Paying for performance: but are we paying for quality?

Stephen Peckham: Reader in Health Policy

Director, Policy Research Unit in Commissioning and the Healthcare System

Department of Health Services Research and Policy

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

Outline

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Pay for performance (P4P):
  - Definition
  - Key perspectives
- Pay for performance schemes in the UK
  - Quality and Outcomes Framework
  - Advancing Quality
  - PbR, Cequin, social welfare
- Paying for quality
- Performance, incentives and outcomes

P4P: a definition

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

Pay for Performance is where:

" ... a proportion of the remuneration of providers to the achieved result on quality indicators. ... Although 'performance' is a broad concept that also includes efficiency metrics, P4P focuses on clinical effectiveness measures as a minimum, in any possible combination with other quality domains. Programs with a single focus on efficiency or productivity are not covered by the P4P concept as it is commonly applied."

Herck et al 2010

Pay for performance schemes

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- The use of financial targets is effective in changing the behaviour and activities of practitioners (doctors and others)
- They have an impact on the range of activities undertaken by practitioners
- Financial payments are a key incentive for adopting new processes such as blood pressure measurement, cholesterol screening, statin prescribing and the measuring of blood sugar levels and Body Mass Indexes
- Incentives often also reward recording and certain organisational processes

P4P in UK

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Payment by results:
  - Essentially hospital activity measures
  - Some areas related to outcome eg drug and alcohol rehab targets
  - Outcome based contracting
- General practice schemes:
  - 1990 threshold payments for some activities (eg cervical smears)
  - 2004 introduction of the Quality and Outcomes Framework
- Acute care
  - Advancing Quality

UK experience prior to 2004

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Capitation payments for general practice
  - Idea that global payments encourage preventive care
  - UK experience only provides partial support for this
- Contractual element in 1990 GP contract for health promotion activities:
  - Payments for health promotion activities
  - Introduction of threshold payments

Quality and Outcomes Framework (QOF)

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Introduced 2004 as part of the new GMS contract
- 125 domains with 1000 points in total
- Performance average about 955 with range of achievement reducing and average increasing since 2004
- Points/pounds based system across a range of criteria
- Measurements based on thresholds

QOF and general practice

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- The Quality and Outcomes Framework is:
  - Organised around four areas
  - Clinical measurements
  - Process focus
- QOF is only one element of the GP contract
  - 20%-25% of income
  - Use of special contract elements through enhanced payments

Impact on quality

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

I think or a place like ours it has changed the way we manage the practice, we now have a much clearer structure in place, it has improved the quality of everything from reception through what we have in the front end, through to the telephone manner, through to try and get calls answered appropriately through to access, through to the quality of what you get when you actually get seen by a health care practitioner, ... it really has focussed the mind and does without a doubt make us a better practice than we used to be

GP partner in high performing practice

QOF and outcomes

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- There is little evidence that health outcomes are improved by pay for performance schemes but some evidence that care for some groups of patients has improved
- QOF has improved disease registers but gaps still exist between predicted prevalence and recorded levels although higher achievement on QOF was associated with the lower difference in disease recording
- There is a weak negative correlation between QOF achievement for selected clinical conditions and emergency hospital admissions for those conditions which may lead to lower secondary care costs

Association between hospital admission rates and QOF achievement

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

Clinical conditions	Multivariate regression model			Univariate regression model
	Total admission	Elective admission	Emergency admission	
Stroke	No	Yes (positive)	No	Yes (negative for total and emergency; positive for elective)
Angina	No	Yes (positive)	Yes (negative)	Yes (negative, for total and emergency only)
Hypertension	No	No	Yes (negative)	Yes (positive, total and emergency only)
CHF	Yes (negative)	No	Yes (negative)	Yes (negative, for total and emergency only)
Diabetes	Yes (negative)	No	Yes (negative)	Yes (negative for total, elective and emergency)
COPD	Yes (negative)	No	Yes (negatives)	Yes (negative, for total and emergency only)
Asthma	No	No	No	No

LONDON
SCHOOL *of*
HYGIENE
&TROPICAL
MEDICINE

Organisational effects

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Changes how work is undertaken:
  - Use of standardised processes, protocols
  - Use of specialist clinics, patient recall etc
- Changes who undertakes the work:
  - Greater use of practice nurses and health care assistants
- Broader use of systems of care
- Central importance of IT and management systems

Who does the work?

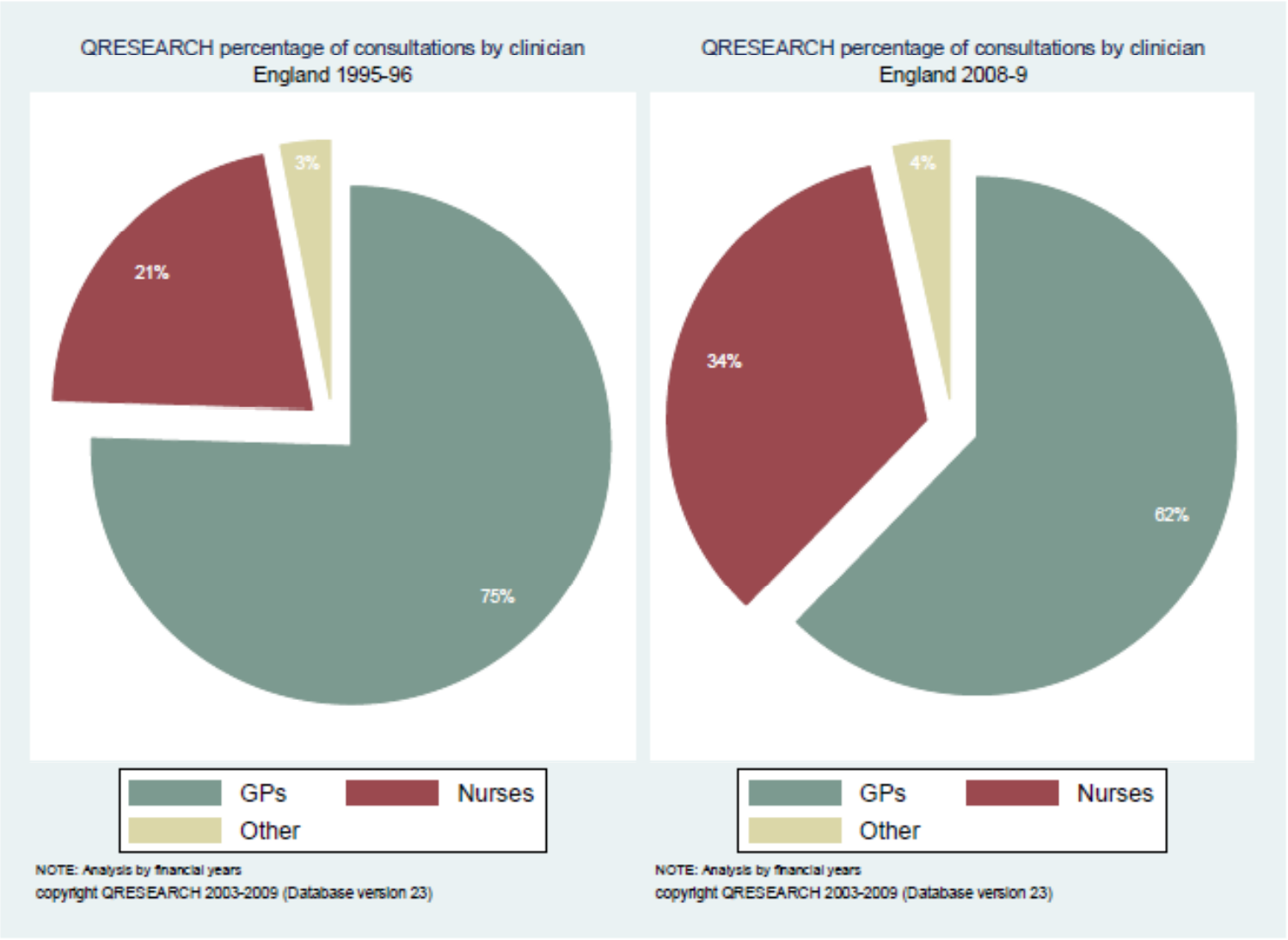
LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

I mean certainly it's, a lot of our clinics are nurse led, we have actually increased the establishment of our nursing times, so that they can actually take on more staff and that's only just been done in the last nine months as well, so we've, we increased from one point six whole time equivalents to two whole time equivalents, we also have a specific nurse led clinic, so we have them for CHD, diabetes, asthma, linked diabetic and CHD clinics and we're currently working on getting a COPD clinic up and running as well

Practice manager in an improving practice

Who sees patients?

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE



But who gets paid?

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Scheme costs over £1.4 billion dollars per annum (excluding treatment costs)
- Paid as part of General Medical Services contract to GP practices
- Represents 20-25% of GP income
- Its a voluntary scheme that all practices participate in

Performance in a Vacuum?

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Health is multi-factorial:
  - Tendency to reduce perspective to a medical one
  - Increases uses of pharmaceuticals
- Healthcare is multi dimensional:
  - Focus is on general practice activities
  - Tends to systematise and individualise health care
  - Ignores contribution or need for wider health and community support
  - Focuses attention on incentivised conditions to the detriment of non-incentivised conditions

Resource concerns

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

When the QOF domain was set up I don't think they have taken into consideration the difficulties of what the inner city doctors are facing…here the population is so mobile and the resources are not that much so I personally feel the resources should have been set up first before the QOF targets came in. ….. if you refer to the dietician the waiting list is long, sometimes they are not even seen therefore the letter is lost so I find the resources are very, very poor and the money should be allocated for the resources before the QOF's targets were set up... You need more and more dieticians, you need more and more diabetic nurses and you should have a diabetic nurse visiting to the practice, you should have a dietician visiting to the practice and the resources are not there.

GP partner in high performing practice

GP in poor performing practice

In the past three months…we've picked up enormous numbers or men and women who are vitamin D deficient and this will have implications later on and I think this is a time bomb waiting to explode so we are looking at that which is not a QOF generator, … we see a value in it because of the ethnic nature of our population… the really important bit though for the population that we are working with is what is their psychological wellbeing? … there are patients here who don't really care if they have got hypertension because their immediate priority is have they got enough money to pay for bills? Are they secure in the knowledge that their kids are going to get into the local school? Have they got a job that they are going to be able to hang onto? Have they got enough money to provide heating…

Value for money

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Increasing emphasis on secondary prevention and drug responses
- Standardised approaches not adjusted for population characteristics risks increasing population defined as at risk and needing treatment
- Practices maximise target achievement
- Sample of nine key indicators were cost effective in only 45% of practices
- Total cost of QOF in excess of $1.4billion per annum

Future P4P programmes should:

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Select and define P4P targets on the basis of baseline room for improvement,
- Make use of process and (intermediary) outcome indicators as target measures,
- Involve stakeholders and communicate information about the programs thoroughly and directly,
- Implement a uniform P4P design across payers,
- Focus on both quality improvement and achievement,
- Distribute incentives to the individual and/or team level.

Current developments in UK

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- There is a growing interest in the use of QOF type indicators for public health
- Responsibility for developing national public health indicators has been given to NICE
- Some local Primary Care Trusts are developing QOF+
  - Stretching targets –to 100% and raising thresholds
  - New criteria
- Marmot Review has highlighted the potential use of QOF for tackling health inequalities

Marmot Review on inequalities

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

Consideration should be given to including more primary preventive activities in the QOF, where these activities are appropriate for general practice and can be operationalised as QOF indicators. However, the QOF should not be viewed as the only vehicle for promoting primary prevention within general practice.

Negative consequences

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- May skew physician activity towards high-reward labour-intensive activities with relatively low health benefits marginalising non-incentivised areas.
- Potential for gaming may create a conflict of interest for physicians between maximising revenue and ensuring good quality care
- Financial incentives may distort care encouraging a focus on individual measures for care management instead of a more integrated approach
- Crowding out of and reduction in focus on non-incentivised tasks

P4P and public health

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Some caution needs to be exercised about how such incentives are used:
  - Threshold payments
  - The focus on single clinical risk factors
  - Poor evidence of effectiveness
- QOF is mainly concerned with secondary prevention for existing chronic disease
- Widening capture of targets will bring more people under surveillance
- Information relating to the process of care and provision of treatment may provide a better assessment of the quality of preventive care

General practice and quality

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Starfield:
  - First contact access
  - Person-focused care over time
  - Comprehensiveness
  - Coordination
- Communication, holistic care and an awareness of the patient‘s family and culture
- Improved satisfaction and health outcomes are associated with continuity of care, patient centred care, longer appointments and a good patient – doctor personal relationship

Are there alternatives?

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Stretching or adjusting P4P
  - Tougher thresholds (eg 100%)
  - Identify better criteria based on health outcomes
- Different financial incentives for activity
  - Specific contracts for specific activity
  - Provider network funding (peer pressure)
  - Patient Reported Outcome Measures (PROMs)
- Paying for virtue?

Effects, design choices, and context of P4P schemes

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- Despite a fairly large body of evidence findings about clinical effectiveness and equity have to be interpreted with caution
- Less evidence on the impact on coordination, continuity, patient-centeredness and cost-effectiveness was found.
- P4P effects can be judged to be encouraging or disappointing, depending on the primary mission of the P4P program: supporting minimal quality standards and/or boosting quality improvement.
- The effects of P4P interventions varied according to design choices and characteristics of the context in which it was introduced.

Van Herck et al 2010

Developments in QOF

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

- NICE to take on setting QOF criteria:
  - New criteria focusing on prevention …but…
  - Lipid modification - NICE advises GPs aim for a target of 4mmol/l for total cholesterol, whereas the QOF rewards GPs for hitting a total cholesterol of 5mmol/l or less in patients with established CVD.
  - Blood glucose - NICE guidance says GPs should aim for an HbA1c level of 6.5% in all patients. But QOF indicators measure the percentage of patients achieving an HbA1c of 7.5% or more.
  - Blood pressure - Blood pressure targets for hypertension are 40/90mmHg in NICE guidance but 150/90mmHg in the QOF.
  - BP targets also differ for diabetes and CKD.
- QOF+:
  - Stretching targets.
  - Adding new areas.
- Use of alternative approaches – directed resources

Pay for Virtue?

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

Table 1 Core virtues, character strengths, themes and indicators of virtuous practice

		Examples		
Core virtue*	Definition	Character strength associated with virtue	Theme associated with the virtue	Indicator
Courage	Doing the right thing even when there is much to lose	Integrity	Responsibility	% of occasions when the professional appropriately reports and speaks openly about problems with the care they provided
Justice	Doing what is fair on the basis of merit or need	Fairness	Consistency	% of patients with equal access to health care on the basis of clinical need
Humanity	Doing more than the right thing by others	Kindness	Empathy	% of patients to/about whom the professional communicates an understanding of the patients' inner experiences and perspectives
Temperance	Doing what is right and not doing what is wrong	Prudence	Deliberativeness	Evidence that the professional has taken serious care in making and acting on decisions
Transcendence	Doing things that give life a meaning, our purpose beyond ourselves	Hope	Positivity	% of patients who leave consultations feeling their health professional has helped them remain hopeful in some respect
Wisdom	Doing the right thing by using good judgement	Creativity	Strategic	Evidence that the professional integrates multiple relevant considerations well in decision making

*Following Peterson and Seligman [26].