

RAISING THE STATE OF CARE: A CUSTOM PROGRAM TO TARGET *six chronic illnesses and reward top-performing doctors.*



By reducing potentially avoidable complications just 6%, this statewide benefits plan could save \$10 million a year.

The task

Create a standard physician incentive and reward program for a state employee benefit plan with more than 140,000 employees, retirees and dependents.

The case for change

Around 85,000 members have a chronic illness; more than \$350 million is spent annually on these members. For these patients, our research shows 44 cents of every dollar are potentially avoidable.

The opportunity

By running claims data through the PROMETHEUS Payment® ECRs, we found clear opportunities to cut costs and improve care for patients with six chronic conditions: asthma, diabetes, hypertension, congestive heart failure, coronary artery disease and chronic obstructive pulmonary disease.

Program objectives

Encourage high quality, cost-effective care across these conditions by recognizing and rewarding top-performing physicians. Promote continuous quality improvement and ongoing reductions of potentially avoidable complications. Make the program budget-neutral—rewards must be funded from actual cost savings.

Key challenge

Create a critical mass of incentives for physician practices that care for these members—enough to spur significant improvements in the overall quality of care delivered.

Program design

We created a customized pilot program, based on these high-risk conditions. A two-tiered incentive structure includes both fixed and variable bonuses. After identifying network doctors with fifty or more patients across the six conditions, we invited the highest-volume practice groups to join the pilot.

Submitting data

With our support, participating doctors could choose two pathways to submit their clinical data, either electronically or manually, for a minimum of 25 patients for each condition.

Measuring performance

Quality measures from the appropriate Bridges to Excellence® disease-specific program are scored for each of the six conditions. From these results, an overall Quality Scorecard is compiled to identify the top performers. Only general comparative data is distributed across the network; actual scorecards for each practice are kept private. →



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Rewards

Physicians who achieve a minimum score earn a fixed reward amount. The top performers also earn variable rewards on a sliding scale; the higher the score, the greater the reward. Because the variable bonus is linked to observed reductions in potentially avoidable costs, it helps the program build credibility among doctors. In addition to providing monetary rewards, the state plans to promote high-performing physicians to its members.

Rollout

To provide ample time for practices to improve quality, the program is designed to roll out over 18 months, in the following sequence.

- Confirm practice participation
- Start voluntary baseline quality measurement
- Release baseline scorecards to practices
- Submit Year 1 quality data
- Release scorecards to practices
- Distribute rewards to eligible practices

Bottom line

By tying rewards to actual performance for the conditions that matter most, the program creates a win-win-win dynamic among members, physicians, and the state. We can do the same for you.

Let us create a program to tackle your biggest cost and quality challenges.

Contact us at info@HCI3.org or visit www.HCI3.org, www.BridgesToExcellence.org, or www.PrometheusPayment.org.



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