# *Pay-for-Performance Ethical Concerns Explored*

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SAN DIEGO — Pay-for-performance programs must be carefully designed to avoid putting some of the most vulnerable patient populations at risk, officials with the American College of Physicians warned at the organization's annual meeting.

Although pay for performance has the potential to improve medical care, it could also endanger the physician-patient relationship, the financial stability of the health care system, and the elderly and the chronically ill, said Dr. Frederick E. Turton, chair of ACP's Ethics, Professionalism and Human Rights Committee.

To this end, ACP is preparing to publish a position paper on the issue of ethics in pay for performance. The paper, "Ethics Manifesto: Pay for Performance Principles that Ensure the Promotion of Patient Centered Care," focuses on what pay-for-performance programs should accomplish, what physicians should do if participating in these programs, and the potential unintended consequences of these incentive programs.

"We already have one system that is broken," Dr. Turton said during a panel session on the topic. "We don't want pay for performance to initiate yet another broken system."

Pay-for-performance programs should be designed to promote evidence-based care, encourage collaboration among providers, support patient autonomy, protect patient privacy, and include full disclosure of financial incentives. A well-designed program also should address the comprehensive needs of patients, not single-disease states, according to the ACP position paper.

For example, ACP officials are concerned about programs that base their incentives on meeting strict clinical targets, such as a specific hemoglobin $A_{1c}$ level, because that might prompt physicians to select patients based on their ability to meet that target. Instead, programs that focus on improvement on a measure might be more appropriate, Dr. Turton said at a press briefing during the meeting.

For their part, physicians should be aware of the potential influences on their clinical judgment and strive to avoid discrimination. And physicians need to put medical considerations ahead of both their own and the payer's financial interests, Dr. Turton said.

Some of the unintended consequences highlighted by ACP in its upcoming ethics paper include the potential deselection of patients, gaming of the system by physicians, and an increase in unnecessary care and costs.

Pay-for-performance programs also have the potential to encourage physicians to perform to the measure, rather than thoughtfully evaluating the individual needs of the patients, Dr. Alan R. Nelson, a member of the Institute of Medicine's study committee on pay for performance. And quality measures may not lead to reductions in cost, he said. In the short term, in fact, pay for performance will probably increase utilization of services and cost, he said during the panel session.

Exploring the ethical implications of pay-for-performance programs is new territory, according to Dr. Matthew K. Wynia, director of the Institute for Ethics of the American Medical Association.

Limited data are available about pay-for-performance ethical concerns, in part because these programs are so new and researchers need more time to study their effects, he said. The programs are also variable, complex, and are often proprietary and confidential, making them hard to study. And pay for performance is generally not well understood by either patients or physicians at this point, Dr. Wynia said.

The limited information in the literature on pay-for-performance and public reporting programs has provided mixed results on the question of whether pay for performance will simply reward those who are already high performers.

For example, one study compared the performance of California physicians who were enrolled in a pay-for-performance program with the performance of physicians in the Pacific Northwest who were not enrolled. The study assessed outcomes on cervical cancer screening, mammography, and hemoglobin $A_{1c}$ testing and found that the California physicians achieved greater quality improvement only in the area of cervical cancer screening. The researchers concluded that there was little gain in quality, and that the financial rewards were given mainly to those who had a higher performance at baseline (JAMA 2005;294:1788-93).

However, in another study, 207 hospitals involved in a Medicare-sponsored pay-for-performance demonstration showed greater improvement in a composite of 10 quality measures, compared with 406 hospitals involved in voluntary public reporting only. And among the pay-for-performance hospitals, those that had the worst baseline quality performance improved the most (16.1%), while those with the highest baseline quality improved the least (1.9%) across the measures (N. Engl. J. Med. 2007;356:486-96).

There are data on both sides of this, Dr. Wynia said.

A recent study also calls into question how a pay-for-performance program under Medicare could reliably assign responsibility for a patient's care. For example, an analysis of Medicare claims from 2000 to 2002 among 1.79 million fee-for-service Medicare beneficiaries showed that, on average, beneficiaries saw two primary care physicians and five specialists across four practices. And about a third of Medicare patients also switched assigned physicians each year (N. Engl. J. Med. 2007:356:1130-9).

In light of these results, it could be difficult to assign rewards for care, Dr. Wynia said. ■

## POLICY & PRACTICE

### Bipolar Disorder More Common

A new survey indicates that as many as 4% of American adults might have bipolar disorder at some point in their lifetime, higher than the 1% prevalence found in previous surveys. Researchers from the National Institute of Mental Health queried about 9,282 people from 2001 to 2003 as part of the National Comorbidity Survey-Replication. Based on the survey, the authors reached lifetime estimates of 1% for bipolar I disorder 1.1% for bipolar II disorder and 2.4% for subthreshold bipolar disorder. Most patients with a lifetime history of bipolar disorder and lifetime treatment were under the care of psychiatrists; patients with subthreshold bipolar disorder were more likely to receive care from a general medical professional. In looking at the previous 12 months of medication therapy, the authors found that 45% of patients receiving psychiatric care got appropriate medications, compared with only 9% of those getting general medical care. The study appeared in the May issue of the Archives of General Psychiatry.

### Drug Abuse Treatment Rare

Results of another government-sponsored survey in the same issue of the Archives finds that 8% of identified drug abusers and less than 40% of people diagnosed with drug dependence ever get treatment. The National Epidemiologic Survey on Alcohol and Related Conditions was conducted by the National Institute on Drug Abuse and the National Institute of Alcohol Abuse and Alcoholism. The researchers also found that 10% of Americans have trouble with drug use or abuse during their lifetimes, including 3% who become dependent at some point. Abuse and dependence were highest among men, Native Americans, people aged 18-44 years, unmarried individuals, and those in a lower socioeconomic stratum or who lived in the West. The data came from face-to-face interviews conducted from 2001 to 2002 with 43,000 adults.

### Call to Share Student Mental Info

A new bill in the U.S. House of Representatives would allow schools and universities to share a student's mental health information with parents or guardians, but only if the student is considered a danger to himself or others. Rep. Tim Murphy (R-Pa.), a child psychologist and cochair of the Congressional Mental Health Caucus, sponsored the legislation (H.R. 2220). The bill would clarify the Family Educational Rights and Privacy Act of 1974, which currently inhibits schools from notifying parents when a student might pose a significant risk of suicide, homicide, or assault, according to Rep. Murphy. "We want to remove the barrier that prevents schools from contacting parents to get them the help they need, not only for the safety of their child, but also of others on campus," he said in a statement. As of press time, the bill had 17 cosponsors and no Senate companion.

### THC Levels Highest Ever

With a warning that "this isn't your father's marijuana," John Walters, the director of the White House Office of National Drug Control Policy, issued a report this spring showing that the levels of tetrahydrocannabinol (THC) in marijuana now available in this country are the highest ever recorded. The University of Mississippi Potency Monitoring Project found that the average THC level was 8.5%, compared with 4% reported in the early 1980s. Further, a larger proportion of pot has a potency of 9% or higher—a trend that has been increasing since the late 1990s, according to the Potency Monitoring Project. The project receives funding from the National Institute on Drug Abuse and has been analyzing seized marijuana samples since 1976. Mr. Walters said the report should serve "as a wake-up call for parents who may still hold outdated notions about the harms of marijuana."

### Improved Ped Paxil Settlement

Public Citizen said it has won greater compensation for parents of children who took the antidepressant Paxil but can't provide documentation of their purchase or related costs. In an earlier complaint (*Hoormann, et al. v. SmithKline Beecham Corp.*), the defendants alleged the company misled parents by not disclosing that the drug was dangerous and ineffective for children under age 18 years. Paxil maker GlaxoSmithKline was required to put $63.8 million into a fund to pay class members' out-of-pocket expenses and attorneys' fees, but members who could not provide proof of expenses were limited to a $15 payout and a pro rata share of $300,000, depending on the number of claimants. In a revised settlement approved by the Third Judicial Circuit of Madison County, Ill., claimants without documentation will now get up to $100, and the $300,000 pro rata cap is eliminated, Public Citizen said. "The revision significantly improves the value of the settlement, particularly to those class members who are unable to document their claim," said Jennifer Soble, an attorney with Public Citizen, in a statement. Information on the settlement is at www.paxilpediatricsettlement.com.

### New Medicare Leadership

President Bush recently nominated Kerry N. Weems, a 24-year veteran of the Department of Health and Human Services, to lead the Centers for Medicare and Medicaid Services. Mr. Weems now serves as deputy chief of staff to HHS Secretary Mike Leavitt. "He understands the large fiscal challenges facing Medicare and Medicaid and what it will take to strengthen and sustain those programs for the future," Mr. Leavitt said in a statement. If confirmed by the Senate, Mr. Weems will fill the vacancy left by Dr. Mark B. McClellan, who resigned from CMS last year. Leslie V. Norwalk is the current acting CMS administrator.

**—Alicia Ault**