Economic Evaluation and Budget Impact Analysis of a

PAY PER PERFORMANCE

Pilot Program for Diabetes Treatment: A Global Decision-Making Guide

OBJECTIVES

MATTERS

Diabetes mellitus is a global health issue, affecting about 10% of Bulgarian adults. This analysis evaluates a Pay-for-Performance (P4P) initiative

METHODS

The economic assessment of the P4P pilot program employs a rigorous cost-outcome methodology, concentrating exclusively on direct expenditures related to medical interventions and the economic benefits derived from mitigating diabetes-associated complications. Average Cost-Effectiveness Ratios are computed to evaluate the cost-effectiveness concerning complication risk mitigation. A comprehensive three-year budget impact analysis further delineates the long-term financial ramifications, providing a substantive basis for policy formulation.

aimed at improving diabetes management in Bulgaria, with potential relevance for other countries' healthcare systems

RESULTS

The initial financial outlay for the P4P pilot program is considerable, totaling — in the first year

EUR 8,863,437.43 and EUR 8,661,261.33 in the third year , attributable to compensation for

medical providers meeting specified health metrics Nonetheless, the analysis forecasts a net positive economic impact of EUR 26,286,486.26 over the triennial period, primarily due to substantial reductions in the costs associated with managing diabetes complications. A primary concern for patients with diabetes is the development of late-stage complications of the disease, which can lead to serious consequences – blindness, chronic kidney failure necessitating dialysis, limb amputations, and vascular complications such as ischemic heart disease, myocardial infarction, cerebrovascular disease, and stroke, thus confirming the cost-saving effectiveness of the program.

CONCLUSIONS

Despite the required initial investments, the P4P initiative in Bulgaria demonstrates significant potential for long-term healthcare cost reductions and improved clinical outcomes for diabetes patients. By diminishing the occurrence and severity of expensive complications, the program justifies broader adoption of performance-based compensation models to elevate health outcomes and optimize healthcare expenditures globally. The successful deployment of this model in Bulgaria serves as a robust decision-making guide, offering a scalable framework for diabetes.

HTA Ltd. Bulgaria, Sofia Manastirski livadi, Koshera Residence 105, A blvd. Bulgaria, 1618 Georgi Slavchev,E:slavchevg@hta.bg www.hta.bg