Financial incentives

This series gives readers the opportunity to consider and contribute to discussion of some of the ethical dilemmas that can arise in veterinary practice. Each month, a case scenario is presented, followed by discussion of some of the issues involved.

In addition, a possible way forward is suggested; however, there is rarely a cut-and-dried answer in such cases, and readers may wish to suggest an alternative approach. This month's dilemma, 'Financial incentives', was submitted and is discussed by David Main. Readers with comments to contribute are invited to send them as soon as possible, so that they can be considered for publication in the next issue. Discussion of the dilemma 'Giraffes' greater good?', which was published in the April issue of In Practice, appears on page 263.

The series is being coordinated by Siobhan Mullan, of the University of Bristol. It is hoped it will provide a framework that will help practices find solutions when facing similar dilemmas.

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Are incentives, simply based on turnover, appropriate in the veterinary profession?

Conflicts between the financial interests of the practice and the welfare needs of patients present a dilemma for veterinary surgeons. How should the profession respond? I would argue that the RCVS practice standards should prohibit performance-related pay based on turnover.

Issues to consider

The veterinary profession appears to have maintained high levels of trust among society. However, as we have seen in the banking profession, trust is a fragile concept that should not be taken for granted. A crucial challenge for the banking profession has been the role of bonuses in promoting inappropriate behaviour. Are bonuses a reputational risk for the veterinary profession as well? On one hand, incentivising staff seems a legitimate management tool to encourage ‘better’ performance. However, poorly designed incentives could also promote unnecessary selling of products and services.

Incentivising turnover could encourage recommendation of unnecessary diagnostic interventions, surgical procedures, diets and medication. Unnecessary treatments could have significant negative impacts on welfare and could challenge the caring reputation of the profession. Some might argue that all incentive systems are unnecessary for our profession. However, it seems excessive to prohibit all of them. Indeed, schemes that promote ‘better’ behaviour, such as improved customer service or animal welfare, may have a positive influence on the actions of veterinary surgeons. Since the Practice Standards Scheme ‘aims to promote and maintain the highest standards of veterinary care’ [RCVS 2014], it would seem appropriate for the scheme to prohibit turnover-based incentives that might encourage inappropriate financially motivated recommendations.

Many veterinary surgeons actually under-recommend treatments that are beneficial to welfare, such as long-term administration of analgesics for dogs with osteoarthritis (Main 2011). Vets should offer their clients and, if necessary, advocate to them the ‘best’ veterinary care. Often the best veterinary care does increase turnover. However, turnover should not be seen as a proxy measure of offering best veterinary advice. Euthanasia may often be the best option for the animal. However, a practice turnover might be increased by performing unnecessary diagnostic tests or treatments towards the end of an animal’s life.

Recommending unnecessary treatment may have financial consequences for the pet owner, although it is not our role to be judgemental on how clients choose to spend their money and arguments for regulating incentive systems should focus on the welfare costs to the animal. That said, unnecessary recommendations for insured animals might increase the longer-term cost of pet insurance so impacting on the overall welfare benefit of insurance.

Possible way forward

The profession should investigate and, where necessary, advocate better, more intelligent incentive systems. An evidence-based approach is needed to define the nature of the problem and highlight examples of good practice. We may also be able to learn from other professions. An interesting example is the General Medical Services framework used by the...
NHS to reward GP surgeries. Using a points system, the GP practice is financially rewarded for monitoring and improving health outcomes for common diseases. For example, practices are rewarded for the proportion of diabetic patients that either achieve certain clinical outcomes, such as lower levels of cholesterol, or receive specific medical care, such as annual influenza vaccine.

In conclusion, there seems to be minimal ethical justification for turnover-based incentive. Of course it is difficult to completely neutralise the potentially damaging effect of turnover incentives on veterinary motivations. All practice owners will have an inherent interest in increasing turnover. However, the incentive system for employees could have a major influence on the culture of a veterinary practice. The obvious vehicle for implementing ‘better’ incentives is to include controls on incentive systems in the RCVS practice standards scheme.

References

Any comments?
Readers with views to contribute on ‘Financial incentives’ should e-mail them to inpractice@bva-edit.co.uk so that they can be considered for publication in the next issue. The deadline for receipt of comments is Friday, May 30. Please limit contributions to 200 words.