

Reporting and Motivating Performance: Reputational Incentives Created by Report Cards

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Disclaimer & Disclosures



Nothing in this talk is be considered VA

- policy
- procedure, or
- Recommendations

I have no financial interests in the material presented.

Thank You



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Report Cards & Reputational Incentives

LEADERSHIP BY EXAMPLE

Coordinating Government Roles in
Improving Health Care Quality

Committee on Enhancing Federal Healthcare Quality Programs
Janet M. Corrigan, Jill Eden, and Barbara M. Smith, *Editors*

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Report Cards & Reputational Incentives



- Why shift to VBP?
 - At the time, MDs failed to follow evidence-based medicine practices 55% of the time.
 - Estimated that 30-40% Medicare expenditures were waste.

Report Cards & Reputational Incentives



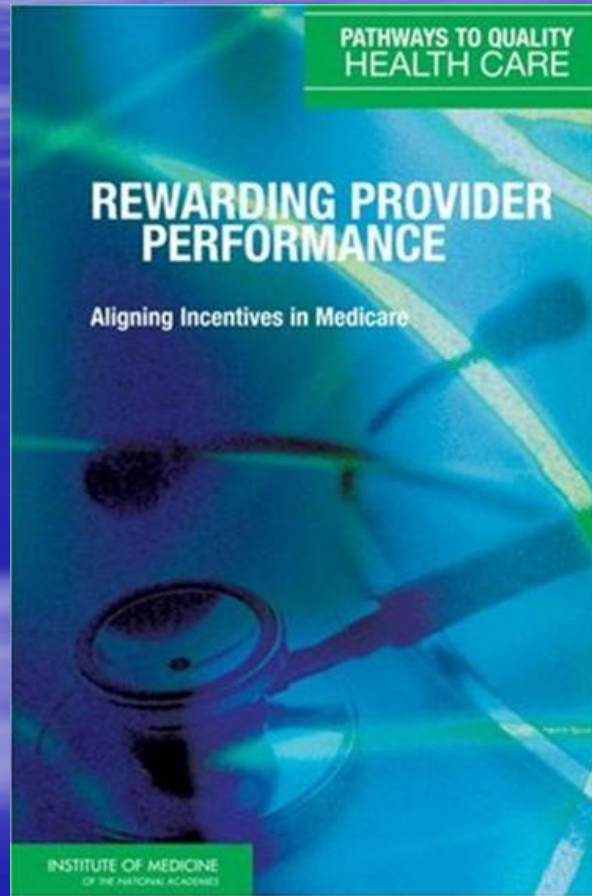
- VBP
 - Carrot: P4P
 - Stick:
 - the government should “encourage the adoption of best practices through the release of public domain comparative quality data.”
 - Translation: Provider-specific report cards

Report Cards & Reputational Incentives



- Public dissemination
- The private handling of adverse outcomes “works best in circumstances where the public has a high degree of trust in [the reviewing] institutions.”
- Public trust is at a minimum
 - Managed care
 - Ineffectiveness of peer review
 - Daily newspaper stories of provider incompetence

Report Cards & Reputational Incentives



- Primary purpose of report cards is to influence behavior.
- Report Cards should
 - reward good performance
 - “remove” poor performers
- Therefore, report cards create reputational incentives for providers

Report Cards & Reputational Incentives



- Provider report cards are new a new idea:
 - Mesopotamia
 - 1850's Florence Nightingale
 - 1900's Earnest Codmen
 - 1980's NYS collects cardiac services outcomes data
 - Web-based provider-specific outcomes data