INCIDIA

<u>Inc</u>entivizing coherence in care for type 2-<u>dia</u>betes: development, engagement and test of incentive models at high and low levels of care complexity

Steno Diabetes Center Aarhus: Thim Prætorius (PI), Eskild Klausen Fredslund, Sara Marie Hebsgaard Offersen *University of Southern Denmark*: Søren Rud Kristensen (Co-PI), Anne Sophie Oxholm, Jonathan Stokes and Mickael Bech

Novo Nordisk Foundation Grant number: NFF220C0077474

Brief project description

Misaligned incentives in health care is a fundamental challenge that haunts the delivery of high-quality and coherent care, particularly for patients living with a chronic disease. Estimates suggest that around 20% of people living with type 2-diabetes in Denmark could achieve better outcomes through improved coherence in care. This project takes a novel approach to incentive design by isolating four key dimensions of complexity (patient, care, organizational and incentive) to understand why coherence in care often fails. We make two observations. First, the most complex patients need the most complex set of incentives to solve a high level of organizational and care complexity. Solving this represent a "high stakes, high gain" study as aligned incentives in this case will have a large impact on a group of patients in high need of coherent care. Second, the least complex patients need the least complex set of incentives to solve a lower level of organizational complexity. Solving this represent a "many a little makes a mickle" study as the large group of patients will have a large collective impact on outcomes. The project aim is to develop and test two models of incentives capable of solving a high and low level of complexity. We perform three interdependent work packages. WP1: incentive development by translating theoretical and empirical findings into contextsensitive models that align patient and health care provider incentives. WP2: extensive stakeholder engagement to co-design and refine the incentive models, thereby increasing project success. WP3: proof-of-concept studies allow us to learn about if and how the incentives work. Besides its empirical relevance, the project combines a disconnected incentives literature and test the models. The models will be applicable to other chronic diseases and other contexts. The project builds on existing work by the project group to study how financial incentives can achieve coherence in chronic care.