Pay for Performance Doesn't Deliver, Study Concludes

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Is pay-for-performance overhyped? A study, published January 26 in *BMJ* (formerly, the *British Medical Journal*), suggests it is - - at least for one common condition. Researchers found that P4P does not offer any benefit to patients with hypertension, despite the enormous administrative costs required to maintain such a system.

"No matter how we looked at the numbers, the evidence was unmistakable; by no measure did pay-for-performance benefit patients with hypertension," according to lead author Brian Serumaga, formerly of Harvard Medical School/Harvard Pilgrim Health Care Institute, now of University of Nottingham Medical School.

Serumaga and his colleagues focused on how pay-for-performance might affect outcomes in patients with hypertension, a condition where other interventions, such as patient education, have shown to be very effective.

Using data from the UK's Health Improvement Network (a database of primary care records from 358 UK general practices), investigators identified 470,725 patients diagnosed with hypertension between January 2000 and August 2007–a period covering four years before and three years after pay-for-performance was implemented.

They found no identifiable impact on the cumulative incidence of stroke, heart attacks, renal failure, heart failure or mortality in both patients who had started treatment before 2001 and patients whose treatment had started close to the implementation of pay-for-performance, according to the paper.

"In summary, our study has shown that explicit financial incentives did not improve the quality of care and clinical outcomes for patients with hypertension in primary care in the United Kingdom. We found that the quality of care for hypertension was improving and already close to the threshold set for maximum payment in the pay for performance initiative. Some performance thresholds may have been set too low for the financial incentives to be effective," investigators concluded.

The authors acknowledge that the "unique nature" of the UK National Health Service could limit the generalizability of the findings. However, they stress that other research shows physician behavior doesn't vary across health settings industrialized nations.

Senior author Stephen Soumerai, professor in the Department of Population Medicine at Harvard Medical School and Harvard Pilgrim Health Care Institute, believes the data is generalizable. The evidence – and his own experience – supports that physician behavior is largely similar, he says.

Soumerai is profoundly skeptical about pay-for-performance based on the findings.

What's particularly troubling to him is that such policies are being implemented without any evidence to support their effectiveness.

It comes down to basing your decision on evidence, he explains. The Obama administration has stated that science should be the basis of policy, but, he says, in the case of pay-for- performance, there's no evidence backing the policy.

It's a global problem, Soumerai says: Governments and private insurers throughout the world are likely wasting many billions on such policies.

"Significant pilot testing" is needed, he says: And it wouldn't have to take too long–eight months before and after P4P implementation would be adequate. "If the administration wants to live up to its promise that science is the basis of policy, then we need data."