



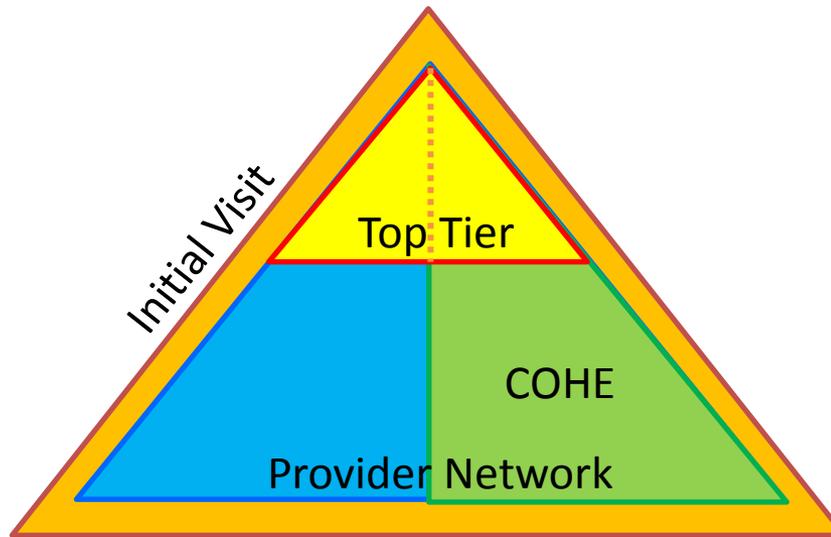
OCCUPATIONAL HEALTH **BEST PRACTICES**

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WORKING TOGETHER TO KEEP PEOPLE WORKING

**Top Tier of the MPN for Disability Prevention Program  
Incentives Framework  
October 22, 2015**

# Top Tier of the MPN for Disability Prevention



- ✓ Identifies the best attending providers at preventing disability
- ✓ Increases the availability of best practices
- ✓ Achieves positive outcomes
- ✓ Provides an alternative and aligns with COHEs and other quality programs
- ✓ Simple for providers to understand and L&I to administer

**Healthy Worker 2020 Vision:** To be the quality leader in workers' compensation healthcare, achieving the best outcomes and quality of life for workers at the best value and using the simplest means.



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# Incentives Research

- Literature review of incentives and pay for performance from a variety of published materials (ex: Pay for Performance Improves Quality Across Demographic Groups; Quality Managed Health Care Bhalla, R., Schechter, C., Strelnick, A., Nandini, D., Meissner, P., Currie, B., 2013)  
**23 Research and Article Sources**
- Top Tier provider survey which had a strong response from a wide variety of attending providers (Summer 2012; 184 responses)
- Discussions with ACHIEV members beginning in October 2011
- Focus groups with medical providers across the state (Summer 2012, 25 providers in Eastern and Western Washington)



# Key Findings

- Providers prefer non-financial incentives that reduce the administrative burdens and increase direct support for them and their staff
- Financial incentives often attract organizations to join a program like Top Tier. Although financial incentives are appreciated by individual providers, providers often benefit more directly from non-financial incentives



# Top Tier Potential Financial Incentives

## Payment for Each Best Practice

- For specific activities
- Paid at time of service
- Ex: COHE fee schedule

### **Advantages:**

- Aligns with the number of injured workers treated
- Real time reward

### **Challenges:**

- Fee schedule doesn't always align with all best practice activities



# Top Tier Potential Financial Incentives

## Payment for Groups of Best Practices

- Incremental payment for a set of best practices

- Ex: Ortho-Neuro

### **Advantages:**

- Larger lump sum payments per claim may be perceived as more tangible

### **Challenges:**

- Incentive is disconnected from the actual best practice activity



# Top Tier Potential Financial Incentives

## Payment for Participation

- Monthly, quarterly, or annual payments

- Based on a calculated formula (ex: #of claims)

### Advantages:

- Larger lump sum payments may be perceived as more tangible

- Being used by other payers (ex: CMS)

### Challenges:

- Incentive is disconnected from the actual best practice activity

- Additional administration

- No evidence of behavior change with existing models



# Top Tier Potential Financial Incentives

## Payment for Shared Savings

- Lump sum payment for a % of overall savings

### Advantages:

- Gives provider an incentive for improved outcomes
- Being used by other payers / accountable care model

### Challenges:

- Providers not in complete control of the outcomes
- Significant level of analysis required
- Additional administration



# Top Tier Potential Financial Incentives

## Payment for Participation in Multiple Best Practice Programs

- Additional payment for participating in multiple programs

- Ex: COHE and Top Tier

### **Advantages:**

- Encourages participation in multiple best practice programs

### **Challenges:**

- Additional administration



# Top Tier Potential Financial Incentives

## Other Payment Models?

**Advantages**

**Challenges**



# Top Tier Potential Non-Financial Incentives

## Non-Financial Incentives:

- Reduced authorizations (ex: Group A)
- Increased access to L&I resources
- More flexibility with claims around medical management
- Provide free CMEs/CEU and education
- Provider feedback from L&I



# Next Steps

- Focus Groups
- Key Informant Interviews
- ACHIEV



# Questions and Comments?



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