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Alliance for Health Reform Briefing

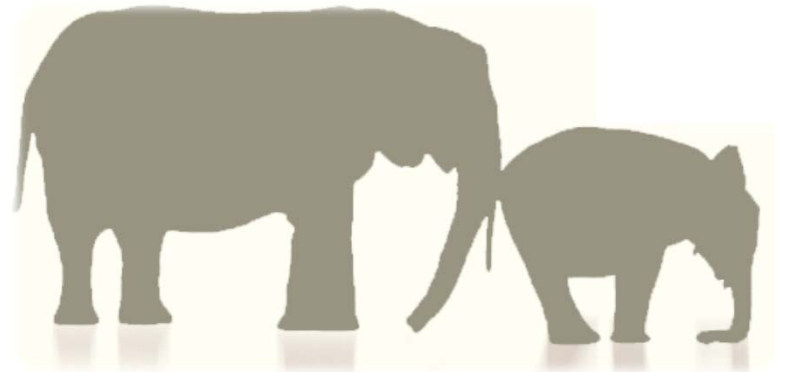
Incentives 2.0: *What Motivates Physicians to Provide Better Care?*
Tuesday October 14th, 2014

Anne-Marie J. Audet, MD, MSc
Vice President
The Commonwealth Fund

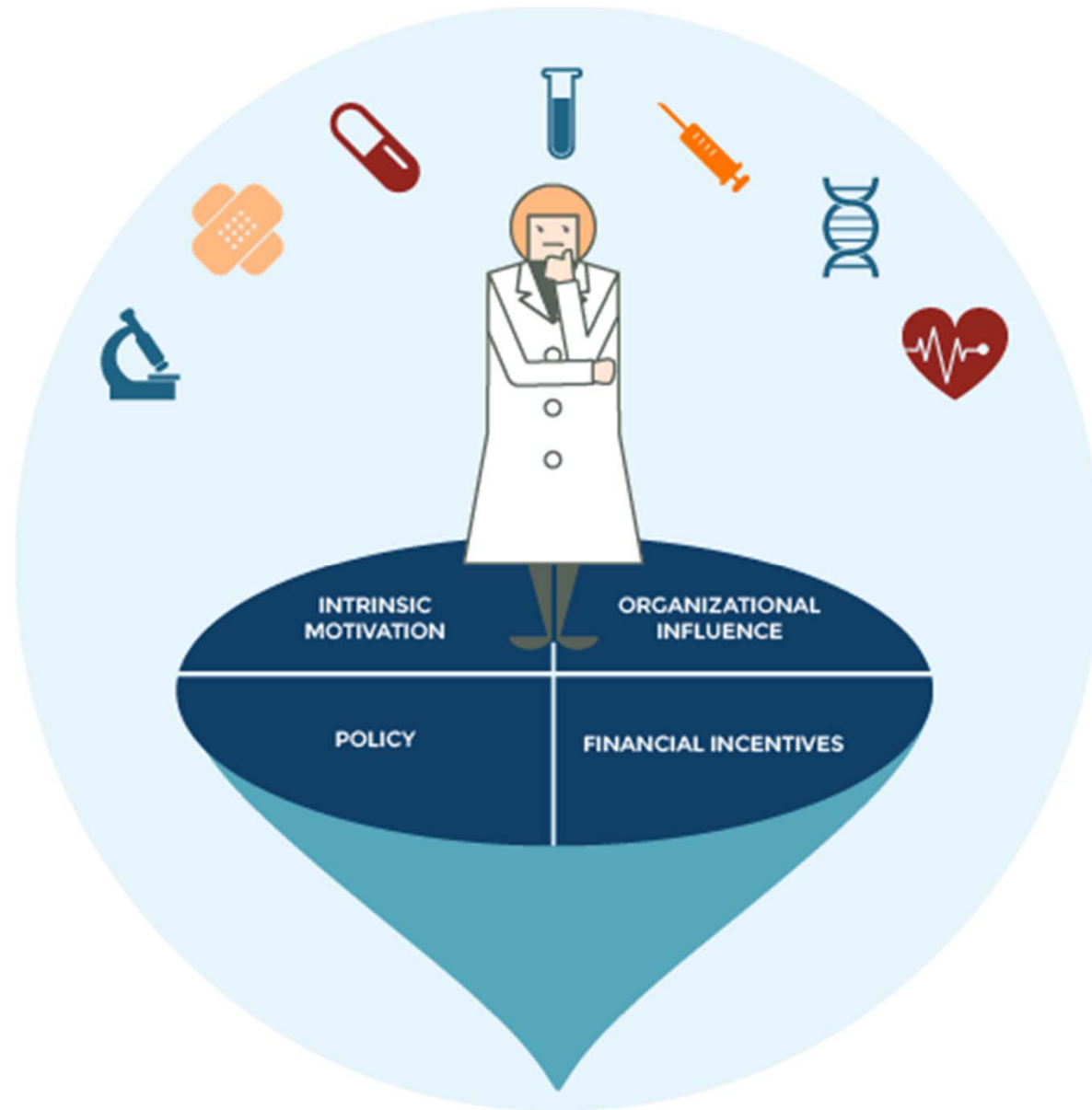


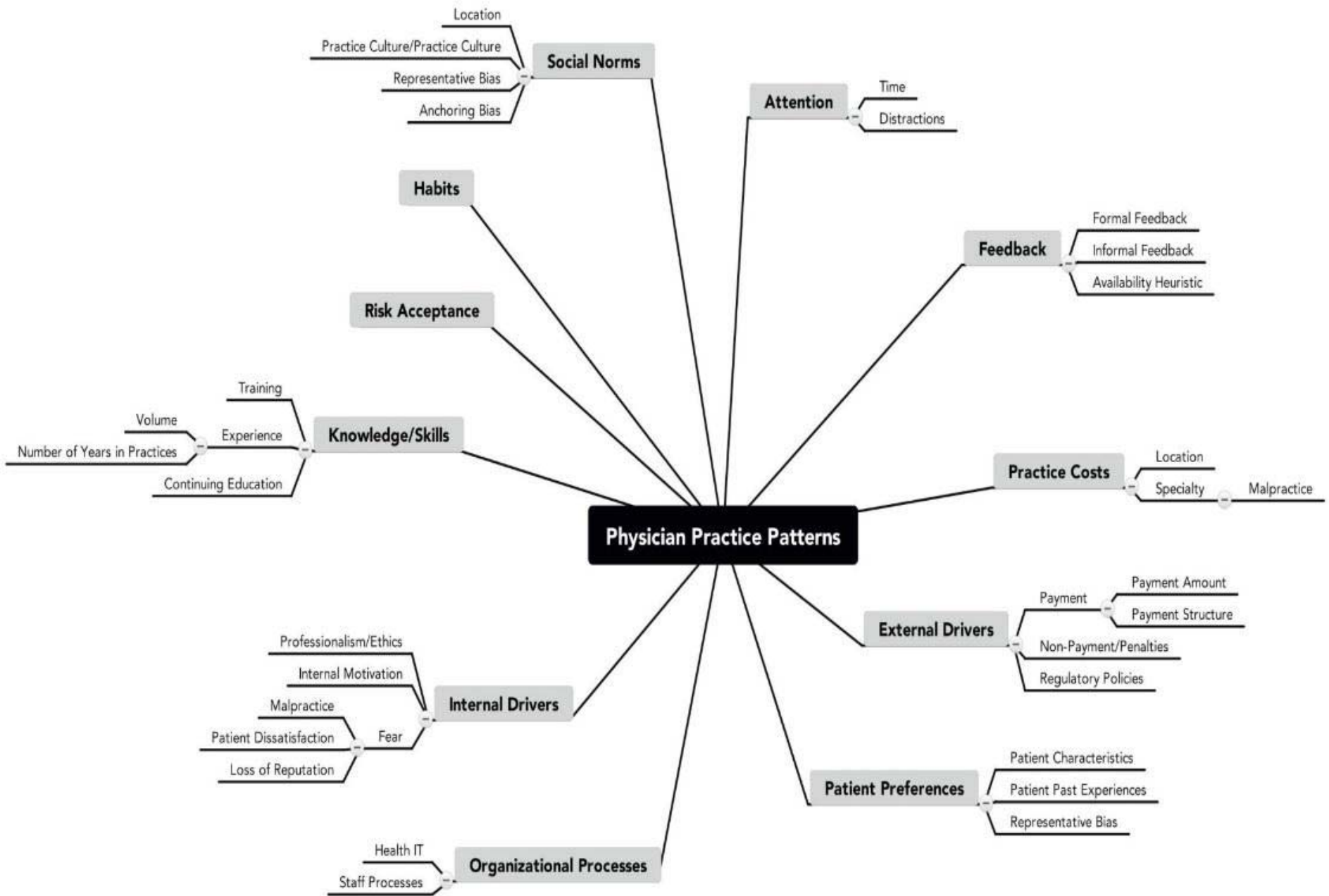
Incentives 2.0

Influencing Health Care Decisions



Multitude of Factors Influence Clinical Decision-Making and Performance





Source: Tara F. Bishop, MD; Weill Cornell Medical Center

Why Incentives 2.0

- **Encourage and support health care decisions consistent with high-value health care.**
- **Incentives based on multiple drivers of behavior**
 - **Science of human motivation**
 - **Organizational culture**
 - **Peer context – professionalism**
 - **Behavioral economics (decisions under uncertainty; heuristics)**

Rewards and Penalties

- **Intrinsic**
- **Extrinsic**

- **Financial incentives**
 - **Choice overload (simplicity vs complexity)**
 - **Mental accounting (easy to keep track, visible)**
 - **Loss aversion**

- **Non-financial incentives**
 - **Choice architecture (decision support)**
 - **Social ranking (transparency)**
 - **Rewards such as reduced administrative burden**

The Window of Opportunity



Magritte, The Break 1949