

Health Plans: A Familiar Debate

For more analysis and a look at the complete survey results from all sectors, please visit our [HealthLeaders Media Industry Survey 2009](#) Web page, which features downloadable reports covering CEOs, finance, technology, quality, marketing, health plan, physician, and community and rural leaders.

Healthcare's Hatfields and McCoys are disagreeing again. Health plans/managed care and physicians have been fighting for the past few decades over payments, billing, and how best to provide quality care.

In the HealthLeaders Media Industry Survey, we found:

- Health plan respondents support consumer-directed health plans and disease management programs.
- But respondents also question whether CDHPs actually empower members and what are the most effective DM programs.

When asked which of six choices would most improve payer/physicians relationships, top choices by health plan survey respondents included pay-for-performance programs that focus on certain health measures (29%) or speeding up processing, fixing, and paying claims (28%). Only 19% of managed care respondents to the health plan survey thought increasing reimbursement rates would do the trick.

In a concurrent survey of physician leaders, we asked the same question. And from that end of the relationship, more than half of physician respondents said the best way to improve relations was to increase reimbursements (51%), while only 7% suggested the health plan survey's top response—P4P.

The disparity between health plans and physicians goes beyond reimbursements and the best model for healthcare, says Emad Rizk, MD, president of McKesson Health Solutions in Broomfield, CO. The two sides don't even agree on the definitions of programs, such as what defines P4P, DM, and the medical home concept.

However, Christobel Selecky, president and CEO of DM company LifeMasters Supported SelfCare in Irvine, CA, says physicians can be a powerful ally for health plans and DM companies. "Physicians are really hyper-suspicious of anything that they see as an effort by managed care to influence or manipulate them. It's understandable why they feel that way," says Selecky.

The disconnect was also evident as to [what model offers the best hope for healthcare](#). Health plan survey respondents suggested CDHPs were the way to go (42%), while government-mandated universal health insurance (15%) and government-funded universal coverage (12%) lagged behind.

Respondents to the same question in our concurrent surveys to other segments of the healthcare industry, such as physicians and marketing, suggested government interventions were a better solution. In fact, more than half of physician respondents chose a government-driven solution.

Although health plan survey respondents supported CDHPs, they were also realistic about CDHPs' effectiveness. Slightly more than half of health plan survey respondents (52%) believed CDHPs both save health plans money and empower consumers, but the remaining respondents did not believe the plans empower consumers.

Health plan respondents supported DM and population health programs, but were unsure how best to provide those services. Forty-one percent said DM saves money and improves outcomes in some cases, with the second-most popular answer a belief that it saves money and improves health outcomes (38%) in all cases. Less than 5% of managed care respondents said it doesn't save money or improve health outcomes. On the other hand, half of health plan survey respondents plan to insource all DM and wellness programs in the next three years, while one-quarter prepare to outsource some DM and wellness offerings.

—Les Masterson