

# Study Snapshot:

## Assessing the Impact of Hospital Value-Based Purchasing on Clinical Quality and Patient Experience

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### key findings

- HVBP did not improve clinical process or patient performance in its first year.
- Results failed to show that HVBP had a greater effect on initially higher or lower performing hospitals.
- Hospitals may have improved clinical process performance in advance of HVBP, but not patient experience performance.

### The Question

What is the impact of hospital value-based purchasing on clinical quality and patient experience?

Hospital value-based purchasing (HVBP) is the newest pay-for-performance tool designed to link reimbursement with quality and efficiency. HVBP, which was established under the Affordable Care Act, targets quality improvement, uses financial penalties and rewards, and provides incentives for measures of clinical quality and patient experience. In a HCFO-funded study,<sup>1</sup> Andrew Ryan, Ph.D., of Weill Cornell Medical College and colleagues examined changes in quality performance in hospitals exposed to HVBP versus a set of matched comparison hospitals. Under HVBP, acute care hospitals receive payment adjustments based on their performance on 12 clinical process and 8 patient experience measures. The full results of the study are available in *Health Services Research*.

### The Implications

The researchers found no evidence in year 1 of improved clinical process performance or improved patient experience performance in the hospitals exposed to HVBP in comparison to matched hospitals. In addition, while they did detect some improvement in clinical process quality in advance of HVBP, that anticipatory improvement was not evident among patient experience measures. The researchers noted that their study assessed quality performance in only a three-quarter period following the implementation of HVBP; hospitals may need a longer period to respond to the program successfully. Moreover, the magnitude of the incentives may be too low to promote performance improvement. In addition, the complexity of the program design may impede success. The researchers noted that, even though the results to date are limited, HVBP is still evolving.

### Contact Us

For more information on the results of this grant, please contact Andrew Ryan, Ph.D., at [amryan@umich.edu](mailto:amryan@umich.edu).



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<sup>1</sup> The Robert Wood Johnson Foundation Changes in Health Care Financing and Organization (HCFO) Initiative supports timely and policy relevant health services research on health care policy, financing, and organizational issues.

**If you would like to learn more about other HCFO-funded work, please contact: Bonnie J. Austin, HCFO Deputy Director | [bonnie.austin@academyhealth.org](mailto:bonnie.austin@academyhealth.org)**