Our Pursuit to Maximize HEDIS Services and Incentive Revenue
HEDIS is a set of standardized performance measures designed to ensure that consumers have the information they need to reliably compare the performance of healthcare plans.

Examples of HEDIS measures:

- Well Care Exams
- Lead
- Immunizations
- Womens Preventive Health (Cervical Cancer Screenings & Mammograms)
- Diabetes
- BMI
Incentive Revenue Captured from Two Largest Health Plans

- Total Dollars Captured:
  - 2009: $283,378
  - 2010: $365,525
  - 2011: $383,296

*Percentage Increase from 2009 to 2011 was 26%
How did we do it?

• One full time employee devoted to just HEDIS

• Identified the Health Plan with the “Biggest Bang for our Buck”

• Put in place a process for working Health Plan Reports

• Designed a database, allowing for tracking, analysis and follow-up of patient services provided/missed

• Staff education

• Flagging Charts
Questions?
SUPPORTING PAY FOR PERFORMANCE EFFORTS WITH PAY FOR PERFORMANCE PROGRAMS
If you want the results... you will have to manage:
Clarify the terminology

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<th>Reasonable Expectations</th>
<th>Results/Success</th>
<th>“Stretch” Performance</th>
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<tbody>
<tr>
<td>Base Pay</td>
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<td>Bonus</td>
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<td>Incentive</td>
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How to motivate with pay?

<table>
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<th>Who to reward for…</th>
<th>Behaviors</th>
<th>Results</th>
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<tbody>
<tr>
<td>Management/Providers</td>
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<td>- Base Pay</td>
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Management should know...

- **Base pay** – Management is entitled to require reasonable expectations to be met:
  - Not achieving reasonable expectations should result in training, performance plan, discipline, etc.
  - Fully competitive base pay should not be provided to employees who do not meet reasonable expectations

- **Incentives** – Management must understand that:
  - Not everyone will want to “stretch”
  - There must be a payout significant enough to motivate change in behaviors
Approach each incentive/opportunity individually

Do I know how to achieve it?

Yes

Build Behaviors into Expectations

Incentives for Results and/or Behaviors

No

Incentive for Results
The Job Description – Rx for Success

- Description should clarify expectations
  - Duties should tie to desired outcomes
  - Qualifications/skills should tie to duties and outcomes
  - Specific duties/behaviors that result in incentives to the organization should be included

- Make your job description your performance appraisal methodology

- Always direct the job description and performance expectations at the fully functioning person!!!
Motivating with Base Pay

Grade X

30,000 34,000 38,000 42,000

Entry
Developing
Fully Functioning
Added Value
Unique
What is Fully Functioning?

- A “reasonable” performance expectation
- The tasks, and behaviors, that lead to the desired outcomes
  - If expectations extend beyond the scope of the job, they may be actually changing the nature of the job
  - Higher expectations may be indicators of performance that “adds value”
- Our definitions can change over time… and that IS fair
Incentives -

- If you want to motivate behavioral change beyond reasonable expectations, you must provide sufficient reward
  - Do not expect everyone to respond equally
  - Do not create team rewards with groups of “differently motivated” people

- Before considering an incentive:
  - What will we get for achieving the results?
  - How much can we afford to pay for achieving the results?
  - Is the amount we can provide to employees sufficient to make the change?
Incentives – Plan

- ALWAYS clearly define the objectives, and the expected rewards, in advance.
- ALWAYS make the measures easy to understand
- ALWAYS have a mechanism for providing feedback on progress toward attaining objectives
- NEVER renege on a reward when performance is achieved.
Incentives - Objectives

- Define objectives that will not result in unintended consequences:
  - Example: “Increase productivity to 4400 encounters/year”
  - Intended result – we will see more patients in encounters that generate more revenue without sacrificing quality or patient satisfaction, thus improving our bottom line
  - Potential result – shove patients through the system as fast as possible, to get more in.
Incentives – Objectives (continued)

- Same goal (increase productivity to 4400 encounters):
- Before “incentive” plan launched
  - Identify what processes can be changed to improve patient flow and maximize time that provider is with patient (e.g., MA takes appropriate history or partially fills out forms)
  - Determine which processes can be changed in job content, make those and test them until we get to the root behaviors that are left over
Incentives – Objectives (continued)

- Look at the remaining items that move from “process issues” to “performance issues”
- Determine whether changing performance expectations will solve the problem
- Whatever is left over becomes true “stretch” performance.
- We may not need an incentive at all!!
Incentives - Participants

- Giving someone a reward when they can’t “make it happen” is a bonus – it isn’t a bad thing… but it does NOT drive performance.
- Don’t include someone in an incentive plan if they have no actual control over the behaviors and results.
- Do include someone in an incentive plan if they can translate what they do into a result.
Translate objectives into a plan

Define Objective

Identify Measures

Identify Processes/People

- Assign tasks to jobs
- Develop performance expectations

- Identify measurable goals
- Design incentive that provides ROI
In closing...

- Think through everything carefully – better to take your time. Sometimes you only get one chance.
- Changing results through changes in processes and expectations is a much safer, and more predictable, approach. Incentives can be hit or miss.
- Results are much more likely to be achieved with the right roles, the right people, and the right pay.