

Fact Sheet

Physician Group Incentive Program 2011



Radiology Management Initiative: Appropriate Use of Diagnostic Imaging Services

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.

Overview

The Radiology Management Initiative is designed to moderate the increase in diagnostic imaging costs by reducing inappropriate use of diagnostic radiology procedures and increasing the use of prior authorization through BCBSM's imaging benefit program. The provision of performance data to POs enables them to develop strategies based on their own radiology use and cost patterns.

Objectives

- Reduce variation in cost and use rates of imaging services among physicians and POs in PGIP by decreasing inappropriate imaging utilization
- Support POs' development and implementation of radiology management intervention plans to increase PO performance toward the benchmark
- Support POs' development and implementation of intervention plans to address self-referral rates

Incentive Design

Participation is defined as utilizing the dashboard reports and datasets to develop internal processes to promote the appropriate use of radiology imaging among providers and to submit biannual progress reports. POs earn financial incentives based on overall performance and improvement realized based on cost per member per month (PMPM). Improvement is evaluated by assessing the PO's utilization, measured as the total combined high- and low-tech imaging standard cost PMPM, against an established PGIP-specific benchmark.

Participation Criteria

All Primary Care Physicians (PCPs) are eligible to participate in the Radiology Management Initiative but must be a member of a PGIP PO. PCPs are defined as those practicing within Michigan with a primary specialty of General Practice, Family Practice, Internal Medicine, Pediatrics or Geriatric Medicine.

Evaluation

The evaluation of the Radiology Management Initiative will address the intervention design and delivery, and will focus on the effects theorized to result from the intervention. These effects include short-term behavioral and knowledge-based changes, and long-term effects that include reducing inappropriate imaging utilization, which subsequently may reduce cost or slow the cost trend. The evaluation is intended to provide insight into the effectiveness of the designed Radiology Management Initiative.

Results

PO participation in the Radiology Management Initiative has increased since its inception. Overall cost PMPM continues to increase, but at a slower rate since the inception of the Radiology Management Initiative.

The following Radiology Management Initiative results were observed when comparing 2009 results with 2008 results:

- Over 90 percent of PGIP physicians participated in the Radiology Management Initiative
- High-tech imaging services still account for the greatest proportion of radiology imaging costs
 - Total high-tech services cost PMPM for 2009 was \$17.39
 - Total low-tech services cost PMPM for 2009 was \$8.58
- Total radiology services cost PMPM decreased by 3.7% from 2008 to 2009
- The overall web use rate for authorization requests increased by 11.3% from 2008 to 2009, for a rate of 46.2%
- The overall compliance rate with authorization decisions increased by 3.4% from 2008 to 2009, for a rate of 91.7%

Savings for the first three years (2008 through 2010) of the Radiology Management Initiative are estimated at \$65.86 million, with the greatest savings concentrated among high-tech radiology services.

Question about the Radiology Management Initiative?

Please contact Kim Harrison,
Senior Healthcare Analyst,
KHarrison@BCBSM.com



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

providerpartnerships@bcbsm.com