

# Experts advise caution over new incentive scheme for NHS hospitals

January 22 2010

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The English NHS should "proceed cautiously" in introducing payment for performance schemes aimed at improving the quality of care in hospitals, warn researchers from the University of York on [bmj.com](http://bmj.com) today.

They believe that the effects of incentive schemes on healthcare systems are still unclear and that the cost of implementing them may not be justified.

Following the quality and outcomes framework (QOF), which provides [financial incentives](#) to primary care teams, a new scheme is being introduced for NHS hospitals, explain Alan Maynard and Karen Bloor.

This scheme, known as the commissioning for quality and innovation framework (CQUIN), is modelled on a US pilot scheme. It will also offer rewards for meeting targets, but the incentives are aimed at [hospital](#) trusts rather than the clinical team.

The scheme is being piloted in the NHS North West region, where hospitals in the top two performing quartiles are offered 4% and 2% increases in tariff payments and there are no penalties for those with low scores.

But the authors argue that evidence of the effectiveness of the US incentive scheme is weak. They also point to possible problems, such as effects on motivation and increasing financial instability in a time of

increasing financial constraint in the NHS.

Although early data show good clinical engagement with the scheme in the North West, there is still uncertainty about the impact of rolling out the new scheme for NHS hospitals, they say.

Clearly the costs and benefits of using rewards and penalties alone or in combination to induce clinical and organisational performance improvement needs to be evaluated, they write. This should include consideration of the possible problems of bias or gaming, as well as inadequate data collection.

"Finally, the lesson learnt from the quality and outcomes framework is that we need to find out what the opportunity costs are of implementing the new scheme, they conclude. "If clinicians and hospitals allocate scarce resources to incentive schemes aimed at improving a particular set of conditions, there is a risk that other clinical conditions and procedures will get less attention and their outcomes will not be improved."

Provided by British Medical Journal

Citation: Experts advise caution over new incentive scheme for NHS hospitals (2010, January 22) retrieved 1 May 2024 from

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