DATA BRIEF

2017 VALUE-BASED PAYMENT STUDY

Overview

This report presents the key findings from the 2017 Value-Based Payment (VBP) study. The primary objectives of the study were to gauge members' perceptions and attitudes with respect to VBP models and to determine if there are any changes in attitudes in comparison to the 2015 VBP Study.

Key Findings

VBP Familiarity and Utilization

- Six in 10 (60%) indicated they were either "extremely familiar" or "somewhat familiar" with the concept of VBP which was consistent with 57% in 2015. Significantly fewer said they were "not at all familiar" in 2017 (7%) than in 2015 (12%).
- As shown in Table 1, half (47%) of the practices are actively pursuing VBP.

Table 1: Current Status or Strategy toward VBP

	2015	2017
Actively pursue VBP opportunities today	44%	47%
Develop capabilities, but wait until the results are better known before fully pursuing	23%	21%
Hold off on making changes, focus on optimizing under fee-for-service	22%	19%
Other	10%	13%

Distribution of VBP

- When looking at the distribution of payments, four in 10 (37%) indicated payments based on quality measures were distributed to physicians, which is significantly higher than 18% in 2015. Fewer reported payments were funneled through administration (19%) or mixed model of both administration and physicians (10%). Three in 10 still do not know how payments are distributed.

Table 2: Distribution of VBP within the Practice

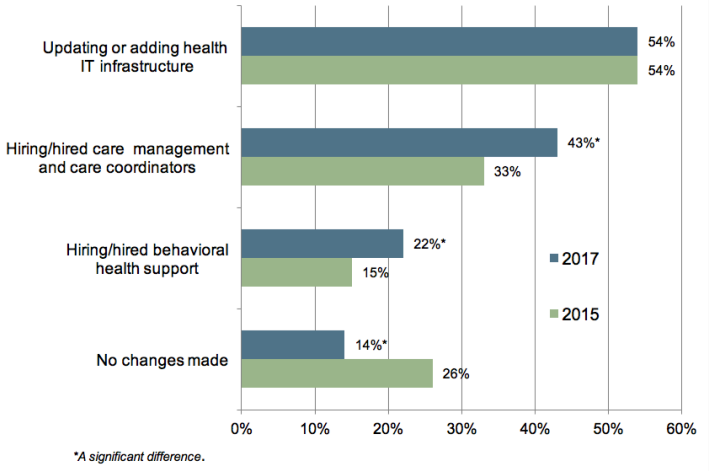
	2015	2017
Distributed to physicians based on quality measures	18%	37%*
Funneled through administration	26%	19%*
Mixed model (administration and physicians)	5%	10%*
Don't know	33%	31%
Other	12%	5%*

**A significant difference.*

Practice Changes Made to Participate in VBP

- More than half (54%) are updating or adding health IT infrastructure for data management and analysis in preparation to participate in VBP. As shown in Figure 1, significantly more family physicians are hiring care coordinators and behavioral health support in 2017 than in 2015. Only 14 percent report they are doing nothing to prepare for VBP, this is a significant change from 2015 (26%).

Figure 1: Changes made to participate in VBP

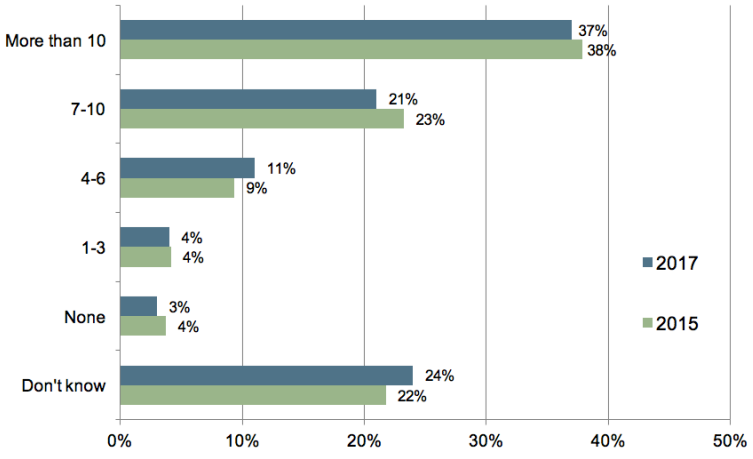


**A significant difference.*

Practice Characteristics

- As shown in Figure 2, nearly four in 10 (37%) family physicians' practices received payment from 10 or more payers during the past 12 months. This number has stayed consistent with 2015.

Figure 2: Number of payers/health plans in the past 12 months



Barriers to VBP Implementation

- Below are the barriers (major and minor barriers combined) and perceptions (strongly agree and somewhat agree combined) for implementing VBP under the three factors that family physicians cited as the successful outcomes of implementing VBP. When comparing findings from 2015 to 2017, most of the barriers stayed constant except for one. In this instance, the barrier "lack of resources to report, validate, and use of data" fell significantly in 2017 in comparison to 2015 (81% vs. 74%).

Table 3: Barriers to VBP Implementation

Practice Sustainability	Clinical Outcomes	Coordination of Patient Care
Lack of staff time^ 2015: 91% 2017: 90%	Lack of evidence that using performance measures result in better patient care^ 2015: 62% 2017: 62%	Lack of transparency between payers and providers* 2015: 77% 2017: 78%
Investment of health information technology+ 2015: 87% 2017: 86%	Insufficient training on advance care delivery functions^ 2015: 62% 2017: 64%	Lack of interoperability between types of health care providers* 2015: 76% 2017: 73%
Lack of resources to report, validate, and use of data* 2015: 81% 2017: 74%	VBP will increase work for physicians without a benefit to the patient+ 2015: 59% 2017: 58%	Lack of information on cost of services provided for appropriate referrals* 2015: 76% 2017: 73%
Unpredictability of revenue stream* 2015: 81% 2017: 77%		No uniform insurance company reports on performance^ 2015: 75% 2017: 75%
Ability to understand the complexity of financial risk* 2015: 80% 2017: 75%		Lack of standardization of performance measures/metrics^ 2015: 74% 2017: 78%
		Lack of timely data to improve care and reduce costs^ 2015: 63% 2017: 70%

^Percent of family physicians indicating this is a barrier to implementing VBP care-delivery.

**Percent of family physicians indicating this is a barrier to accepting financial risk value-based payments.*

+Percent of family physicians who agree with the statement about VBP models.

About the Value-Based Payment Study

The VBP survey was sent to a randomly selected sample of 5,000 active members of the American Academy of Family Physicians (AAFP) in September 2017. Respondents could complete either a printed copy or an online version of the survey. A total of 482 surveys were completed. In order to identify family physicians in direct patient care, a screener was asked at the beginning of the survey, yielding a final sample size of 386 surveys.

The sample base for the survey underrepresented female physicians and newer physicians compared to the entire population of AAFP members. The results were statistically weighted by gender of the respondent and experience (years since residency completion) to correct for the demographic imbalance and provide a better estimate of the entire population of family physicians. While the results from this study can be accepted with confidence and given the strict methodological constraints placed on the sampling and data collection, these findings are subject to some non-respondent error. The ability to access the magnitude of this error is limited by the amount of information we have about the individuals who complete the survey.

Funding from this survey was provided by Humana, Inc. Survey distribution, data collection, and analysis was solely conducted by AAFP.

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