

State of Illinois Paying Bonuses to Best-Performing Doctors

State Partners with Ingenix to Execute Pay-for-Performance Program

For the first time in its history, the State of Illinois is distributing bonus payments to physicians who meet or exceed national performance standards in caring for 1.6 million of the state's low-income residents.

In an effort to improve overall health outcomes, reduce long-term costs, and encourage high-quality care, the Illinois Department of Healthcare and Family Services (HFS) evaluated the performance of more than 5,000 primary care physicians in treating participants in Health Connect, a Primary Care Case Management (PCCM) program administered by HFS. The evaluation focused on five areas critical for promoting public health: child immunizations, child developmental screenings, asthma management, diabetes management, and breast cancer screening.

The pay-for-performance plan enables HFS to distribute approximately \$5 million to qualifying physicians in recognition of treatment they provided to Health Connect patients during 2008. Payments to qualifying physicians are currently being distributed.

To execute the program, HFS worked in partnership with Ingenix, a leading health information and consulting services company. Together, HFS and Ingenix developed measurements and analyzed physician performance based on claims and immunization data, plus other demographic information. Data mining and analysis were conducted using the agency's sophisticated Medicaid data warehouse, which was implemented by Ingenix to help manage the Illinois Medicaid program, one of the nation's top 10 public health plans by number of beneficiaries.

“Our responsibility, to our beneficiaries and our taxpayers, is to encourage and promote the highest quality care at the most effective costs—and that means we look at both short-term and long-term costs,” said Barry Maram, Director of Illinois HFS. “We have established aggressive health treatment standards and we have developed an incentive program for doctors who meet and exceed them in high priority areas. We think it's an extremely wise investment for the overall future health of Illinois citizens.”

To qualify for bonuses, physicians must meet or exceed standards established by the Healthcare Effectiveness Data and Information Set (HEDIS), a national reporting system administered by the National Committee for Quality Assurance (NCQA). Most commercial health plans and state Medicaid programs use these measures, which are reported annually. HFS is rewarding performance at the 50th HEDIS percentile and above, meaning performance above that was achieved by one-half of all physicians caring for Medicaid patients nationwide.

For example, in the area of **diabetes management**, the HEDIS 50th percentile threshold is 79.3 percent—meaning that, in half of the nation's Medicaid programs, 79.3 percent of diabetic patients received at least one Hemoglobin A1c (HbA1c) test, a standard tool for measuring blood sugar levels. To be eligible for the bonus in Illinois, a primary care physician is required to have administered at least one HbA1c test on

79.3% or more of his or her Health Connect diabetic patients in a 12-month period. Doctors receive an incentive payment of at least \$20 for each patient that met the criteria; if fewer than 79.3% of the Health Connect patients on the doctor's roster did not have the test, then no bonus will be paid.

In the other areas, the benchmarks for physician bonus payments in Illinois are:

- **Child Immunizations:** At least 62% of enrolled two-year-old children are required to be immunized with the correct combinations of diphtheria, tetanus, pertussis, measles, mumps, rubella, and hepatitis B vaccinations
- **Child Developmental Screenings:** At least 35% of children are required to be screened by the age of 12 months; 25% of children must receive at least one developmental screening between the ages of 12 and 24 months; and 20% of children must receive at least one developmental screening between the ages of 24 and 36 months
- **Asthma Management:** 91.7% of patients between the ages of 5 and 9 must be on an appropriate controller medication; 88.8% of patients between the ages of 10 and 17 must be on an appropriate controller medication; 85.4% of patients between the ages of 18 and 56 must be on an appropriate controller medication
- **Breast Cancer Screening:** At least 49% of women between the ages of 40 and 69 had a mammogram to screen for breast cancer in the measurement year or the year prior

Under terms of the pay-for-performance plan, a qualifying primary care physician may receive multiple bonus payments for multiple measurement areas.

“By developing this bonus payment program for high-performing physicians, Illinois HFS is showing its leadership in rewarding those care-givers who do the most to improve the health of their patients, and who do so efficiently,” said Shelby Solomon, EVP, commercial and government health plan solutions at Ingenix. “We are pleased to be part of a program that uses information and analysis to improve the quality and cost-effectiveness of care for the citizens of Illinois.”

To learn more about how Ingenix can help your organization create a pay-for-performance program that improves health outcomes while reducing medical costs, visit us at www.ingenix.com or by contacting us at (800) 765-6034 or ingenuity@ingenix.com.

About Illinois Health Connect:

Illinois Health Connect is the Primary Care Case Management Program (PCCM) of the Illinois Department of Healthcare and Family Services (HFS). The program is a managed care model in which each enrollee has a medical “home” with a primary care physician. A medical home ensures that each physician knows about the health care their enrollees receive, helping them receive immunizations and other preventive health care; helping them receive the most appropriate level of care; improving the quality of care enrollees receive; and preventing duplication of services.

About Ingenix

Ingenix, a wholly owned subsidiary of UnitedHealth Group (NYSE: UNH), transforms organizations and improves health care through information and technology. Organizations rely on its innovative products, services and consulting to improve the delivery and operations of their business. More information about Ingenix can be obtained at www.ingenix.com.