

## Health workforce research theme | South Africa

<b>Title</b>	An experimental investigation of the impact of individual payment mechanisms on Clinicians' behaviour
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### Background

Economic behaviour suggests that the way healthcare providers are paid (e.g. monthly salary, fee-for-service, capitation), can influence their behaviour which in turn can affect both the quality and efficiency of care. However, evidence on these effects is mixed and limited by a number of methodological challenges.

The South African government have developed advanced policy proposals for the expansion of universal health coverage through a national health insurance (NHI) scheme. This initiative will involve significant changes to the methods of paying health care providers. At present private general practitioners and specialists are remunerated by fee-for-service, whereas under NHI, accredited private providers will be paid using a risk-adjusted capitation system. Public sector health professionals are currently paid a monthly salary whereas the NHI proposals suggest that pay-for-performance systems may be introduced.

### Purpose of the research

The overall aim of the research is to investigate the impact of different provider payment mechanisms on individual decision making. This initial phase of research will be conducted under laboratory conditions, using hypothetical clinical scenarios. In subsequent phases of research, a more realistic evaluation of changes introduced under NHI will be undertaken.

### Study methods

Experimental economic games (EEGs) will be used to isolate the effect of the payment method from other influences that play a role in the real world. We will conduct a real effort experiment with medical students to reproduce the basic features of salary, fee-for-service and capitation. We will also investigate factors behind individuals' preferences for different payment mechanisms, and the likely impact of additional policy measures which could be used to limit the undesirable effects of salary and capitation schemes.

A discrete choice experiment (DCE) will be used to evaluate the trade-offs that primary care physicians make with regard to the quantity and quality of care they provide to patients, and to investigate the impact of different reimbursement mechanisms, patient attributes and provider characteristics on those clinical choices. We will conduct an online survey with a sample of private general practitioners, using a design-within-a-design DCE.

### Related resources

Investigating provider payment mechanisms in the lab. Powerpoint presentation at the iHEA Congress, 2013

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