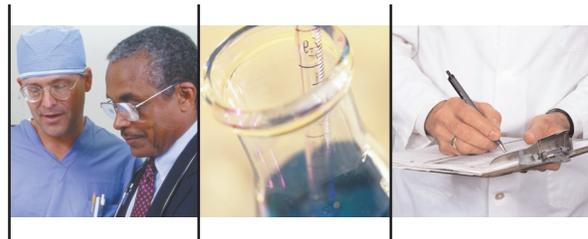


Issue Brief

Findings from HSC



PHYSICIANS AND CARE MANAGEMENT: MORE ACCEPTANCE THAN YOU THINK

by Marie Reed, Kelly Devers and Bruce Landon

Physicians' acceptance of care management tools—practice guidelines, patient satisfaction surveys and practice profiling—is an important indication of whether these efforts to improve quality and control health costs will succeed. According to a new study by the Center for Studying Health System Change (HSC), a majority of physicians affected by these tools believe the overall effect of each on the quality and efficiency of care they provide has been positive. Physicians affected by related financial incentives are more likely to view care management techniques positively if they are risk adjusted to reflect the greater need for services by people with health problems.

Understanding Care Management Tools

Research has shown that there is ample room to improve the quality of health care in America.¹ At the same time, containing the cost of care remains a major issue. Health plans, hospitals and physician group practices across the country have attempted to address these issues in a number of ways, including the use of care management tools. Among these tools are:

- *practice guidelines* to help physicians and other clinicians make medical decisions for patients with specific clinical conditions;
- *patient satisfaction surveys* to provide physicians with feedback on important dimensions of interpersonal communication and service quality; and

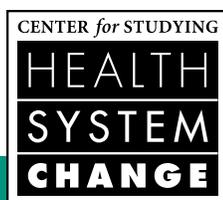
- *practice profiling* to compare individual physicians' treatment patterns and use of medical resources with those of other physicians. Profiles may incorporate comparative results of patient satisfaction surveys and some measures of guideline compliance.

Many physicians have been skeptical of care management efforts. Some believe these tools are used primarily to cut costs. Moreover, each tool has technical limitations that affect its usefulness, and some may even reward undesirable physician behavior. If the care management tool penalizes for referrals to specialists, for example, physicians could improve their scores by avoiding treatment of severely ill people. Finally, some physicians view these

tools as impinging on their professional autonomy. Rather than trusting physicians to make the right decisions, health plans and others have used these tools to evaluate individual physician performance and make employment and compensation decisions.²

Despite these concerns and the loosening of managed care restrictions, the proportion of physicians whose practice of medicine has been affected by these tools increased between 1997 and 2001.³ In 2001,

- more than half of all patient care physicians indicated that guidelines had a moderate or greater effect on their behavior;
- more than 60 percent had been affected by the results of patient satisfaction surveys; and





Data Source

This Issue Brief presents findings from the HSC Community Tracking Study Physician Survey, a nationally representative telephone survey of physicians involved in direct patient care in the continental United States conducted in 2000-01. The sample of physicians was drawn from the American Medical Association and the American Osteopathic Association master files and included active, nonfederal, office- and hospital-based physicians who spent at least 20 hours a week in direct patient care. Residents and fellows were excluded. The survey contains information on approximately 12,400 physicians. The response rate was 59 percent.

Web Exclusive

A supplementary data table related to this Issue Brief is available online at www.hschange.org.



CTSONline, a Web-based interactive system for results from the CTS Physician Survey, is available at www.hschange.org.



Table 1

Physicians' Assessments of Effects of Care Management Tools on Overall Quality and Efficiency of Their Practice of Medicine

CARE MANAGEMENT TOOL	PERCENT AFFECTED BY CARE MANAGEMENT TOOL ¹	VIEWS OF THOSE AFFECTED ²		
		POSITIVE	MIXED	NEGATIVE
PRACTICE GUIDELINES	56%	66%	27%	8%
PATIENT SATISFACTION SURVEYS	62	77	19	4
PRACTICE PROFILING	34	51	40	9

Note: Total may not add up to 100% due to rounding.

¹Percent of physicians reporting care management tool has had a moderate, large or very large effect on their practice of medicine.

²Percent of physicians affected by care management tool reporting the overall effect on the quality and efficiency of their medical practice has been positive, mixed or negative.

Source: HSC Community Tracking Study Physician Survey, 2000-01

- more than a third reported that practice profiles had influenced their practice of medicine.

Physicians Report Positive Effects

More than half of all physicians affected by each care management tool reported a positive overall effect of the tool on the quality and efficiency of their practice of medicine (see Table 1). Two-thirds of those affected rated practice guidelines as having an overall positive effect, 77 percent gave a positive rating to patient satisfaction surveys and 51 percent of those affected by profiling reported a positive effect. Physicians indicating that a care management tool had little or no effect on their practice of medicine were not surveyed about the effects of the tool on quality and efficiency. The fact that most physicians affected by care management tools view them in a positive light is a welcome development since earlier evidence suggested that physicians' negative views of these tools have been a barrier to their use.⁴

Managed Care Has Limited Effects, but Recently Trained Physicians More Positive

Physicians in practices with more revenue from managed care were somewhat more likely to report that care management tools have affected their practice of medicine

than were others (see Table 2). However, practice participation in managed care appears to have limited association with physician acceptance of the care management tools. There was no clear trend between practice involvement in managed care and physicians' assessments of the impact of practice guidelines. Doctors in practices with a relatively large proportion of revenue from managed care were less likely to view patient satisfaction surveys positively, while the apparent lower assessment for practice profiling is not statistically significant. When compared to earlier reports, these findings suggest that managed care plans and other organizations may have neutralized some of physicians' concerns about care management tools.

Since more recently trained physicians are more likely to be in practices with greater reliance on managed care, it is not surprising that they were also more likely to report that their practice of medicine had been affected by care management tools. They also tended to be more likely to report positive effects of the tools. Physicians who completed their training within the past five years were considerably more likely to report that guidelines had a positive effect on their practice of medicine and somewhat more likely to have positive assessments of patient satisfaction surveys than were physicians trained earlier.

The relatively positive assessments of guidelines and patient satisfaction surveys may reflect newer physicians' training in and

Table 2
Physicians' Assessments of Care Management Tools by Selected Characteristics

	PRACTICE GUIDELINES		PATIENT SATISFACTION SURVEYS		PRACTICE PROFILING	
	AFFECTED ¹	POSITIVE ²	AFFECTED ¹	POSITIVE ²	AFFECTED ¹	POSITIVE ²
PRACTICE INVOLVEMENT IN MANAGED CARE ³						
LOWEST THIRD ⁴	52%	66%	60%	80%	31%	55%
MIDDLE THIRD	57*	62	61	77*	34*	50
HIGHEST THIRD	60*#	68#	64*#	75*	38*#	49
YEARS SINCE COMPLETION OF MEDICAL TRAINING						
5 OR FEWER ⁴	66	71	66	81	39	53
6 TO 15	55*	65*	63*	75*	33*	52
16 OR MORE	53*	63*	59*	78*	34*	49‡

¹Percent of physicians reporting care management tool has had a moderate, large or very large effect on their practice of medicine.

²Percent of physicians affected by care management tool reporting the overall effect on the quality and efficiency of their medical practice has been positive.

³Based on percent of practice revenue from managed care. Each category includes approximately one-third of all patient care physicians.

⁴Reference group.

*Comparison with reference group is statistically significant at p<.05.

‡Comparison with reference group is statistically significant at p<.06.

#Comparison with physicians in middle managed care category is statistically significant at p<.05.

Source: HSC Community Tracking Study Physician Survey, 2000-01

familiarity with evidence-based medicine and the need or desire for guidance in the complex world of medicine as practiced today. These physicians also may be more attuned to the potential benefits of care management tools and less sensitive to their potential impact on clinical autonomy than are their colleagues who began practicing medicine earlier.

Impact of Financial Incentives and Risk Adjustment

Physicians with financial incentives related to profiling were more than twice as likely to indicate that profiling had affected their practice of medicine than were those without such incentives (see Table 3). Similar but less dramatic results were reported for financial incentives linked to patient satisfaction surveys.⁵ Physicians subject to

financial incentives were more likely to be aware of a care management tool and may be in practices with more ability and interest in encouraging use of and implementing these tools.

However, physicians' positive assessments of care management tools did not appear to be strongly linked to the use of financial incentives. Physicians whose compensation can be affected by financial rewards or penalties related to patient satisfaction surveys were no more likely to report positive effects than were those without such incentives. And physicians who are rewarded financially on the basis of profiling results were only slightly more accepting of profiling than those without an incentive. One possible reason for the lack of a strong relationship between financial incentives and positive evaluations of these tools is that other factors (e.g., perceived fairness, evidence base) may be more important.

The use of risk adjustment to reflect the greater need for services by patients who are in poorer health makes a large difference in physicians' acceptance of practice profiling. Nearly two-thirds (64%) of physicians with financial incentives tied to risk-adjusted profiling reported a positive effect, compared with 46 percent of those with a financial incentive whose profiles were not risk adjusted. Without risk adjustment, profiling is likely to produce results that are either beyond the physician's control to affect or difficult to improve on through positive behavior change.

Growing Acceptance Bodes Well

Growing physician acceptance of care management tools should be encouraging to public policy makers and industry leaders. Physicians' positive views of care management tools are the result of a number of factors, including:

- adoption of the tools by a wide variety of organizations, including providers as well as health plans;
- efforts on the part of these organizations to respond to physicians' concerns; and
- an increasing proportion of physicians who are trained in a managed care and care management environment.

Patient satisfaction surveys, which provide an important measure of quality in health care from the patient's perspective, have achieved widespread acceptance by physicians. The surveys could be even more useful if they also provided guidance to patients in choosing a doctor and to purchasers in deciding among insurers with different physician panels. This would require that the surveys be standardized for comparison purposes. The federal government's effort to adapt the publicly developed and available Consumer Assessment of Health Plans Survey (CAHPS) to measure patients' experiences with physician practices is a promising step in this direction, because it would enable comparative information about physician practices to be reported to purchasers and patients.



The good news
is that risk adjusting
care management
tools dramatically
increases the
prospects of physician
acceptance.

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Table 3
Financial Incentives and Physicians' Assessments of Care Management Tools

RELATED FINANCIAL INCENTIVES	PATIENT SATISFACTION SURVEYS		PRACTICE PROFILING	
	AFFECTED ¹	POSITIVE ²	AFFECTED ¹	POSITIVE ²
YES	84%*	79%	62%*	57%*
NO	59	76	30	50

Note: Excludes full owners of solo practices.

¹Percent of physicians reporting care management tool has had a moderate, large or very large effect on their practice of medicine.

²Percent of physicians affected by care management tool reporting the overall effect on the quality and efficiency of their medical practice has been positive.

*Comparison with physicians without related financial incentives is statistically significant at $p < .05$.

Source: HSC Community Tracking Study Physician Survey, 2000-01

The fact that physicians are much more likely to view financially linked profiling positively when it is risk adjusted suggests that this area is ripe for additional research and development. In its role as a payer, the federal government has been investing in research in risk-adjusted payments to health plans participating in Medicare and Medicaid. In its broader role of improving care for all Americans, the government could extend this research to the development of risk-adjustment methods at the medical practice or individual physician level as well as the information infrastructure (e.g., electronic medical records) necessary to collect valid and reliable data needed for good risk-adjustment mechanisms. Research and information infrastructure development are unlikely to be accomplished effectively by the private market alone and would be of benefit to all payers, provider organizations and patients.

In a time of renewed concern about rising costs, greater awareness of the gap between best evidence and current practice and an ever-expanding knowledge base, continued development and use of care management tools can be extremely valuable. If care management tools are to be effective in improving the quality of care, physicians must perceive them as valid, useful and fair. Risk adjustment helps to make profiling fairer, and similar adjustments

could be developed for other care management tools. Certainly this is not an easy task, but the good news is that risk adjusting care management tools dramatically increases the prospects of physician acceptance. ●

Notes

1. Institute of Medicine, *Crossing the Quality Chasm*, National Academy Press, Washington, D.C. (2001).
2. Kassirer, Jerome P., "The Use and Abuse of Practice Profiles," *New England Journal of Medicine*, Vol. 330, No. 9 (March 3, 1994).
3. Strunk, Bradley C., and James D. Reschovsky, *Kinder and Gentler: Physicians and Managed Care, 1997-2001*, Tracking Report No. 5, Center for Studying Health System Change, Washington, D.C. (November 2002).
4. Cabana, Michael D., et al., "Why Don't Physicians Follow Clinical Practice Guidelines? A Framework for Improvement," *Journal of the American Medical Association*, Vol. 282, No. 15 (October 20, 1999).
5. Data are not available for financial incentives related to guideline compliance. In addition, full owners of solo practices were not surveyed about practice financial incentives, so they are excluded from these estimates.