

**PAY FOR PERFORMANCE PROGRAMS FOR PROVIDERS NOW TOTAL 150**

**FOR IMMEDIATE RELEASE**

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San Francisco and Washington, DC, August 26, 2007 – The number of provider “pay for performance” (P4P) programs nationwide has grown dramatically from 39 (2003) to approximately 148 (March 2007), according to the P4P and Consumer Incentive Survey conducted jointly by Med-Vantage® and The Leapfrog Group. There were 84 programs in 2004 and 107 in 2005.

Recent survey results from 75 purchasers, government agencies and health plans, revealed several important findings:

1. Since 2004, the top reason for implementing P4P remains improving clinical outcomes.
2. More than 60% of P4P survey respondents have now evaluated their programs and at least half of the evaluated programs find that clinical performance improved significantly.
3. About one third of all P4P survey respondents have been able to demonstrate cost savings.
4. Over 70% of all P4P programs are working to expand the scope or number of performance measures they use. P4P programs now rely largely on well-established or co-authored measures from national standard setting organizations such as AQA, NCQA, NQF, the Joint Commission, The Leapfrog Group and others.
5. Over 30% of P4P survey respondents posted information publicly on provider performance in their provider directories.
6. Advanced P4P programs are now developing tools to measure improvements in outcomes and eligibility for rewards directly from medical charts.

“The P4P and Consumer Incentive Survey demonstrates clear evolution in P4P programs. They are assessing hospital and physician quality more broadly and beginning to emphasize measures of efficiency. The programs also directly lead to greater availability of publicly reported information that is useful to employers and consumers,” said Suzanne Delbanco, CEO of The Leapfrog Group.

Geof Baker, CEO of Med-Vantage added that “P4P will continue to expand in the government sector, particularly Medicaid, with greater focus on clinical IT adoption by physician practices and capture of chart information for outcomes reporting.”

Results of the P4P and Consumer Incentive Survey will be made publicly available on the Leapfrog and Med-Vantage web sites. Leapfrog’s participation in the Survey was supported, in part, by the Commonwealth Fund.

**The Leapfrog Group** ([www.leapfroggroup.org](http://www.leapfroggroup.org)). On behalf of the millions of Americans for whom many of the nation's largest corporations and public agencies buy health benefits, The Leapfrog Group aims to use its members' collective leverage to initiate breakthrough improvements in the safety, quality, and affordability of health care. The Leapfrog Group was founded in November 2000 by the Business Roundtable and is supported by its members, the Robert Wood Johnson Foundation, The Commonwealth Fund, the Agency for Healthcare Research and Quality and other sources.

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