Removal of financial incentives for clinical quality linked to poorer performance

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The removal of financial incentives attached to measures of clinical quality is associated with slight drops in performance levels, according to research published in the British Medical Journal today.

Since 2004, UK GPs have received payments based on a range of indicators of clinical quality, eight of which are due to be removed in 2011. While existing research indicates that financial incentives lead to improvements in quality, there are few data on the effect of their removal.

Researchers evaluated the effect of financial incentives in 35 Kaiser Permanente facilities in California, which provided both general and speciality care. They examined quality indicators for diabetes retinopathy screening, cervical cancer screening, glycaemic control for diabetes, and hypertension control.

During the study period - 1997 to 2007 - financial incentives were removed for diabetic retinopathy screening and cervical screening. Over the five years where financial incentives were attached to it, retinopathy screening rates rose from 84.9% to 88.1%. Over the following four years without incentives they fell year on year to 80.5%.

Rates of cervical screening rose slightly over the two initial years when financial incentives were attached, and fell during the five years when they were removed. Incentives were then reattached for two years, and rates began to climb once more.

Diabetes glycaemic control was not incentivised during 1999 and 2000 when levels of achievement were 44.2% and 46.85% respectively. Performance continued to improve following the introduction of incentives in 2001. Hypertension control was incentivised throughout the study period, but data was only available between 2002 and 2007, during which time performance improved.

The researchers point to limitations in the study, for example at Kaiser Permanente, doctors' income is not affected by the incentive, unlike the UK. However, if further research confirms that the removal of financial incentives means performance levels - and potentially patient care - decline, there may be practical implications for policy-makers, clinicians, and patients, they conclude.

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