

# Fact Sheet

## Physician Group Incentive Program 2011



### Increasing the Use of Generic Drugs

#### Overview

The goal of this initiative is to decrease pharmacy costs by reducing the variation in the generic dispensing rate (GDR) among POs and increasing the overall utilization of generic drugs, where appropriate.

#### Objectives

- Decrease variation in generic use among primary care physicians and specialists
- Explore opportunities for improving the GDR
- Explore opportunities to incorporate over-the-counter medications in place of more expensive name brand pharmaceuticals

#### Incentive Design

The incentive payment is based on both performance and improvement. For each PO, the incentive payment is based on individual PO performance compared to other participating POs and to the PGIP benchmark performers, and individual PO improvement over the past year.

#### Participation Criteria

All PGIP primary care physicians (PCPs) are eligible to participate. This includes PCPs in: General Practice, Family Practice, Internal Medicine, Pediatrics, and Geriatric Medicine.

#### Evaluation

The evaluation is designed to assess the effectiveness of the Initiative in achieving stated goals and objectives. The process evaluation (the short-term and intermediate-term evaluation) will address how the intervention is functioning, including process and structure changes brought about as a result of the Initiative. The outcome evaluation (generally the long-term evaluation) will focus on the effects theorized to result from the Initiative's interventions.

#### About Value Partnerships

*Value Partnerships is a collection of clinically oriented initiatives among Michigan physicians, hospitals and Blue Cross Blue Shield of Michigan that are improving clinical quality, reducing complications, controlling cost trends, eliminating errors, and improving health outcomes throughout Michigan.*

#### About The Physician Group Incentive Program

*The Physician Group Incentive Program (PGIP) began in 2005 to encourage and incentivize physicians to more effectively manage populations of patients and build an infrastructure to more robustly measure and monitor care quality. As of August 2010, 37 physician organizations (POs) and over 8,600 physicians are working together to improve health care for more than 1.8 million Michigan Blues members.*

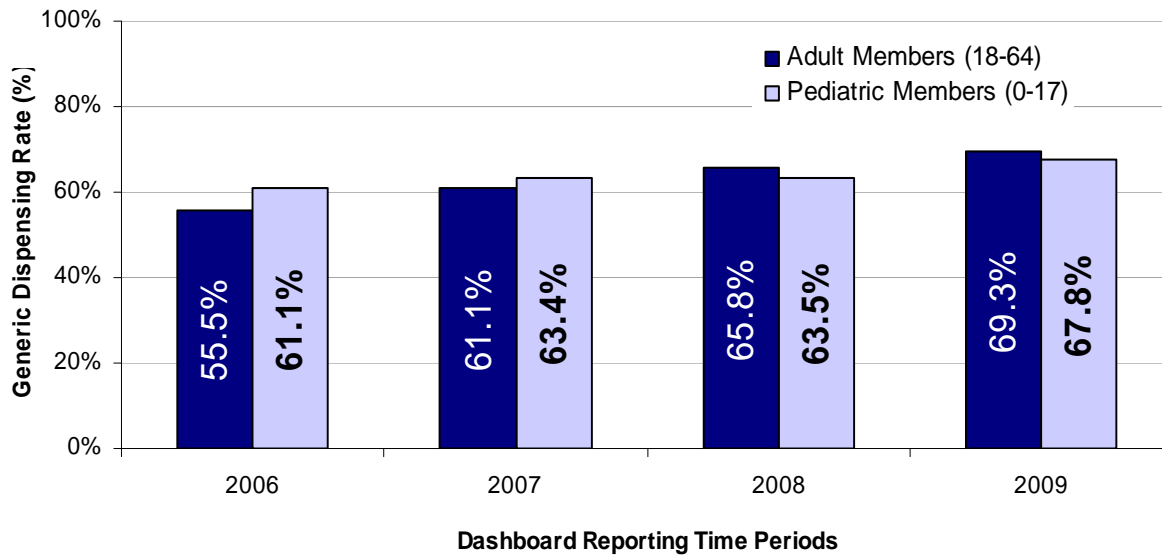


## Results

As of the 2010 PGIP program year, 95% of PGIP POs have elected to participate in the Initiative.

The PGIP GDR has increased substantially over the past four years, as shown below

### Risk-Adjusted Annual GDR Rates for Members Attributed to PGIP PCPs



Questions about Increasing the Use of Generic Drugs Initiative?

Please contact Michelle Ilitch,  
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For more information on PGIP, or for a copy of the full initiative plan, please contact:

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