

# Small is beautiful or bigger is better? An assessment of French Experiment of a New Mechanism of Remuneration for Multidisciplinary Group Practices in Primary Care

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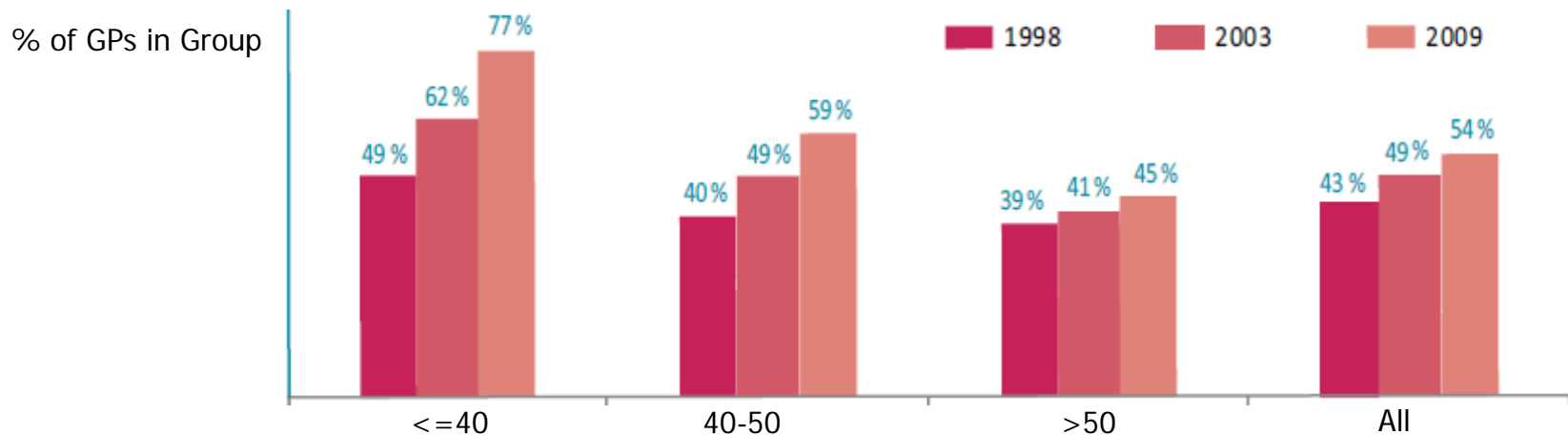
# 1. Background : French Primary Care & Multidisciplinary Group Practices

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- Health care delivery: productivity, equity, efficacy & efficiency issues => need for reinforcement of Primary Care Organisations [Atun, 2004; Hofmacher, 2007; OMS, 2008]
- Is GP or multidisciplinary group practice (GPGP, MGP) more attractive & more effective [Tollen, 2008; Rittenhouse 2009; Cutler 2010] ?
- France:
  - a fragmented PCO (private practice, public funding, weak regulation): self-employed health care professional (HCP), paid on a FFS basis, working in solo practice, with strong prof. frontiers
  - with several signs of inefficiency in health care delivery [Robert, 2009]
  - a fragmentary understanding of GPGP/MGP: individual registration of self-employed health care professional (HCP), no systematic & specific funding from the sickness funds

# 1. Background : Multidisciplinary Group Practices (MGP)

- GPGP: more and more attractive (esp. for young GPs) prob. due to sharing costs (premises, equipment and staff) & improving the balance work/leisure [Audric 2004 ; Bourgueil & al 2010]
- But: less developed, less multidisciplinary & smallest than in other countries [Starfield 2005 ; Friedberg 2010; Bourgueil & al 2009]
- Recent (2008) increasing interest of public health policies (new skill-mix opportunities; funding for investment & running costs...)



Baudier F., Bourgueil Y., Evrard I. & al, Gautier A., Le Fur P., Mousquès J. La dynamique de regroupement des médecins généralistes libéraux de 1998 à 2009. Questions d'économie de la santé Irdes n° 157. 2010/09.

## 2. Performance of MGP: theoretical approaches

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- Firms, transaction costs and teamwork theories [Arrow, 1969; Williamson 1991; Holmstrom and Milgrom, 1991; Prendergast, 2002]
- Horizontal integration & economic of scope: minimize transaction costs (*e.g.* GPs-Nurses & home care) & production costs (sharing of equipment, material, human resources ; optimization of skill-mix)
- Horizontal integration, sustainability & visibility of efficacy (indeed efficiency) gains :
  - adaptation to new health needs with specific technology (IT), programs (Disease/Care management) & actions (patient registry; reminder ; audit/feedback...)
  - within specific framework (CCM, PCMH, PCT/QOF...)
  - and incentives (public reporting & P4P)

=> visibility for consumers (“brand name”) and then sustainable [Getzen, 1994; Cutler, 2010]

## 2. Performance of MGP: theoretical approaches

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- Vertical integration & economic of scale: fixe price indivisible/invariant (e.g. waiting room); minimize knowledge cost for “specialization” [Rheinardt 1975; Gaynor & Gertler 1991; Rosenman & Friesner 2004]
- Changes of individual behavior patterns :
  - balance between risk sharing (costs, revenue) and efficiency (incentives for quality, productivity) [Gaynor & Gertler 1991]
  - vs. “group culture” : selection & interaction => convergence (protection against: conflict, crowding out of intrinsic motivations...) [Town & al 2004; Encinosa & al 2007; Janus 2010]

## 3. Performance of MGP: empirical results

- Framework/Design
  - survivor analysis [Marder & Zukerman, 1985]
  - production/cost function analysis: stochastic cost frontier [Rheinardt 1972 -> Sarma & al 2010] vs data envelopment analysis [Bradford & Martin, 2000; Rosenman & Friesner 2004]
- Group more productive (+5-20%): economic of scope (most of the time), various economic of scale
- Efficacy-efficiency:
  - MGP + DM/CM : improvement, efficiency gains depending on time perspective
  - MGP + skill-mix :  $\approx$  nor improvement, efficiency gains depending on revenue & productivity gap, on substitution rate
- Behaviors: free riding & incentive, group culture, case mix, ...  
=> Identification (group, size, DM/CM, skill-mix); Dimension (few scope analysis) ; Control of selection bias

## 4. Rationale for an evaluation of ENMR

- Evaluation of Multidisciplinary group practice (MGP), Health Care Network (HCN), Health Care Center (HCC) involved in the ENMR:
  - More attractive, effective and efficient ?
  - Payment for the group (coordination, patient education & involvement, substitution between GPs & HCP), which complement FFS, with a P4P component (20%) => FFS = barrier ?
  - Managed by Social Security Agency, implement by Regional Health Authorities, for volunteers groups
  - 37 groups in the first wave (2010), 100 in the second (2011) => variability : geo. environment, group (nature/form, culture, incentive : revenue & cost), GPs & HCP (socio, practice), patients (case mix)

## 5. Evaluation design

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- Identification of causal effect (ENMR, Group) & selection bias
- Before (2008, 2009) & after the experiment (2011, 2012, 2013)
- Cases groups : GPs, Physio. & nurses of group practices included in the experiment & patients (listed or encountered)
- Controls : GPs, Physio. & nurses in solo in the catchment areas & patients (listed or encountered)
- Analysis: first transversal (2008, 2009) then longitudinal (2008-2012), cluster analysis (patient/GPs/group/environment)
- Sources: claims data, ad-hoc survey (groups, HCP, patients), census data



## 6. Evaluation dimension

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- Attractiveness
  - Satisfaction of GPs & HCP
  - Evolution of supply & demand within the catchment area
- Health care use (patient), activity & productivity (group/HCP)
  - Group or HCP (GPs, Phys., Nurses) :  $\Delta$  outputs (procedures, patients listed or encountered, €) depending on inputs (size, staff, equipment, €)
  - Patients ambulatory care expenditure (prob. utilization/categories -> €)
- Efficacy & quality (group/HCP)
  - Probability of adequate follow-up/procedures & efficiency of prescription
  - Patient satisfaction
- Controlling for : typo. geo. environment (census + adm. data => MCA+AHC), typo. of MGP (survey: organization, structure & process, funding...=>MCA+AHC), patient (age, gender, VHI, chronic condition...)

# 7. Empirical framework: DEA & SCF

- Efficiency: distance to the production or cost frontier

	Parametric	Non-Parametric
Determinist	DCF	DEA
Non determinist / Stochastic	SCF	DEA stochastic



$$y_i = \beta_0 + \sum_{j=1}^k \beta_j x_{ji} + v_i - s u_i$$

$y_i = \ln(q_i)$   
 $y_i = \ln(c_i)$

$$x_{ji} = \begin{cases} \ln(z_{ji}) \\ \ln(p_{ji}) \quad \ln(q_i) \end{cases}$$

$$s = \begin{cases} 1 \\ -1 \end{cases}$$

	Constant eco scale	Variable eco scale
Input	Min $\theta$ s.t. $\theta x_A - X\lambda \geq 0$ $Y\lambda - y_A \geq 0$ $\lambda \geq 0$	Min $\theta$ s.t. $\theta x_A - X\lambda \geq 0$ $Y\lambda - y_A \geq 0$ $e\lambda = 1$ $\lambda \geq 0$
Output	Max $\eta$ s.t. $x_A - X\mu \geq 0$ $\eta y_A - y\mu \leq 0$ $\mu \geq 0$	Max $\eta$ s.t. $x_A - X\mu \geq 0$ $\eta y_A - y\mu \leq 0$ $e\lambda = 1$ $\mu \geq 0$

# 8. Cases population

§ GPs, Phys., Nurses  
of MGP-ENMR,  
patients listed or  
not & encountered  
between 2008-2012

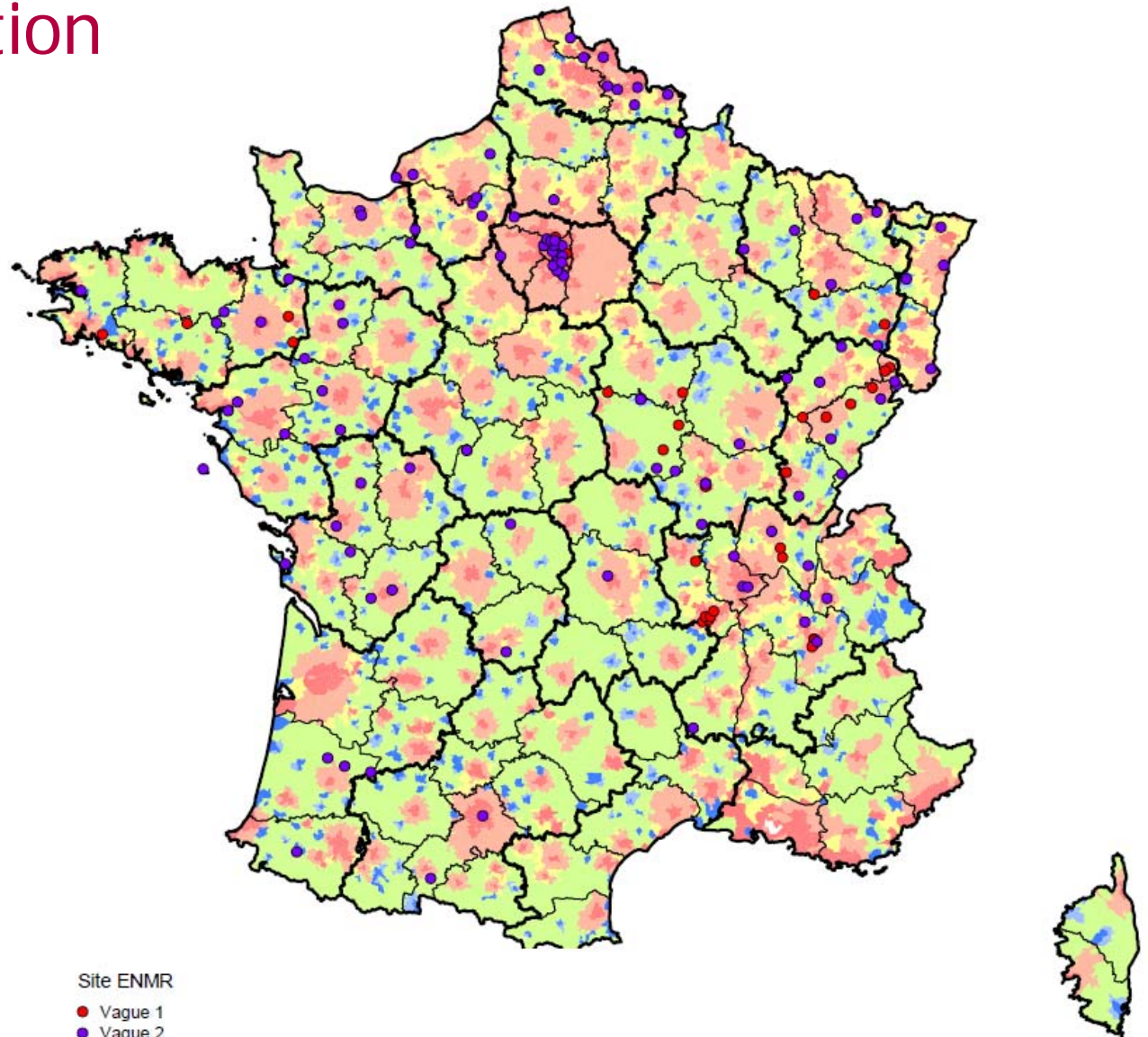
§ First wave of  
inclusion : 28 MGP-  
ENMR (14 MGP, 6  
HCN, et 8 HCCO for  
16 HCC)

§  $\approx$  458 HCP

§  $\approx$ 101 GPs

§ 151 076 patients

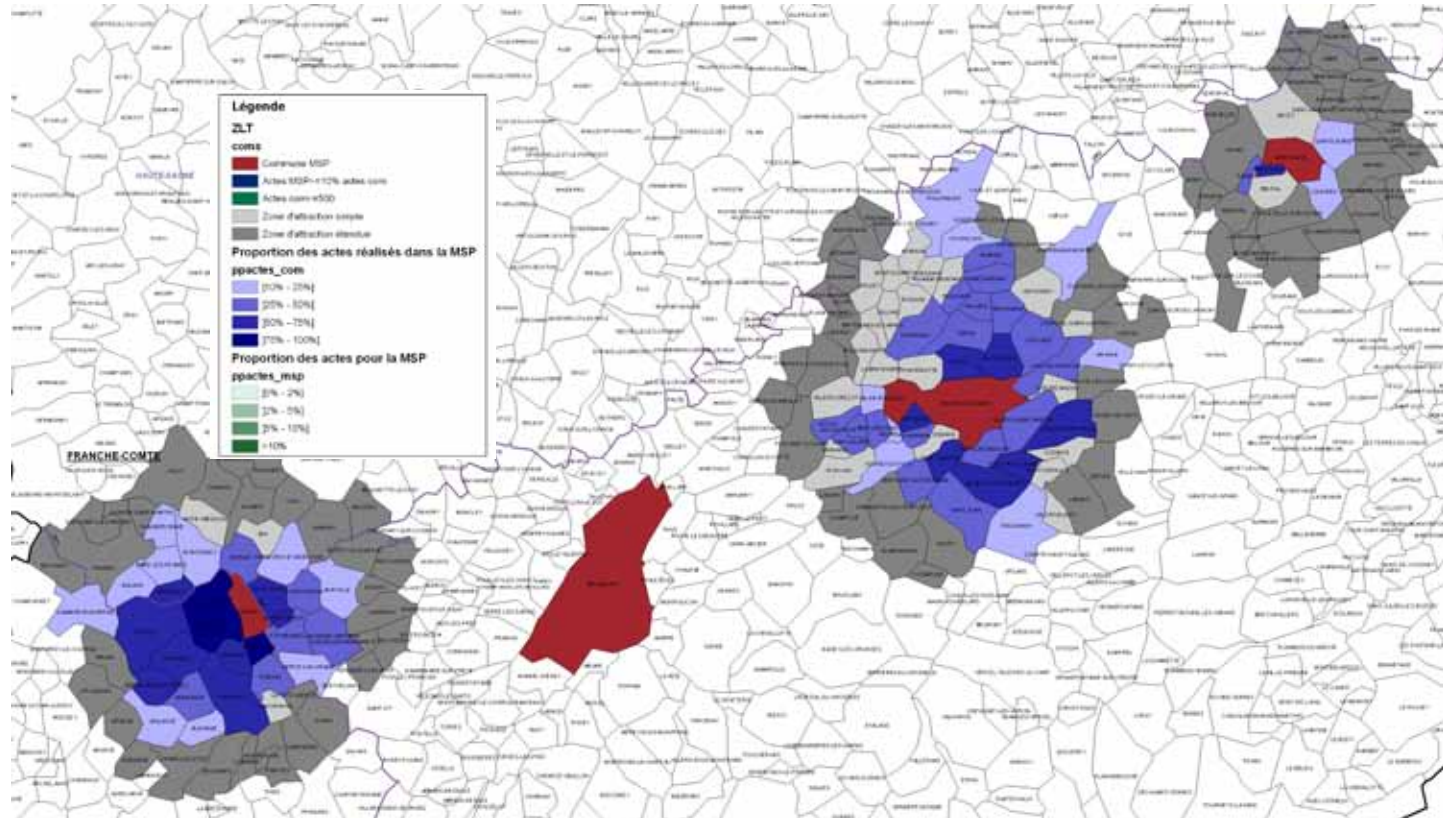
§ 2<sup>nd</sup> wave : still in  
progress





## 9. Control catchment area (CCA)

- Control catchment area (CCA)
  - GPs, Physio. & Nurses within the area of the MGP/HCN/HCC
  - Min= 10 & Max = 30
  - 594 GPs for 713 228 patients





## 10. Agenda

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- Design : October 2009 – March 2010
- Compulsory notification regarding « Information technology, files and liberties » : April-September 2010
- Extraction of claims data for 2008 & 2009: September-December 2010
- Data cleaning : January-April 2011
- Descriptive analysis: May 2011
- MGP survey : June 2011 (2008-2010)
- Multivariate analysis: July 2011-September
- GPs survey – October 2011 (satisfaction)
- Patients survey – February 2012

# 11. Descriptive results – sample of MGP/HCC/HCC vs CCA for 2008

	Cas			CCA			All		
	Nb. GPs or HCC	Nb. patients listed & enc.	Nb patient enc.	Nb. GPs	Nb. patients listed & enc.	Nb patient enc.	Nb. GPs or HCC	Nb. patients listed & enc.	Nb patient enc.
HCCO 1	5	8 279	14 694	31	11 917	35 800	36	20 196	50 494
HCCO 2	2	765	1 870	32	15 810	44 209	34	16 575	46 079
HCCO 3	1	1 889	6 532	29	12 395	42 916	30	14 284	49 448
HCCO 4	1	1 837	6 116	36	4 391	56 675	37	6 228	62 791
HCCO 5	1	2 999	6 332	19	9 209	19 330	20	12 208	25 662
HCCO 6	2	2 443	7 259	30	19 179	39 779	32	21 622	47 038
HCCO 7	1	2 217	5 655	23	17 382	46 426	24	19 599	52 081
HCCO 8	2	1 956	6 597	30	15 109	44 021	32	17 065	50 618
MSP/PDS1	4	1 426	4 966	12	6 122	12 007	16	7 548	16 973
MSP/PDS2	4	1 200	3 033	11	5 156	10 048	15	6 356	13 081
MSP/PDS3	3	1 415	2 558	15	8 841	16 090	18	10 256	18 648
MSP/PDS4	3	2 007	3 958	16	9 368	17 995	19	11 375	21 953
MSP/PDS5	2	1 643	3 168	11	5 779	10 287	13	7 422	13 455
MSP/PDS6	6	4 536	8 557	10	6 289	12 188	16	10 825	20 745
MSP/PDS7	2	1 468	2 797	25	14 805	29 939	27	16 273	32 736
MSP/PDS8	2	607	1 606	30	14 773	28 680	32	15 380	30 286
MSP/PDS9	5	2 158	4 941	12	6 117	11 602	17	8 275	16 543
MSP/PDS10	4	1 596	3 364	12	5 386	10 843	16	6 982	14 207
MSP/PDS11	9	4 475	9 985	30	8 998	28 773	39	13 473	38 758
MSP/PDS12	7	3 196	7 811	30	14 318	29 590	37	17 514	37 401
MSP/PDS13	2	1 075	2 069	16	9 678	17 748	18	10 753	19 817
MSP/PDS14	4	2 075	4 006	30	13 688	28 418	34	15 763	32 424
MSP/PDS15	4	1 455	3 895	30	13 218	37 657	34	14 673	41 552
MSP/PDS16	5	2 687	6 927	19	8 938	18 569	24	11 625	25 496
MSP/PDS17	3	1 089	2 076	15	8 185	16 123	18	9 274	18 199
MSP/PDS18	4	3 539	6 263	12	6 190	11 674	16	9 729	17 937
MSP/PDS19	9	4 895	9 701	14	9 045	22 217	23	13 940	31 918
MSP/PDS20	4	2 501	5 240	14	5 820	13 624	18	8 321	18 864
<b>All</b>	<b>101</b>	<b>67 428</b>	<b>151 976</b>	<b>594</b>	<b>286 106</b>	<b>713 228</b>	<b>695</b>	<b>353 534</b>	<b>865 204</b>

# 11. Descriptive results – Patient characteristics

	Cas - GPs/groups - experiment - wave 1 - 2008						Control - GPs - wave 1 - 2008					
	Nb. Patients listed & enc.	%>60 years	% Woman	% LTD	% PCHI	% PHIF	Nb. Patients listed & enc.	%>60 years	% Woman	% LTD	% PCHI	% PHIF
HCCO 1	8 279	<b>23%</b>	54,3	21,4	<b>18,1</b>	<b>0,40</b>	11 917	30%	53,5	22,2	5,7	0,10
HCCO 2	765	<b>18%</b>	<b>57,9</b>	19,6	<b>11,8</b>	<b>0,30</b>	15 810	29%	52,8	20,9	7,2	0,10
HCCO 3	1 889	25%	52,9	<b>19,9</b>	<b>23,1</b>	<b>1,00</b>	12 395	27%	53,6	24,2	16,4	0,90
HCCO 4	1 837	32%	56,4	<b>21,1</b>	<b>19,5</b>	<b>1,00</b>	4 391	35%	56,7	26,9	13,2	0,60
HCCO 5	2 999	<b>14%</b>	<b>58,2</b>	<b>15,6</b>	<b>26,3</b>	<b>0,10</b>	9 209	30%	55,0	22,0	10,5	0,00
HCCO 6	2 443	<b>22%</b>	<b>54,0</b>	23,1	<b>14,8</b>	<b>0,50</b>	19 179	29%	57,2	24,4	11,4	0,30
HCCO 7	2 217	<b>16%</b>	<b>64,3</b>	<b>18,2</b>	15,4	<b>0,30</b>	17 382	22%	55,6	23,6	15,5	0,50
HCCO 8	1 956	<b>25%</b>	<b>53,0</b>	26,7	<b>20,8</b>	<b>1,30</b>	15 109	32%	56,4	26,3	8,0	0,30
MSP/PDS1	1 426	<b>55%</b>	61,1	33,9	4,3	0,00	6 122	48%	58,5	31,3	4,4	0,00
MSP/PDS2	1 200	<b>58%</b>	58,6	<b>33,8</b>	4,0	0,00	5 156	45%	59,0	28,0	4,3	0,00
MSP/PDS3	1 415	<b>46%</b>	59,6	<b>33,3</b>	<b>2,1</b>	0,00	8 841	35%	56,8	29,3	6,2	0,10
MSP/PDS4	2 007	43%	58,5	32,2	3,8	0,00	9 368	48%	58,9	30,4	4,8	0,00
MSP/PDS5	1 643	29%	57,0	21,0	1,7	0,00	5 779	33%	56,1	21,6	2,3	0,00
MSP/PDS6	4 536	30%	55,9	17,7	2,1	0,00	6 289	30%	54,8	18,4	1,8	0,00
MSP/PDS7	1 468	26%	<b>51,5</b>	<b>12,3</b>	0,9	0,00	14 805	23%	56,0	16,2	2,8	0,00
MSP/PDS8	607	36%	57,7	<b>16,3</b>	1,3	0,00	14 773	38%	58,9	24,5	3,5	0,00
MSP/PDS9	2 158	<b>28%</b>	56,3	21,1	4,7	0,00	6 117	34%	54,4	22,1	2,8	0,00
MSP/PDS10	1 596	<b>26%</b>	56,1	<b>20,0</b>	2,7	0,00	5 386	35%	55,5	24,0	2,3	0,00
MSP/PDS11	4 475	33%	58,6	22,5	<b>7,7</b>	<b>0,00</b>	8 998	32%	57,8	22,7	12,9	0,20
MSP/PDS12	3 196	<b>21%</b>	58,4	<b>16,9</b>	4,1	0,00	14 318	32%	57,6	21,1	5,3	0,00
MSP/PDS13	1 075	<b>21%</b>	<b>50,6</b>	<b>17,3</b>	1,3	0,00	9 678	38%	54,4	24,9	3,4	0,00
MSP/PDS14	2 075	<b>26%</b>	<b>52,9</b>	<b>19,5</b>	<b>1,9</b>	0,00	13 688	37%	56,7	24,7	6,1	0,00
MSP/PDS15	1 455	24%	55,3	<b>28,6</b>	<b>10,5</b>	<b>0,50</b>	13 218	25%	53,6	25,0	13,7	0,70
MSP/PDS16	2 687	37%	55,9	17,8	4,9	0,00	8 938	32%	53,3	21,0	5,8	0,00
MSP/PDS17	1 089	37%	54,1	18,2	3,9	0,00	8 185	42%	54,6	20,0	3,4	0,00
MSP/PDS18	3 539	38%	56,2	21,4	1,9	0,00	6 190	36%	57,3	24,2	2,8	0,00
MSP/PDS19	4 895	31%	58,1	23,1	4,8	0,00	9 045	31%	55,6	21,8	4,3	0,00
MSP/PDS20	2 501	32%	56,0	23,4	3,3	0,00	5 820	29%	55,5	20,9	2,7	0,00

# 11. Descriptive results – Quality performance MGP/HCN/HCC vs CCA for 2008 vs. CCA

	Cases - GPs/groups - experiment - wave 1 - 2008			Controls - GPs - wave 1 - 2008		
	% pop. Mammo	% pop. Influenza vac.	% pop. Hba1c	% pop. Mammo	% pop. Influenza vac.	% pop. Hba1c
HCCO 1	36,1	59,3	<b>44,4</b>	39,4	62,3	40,9
HCCO 2	<b>42,7</b>	62,6	41,5	39,9	64,3	51,8
HCCO 3	<b>37,6</b>	53,2	<b>38,1</b>	34,6	53,5	30,5
HCCO 4	<b>34,5</b>	50,9	36,1	31,3	52,6	31,1
HCCO 5	26,1	52,5	<b>28,3</b>	28,2	64,2	36,3
HCCO 6	30,7	52,2	<b>41,6</b>	31,5	55,3	31,6
HCCO 7	<b>40,0</b>	57,9	<b>43,5</b>	33,2	60,0	30,8
HCCO 8	30,8	63,5	<b>44,7</b>	36,2	65,6	41,7
MSP/PDS1	<b>26,0</b>	59,5	<b>46,7</b>	23,6	61,5	29,2
MSP/PDS2	<b>27,2</b>	56,4	<b>40,6</b>	21,3	57,4	33,4
MSP/PDS3	<b>35,3</b>	62,5	<b>46,5</b>	30,8	63,0	35,4
MSP/PDS4	<b>38,5</b>	62,3	<b>69,4</b>	36,5	62,4	31,9
MSP/PDS5	<b>34,9</b>	58,8	<b>43,6</b>	32,1	49,8	31,8
MSP/PDS6	28,1	49,5	<b>32,7</b>	30,1	49,5	32,1
MSP/PDS7	<b>33,3</b>	32,4	<b>46,3</b>	30,0	56,0	23,5
MSP/PDS8	<b>38,7</b>	50,6	31,3	26,0	64,8	43,7
MSP/PDS9	31,8	54,5	<b>61,5</b>	34,5	60,6	44,0
MSP/PDS10	<b>33,8</b>	59,9	24,1	29,1	60,3	37,2
MSP/PDS11	<b>38,6</b>	64,8	<b>43,8</b>	31,9	65,5	37,8
MSP/PDS12	32,3	51,2	<b>52,0</b>	35,4	57,7	47,5
MSP/PDS13	<b>41,0</b>	<b>71,4</b>	<b>61,4</b>	32,1	66,2	35,4
MSP/PDS14	28,3	<b>59,8</b>	22,5	30,7	62,9	34,5
MSP/PDS15	33,9	55,0	<b>52,8</b>	35,8	52,8	27,7
MSP/PDS16	<b>37,1</b>	<b>67,6</b>	<b>41,9</b>	34,1	67,5	30,2
MSP/PDS17	<b>37,8</b>	57,7	<b>32,4</b>	30,2	66,6	31,0
MSP/PDS18	35,9	51,0	<b>42,9</b>	36,8	52,2	37,1
MSP/PDS19	<b>37,8</b>	<b>59,9</b>	<b>60,1</b>	34,4	54,3	49,8
MSP/PDS20	34,1	<b>61,2</b>	49,0	35,6	58,5	55,4



# 11. Regression results – Quality diabetes

	hba1C	micro	chol	fo	creat	ecg
cas	6.993**	7.206**	6.698**	7.887***	2.777	9.100***
taux_homme_MT	-0.230*	-0.190*	-0.372***	-0.322***	-0.301***	-0.241***
taux_sup_60	-0.035*	-0.012	-0.069***	-0.085***	-0.038***	-0.031**
taux_cmuc_MT	-0.040	0.614***	0.309*	0.347**	-0.003	0.114
taux_ame_MT	-2.368*	-1.750	-0.665	-5.669***	-2.183*	-1.943*
taux_ald_MT	0.116	0.123	0.039	0.176*	-0.003	0.079
constant	42.779***	23.521***	78.475***	82.480***	54.268***	39.463***
N				593		
r2	0.0681	0.0703	0.1540	0.1792	0.1167	0.1109

\* p<0.05, \*\* p<0.01, \*\*\* p<0.001

# 11. Descriptive results – Efficiency of prescription MGP/HCN/HCC vs CCA for 2008 vs. CCA

	Cases - GPs/groups - wave 1 - 2008			Controls - GPs - wave 1 - 2008		
	% ATB Gen	% STA Gen	% HTA Gen	% ATB Gen	% STA Gen	% HTA Gen
HCCO 1	<b>71,1</b>	<b>57,7</b>	<b>53,0</b>	57,6	53,5	47,2
HCCO 2	<b>67,6</b>	<b>57,3</b>	<b>46,1</b>	63,1	47,0	44,5
HCCO 3	<b>79,8</b>	36,5	<b>57,7</b>	72,0	40,9	55,7
HCCO 4	<b>68,8</b>	19,3	<b>54,9</b>	65,3	44,5	54,6
HCCO 5	<b>82,9</b>	<b>72,6</b>	<b>56,9</b>	63,9	55,8	56,3
HCCO 6	<b>74,3</b>	<b>47,7</b>	47,7	65,5	37,4	51,2
HCCO 7	<b>68,6</b>	29,8	<b>63,0</b>	67,0	45,1	51,9
HCCO 8	<b>71,2</b>	<b>57,1</b>	<b>57,4</b>	68,6	48,9	50,3
MSP/PDS1	58,3	39,3	<b>52,5</b>	63,1	41,3	51,4
MSP/PDS2	58,7	<b>42,2</b>	<b>52,8</b>	65,8	38,4	52,6
MSP/PDS3	<b>72,7</b>	38,1	<b>61,0</b>	68,1	38,4	52,1
MSP/PDS4	<b>65,1</b>	<b>64,1</b>	<b>57,9</b>	62,2	35,4	51,9
MSP/PDS5	48,5	<b>61,8</b>	51,3	61,6	39,5	47,6
MSP/PDS6	60,7	40,7	46,7	64,1	44,9	51,8
MSP/PDS7	<b>78,5</b>	<b>39,2</b>	<b>46,3</b>	66,5	37,5	46,0
MSP/PDS8	55,2	46,2	46,0	62,5	49,0	53,5
MSP/PDS9	<b>76,6</b>	<b>57,7</b>	<b>65,2</b>	60,9	46,6	46,8
MSP/PDS10	<b>78,0</b>	<b>82,6</b>	<b>59,3</b>	61,1	40,8	49,1
MSP/PDS11	<b>69,6</b>	57,8	<b>57,5</b>	65,1	58,3	50,9
MSP/PDS12	<b>76,6</b>	<b>49,2</b>	49,7	63,1	42,6	51,4
MSP/PDS13	<b>64,8</b>	<b>56,3</b>	<b>58,1</b>	53,4	48,3	47,4
MSP/PDS14	49,7	<b>45,7</b>	37,7	56,8	41,6	50,1
MSP/PDS15	<b>74,6</b>	<b>53,3</b>	<b>56,4</b>	69,5	32,3	54,2
MSP/PDS16	<b>77,3</b>	<b>63,9</b>	<b>50,6</b>	60,4	27,7	43,4
MSP/PDS17	60,3	<b>60,0</b>	52,0	71,1	40,9	52,1
MSP/PDS18	52,9	38,2	47,4	59,5	53,7	48,8
MSP/PDS19	<b>62,3</b>	<b>62,6</b>	<b>54,9</b>	51,9	41,0	51,1
MSP/PDS20	<b>72,5</b>	46,6	<b>65,2</b>	60,7	50,7	54,6

- Dimension of analysis
- Quality: process -> final output, proxy for hospital use
- Post sampling for patients
- Selection bias : panel & cluster
- DEA vs SCF : multi-product & hypotheses (substitution vs complementarity)
- Endogeneity: instruments for GPs variable (group, FTE, % revenue for charges)
- Still in progress until... 2013