



COUNCIL OF ACCOUNTABLE PHYSICIAN PRACTICES
An affiliate of the American Medical Group Association



Brandeis
The Heller School
for Social Policy and Management

Survey of Risk-Based Contracting and Physician Compensation in Organized Delivery Systems

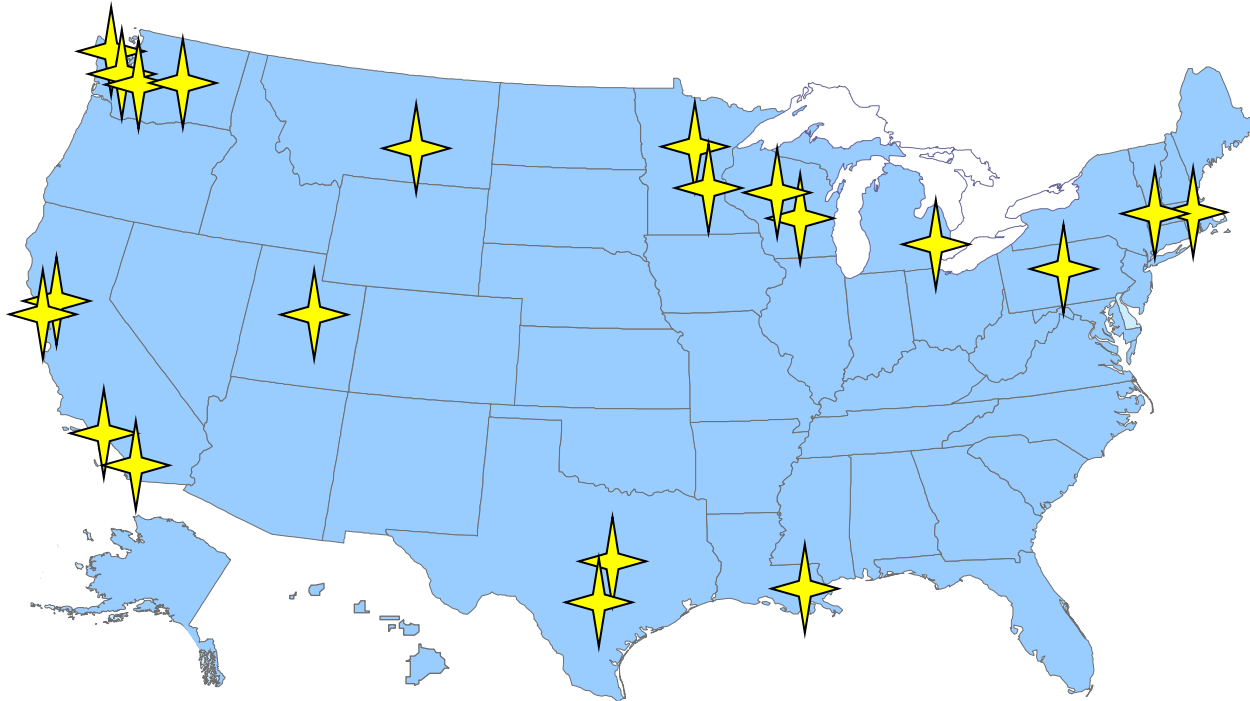
Conducted by

Brandeis University, Heller School of Social Policy and Management

Council of Accountable Physician Practices



Participating CAPP Groups – Summer/Fall 2011



Atrius Health

Austin Regional Clinic

Billings Clinic

Dean Health System

The Everett Clinic

Fallon Clinic

Geisinger Health System

Group Health Physicians

Health Care Partners

HealthPartners Medical Group

Henry Ford Medical Group

Intermountain Medical Group

Kaiser Permanente Med Group

Marshfield Clinic

Mayo Clinic

Oschner Health System

Palo Alto Medical Foundation

Scott & White Healthcare

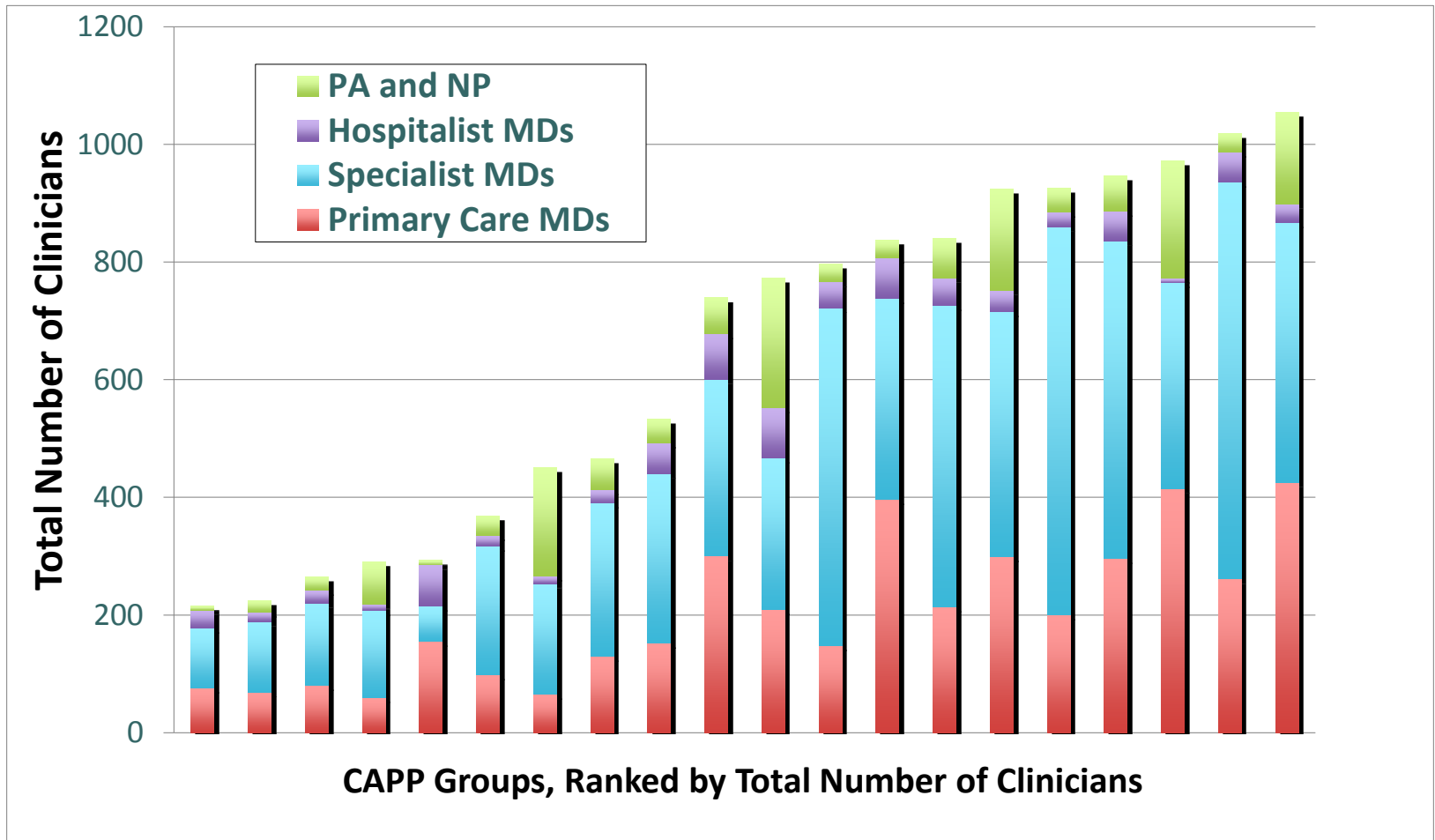
Sharp Rees-Stealy Med Group

Virginia Mason Medical Group

Wenatchee Valley Med Center



Health System Characteristics: Number and Type of Clinicians

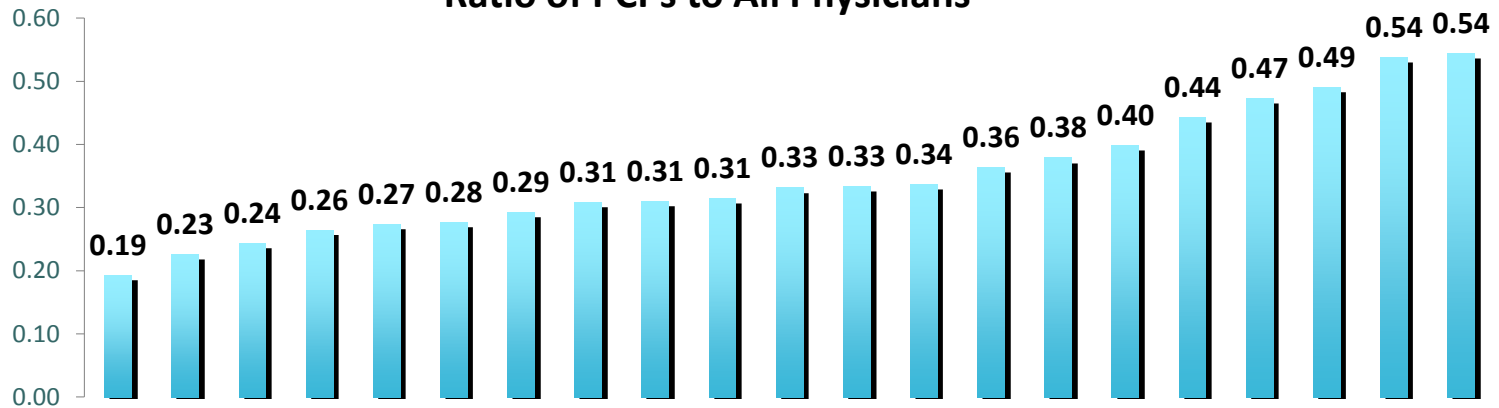


Note: Kaiser-Permanente Group not pictured (n=15,000+)

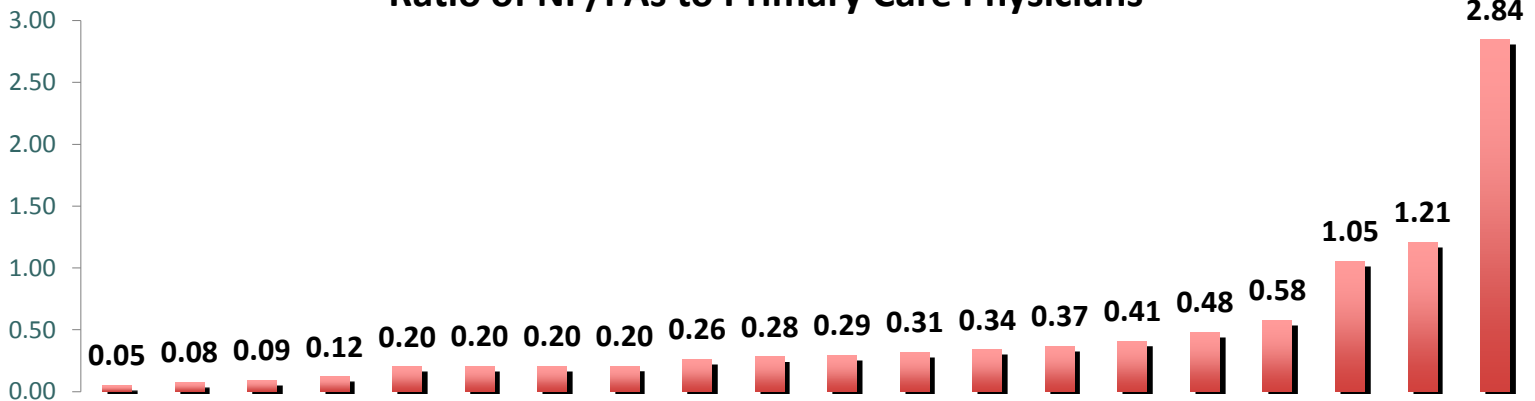


Health System Characteristics: Clinician Mix

Ratio of PCPs to All Physicians



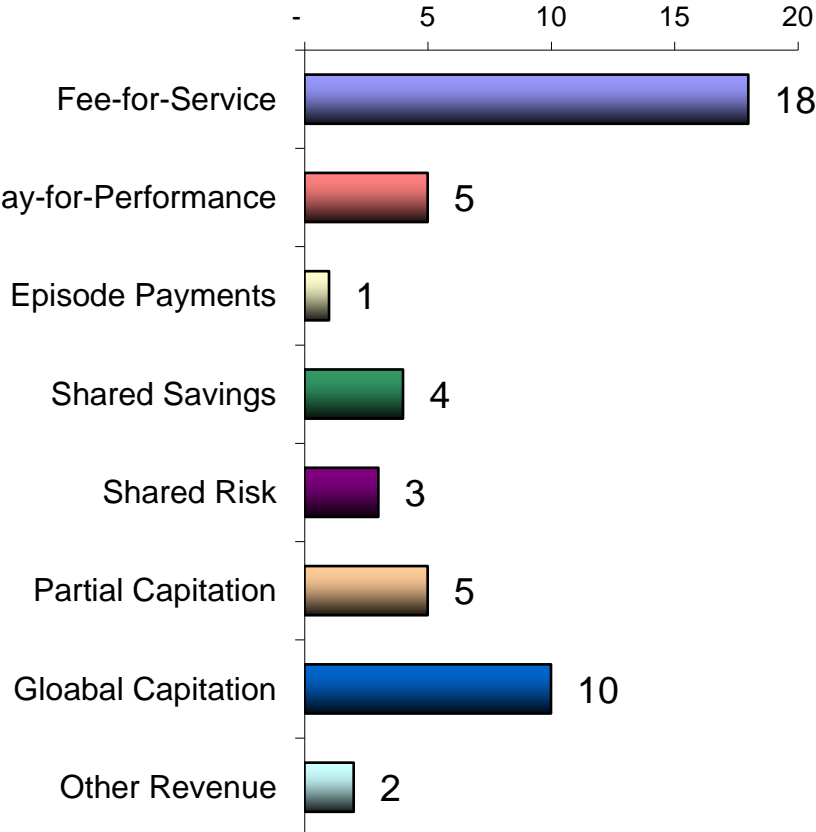
Ratio of NP/PAs to Primary Care Physicians



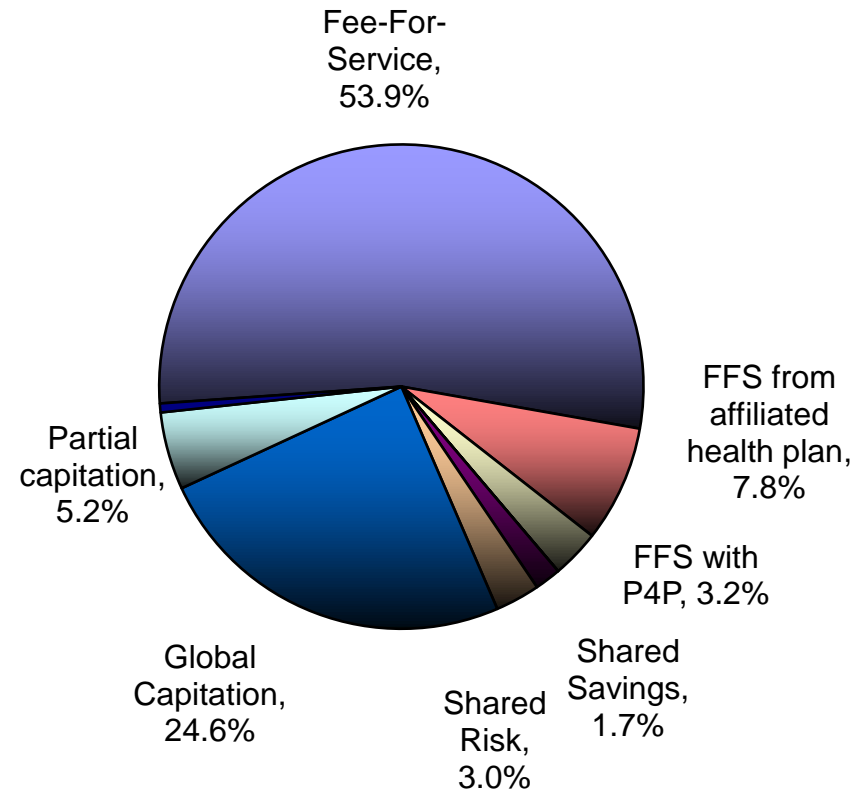


Types of Contracts

**Frequency of Contracts:
Number of CAPP Groups (out of 21)**



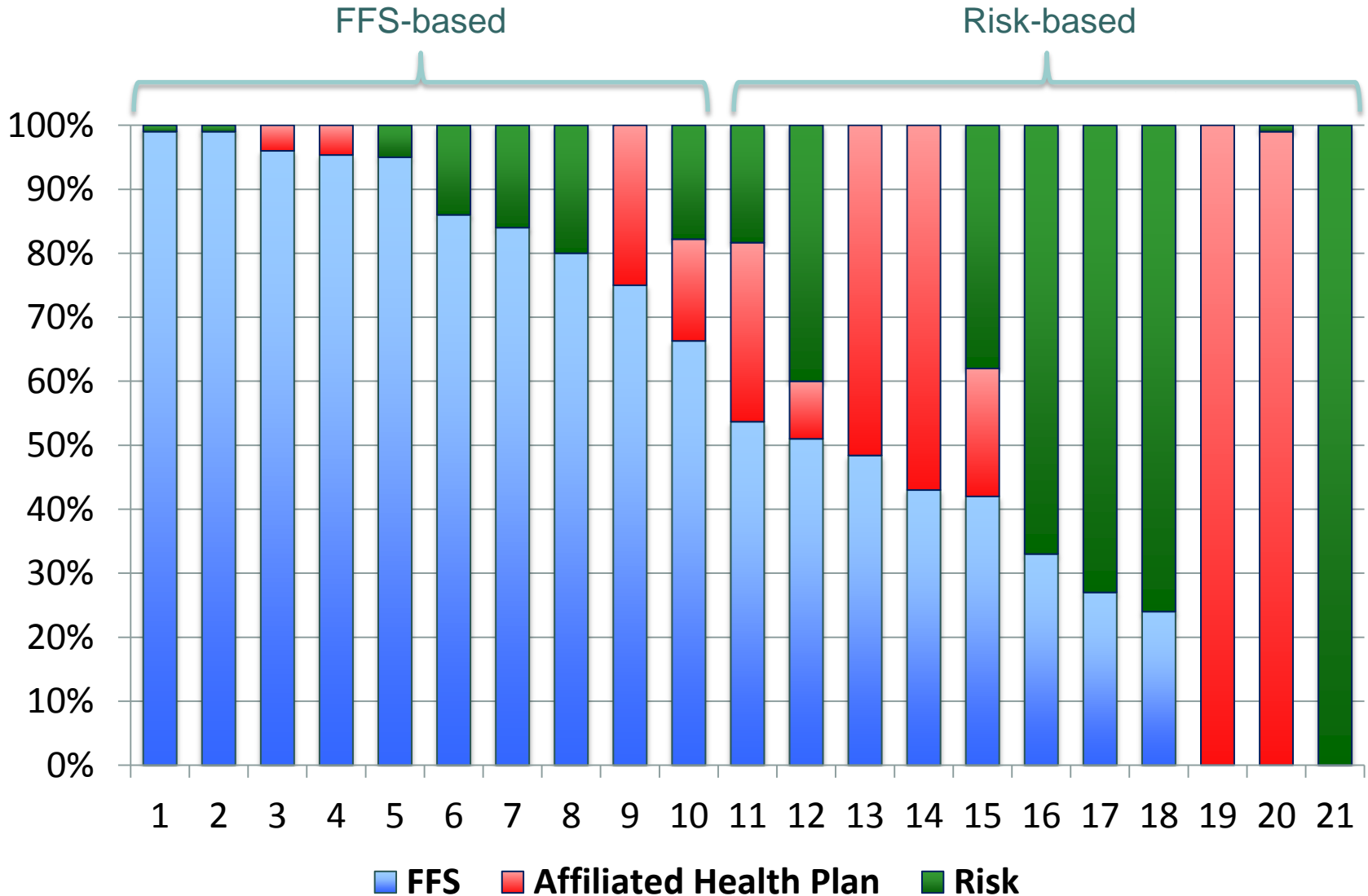
**Average Size of Contracts as a
Percent of Total Patient Revenue**



Calculated as a simple (unweighted) average (n= 21).



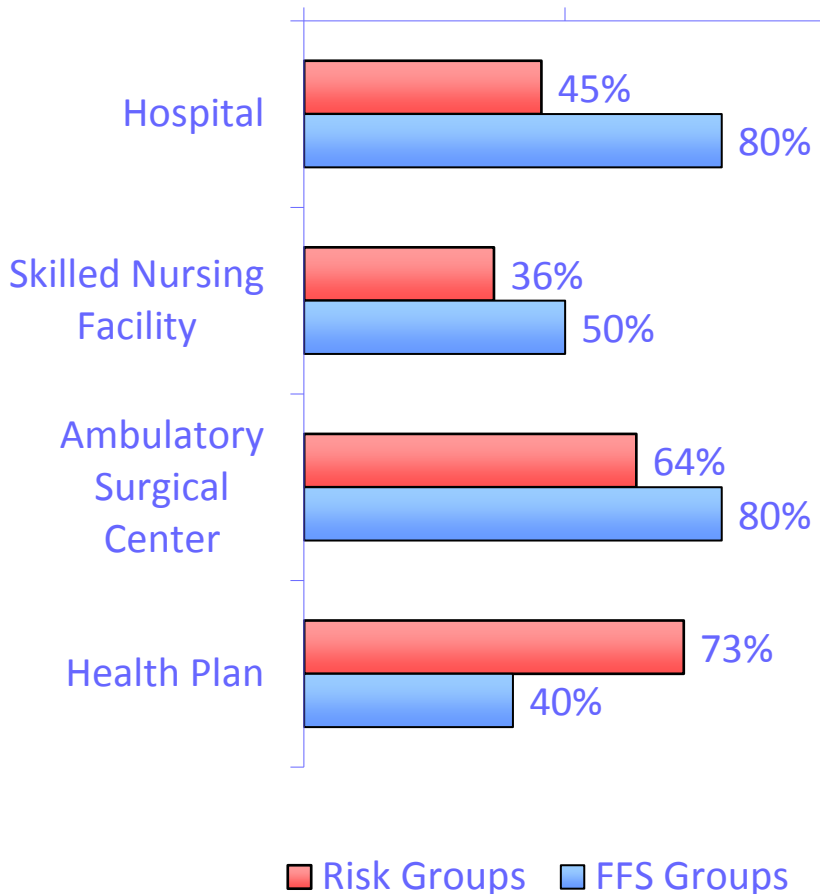
2010 Patient Revenue by Contract Type



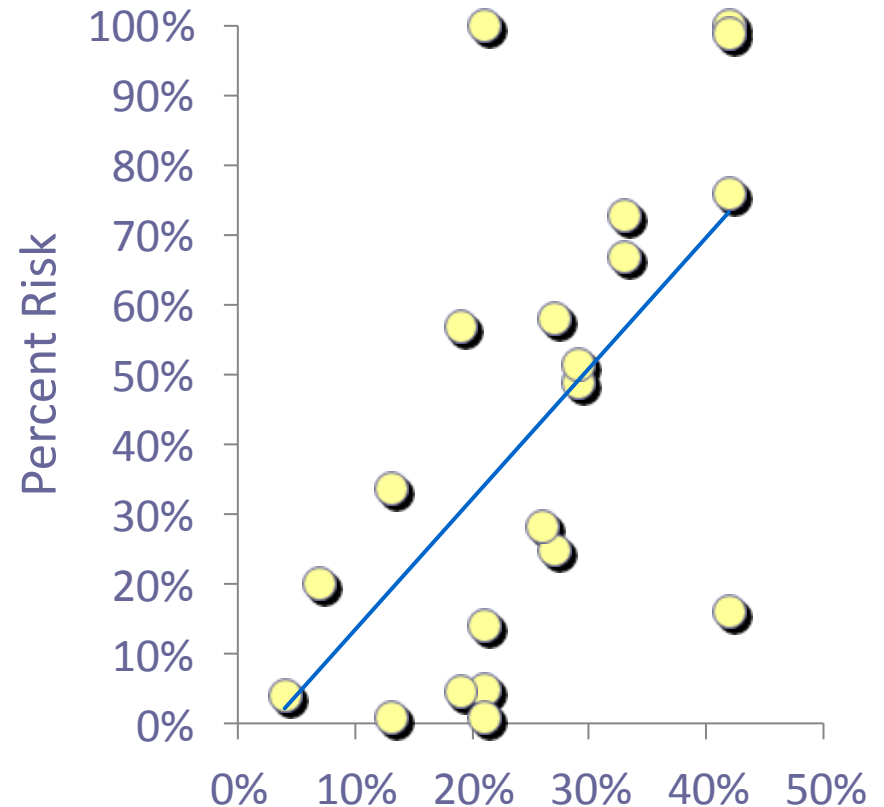


Organization and Market Characteristics

Facility Ownership

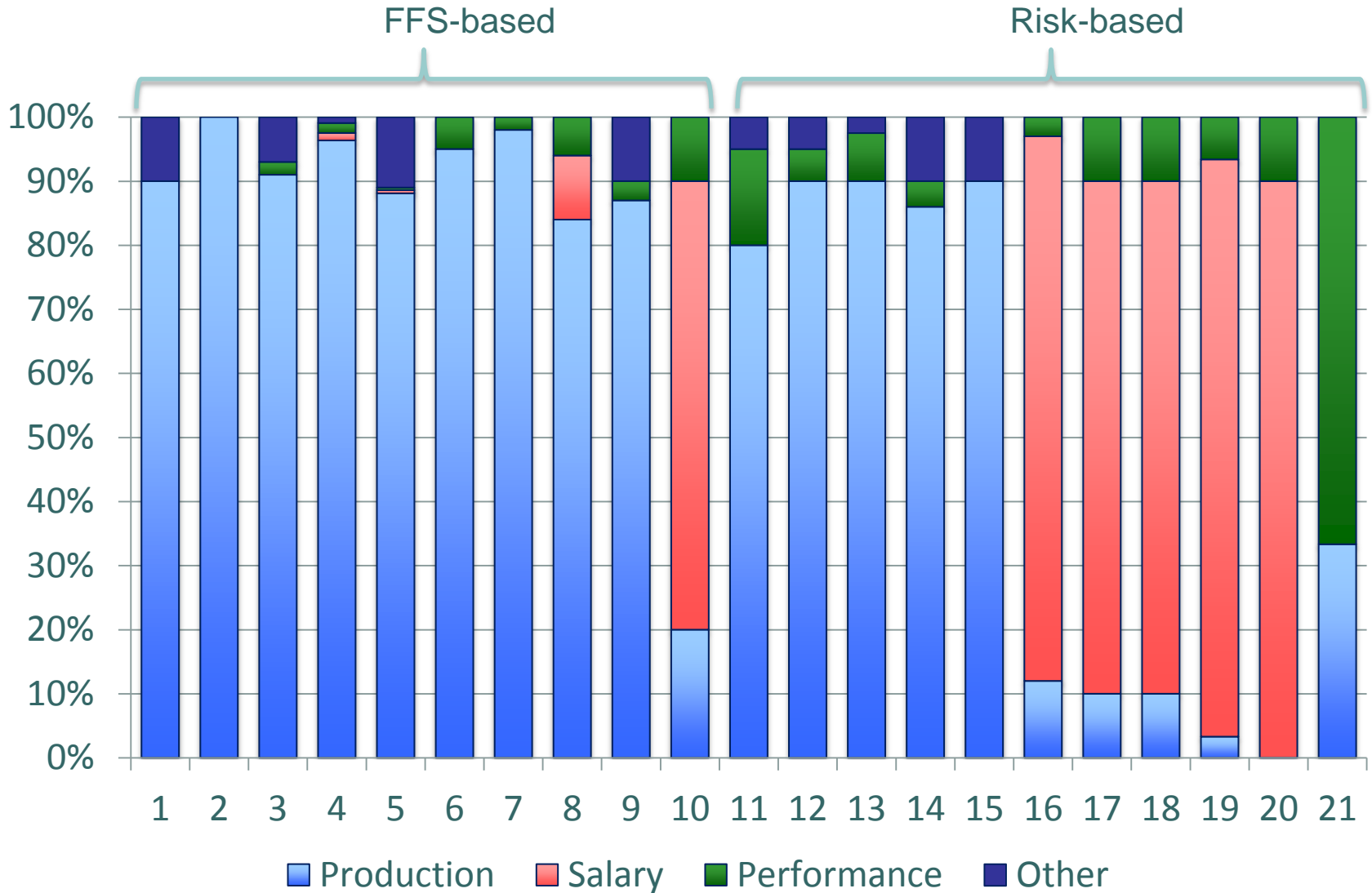


State HMO Penetration 2010



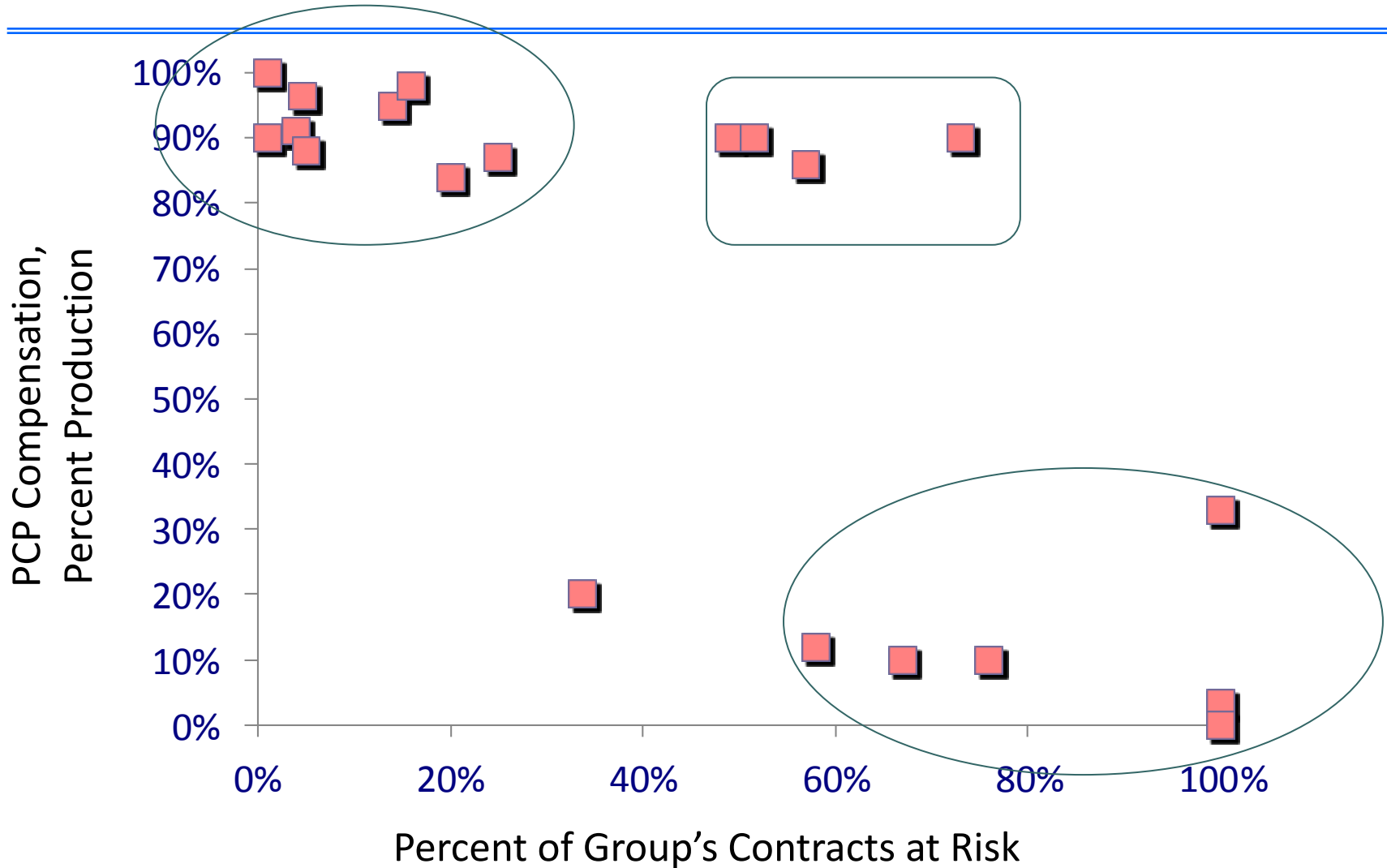


2010 PCP Compensation Method





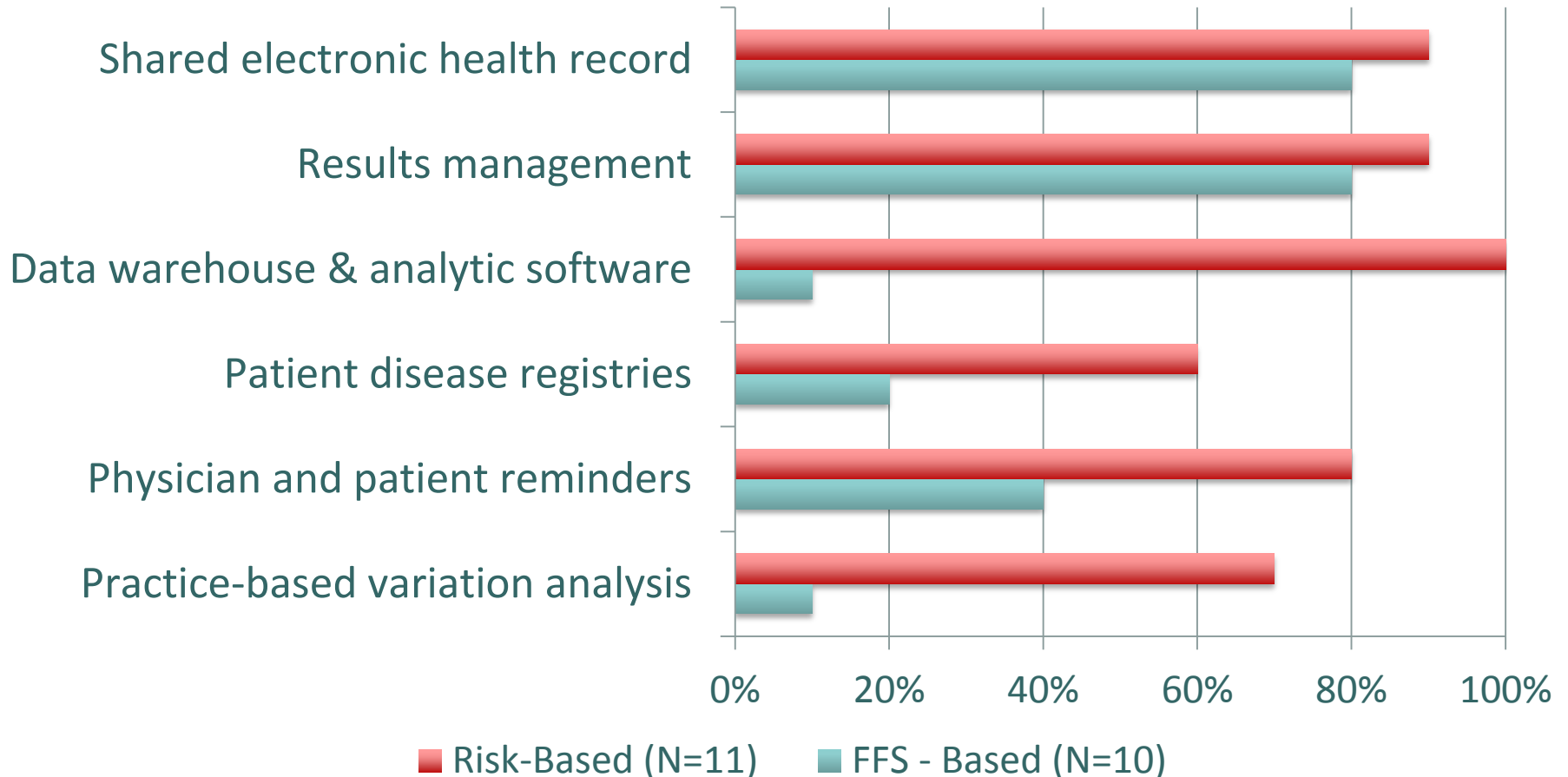
Risk Contracting and Primary Care Physician Compensation





Medical Group Data Management

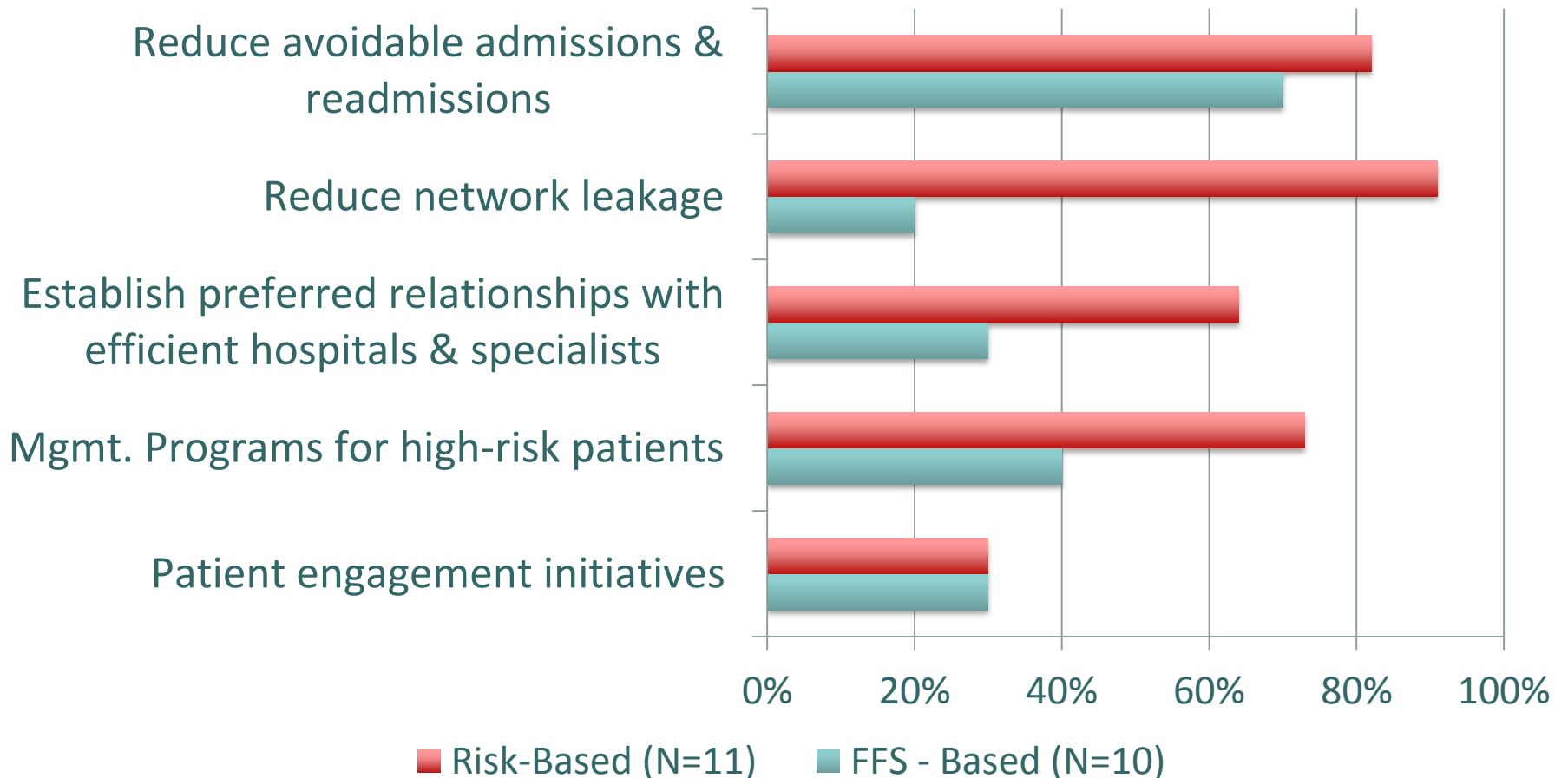
Percent of Groups Reporting “Fully Implemented”





Medical Group Patient Management

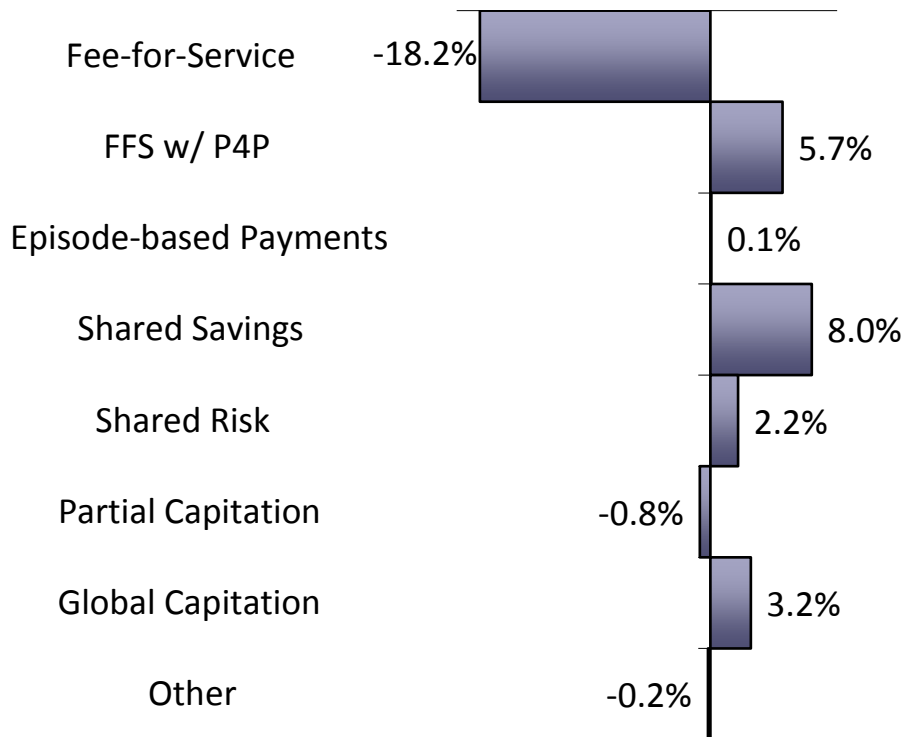
Percent of Groups Reporting They are “Far Along”





Future Predictions

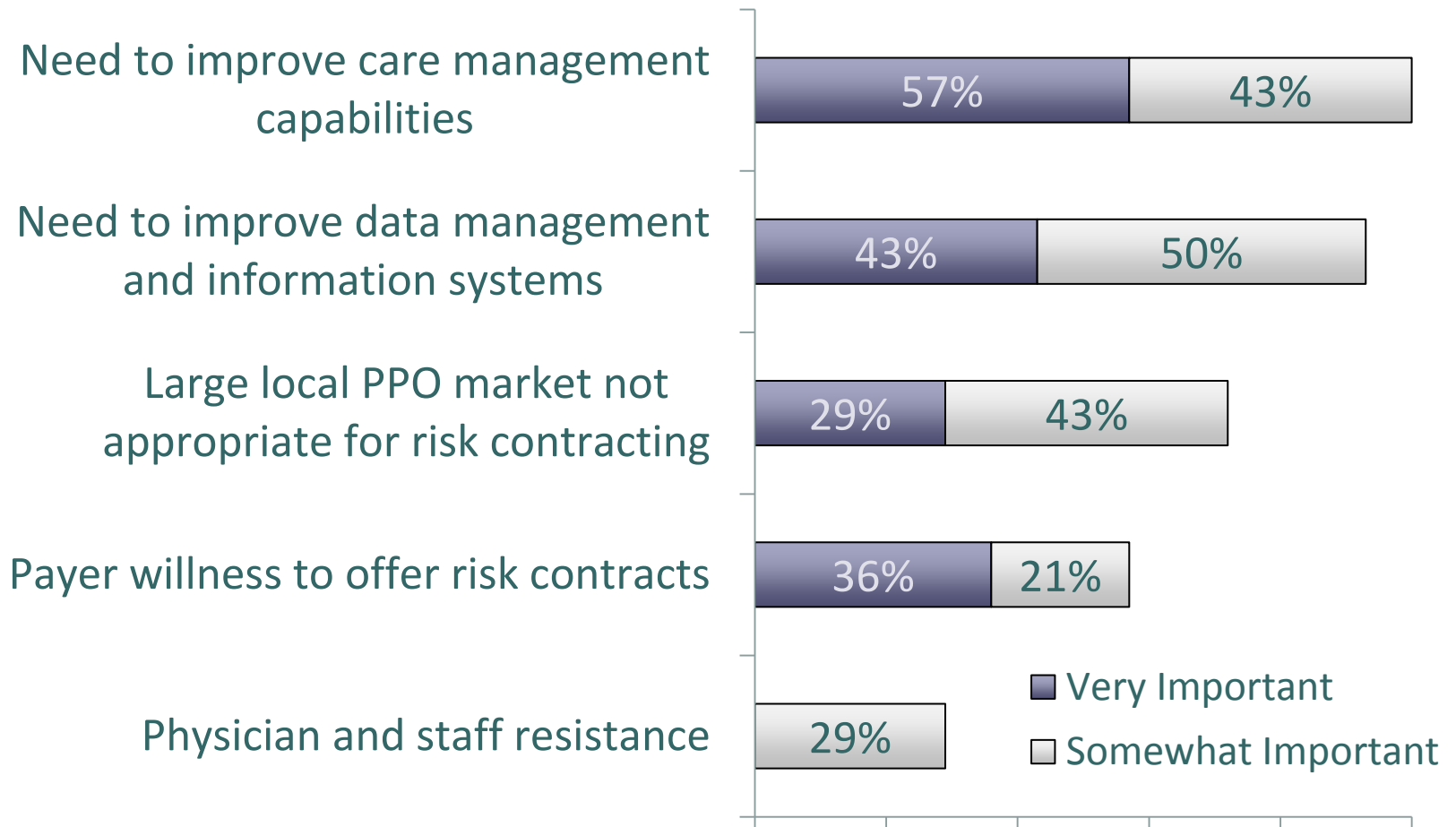
Expected Payment Changes, Next Three Years



- In a survey addendum (n=15):
 - 11 groups were seeking new risk contracts: 6 risk-based, 5 FFS-based
 - 3 others were actively preparing for new contracts
- FFS groups predict a more rapid decline in FFS payments (-26%), replaced primarily by shared savings (+14%)
- More than half (56%) predict they will change physician compensation structures in the next two years



What are the largest challenges to increasing your revenue from alternative payment contracts? (n=14)





Implications

- “Many large medical groups will need to acquire new skills and tools to be ready for payment reform”, *Health Affairs* Sept 2012
 - Developing and implementing information systems that track performance
 - Aligning physician-level reward systems
 - Fostering physician leadership
 - Supporting continuous performance improvement

- Recognize the difficulties, cost, and time to implement these changes nationally
 - Smaller groups lack the culture/history of managed care
 - Many areas lack the insurance partners (and their data) to gain experience with alternative contracts

- What state and federal policies are needed to support this transition?
- What further research will help groups and policymakers?