

Overview of Selected Pay for Performance Programs

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Prepared by Diana Loffgren



Inland Northwest Business
Coalition on Health

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Introduction

This report is intended as an overview of several different pay for performance initiatives that have been introduced around the nation. The various programs can be divided based on the institution(s) that administer the program: Medicare, Medicaid, coalitions, and private insurers.

The following structural details are provided for the programs in this report (as the information was available):

- The year the program began (*Year started*)
- Are bonus payments based on ranking or meeting a threshold for measures? Ranking makes payments competitive where thresholds are not (*Rank/threshold*)
- Amount of payment incentives/bonuses (*Incentive amount*)
- What conditions must be met for payment of bonuses? (*Conditions for bonus*)
- Are *penalties* imposed for low performers?
- Is participation voluntary for physicians? (*Voluntary participation?*)
- Are results readily available to the public? (*Public results?*)
- What is the *measurement period* for results- annual, quarterly, etc?
- What *risk adjustment method* is used [if any]
- What is the *data collection method*?
- What source(s) were used for determining specific measures? (*Source for measures*)
- What *measures* are used to evaluate performance?
- How has the program been funded/ what entities have provided funds to the program? (*Funding provided by*)
- What is the health plan's market share? (*Health Plan Mkt Share*)
- How many providers are currently participating? (*# Participating providers*)
- How many beneficiaries are participating in this program? (*# Beneficiaries*)
- Program *website* for more information

Many of the details for programs run by private insurers are not publicly available (particularly the amounts of awards to providers).

Physician Group Practice Demonstration

Centers for Medicare and Medicaid Services

Year started	2005
Rank/threshold	Threshold
Incentive Amount	Max 80% of cost savings to CMS
Conditions for bonus	70% cost, 30% quality
Penalties?	Yes
Voluntary participation?	Yes
Public Results?	?
Measurement period	Annual
Risk adjustment method	Diagnostic Cost Groups-Hierarchical Condition Categories Concurrent Risk Adjustment Model
Data collection method	Claims data & patient surveys
Source for Measures	AMA, NCQA, & NQF review/comment
Measures 32 total	<ul style="list-style-type: none"> • 10 Chronic Heart Failure <ul style="list-style-type: none"> - Left ventricular function assessment - Left ventricular ejection fraction testing - Warfarin therapy for patients with heart failure - Blood pressure screening - Beta-blocker therapy - Weight management - Flu vaccine - Ace inhibitor therapy - Patient education - Pneumonia vaccine • 10 Diabetes <ul style="list-style-type: none"> - HbA1c mgmt - Blood pressure mgmt - L DL cholesterol level - Eye exam - Flu vaccine - HbA1c control - Lipid measurement - Urine protein testing - Foot exam - Pneumonia vaccine • 7 Coronary Artery Disease <ul style="list-style-type: none"> - Antiplatelet therapy - Blood pressure - L DL cholesterol level - Drug therapy for lowering LDL - Beta-blocker therapy (prior MI) - Lipid profile - Ace inhibitor therapy • 5 Preventive Care <ul style="list-style-type: none"> - Breast cancer screening - Blood pressure screening - Blood pressure control - Colorectal cancer screening - Blood pressure control plan of care
Funding Provided By	Cost savings to CMS
# Participating providers	5,000 in 10 large group practices (200+ providers)
# Beneficiaries	200,000
Website	http://www.cms.hhs.gov/researchers/demos/PGP.asp

Rite Care Financial Incentives

Rhode Island Medicaid; United HealthCare of New England, Neighborhood Health Plan of Rhode Island, and Coordinated Health Partners, Inc. (BCBS of RI)

Year started	1998
Rank/threshold	Threshold
Incentive Amount	Up to 1% of premiums (Approximately \$1.25 PMPM)
Conditions for bonus	20% administrative, 30% access, 50% clinical quality
Penalties?	Yes- though rarely used
Voluntary participation?	Yes
Public Results?	No
Measurement period	Annual
Risk adjustment method	?
Data collection method	Encounter/claims data and site visits
Source for Measures	HEDIS
Measures 17 total	<ul style="list-style-type: none"> • 7 Administrative <ul style="list-style-type: none"> - Permanent ID cards and member handbook within 10 days, - Prompt processing of grievances - PCPs assigned within 20 days - Average speed to answer calls 30 seconds or less - Pay “clean” claims within 30 days - Pay claims to ER for medical screening - Notify DHS of potential third-party liability within 15 days • 5 Access to Care <ul style="list-style-type: none"> - New adult members' PCP visit within 6 weeks - New pediatric members' PCP visit within 90 days - Members seeking ER receive services immediately - Members seeking urgent care receive within 24 hours - Members seeking non-ER non-urgent Behavioral Health care within 5 days • 5 Clinical Quality <ul style="list-style-type: none"> - Members less than 2 years immunized - Members between 6 and 21 years age-appropriate screenings - Pregnant women adequate prenatal care using Kotelchuk Index - Pap smear rates - Lead screening for age 18 mos. received in preceding 9 mos.
Funding Provided By	Money pool set aside by Department of Human Services
Health Plan Mkt Share	One of the largest healthcare purchasers in Rhode Island
# Participating providers	Three Medicaid HMO's
# Beneficiaries	95,000
Website	Article: http://www.cmwf.org/usr_doc/silow-carroll_ritecare_598.pdf

Primary Care Physician Incentive Program

Diringo Health Plan (Maine Medicaid)

Year started	
Rank/threshold	Rank
Incentive Amount	Up to \$4,150 per patient per quarter
Conditions for bonus	Top 20% of provider group on measures
Penalties?	
Voluntary participation?	
Public Results?	Yes
Measurement period	Quarterly
Risk adjustment method	
Data collection method	
Source for Measures	
Measures	<ul style="list-style-type: none"> • Access/caseload (40%) • ER Utilization (30%) • Prevention/Quality <ul style="list-style-type: none"> - Children's EPSDT (10%) - Adult preventive care (10%) - Women's health preventive care (5%) - Colon cancer screening (2%) - Lead screening in 1 & 2 year olds (1%) - Diabetic care (HbA1c testing, Eye exams) (2%) <p>Percentages vary slightly by specialty (Family and general practices, internal medicine, OB/GYN, & pediatrics)</p>
Funding Provided By	Dedicated pool of funding- Note that several times, the state has used funds from this pool to assist in balancing the state budget (each dollar taken is actually worth \$2 since it is matched by federal Medicaid funds)
# Participating providers	779
# Beneficiaries	
Website	http://www.maine.gov/dhhs/bms/providerfiles/pcpip.htm

Rewarding Results

Integrated Healthcare Association- Aetna, Blue Cross of California, Blue Shield of California, Cigna Healthcare of California, Health Net of California, PacifiCare, & Western Health Advantage; Cisco Systems

Year started	2002
Rank/threshold	Most are ranked
Incentive Amount	Varies by payer (see chart)
Conditions for bonus	<ul style="list-style-type: none"> • 2003- 50% clinical quality, 40% patient satisfaction, 10% IT • 2004- 40%, 40%, 20% • 2005- 50%, 30%, 10%, & 10% additional for Individual Physician Feedback Program • Bonuses paid to the group as a whole, 3 category percentile payout
Penalties?	Varies by payer, most carry no penalties
Voluntary participation?	Varies by payer
Public Results?	Yes- http://www.opa.ca.gov/report_card/med_groups/rating_summary_report.asp
Measurement period	Quarterly
Risk adjustment method	?
Data collection method	Laboratory, pharmacy, & administrative data; patient satisfaction survey
Source for Measures	HEDIS
Measures 21 total	<ul style="list-style-type: none"> • 2 IT measures <ul style="list-style-type: none"> - Clinical data integration at the group level - Clinical decision support • 4 Patient satisfaction measures (evenly weighted) <ul style="list-style-type: none"> - Communication with doctor - Specialty care - Overall ratings of care - Timely care and service • 4 Preventive care measures <ul style="list-style-type: none"> - Cervical cancer screening - Breast cancer screening - Childhood immunizations - Chlamydia screening • 1 Acute care measure <ul style="list-style-type: none"> - Treatment for children with upper respiratory infection • 3 Chronic disease care measures <ul style="list-style-type: none"> - Appropriate meds for persons with asthma - Diabetes HbA1c testing & control - Cholesterol management/LDL screening & control • 7 New measures (just collected, not reimbursed) <ul style="list-style-type: none"> - Nephropathy screening for diabetic patients - Patient satisfaction with coordination of care - Anti-depression medication management in primary care - Flu shots for those aged 50-64 - Colorectal screening - Diabetic retinal exams - Obesity testing
Notes	Individual physician feedback program- 10% additional payment to provide feedback and incentive payments to individual providers
Funding Provided By	Start-up costs- California Health Care Foundation
# Participating providers	45,000 in 215+ physician group practices
# Beneficiaries	6,200,000
Website	http://www.iha.org/

MHQP Rewarding Results Initiative

*Massachusetts Health Quality Partners- Blue Cross Blue Shield of
Massachusetts, Fallon Community Health Plan, Harvard Pilgrim Health Care,
Health New England, Tufts Health Plan*

Year started	
Rank/threshold	
Incentive Amount	Varies by payer
Conditions for bonus	
Penalties?	
Voluntary participation?	Yes
Public Results?	Yes
Measurement period	
Risk adjustment method	?
Data collection method	Administrative/claims data (health plans)
Source for Measures	HEDIS
Measures 11 total	<ul style="list-style-type: none"> - Antidepressant medication management - Appropriate asthma medication use - Breast cancer screening - Cervical cancer screening - Chlamydia screening - Diabetic eye exams - Diabetes HbA1c screening - Diabetes LDL screening - Monitoring diabetic nephropathy - Coronary Artery Disease LDL-C screening - Well infant and well adolescent visits
Funding Provided By	Robert Wood Johnson Foundation
Health Plan Mkt Share	50%+ (MHQP combined)
# Participating providers	9 physician networks, 160 medical groups
# Beneficiaries	4,000,000
Website	http://www.mhqp.org/initiatives/rewarding_results.html

Bridges to Excellence

Health Plans- Aetna, Anthem Blue Cross Blue Shield of Ohio, Anthem Blue Cross Blue Shield of Kentucky, Blue Cross Blue Shield of Alabama, Blue Cross Blue Shield of Illinois, Blue Cross Blue Shield of Massachusetts, Humana, Tufts Health Plan of Massachusetts, United Health Care, Harvard Pilgrim Healthcare, CareFirst Blue Cross (Maryland), Capital District Physicians Health Network, & MVP

Employer Groups- Verizon Communications, Ford Motor Company, UPS, General Electric Company, IBM, Price Chopper, Hannaford Brothers Co., AstraZeneca, Raytheon Company, City of Cincinnati, Cincinnati Children's Hospital Medical Center, Humana, & Proctor and Gamble

Year started	
Rank/threshold	
Incentive Amount	Max \$50 for POL, \$80 for CCL, and \$160 for DCL
Conditions for bonus	
Penalties?	
Voluntary participation?	
Public Results?	Yes
Measurement period	
Risk adjustment method	
Data collection method	
Source for Measures	
Measures 15 total	<ul style="list-style-type: none"> • 7 Diabetes Care Link <ul style="list-style-type: none"> - HbA1c control - Nephropathy assessment - Smoking status/cessation - Cholesterol testing & control • 5 Cardiac Care Link <ul style="list-style-type: none"> - Blood pressure control - LDL control - Smoking cessation • 3 Physician Office Link <ul style="list-style-type: none"> - Clinical information systems - Patient education and support <ul style="list-style-type: none"> - blood pressure control - foot exam - eye exam - lipid profiles - aspirin use - care management
Notes	BTE Purchasers' combined count of covered lives in a specific geographic area should be at least 50,000 &/or 8-10% of the local population
Funding Provided By	RWJ, Fees
# Participating providers	
# Beneficiaries	
Website	http://www.bridgestoexcellence.org/bte/

Diabetes Care Incentives

Employers' Coalition on Health (Illinois)

Employers- 131 total; see www.ecoh.com/aboutus.html for complete list

Year started	2000
Rank/threshold	Threshold
Incentive Amount	Maximum \$0.30 per eligible member per month
Conditions for bonus	Meet two performance measures
Penalties?	No
Voluntary participation?	Designed (in part) by participating providers
Public Results?	
Measurement period	Annual
Risk adjustment method	None known
Data collection method	Provider flow sheets submitted to the Illinois Fdn. for Healthcare Quality
Source for Measures	
Measures 2 total	<ul style="list-style-type: none"> - Care flow-sheets completed for 95% of all diabetic encounters - 60% of diabetic patients maintaining HbA1c levels below 7.5
Notes	ECOH also encourages participating employers to cover additional services for diabetics, including educational visits, annual eye exams, and glucose test strips.
Funding Provided By	Decreased costs for these patients
# Participating providers	1,500
# Beneficiaries	58,000
Website	http://www.ecoh.com

Pathways to Excellence- Primary Care

Maine Health Management Coalition

Employers- Aetna, Anthem Blue Cross & Blue Shield, Barber Foods, Bates College, Bath Iron Works, Bowdoin College, CIGNA Healthcare, City of Portland, Hannaford Bros., Harvard Pilgrim, Lucas Tree Experts, Maine Employers' Mutual, Maine Municipal Employees Health Trust, Maine State Employees, MEA Benefits Trust, Medical Care Development, Oakhurst Dairy, University of Maine System

Year started	
Rank/threshold	Rank for clinical indicators, threshold for IT
Incentive Amount	
Conditions for bonus	
Penalties?	
Voluntary participation?	
Public Results?	Yes
Measurement period	
Risk adjustment method	None known
Data collection method	Claims data and provider self reporting
Source for Measures	HEDIS, Current standards of care, BTE
Measures 16 total	<ul style="list-style-type: none"> • 6 "Uses systems to manage patient information" <ul style="list-style-type: none"> - EMR - Chronic illness registry - Personal action plan - Electronic prescribing, - Clinical guidelines, - Risk factor assessment • 9 "Follows clinical guidelines" <ul style="list-style-type: none"> - Diabetic LDL - Adult asthma medications - Cardiovascular LDL - Adult preventive care visits - Adolescent preventive care visits - Diabetes HbA1c - Pediatric asthma medications - Cervical cancer screening - Infant well child exams • 1 "Measures results of patient care" <ul style="list-style-type: none"> - Clinical outcomes reporting
Notes	Have a similar program for hospitals
Funding Provided By	
# Participating providers	420 Independent and group practices
# Beneficiaries	
Website	http://www.mhmc.info/pathways/faq.php

Pay for Performance Quality Incentive Program

Premera Blue Cross

Year started	2002
Rank/threshold	Rank
Incentive Amount	
Conditions for bonus	
Penalties?	No
Voluntary participation?	Yes- limited to groups with 20+ providers who care for at least 1,000 Premera members
Public Results?	Yes
Measurement period	Quarterly
Risk adjustment method	
Data collection method	Claims data and member surveys
Source for Measures	HEDIS,
Measures 13 total	<ul style="list-style-type: none"> - Acute bronchitis treatment - Use of Ace inhibitors - Breast cancer screening - Cervical cancer screening - Diabetic eye exams - Patient satisfaction - Preferred drug list compliance - Cholesterol screening - Well-child visits, - HbA1c tests - Ear infection treatment, - Asthma medications, - Generic prescription use
Notes	Also pays for improvement in performance
Funding Provided By	N/A
Health Plan Mkt Share	
# Participating providers	10 group practices
# Beneficiaries	
Website	https://www.premera.com/stellent/groups/public/documents/xcpproject/mwa_qs_overview.asp

Clinician Performance Measurement

Regence Blue Shield

Year started	2003
Rank/threshold	Rank
Incentive Amount	\$5,000
Conditions for bonus	Top 10% of clinical measures
Penalties?	No
Voluntary participation?	
Public Results?	List of physicians is public
Measurement period	Annual
Risk adjustment method	
Data collection method	Claims data
Source for Measures	
Measures	Quality and efficiency scores
Funding Provided By	
Health Plan Mkt Share	
# Participating providers	2200
# Beneficiaries	
Website	http://www.wa.regence.com/provider/performance/

Quality Enhancement

Aetna

Year started	2002
Rank/threshold	
Incentive Amount	Varies based on region
Conditions for bonus	Varies based on region
Penalties?	
Voluntary participation?	Yes
Public Results?	
Measurement period	Monthly (annual for patient satisfaction)
Risk adjustment method	
Data collection method	Claims data, patient satisfaction survey, and office self-reporting
Source for Measures	
Measures 7 total	<ul style="list-style-type: none"> - Member satisfaction - Medical record review - Provider performance reports - Access to care - Burden of illness - Office status - E-pay participation
Notes	For capitated and FFS providers
Funding Provided By	
Health Plan Mkt Share	
# Participating providers	
# Beneficiaries	
Website	http://www.aetna.com/docfind/pcp_qual_comp.html

Physician Group Partners Program

Blue Cross Blue Shield of Missouri

Year started	1997
Rank/threshold	Threshold
Incentive Amount	Up to 10% of annual capitation rates
Conditions for bonus	Meet quality (60%) and patient satisfaction (40%) targets
Penalties?	
Voluntary participation?	Yes
Public Results?	No
Measurement period	Quarterly
Risk adjustment method	
Data collection method	Claims data and patient satisfaction surveys
Source for Measures	HEDIS
Measures	Mainly preventive measures
Funding Provided By	Cost savings to beneficiaries
Health Plan Mkt Share	
# Participating providers	982
# Beneficiaries	
Website	http://www.bcbsmo.com/news/011008_Cooperation.shtml

Recognizing Excellence Program

Blue Cross Blue Shield of Minnesota

Year started	2003
Rank/threshold	
Incentive Amount	
Conditions for bonus	
Penalties?	No
Voluntary participation?	Yes
Public Results?	
Measurement period	Annual
Risk adjustment method	
Data collection method	Provider chart audits
Source for Measures	Institute for Clinical Systems Improvement, et al. (available on page 9 at http://www.bluecrossmn.com/bc/wcs/groups/bcbsmn/@mbc_bluecrossmn/documents/public/tost71a_014600.pdf)
Measures	<ul style="list-style-type: none"> • Measures outcomes rather than processes, 4 total for each specialty • Family Practice <ul style="list-style-type: none"> - Hypertension - Diabetes • Internal Medicine <ul style="list-style-type: none"> - Hypertension - Diabetes • Pediatrics <ul style="list-style-type: none"> - Otitis media - Asthma care • OB/GYN <ul style="list-style-type: none"> - Cervical cancer screening - Chlamydia screening • Cardiology <ul style="list-style-type: none"> - Intermediate atrial fibrillation - Cardiac care at discharge • Orthopedics <ul style="list-style-type: none"> - Total knee arthroplasty - Total hip replacement • Assisting Smokers to Quit- all specialties <ul style="list-style-type: none"> - Tobacco use status - Assistance to quit
Funding Provided By	
Health Plan Mkt Share	
# Participating providers	
# Beneficiaries	
Website	http://www.bluecrossmn.com/bc/wcs/groups/bcbsmn/@mbc_bluecrossmn/documents/public/mbc1_prov_pfp.hcsp