


## Pay for Performance

Value based purchasing


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## Content

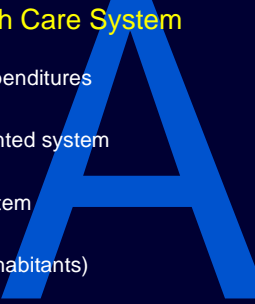
- Context of P4P in the Netherlands
  - *Changing of the health care System*
  - *Risk adjusted capitation system*
- Method of P4P
  - *Cost analysis*
  - *Health profit*
  - *Patient experiences*
  - *Payments and rewards*
- datacollection



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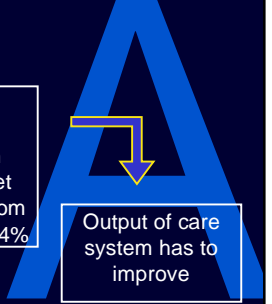
## Context: Changing Health Care System

- Changing drive is rise of annual expenditures
- From social oriented to market oriented system
- Shifting from supply to demand system
- Mandatory insurance system (all inhabitants)



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Cost development + Aging + Technology  
 Amount 65+: from 14% now → 23% in 2040

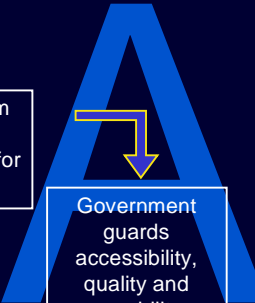


Economic pressure  
 Tension on Labor market  
 Carequote: from 9,7% nu → 14% in 2040

Output of care system has to improve

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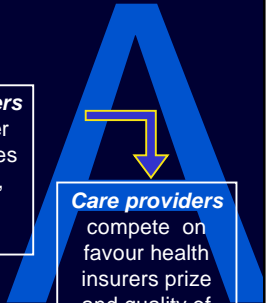


More freedom and responsibility for care parties

Government guards accessibility, quality and payability

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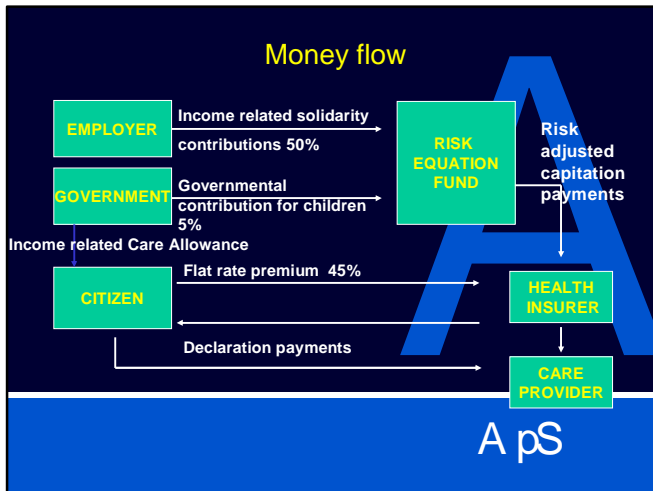
Insured can freely chose between health insurers and can switch between insurers (once every year)



Health insurers compete over favour insurees on premium, quality and service

Care providers compete on favour health insurers prize and quality of care

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### Pay for Performance (P4P)

- Analyse costs (expenditures) for selected group enrollees
  - Expenditures related to risk adjusted capitation payments
- Determine health profit for this group
  - Based on objective standards
- Gather patient experiences
  - "self reported" and objective measurements
- Set payments and rewards
  - Risk sharing, bonus (no malus)

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### Methodology P4P: Cost analysis

- Determine expenditures selected group of enrollees (i.e. diabetes type 2) for the last two years
- Determine the expenditures of this group in the whole population (last two years)
- Determine the risk adjusted capitation payments for this group of enrollees (Age, gender, Pharmaceutical Cost Group, Diagnostic Cost Group, Income Status)
- Set the mean expenditures for this group enrollees= tariff
- Set extra payments for performances (outcomes) and volume

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### Methodology P4P: Health profit

- Determine the objective health profit for the selected group
  - Indicators, health inspection reports, (international) standards
- Determine "Quality of life" parameters
  - "self reported" quality of life (patient organizations, inquiries)
  - FS 36

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### Methodology P4P: Patient Experiences

- Make a zero measurement on selected group
  - Consumer Assessment health Plan Survey (CAHPS)
  - "Self reported" experiences
- make a zero measurement for care provider (hospital, primary health clinic etc.)
  - CAHPS, FS 36
- Set improvement goals in time for care provider
  - Connect goals to rewards for care provider

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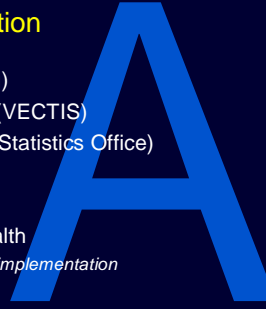
### Methodology P4P: payments and rewards

- Base tariff on mean expenditures and mean income
- Risk sharing negotiations (on performance and volume)
  - i.e. 100% risk care provider higher tariff
  - 100% risk Health Insurer lower tariff
  - 50% -50% risk mean tariff
- Set bonus for performance
  - Higher performance (outcome) bonus tariff
  - Higher volume bonus tariff

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## Data Collection

- Use of own databases (datamining)
- Use of Health Insurers databases (VECTIS)
- Use of public databases (National Statistics Office)
- Use of FS 36
- Use of CAPHS
- US Pacific Business Group on Health
  - *Inport program, translation, validation, implementation*



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