

Do Insurance Companies Provide Incentives for services/medications?

In our last section we talked about how insurance companies discourage wellness programs while encouraging more medical procedures in order to increase profits. So how is this accomplished? How do insurance companies encourage physicians to do more procedures? One only has to review the Blue Cross Blue Shield payout summary distributed to participating physicians to find out.

Blue Cross Blue Shield, as well as other health care insurers, provides incentives for participating physicians. The idea promoted is that by providing physician incentives, more medical care and follow through will be accomplished. This is done through what is termed a “quality score” calculated for each participating program by taking the number of patients meeting the criteria for each procedure divided by the total number of patients enrolled. For each of the “quality incentive measures”(QIM), a score is calculated, which is based upon criteria provided by the insurance company. Monetary incentives are issued to the physician if these scores are met. This is in addition to the reimbursement schedule for the specific diagnosis and CPT codes on the insurance form.

As an example: for breast cancer screening, the QIM is 80% of eligible patients. If this score is met, the physician receives a payout of \$100.00. For childhood immunizations, the QIM is 63% of eligible children and the payout here is \$400.00. Controlling high blood pressure with medications has a QIM of 75% with a payout of \$100.00.

This is also accompanied by what is termed a CMS star rating scale. The CMS star rating scale was developed by the Centers for Medicare and Medicaid Services to help consumer’s rate rest homes. This scale has been modified to rate patient participation of a physician’s practice as a percentage based upon the QIM. As with the QIM scale, there are a number of conditions/screenings that are listed. Among them are things such as patient compliance with medications to control diabetes, hypertension, cholesterol and arthritis, as well as screening for diabetes and breast cancer. Depending upon the percentage calculated, the physician receives additional fees on a per patient basis, depending upon the number of stars they have for the condition. So, if the physician has a CMS star rating of < 3.5, they will receive \$1.00 per patient for the month. But if they have a CMS star rating

of 5, they will receive \$8.00 per patient per month additionally. Gradations in between reimburse at different rates.

Note that the QIM and CMS star rating scores cover testing for and controlling the disease, but does not offer incentives for reducing medications or reversing the disease process.

So what do you think happens when you walk in to a doctors office asking for help with your specific condition? You are thinking that I need to be cured of this particular affliction while the doctor has been provided an incentive to maintain your disease at its present level. Some more Food for Thought.

Sources: Blue Cross Blue Shield of Michigan Blue Care Network; Centers for Medicare and Medicaid

October 2016