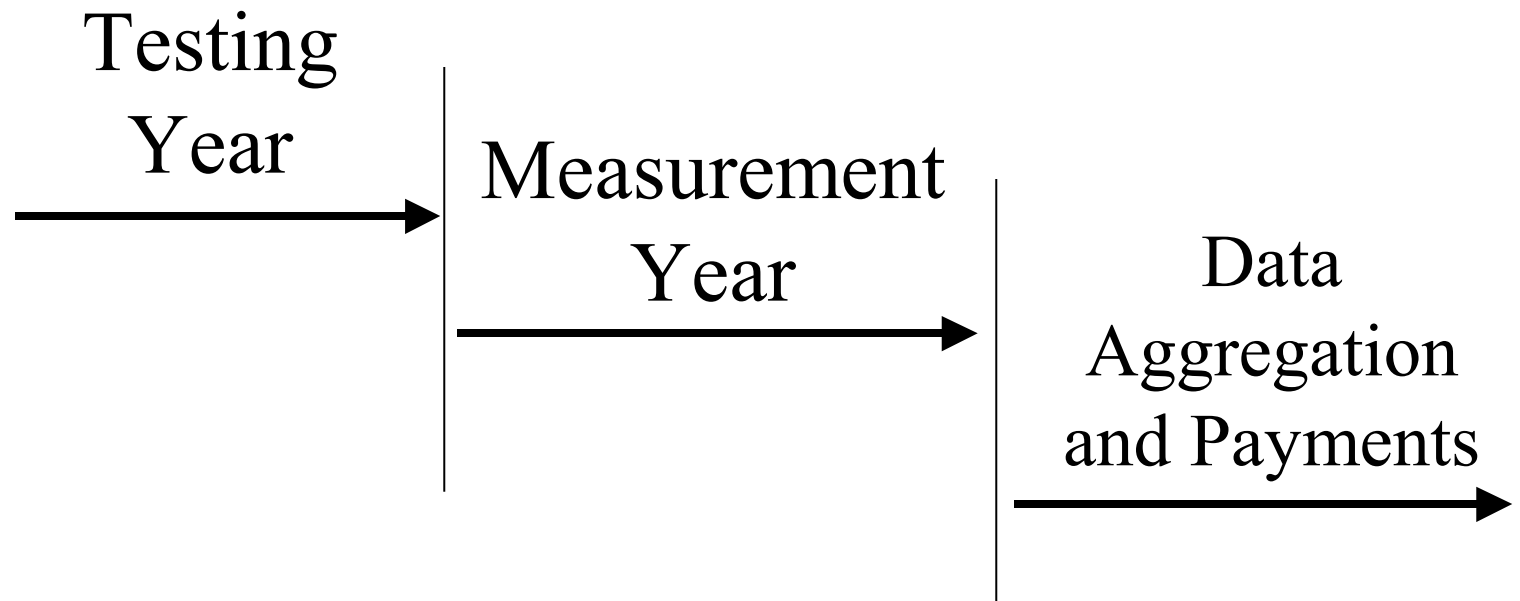
If a physician thinks that the measure is not going to improve quality, 1 MILLION Dollars will not change behavior

What's the goal of the Integrated Healthcare Association's (IHA) P4P?

Create a compelling set of incentives that will drive breakthrough improvements in clinical quality and the patient experience

- ✓ Common set of measures
- ✓ A public scorecard
- ✓ Health plan payments

P4P Timeline Cycle



Plans and Medical Groups – Who’s Playing?

Health Plans

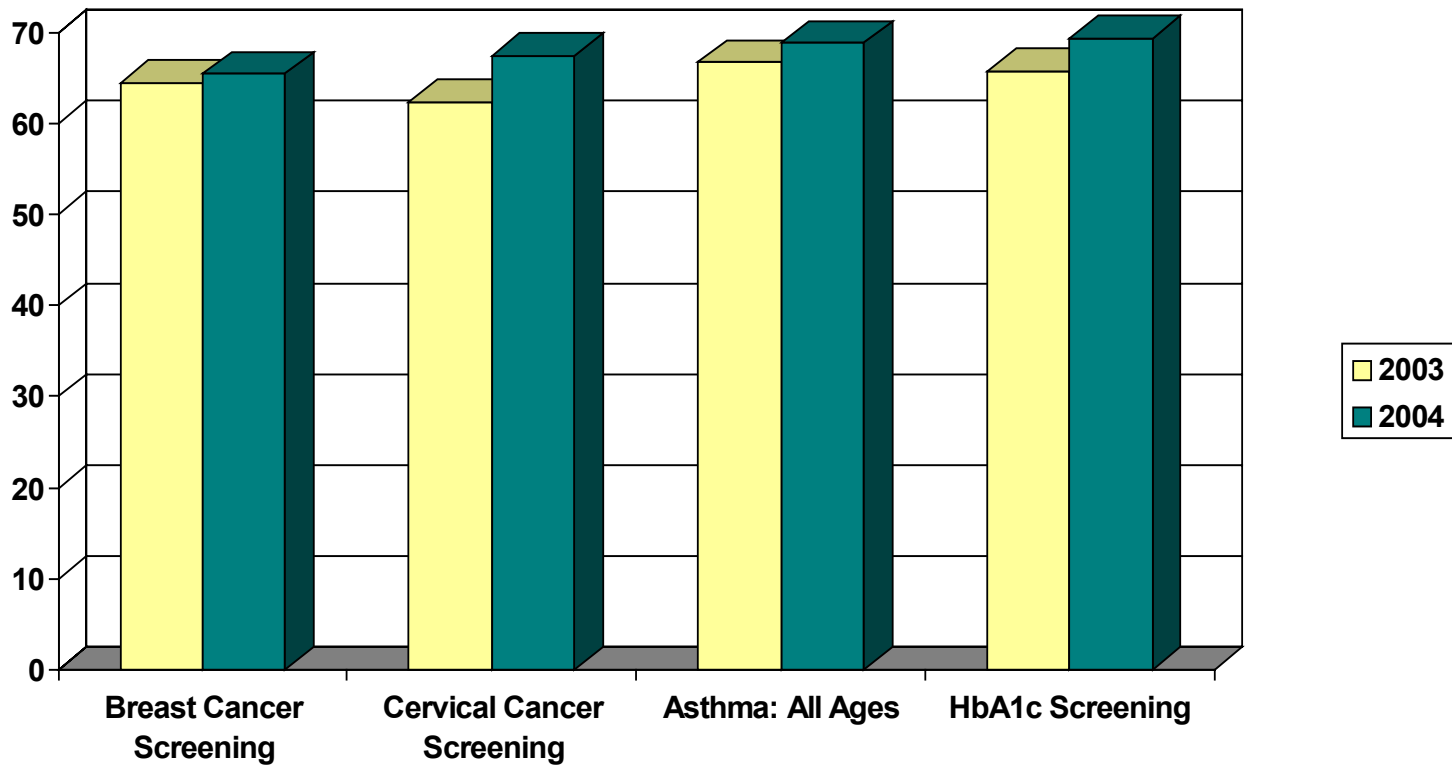
- Aetna
- Blue Cross
- Blue Shield
- Western Health Advantage
- CIGNA
- Health Net
- PacifiCare

Medical Groups/IP As

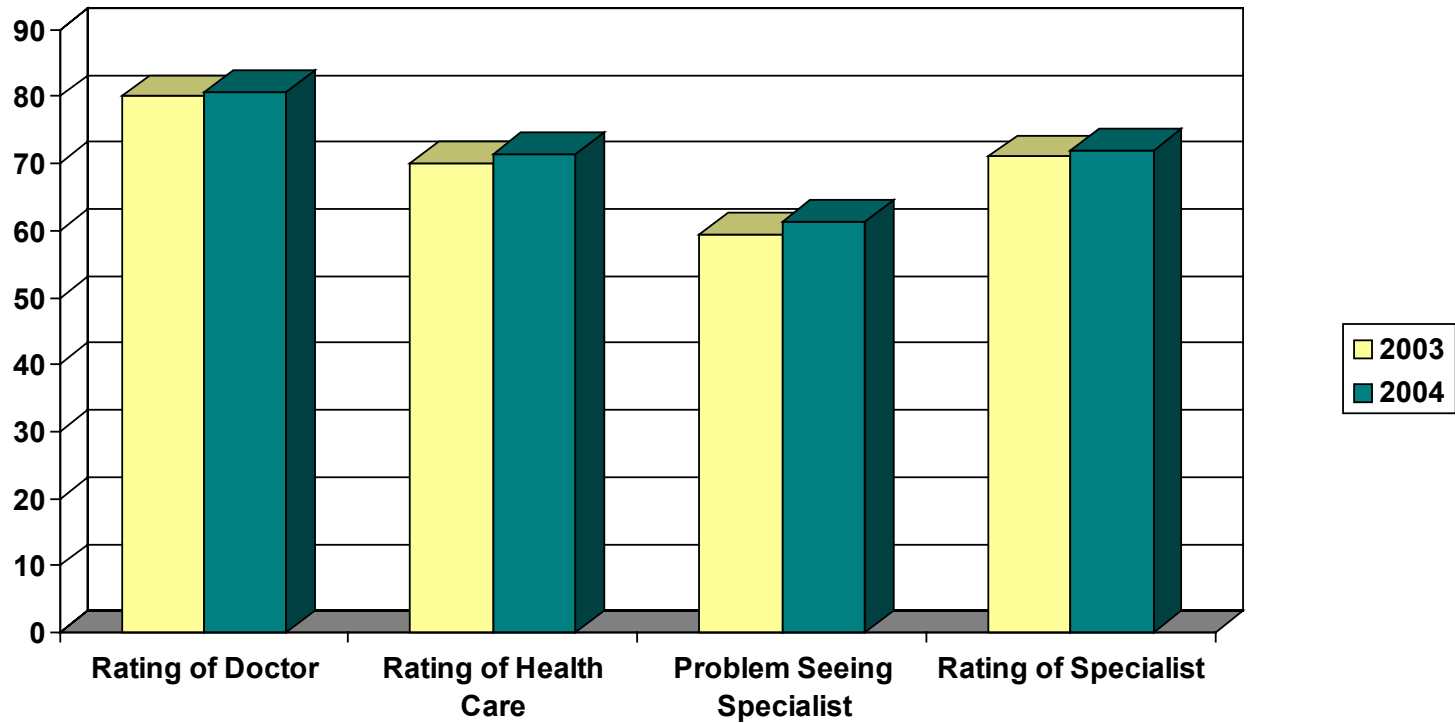
- Over 225 groups

Approximately 6.2 million HMO enrollees

Clinical Results 2003/2004

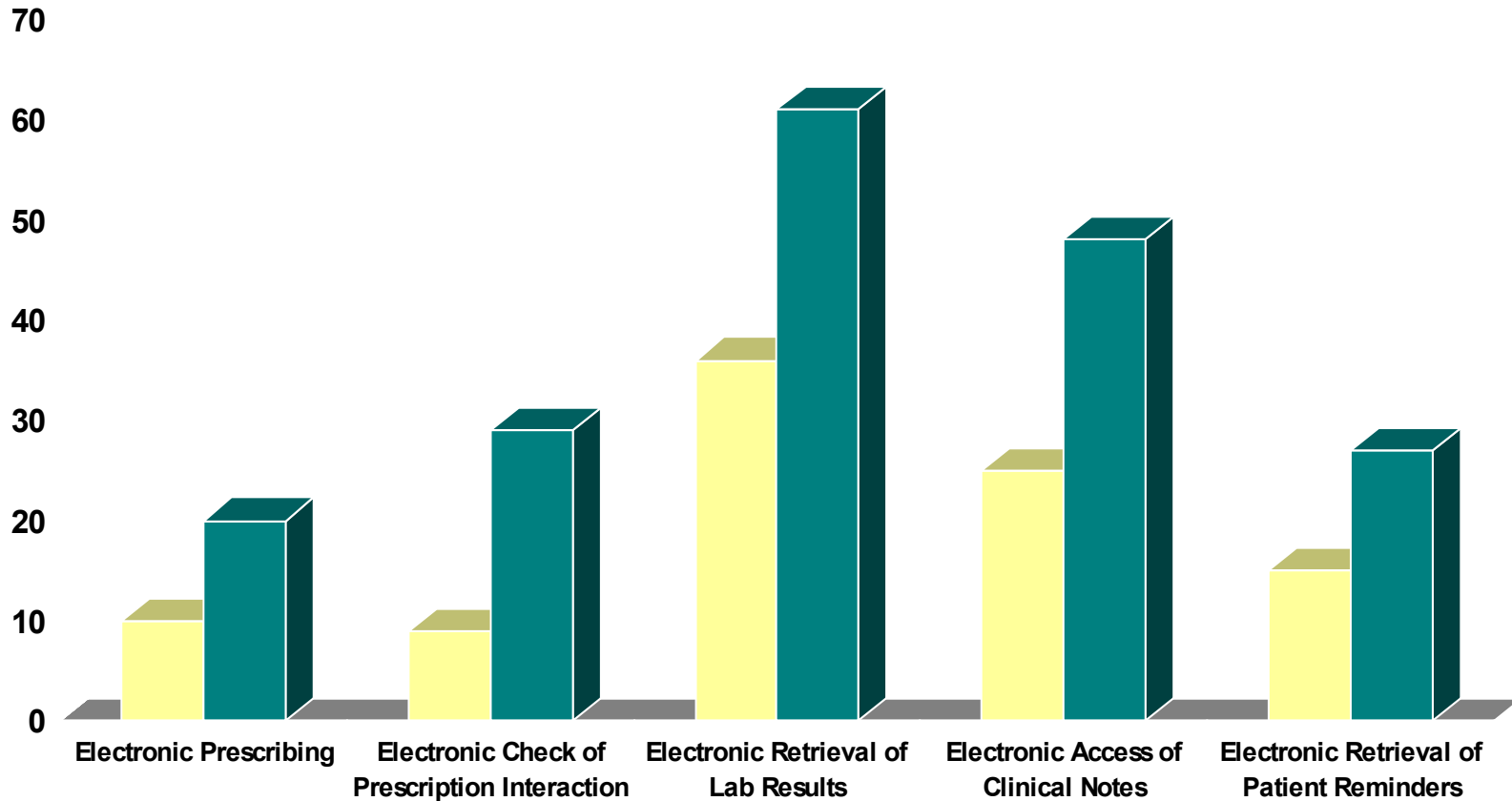


Patient Experience Results 2003/2004



Point-of-Care Technology

■ 2003 Measurement Year ■ 2004 Measurement Year



Web-based Public Scorecard

California Medical Group	Medical Group Ratings	
	Getting the Right Medical Care	Patient Rating of Care Experiences
Affinity Medical Group	★★	★★
Alta Bates Medical Group	★★	★★
Bay Valley Medical Group	★★	★★
John Muir/Mt. Diablo Health Network	★★	★★
San Jose Medical Group	★★	★★
The Permanente Medical Group - East Bay Area	★★	★

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First Generation



Prevention

Component
(Uni-dimensional)

Secondary Source
(Claims)

“Social Darwinism”

Second Generation



Chronic Disease

Composite
(Multi-dimensional)

Primary source
(Medical record)

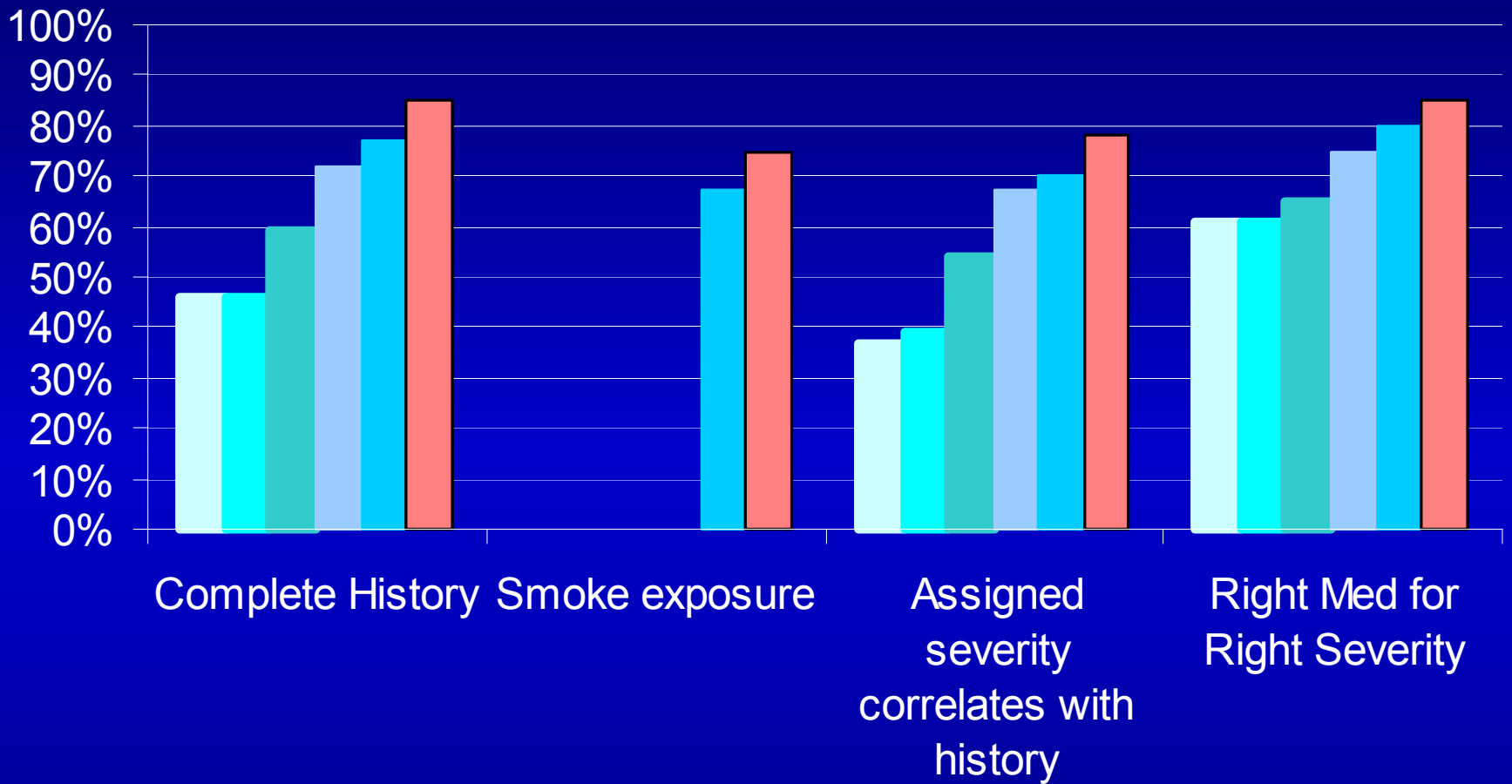
“Social Equity”
(improvement literacy)



Practice Excellence Program

Data Analysis and Trends

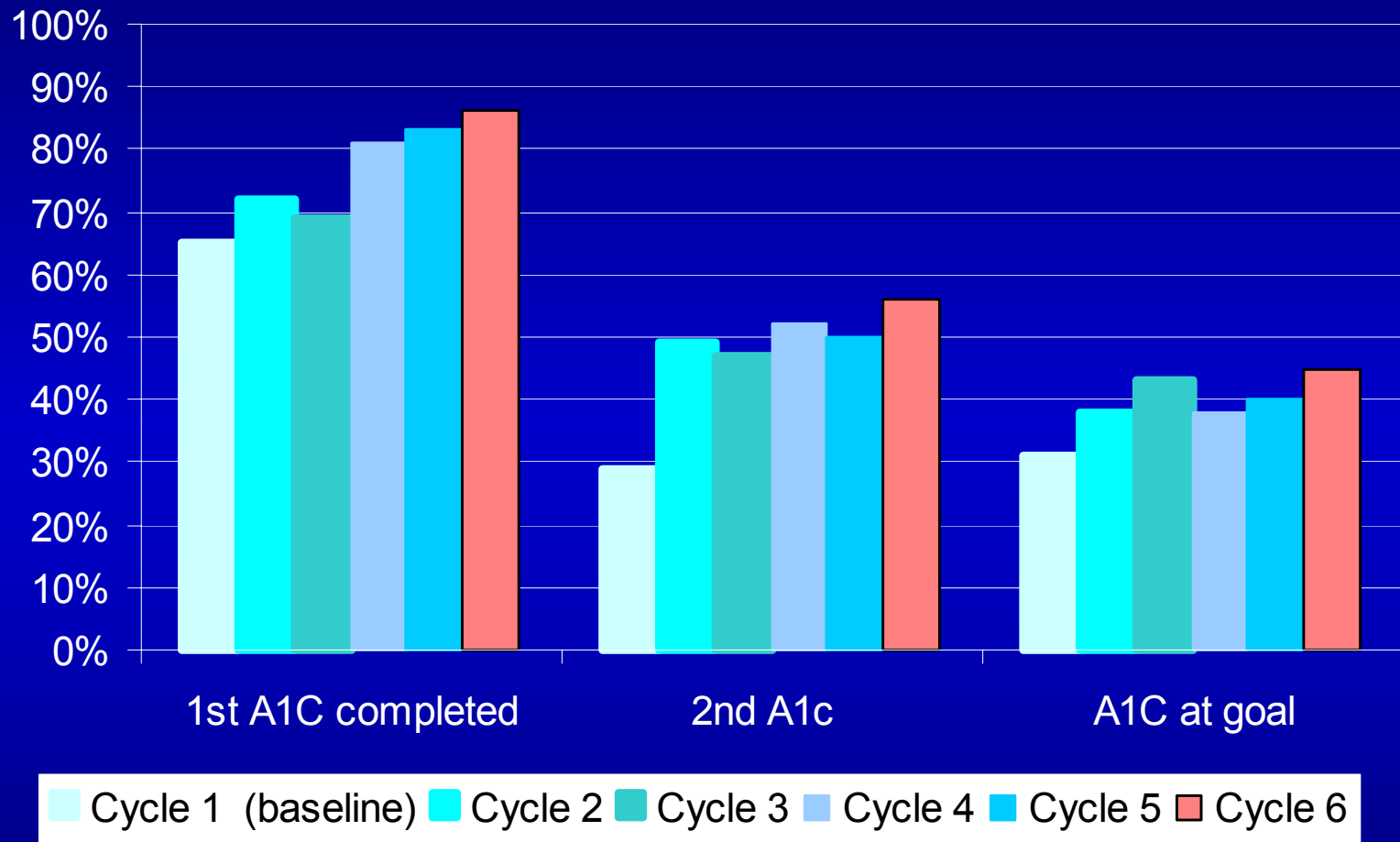
Asthma

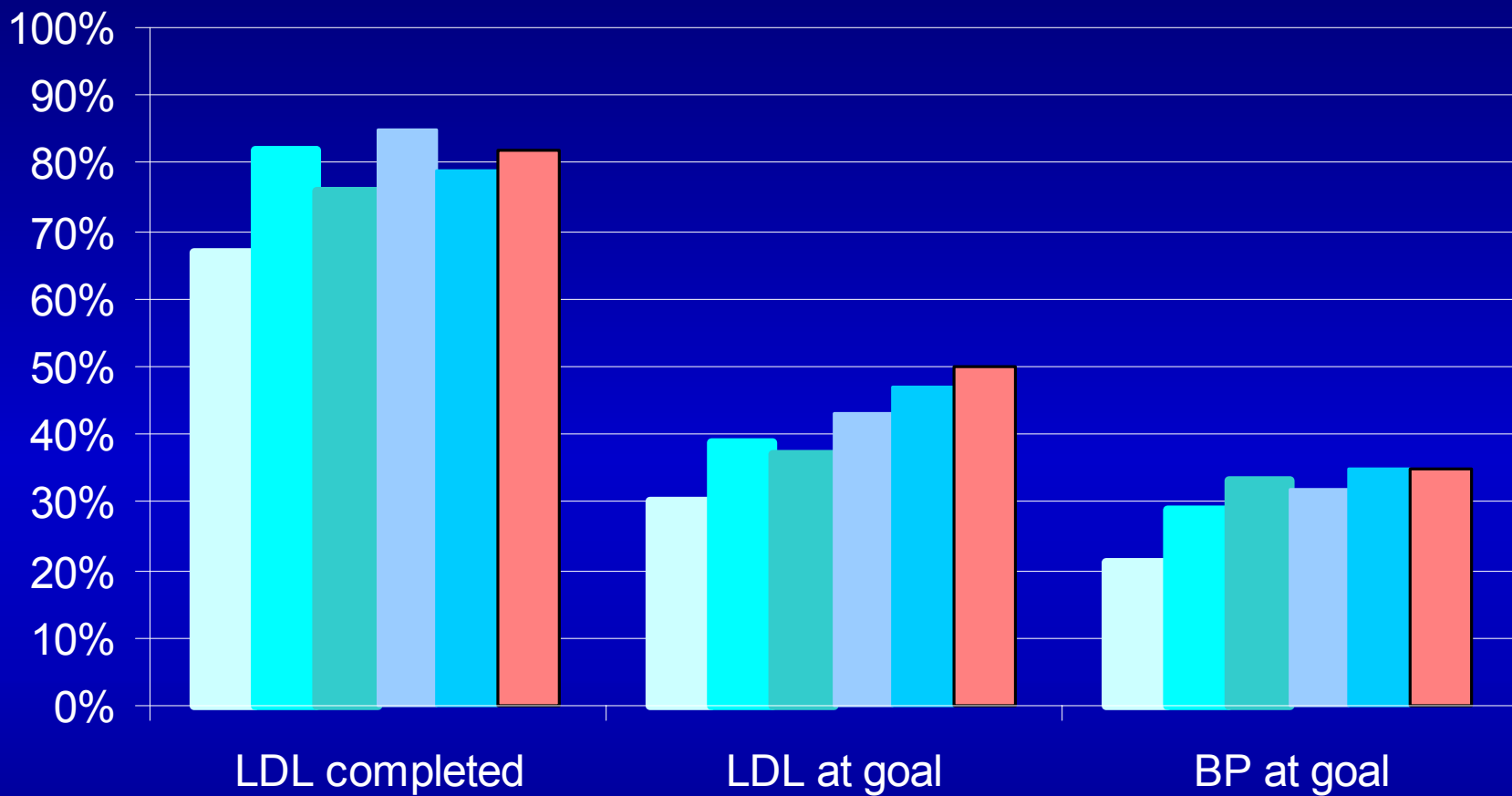


Cycle 1
 Cycle 2
 Cycle 3
 Cycle 4
 Cycle 5
 Cycle 6

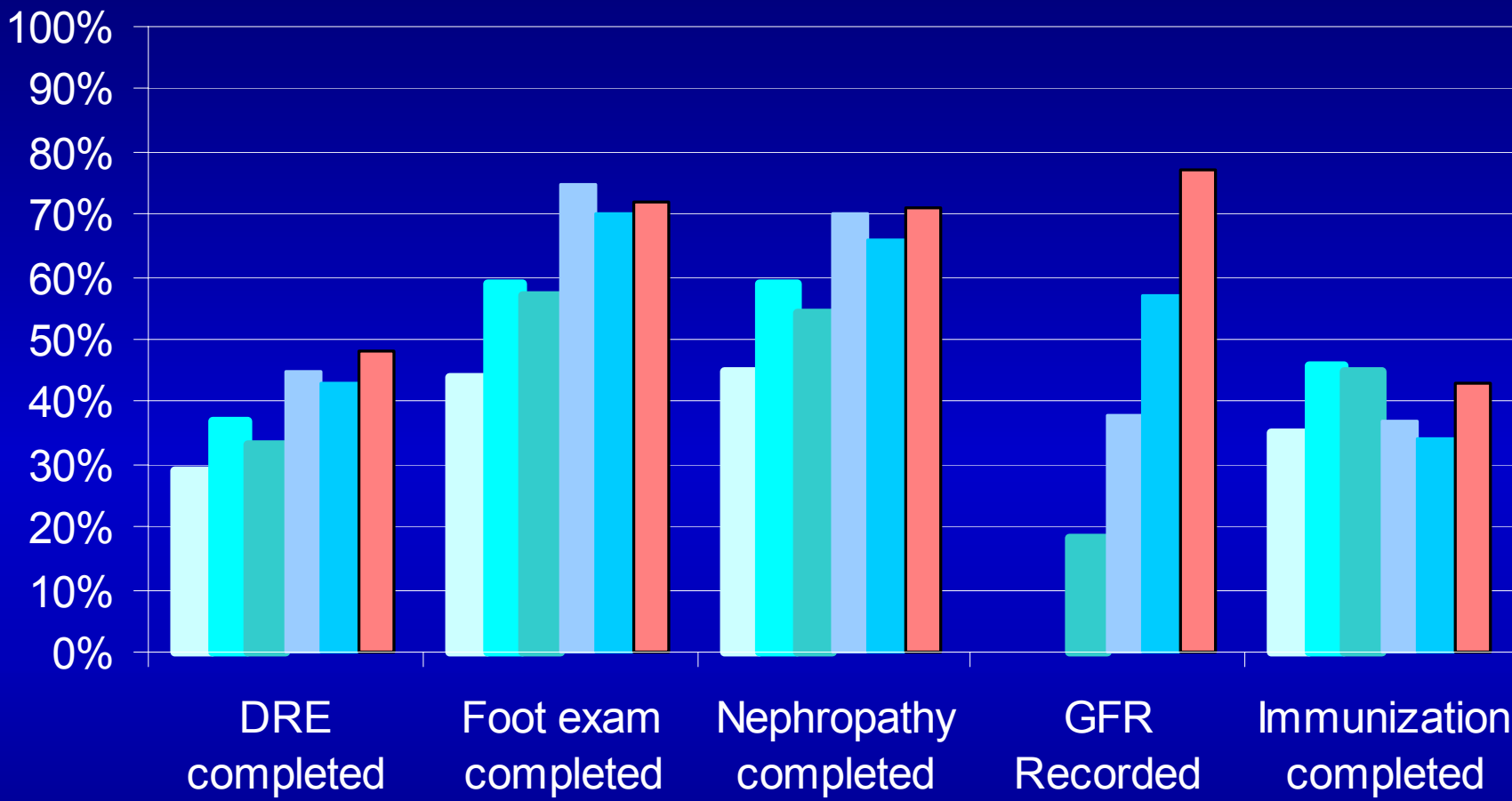
Data Analysis and Trends

Diabetes





Cycle 1 (baseline) Cycle 2 Cycle 3 Cycle 4 Cycle 5 Cycle 6



■ Cycle 1 (baseline)
 ■ Cycle 2
 ■ Cycle 3
 ■ Cycle 4
 ■ Cycle 5
 ■ Cycle 6

Point-CounterPoint

1. Does P4P lead to valuable systems change?
Is it the right tool for quality improvement?
1. Does the global payment system align with P4P?
2. You can't measure everything. Are selected P4P metrics a true proxy for health care quality in other domains?
3. Can you distinguish physician responsibility from patient compliance issues?

Point-CounterPoint 2

5. Is “efficiency” a legitimate or fair P4P metric?
6. Q and A as time allows.