

## Part B Insider (Multispecialty) Coding Alert

### Bush Budget Calls For P4P--But No More Money

If you were hoping for a nice juicy carrot to encourage you to go along with pay-for-performance (P4P), the **Bush Administration** has a pointy stick it wants to show you.

The 2007 budget, just released by the Bush Administration, doesn't say anything about reversing the roughly 5-percent pay cut that's in store for you next year. And when it talks about P4P, the Bush budget summary says that P4P programs should "not increase taxpayer, Medicare, or beneficiary costs."

In other words, the White House wants P4P to be budget neutral, which means no sweetening the pot. You'll risk losing money if you don't participate or if you fare badly under quality measures, but Medicare won't add extra money to reward you for doing well.

Medicare is testing P4P by offering large physician groups "performance payments" if they save money by using "quality improvement approaches."

The proposed budget also includes funding for a demonstration project testing gainsharing programs in six sites. In gainsharing, hospitals reward physicians for taking concrete steps to save money, such as using cheaper supplies or generic drugs. And it includes funding for some programs to encourage you to adopt health information technology.