

Many employers do not implement programs to improve quality and value of health benefits

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A new survey indicates that among large employers, many have not examined data on physician quality or shared health plan or physician data with employees that could help improve the value and quality of health benefits, according to a study in the November 21 issue of JAMA.

“Value-based purchasing has often been portrayed as the lynchpin to quality improvement in a market-based health care system. Under this paradigm as it was originally conceived, employers and other large purchasers of health care are expected to contract with health plans according to quality and cost.

Other key elements of value-based purchasing include the promotion of quality improvement in negotiations with health plans and facilitating informed choice of health plan through dissemination of comparative cost and quality information to employees,” the authors write. Although a small group of the largest national employers have been active in improving health care quality through the promotion of quality measurement, reporting, and pay for performance, it is unknown whether these ideas have significantly effected employer-sponsored health benefit purchasing.

Meredith B. Rosenthal, Ph.D., of the Harvard School of Public Health, Boston, and colleagues conducted a national survey of large employers regarding value-based purchasing of health care and related efforts to

improve the quality of health care and employee health. The researchers interviewed by telephone executives at 609 of the largest employers across 41 U.S. markets between July 2005 and March 2006. The 41 randomly selected markets have at least 100,000 persons enrolled in health maintenance organizations, include approximately 91 percent of individuals enrolled in health maintenance organizations nationally, and represent roughly 78 percent of the U.S. metropolitan population. The 26 largest employers were identified in each market, with firms ranging in size from 60 to 250,000 employees.

A large percentage of surveyed executives reported that they examine health plan quality data (269 respondents; 65 percent), but few reported using it for performance rewards (49 respondents; 17 percent) or to influence employees (71 respondents; 23 percent). Physician quality information is less commonly examined (71 respondents; 16 percent) or used by employers to reward performance (8 respondents; 2 percent) or influence employee choice of providers (34 respondents; 8 percent).

“Our study suggests that skepticism about the benefits of value-based purchasing may be important because only about one-third of employers viewed each value-based purchasing strategy we asked about as ‘very useful.’ This perception may be due to the lack of a ‘business case’ for the intended outcomes of value-based purchasing in terms of the effects on workforce productivity, benefit cost savings, or the ability to attract and retain employees. Alternatively, some employers may (correctly) perceive that the evidence to support the effectiveness of strategies such as pay for performance and report cards is mixed at best,” the authors write.

Source: JAMA and Archives Journals

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