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# Climbing Up The Pay-For-Performance Learning Curve: Where Are The Early Adopters Now?

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## Abstract

The diffusion of performance-based payment incentives is arguably the most striking change in the U.S. health care system since the managed care era. Because there is little knowledge about best practices, sponsors of payment-incentive programs must learn by doing. We examine the experiences of twenty-seven early adopters and profile the evolution of their pay-for-performance (P4P) strategies as well as perceptions of key lessons learned. Our findings suggest that leading-edge sponsors of P4P have expanded the reach of their efforts, particularly with regard to specialists, and increasingly are focused on outcome and cost-efficiency measures, rather than clinical process measures alone.

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## NOTES

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