Payment Reform Critical for Accelerating Improvement

Broad Agreement That Current Payment System Is a Problem
  • Multiple Initiatives Underway

... But The “Walk” is Less Than The “Talk”
  • <1% GE’s Expenditures Are Performance-Based
  • For Any Given Physician, Performance-Based Payment Is Small Percentage of Income ... And Below the Cost of Change

... And There Is No Clear Leadership or Coordination

Current Efforts Unlikely to Lead to Payment Reform
A Conceptual Model: One Size Does Not Fit All

Payment Model Differs By:
- Provider Organization
- Local Degree of Competition
- Ongoing Pilots

Overall Direction:
- Re-Balance RBRVS to Primary Care
- Episodes, Pre-Payment, Blending

Employers:
- Standard Contract Language
- Re-Shape Relationship to CMS
  - Follow When Appropriate
  - Coordinate When Possible
  - Lead When Necessary
Next Steps

• Public-Private Strategic Collaboration
  • Public-Private Coordination Enabled Performance Measurement/Transparency
  • Each Sector Has Unique Strengths and Limitations
    • Private – Flexible & Innovative . . . But Lacks Volume and Organization
    • Public – The “Market Makers” . . . But Slow and Politics Are Tough

• A Center for Payment Reform (CPR)?
  • Develop Comprehensive Strategic Framework
  • Coordinate Efforts Across Sectors and Markets
  • Identify and Spread ‘Best Practices’
  • National Scorecard on Payment Reform
  • Public Policy Role