

Total Engagement

The New Look of Employee Health

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Overview

- Cost and Quality Drivers
- Impacts
- New Models
- Case Study - Solutions
- Next Steps
- Questions

Cost and Quality Drivers

- Normal inflation
- Worker shortages
- New technologies
- New treatments
- New drugs
- New science
- Higher US prices
- Population aging
- Obesity epidemic
- Care pattern **variations**
 - Inefficient
 - Uncoordinated
 - Unlinked
 - Preference sensitive
- Perverse financial incentives
- Lack of cost & quality transparency
- Price mark-ups

Preference Sensitive Care

**Hospital discharges/1000
(Medicare)**

**Payments/yr
(Medicare)**

| Site | Admits/K | Ratio |
|----------------|----------|-------|
| National | 347 | 1.00 |
| Miami | 410 | 1.18 |
| Los Angeles | 377 | 1.08 |
| Las Vegas | 313 | 0.90 |
| Salt Lake City | 250 | 0.72 |
| Stanford | 181 | 0.52 |

| Site | \$/Pt/Yr | Ratio |
|----------------|----------|-------|
| National | \$6,612 | 1.00 |
| Miami | \$11,920 | 1.81 |
| Los Angeles | \$11,639 | 1.76 |
| Las Vegas | \$8,316 | 1.26 |
| Salt Lake City | \$5,189 | 0.78 |
| Stanford | \$6,044 | 0.91 |

From Dartmouth Atlas 2003

Site of Care Variations

| Site/Units | Relative Cost |
|---------------------------------|---------------|
| • Hospital—cost per admission | \$9,363 |
| • Emergency Room—cost per visit | \$737 |
| • Urgent Care—cost per visit | \$64 |
| • Office Visit—cost per visit | \$69 |

Source: Analysis of HEREIU Welfare Fund Data, Used with Permission

Hospital Care - Outcomes Variations

| HOSPITAL | PNEUMONIA 30 DAY MORTALITY | PNEUMONIA CASES PER YEAR | HOSPITAL | CHF 30 DAY READMISSION RATE | CHF CASES PER YEAR |
|----------------|----------------------------|--------------------------|----------------|-----------------------------|--------------------|
| PIEDMONT | 9.2% | 470 | EMORY MIDTOWN | 21.3% | 920 |
| GRADY MEMORIAL | 14.8% | 245 | GRADY MEMORIAL | 26.3% | 613 |
| DIFFERENCE | 61% | | | 23% | |

From Hospital Compare <http://www.medicare.gov/Download/DownloadDB.asp>

Doctor Care Variations

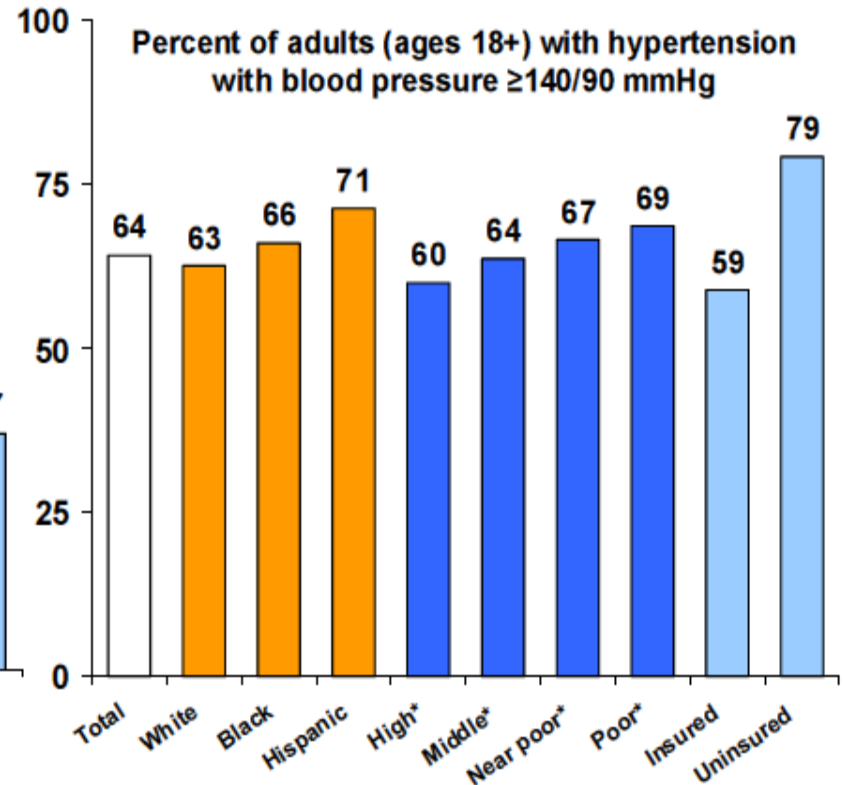
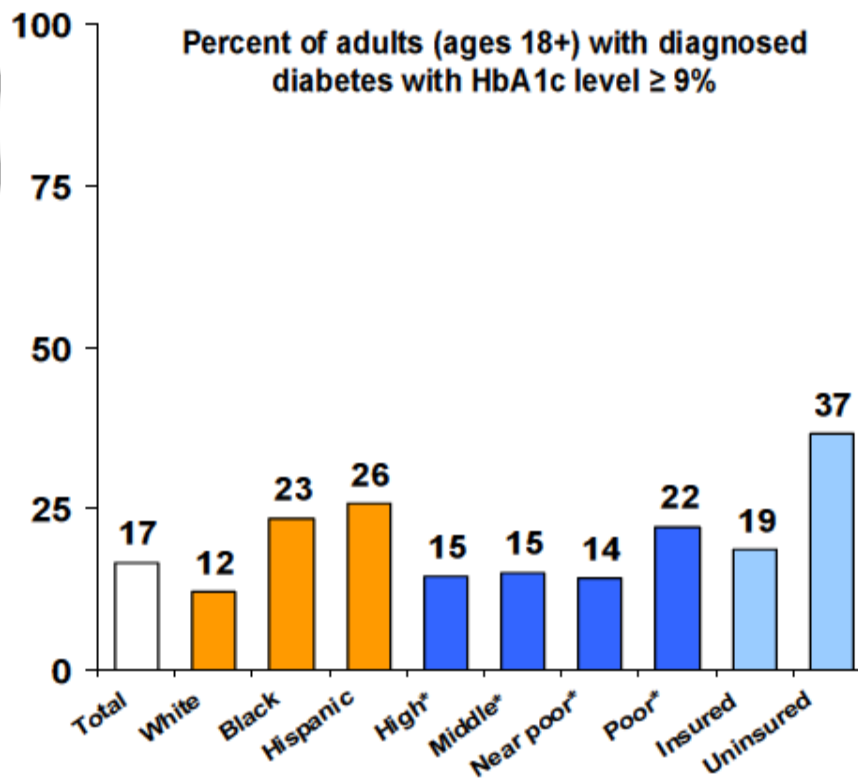
| Specialty | Episode | Low | Average | High |
|-------------------|--------------|---------|---------------|-----------------|
| Family Practice | Otitis media | \$46 | \$109 (+137%) | \$412 (+796%) |
| | Bronchitis | \$89 | \$150 (+69%) | \$771 (+766%) |
| Internal Medicine | UTI | \$81 | \$140 (+73%) | \$778 (+860%) |
| | Angina | \$86 | \$297 (+245%) | \$743 (+764%) |
| Cardiology | Angina | \$241 | \$611 (+154%) | \$1389 (+476%) |
| Orthopedics | Knee surg. | \$2,727 | \$4,473(+64%) | \$9,383 (+244%) |

Source: Analysis of HEREIU Welfare Fund Data, Used with Permission

Variations in Value of Doctors' Care

| Doctor | Patient Severity Index | \$ Paid per Visit | \$ Paid per Patient | High Lipids | High BP | Diabetes-Comorbid | A1C for DM | Statin for CAD | Mammo Screens |
|--------------------------------|------------------------|-------------------|---------------------|------------------|-------------|-------------------|---------------------|----------------|---------------|
| | | | | Cost per Episode | | | Guideline Adherence | | |
| AR | 0.70 | \$45 | \$108 | \$423 | \$836 | \$1,297 | 84% | 79% | 61% |
| UC | 1.15 | \$45 | \$91 | \$794 | \$860 | \$1,670 | 75% | 31% | 50% |
| JG | 1.10 | \$47 | \$95 | \$556 | \$1,088 | \$706 | 69% | 70% | 41% |
| FA | 1.67 | \$69 | \$238 | \$406 | \$945 | \$1,515 | 92% | 52% | 60% |
| Peer Ave | 1.00 | \$89 | \$325 | \$613 | \$1,007 | \$1,880 | 78% | 57% | 57% |
| YC | 0.94 | \$124 | \$337 | \$416 | \$1,241 | \$1,452 | 55% | 40% | 33% |
| EC | 1.35 | \$112 | \$391 | \$1,040 | \$1,352 | \$2,300 | 66% | 73% | 46% |
| ZA | 0.97 | \$142 | \$784 | \$850 | \$1,383 | \$2,689 | 75% | 80% | 73% |
| Ratio Highest to Lowest | 1.93 | 3.16 | 8.62 | 2.56 | 1.65 | 3.81 | 1.67 | 2.58 | 2.21 |

Patient Engagement Variations



* High refers to household incomes $\geq 400\%$ of federal poverty level (FPL); middle to 200% – 399% FPL; near poor to 100% – 199% FPL; and poor to $<100\%$ FPL.

Data: J. M. McWilliams, Harvard Medical School analysis of National Health and Nutrition Examination Survey.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008

Impacts

- **Rising costs – poor financial outcomes**
 - Patient out of pocket costs up 84% since 2001
 - Skipped care, unfilled prescriptions, provider bad debt
 - Employer and government cost trends unsustainable
 - Dropping insurance coverage, shifting costs
 - Affordable Care Act
- **Poor clinical and satisfaction outcomes**
 - US health statistics rank behind Slovenia¹
 - Life expectancy - #31 Infant mortality - #37
 - High variation in quality and safety

¹ Kristof ND. “Unhealthy America” IN New York Times, Nov 4, 2009

New Care Models

Intervention

- Patient Centered Medical Home
- Bundled Payments; Shared Savings, Outcomes Contracts
- Accountable Care Organizations
- Electronic Medical Records; Health Information Exchanges
- Performance Transparency/ Feedback
- Value Based Benefit Design

Problem Addressed

- Discontinuous Care
- Activity Based FFS Reimbursement- Misaligned Incentives
- Fragmented Uncoordinated Care
- Unlinked Care; Redundancies
- Lack of Cost and Quality Transparency
- Misaligned Patient Incentives

Value-Based Benefit Design

Driving Better Choices

- Align incentives with desired behaviors
 - Positive incentives for high value treatments and services
 - Negative incentives for low value treatments and services
- Goal = Behavior Change
 - Consumers – employees, beneficiaries, patients
 - Providers – health care team members
- It takes more than financial incentives
 - Intense communication, peer support, health culture, changed environments

High Value in Health Care

Health Gained Per Dollar Spent

- High value health services (Best Buys)
 - Grade A or B preventive services (USPSTF)
 - Low cost generic medications and net benefit brand medications for chronic conditions
 - Interventions with positive ROI
 - Accounting for total benefits vs. total costs
 - Continuity primary care (medical home)
 - Centers of excellence, Minimally Invasive Surgery
 - Others
- Apply positive incentives – rewards, treats

Low Value in Health Care (Comparative Effectiveness Research)

- Low value health services (Lemons)
 - Some elective surgeries
 - 30% of total medical spending is for surgery
 - Are all C sections really required?
 - Some non value added imaging
 - Some ineffective treatments (i.e. back pain)
 - Never events – healthcare acquired conditions
 - Some readmissions, infections, complications
 - Some outlier practice patterns (churning, up coding)
 - Others
- Apply negative incentives – penalties, consequences

Recent Employer Health Benefit Innovations

- 2008 - H.R.A.'s, Biometric screenings, incentives
- 2009 – Personal Health Management Program (PHMP)
- 2009 – ChronicCare
 - VBBD - Incentives
 - Coaching
 - PCP's \$\$\$
- 2010 – *PreferredCare*
 - Dual choice – (High/ Low PPO)
 - VBBD - Accountability
 - Custom Coaching
 - Direct PCP contracts
 - PCP Payment Reform
- 2011 – *PreferredCare 2.0*
 - PCMH Network



Patient Centered Medical Home Network

The wellPORTAL PCMH network is an accountable primary care delivery system with incentives aligned for better clinical, financial and satisfaction outcomes – for patients, physicians, and plan sponsors.

System support includes patient registry, data warehouse, feedback, consequences, and health management support team.

PCMH Network

Dual Option Member Incentives

- Patient Centered Medical Home (PCP)
 - Dedicated phone line, same day access, 60 minute appointment turn around, more face time w/ PCP
 - VIP Service
 - Lower out of pocket & premium cost
 - Coordinated Care – Accountability

OR

- Freedom of Choice Plan
 - Higher out of pocket & premium cost
 - Yellow Pages- Fragmented Care

Member Rules and Consequences

- Access to a specialist requires a referral
 - Return findings & recommendations to PCP
- Prescriptions & tests require adherence
- Urgent care utilization limited to after hours care
- Mandatory health coaching and health management if referred by PCP
- Failure to follow program rules and guidelines has consequences
 - Three strike rule

Health Management Program - 2011

1. Participant calls into HMP intake for readiness assessment (PAM) and assignment to a coaching team leader
2. Participant contacts coaching team leader and receives Participant Activation Kit (PAK) for priority conditions
3. Coach updates participant data thru web portal to supplement information downloaded from patient registry and patient self reports
4. Coach explains communication options and selects a curriculum (telephonic, face to face, web, IVR)
5. Automated calls/portal data entry begins based on agreed upon curriculum; times chosen by patient
6. Coach follows up with face to face/ call sessions with the patient
7. Plan sponsor receives reports on program outcomes
8. Program leaders & plan sponsor integrate with work site and other sponsored disease management programs



Patient Activation Kits

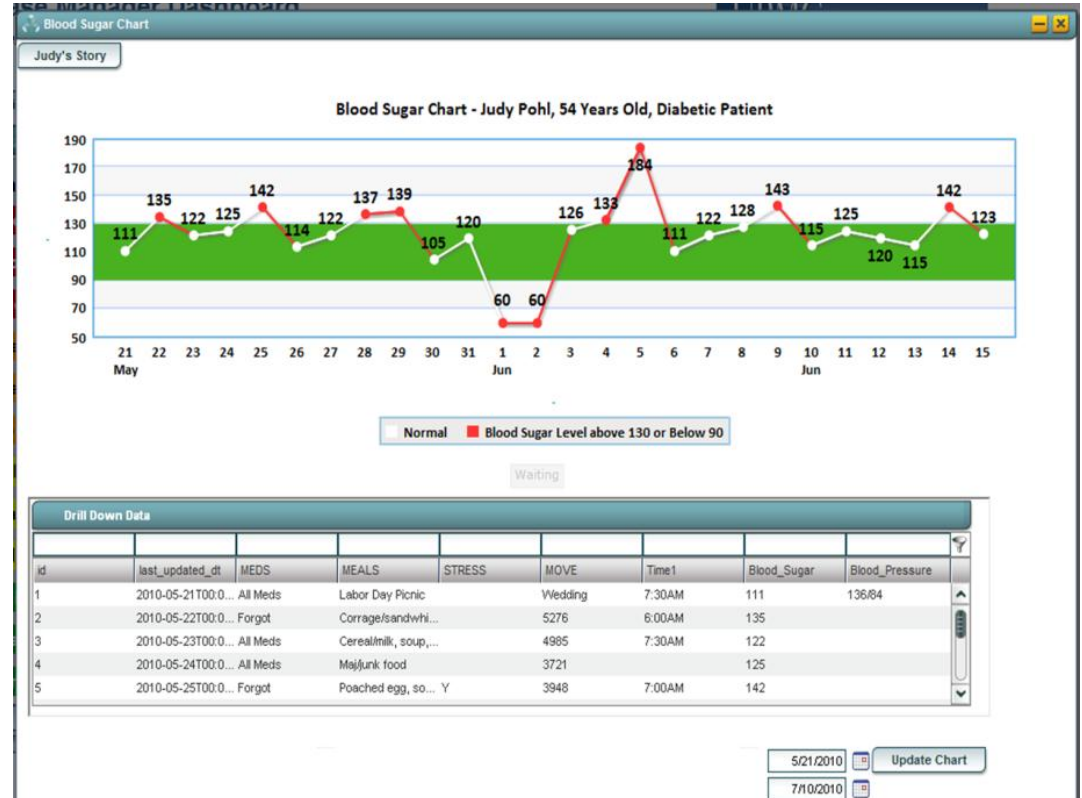
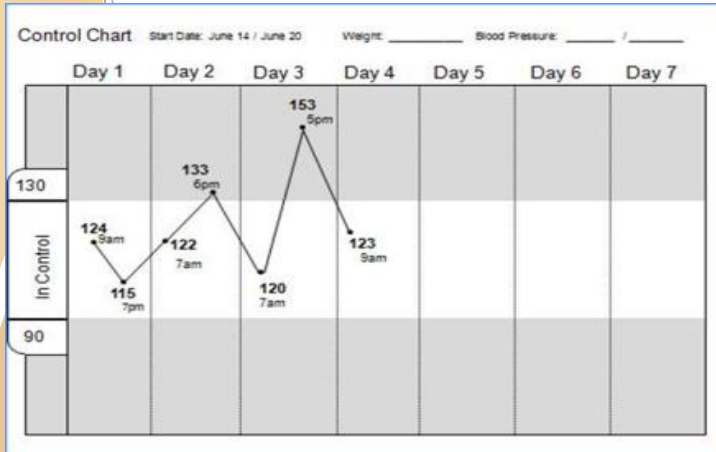
- *Unique explanations engage (communication science)*
- *Proprietary tools cover important care gaps*
- *Content standards are high
Procurement team reviews all brands for maximum ease of use*



Based on ethnography research: In patients' homes we OBSERVE why they don't succeed at self care: Things they would never say in focus groups or surveys

English and Spanish Fourth Grade Level, Co-morbidity Kits

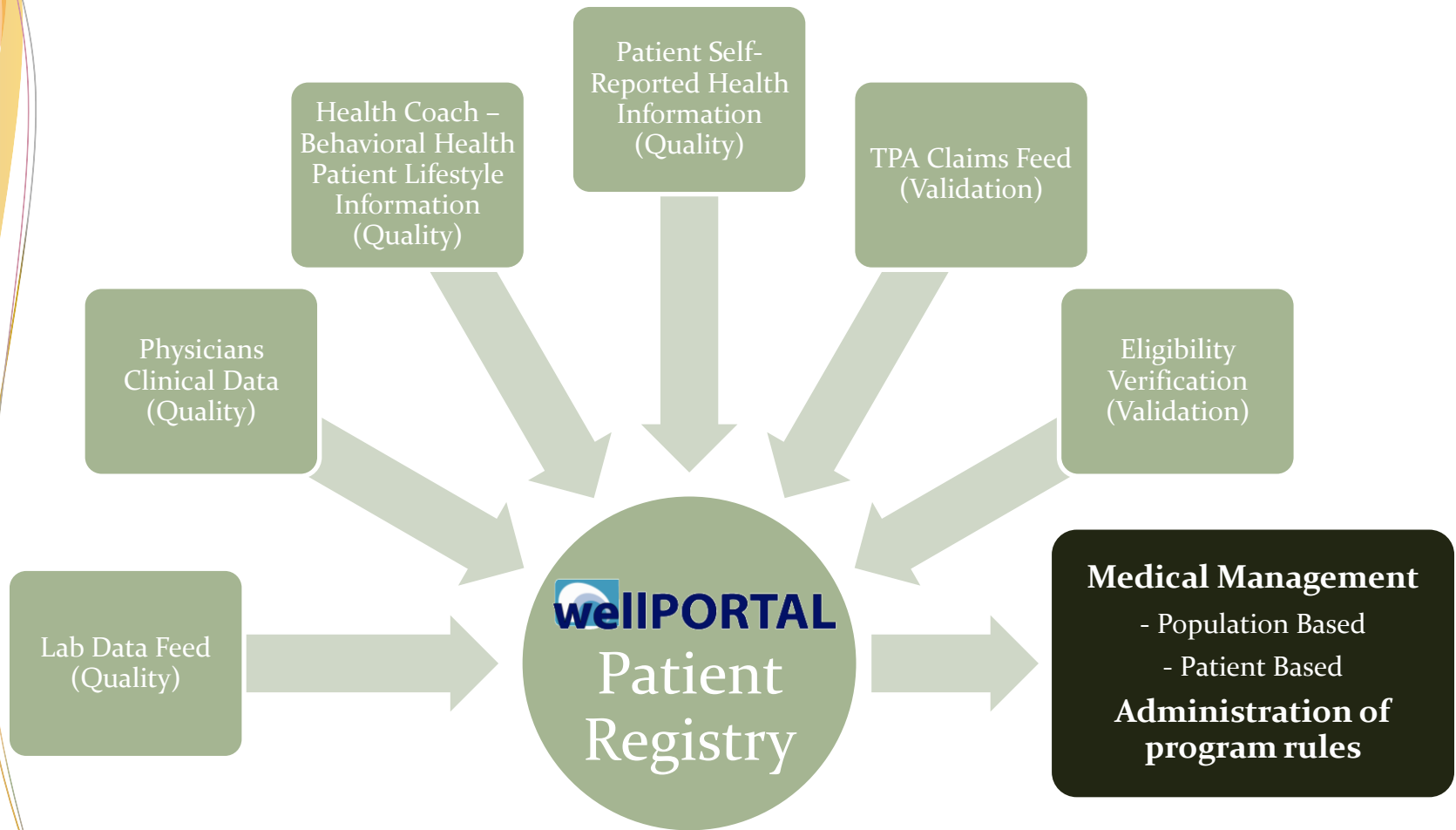
Coaching Materials in Action



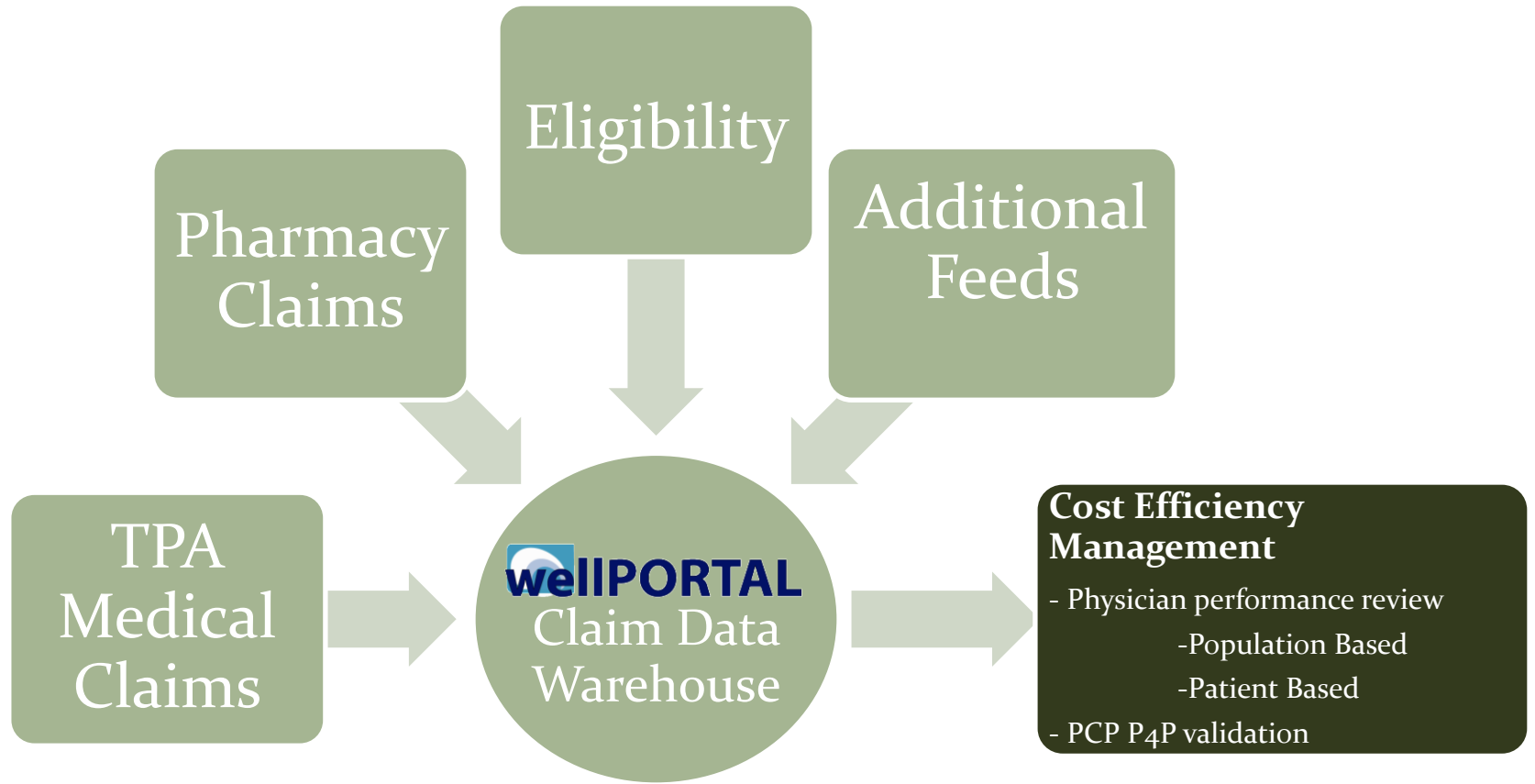
Care Delivery Innovations

- Service standards
 - ✓ Dedicated phone line
 - ✓ Same day access
 - ✓ 60 Minute appointment turnaround times
 - ✓ Allow longer visits for care coordination
- Direct contract with PCP's – physician incentives
 - Generous global payments for office visits
 - 50% performance bonus for clinical, financial, satisfaction outcomes
- Patient registry and data warehouse (connections)
 - Track and report adherence, performance, outcomes
 - Identify improvement opportunities
- Face to face nurse coach/ advocate with IVR reminders
 - Coordination, goal achievement

wellPORTAL Patient Registry



wellPORTAL Data Warehouse



Cost Results

- For the first eleven months of the program, we have experienced the following results:
 - Patient Level Cost Comparisons
 - **16.54%** cost reduction with catastrophic claims
 - **14.92%** cost reduction without catastrophic claims

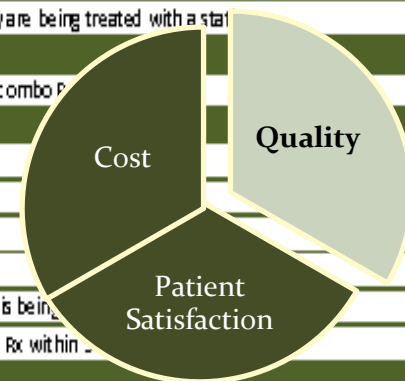


Quality Results

- Quality results are measured on an annual basis to ensure adherence to evidence based clinical guidelines
- Preliminary results are favorable

| DESCRIPTION (SAGE Rule Name) | CASES (population) | Care Gap (Goal: 0%) | BM RANGE | Standard of Care (Criteria: Measure and Timeframe) |
|--|-----------------------|------------------------|-------------|--|
| Asthma (Age 5-40): Use of Controller Medications | 14 | 29% | 0%-43% | Checks to see if a controller medication is being used on a chronic basis. |
| HEART MEASURES | | | | |
| CAD: Use of Lipid-lowering Agents | 10 | 0% | 0%-43% | Determines if they had a Rx filled for a lipid lowering agent within the measurement year. |
| CAD: Lipid Profile | 10 | 0% | 0%-46% | Determines if they had a lipid profile test within the measurement year. |
| CHF: ACE Inhibitor or ARB Therapy (AQA-Pop) | 0 | 0% | 0%-57% | Determines if they are using ACE I OR ARBs. |
| DEPRESSION MEASURES | | | | |
| Depression (adult): Rx Acute Phase | 19 | 16% | 0%-40% | Determines if they had 3 Rx filled within 114 days for at least one antidepressant. |
| Depression (adult): Rx Continuing Phase | 19 | 32% | 0%-53% | Determines if they had 6 Rx filled within 231 days for at least one antidepressant. |
| DIABETES MEASURES | | | | |
| Diabetes (all): Retinal Exam Every 2 Years | 55 | 87% | 27%-74% | Determines if a diabetic had at least one retinal eye exam within 24 months. |
| Diabetes and Hyperlipidemia: Statin use recommended | 18 | 28% | 25%-83% | Determines whether or not they are being treated with a statin. |
| Diabetes (all): LDL Cholesterol Test (AQA Pop) | 38 | 11% | 8%-45% | Determines if at least one LDL cholesterol test has been complete within a year's time. |
| Diabetes (all): HbA1c Testing (AQA Pop) | 38 | 11% | 0%-46% | Determines if at least one HgbA1c test has been complete within a year's time. |
| Diabetes (all): Microalbumin Screening (Pop) | 38 | 5% | 0%-28% | Determines if at least one urine MikroAlbumin test has been complete within a year's time. |
| Diabetes (Patients over 40- Type 2 only): Statin use recommended | 27 | 44% | 38%-83% | Looks at patients over 40 w type II diabetes to see if they are being treated with a statin. |
| HYPERTENSION MEASURES | | | | |
| Hypertension: Thiazide Diuretics vs. All HTN Drugs | 104 | 63% | 40%-67% | Being treated with "low cost" thiazide diuretics, not incl combo P |
| PREVENTIVE MEASURES | | | | |
| Breast Cancer Screening (age 40-69): Bi-annual Mammograms | 0 | 0% | 6%-55% | Had a mammogram in the last two years.. |
| Chlamydia Screening for Women : ages 16-25 | 45 | 40% | 50%-85% | Had a chlamydia screening in the last year. |
| Cervical Cancer screening (ge 21-64) | 0 | 0% | 16%-43% | Had a Pap smear in the last three years. |
| Preventive Visits | 986 | 57% | 35%-72% | Had a "preventive" office visit in the last year. |
| Otitis Media (acute): Amoxicillin as Front-line Rx | 81 | 48% | 38%-68% | Children (0-12) treated w an antibiotic and if amoxicillin is being |
| Pharyngitis (Child ren): Appropriate Testing (AQA- Compound) | 56 | 50% | 9%-34% | Had a strep test done within 3 days, and filled antibiotic Rx within |

CARE GAP



Patient Satisfaction Results

| Overall Satisfaction | Total Issued | Positive | Negative | Positive Results | Target |
|-----------------------------|--------------|----------|----------|------------------|--------|
| Patient Surveys* | 1846 | 1799 | 47 | 97.45% | >85% |
| Scheduling & Office Visits* | Total Issued | Positive | Negative | Positive Results | Target |
| Phone | 1846 | 1829 | 17 | 99.08% | >85% |
| Same Day Appt | 1846 | 1840 | 6 | 99.67% | >85% |
| 60 Minutes | 1846 | 1826 | 20 | 98.92% | >85% |
| Communication | 1846 | 1828 | 18 | 99.02% | >85% |

139 members (20%) had violations of rules.
 92% of these had 1 violation
 7% of these had 2 violations
 1 member had 3 violations



* Surveys issued for the period January – Dec 2010

Next Steps

- Expansion and Growth
- Health Information Exchange
- Specialist Steerage
 - Hospitalists
 - Pain Management/ Substance Abuse Panel
 - Cancer
 - Minimally Invasive Surgery
- Safe Maternity Care
- Polypharmacy/ Medication Reconciliation

Questions?

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