



# Patient Centered Medical Home – The Future



- participant will understand/be able to discuss the important trend of PCMH in health care
- participant will understand/be able explore the rationale and supporting evidence for PCMH
- participant will understand/be able understand the impact on patients, providers and payers

Disclosure: – I am a full time Employee of IBM ***I WILL NOT discuss any pharmaceuticals, medical procedures, or devices***

# Away from Episode of Care to Management of Population with Data

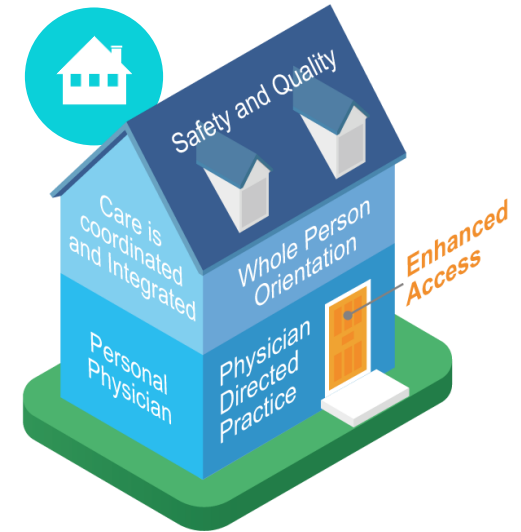


## The System Integrator

- Creates a partnership across the medical neighborhood
- Drives PCMH primary care redesign
- Offers a utility for population health and financial management

# Key principles

- **Personal healer** – each patient has an ongoing personal relationship with a physician for continuous, comprehensive care
- **Whole person orientation** – physician is responsible for providing all the patient’s health care needs or arranging care with other qualified professionals
- **Care is coordinated and integrated** – across all elements of the complex healthcare community
- **Quality and safety are hallmarks of the medical home** – Evidence-based medicine and clinical decision-support tools guide decision-making
- **Enhanced access to care is available** – systems such as open scheduling, expanded hours, and new communication paths between patients, their physician and practice staff
- **Payment is appropriate** – added value provided to patients who have a patient-centered medical home

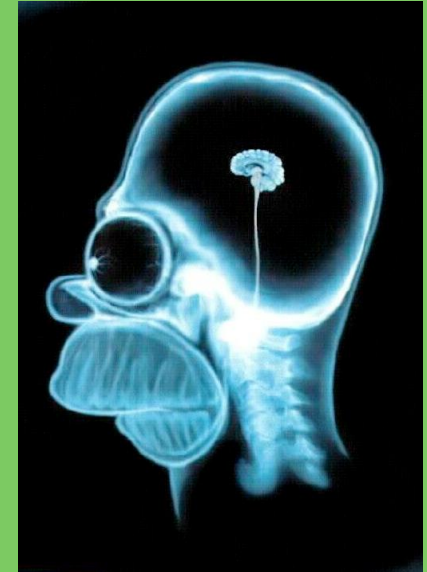


# Smarter Healthcare



- 36.3% Drop in hospital days
- 32.2% Drop in ER use
- 12.8% Increase in chronic medication
- 15.6% Total cost
- 10.5% Drop in inpatient specialty care costs
- 18.9% Ancillary costs down
- 15.0% Outpatient specialty down

**Outcomes of Implementing Patient Centered Medical Home Interventions: A Review of the Evidence from Prospective Evaluation Studies in the US – PCPCC Oct 2012**



## 24 April 2015, Michigan patient-centered medical home program shows statewide transformation of care YEAR 6



- 9.9%** Decrease in adult ER visits
  - 27.5%** Decrease in adult ambulatory care sensitive inpatient stays
  - 11.8%** Decrease in adult primary care sensitive ER visits
  - 8.7%** Decrease in adult high-tech radiology usage
  - 14.9%** Decrease in pediatric ER visits
  - 21.3%** Decrease in pediatric primary-care sensitive ER visits
- 4,022 primary care doctors** at **1,422 practices** around the state in its sixth year of operation.  
These practices care for more than **1.2 million** BCBSM members.

# Payment reform requires more than one dial

## Fee for...



health



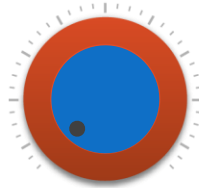
value



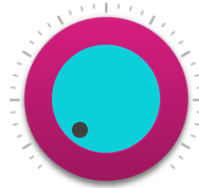
outcome



process



belonging



service

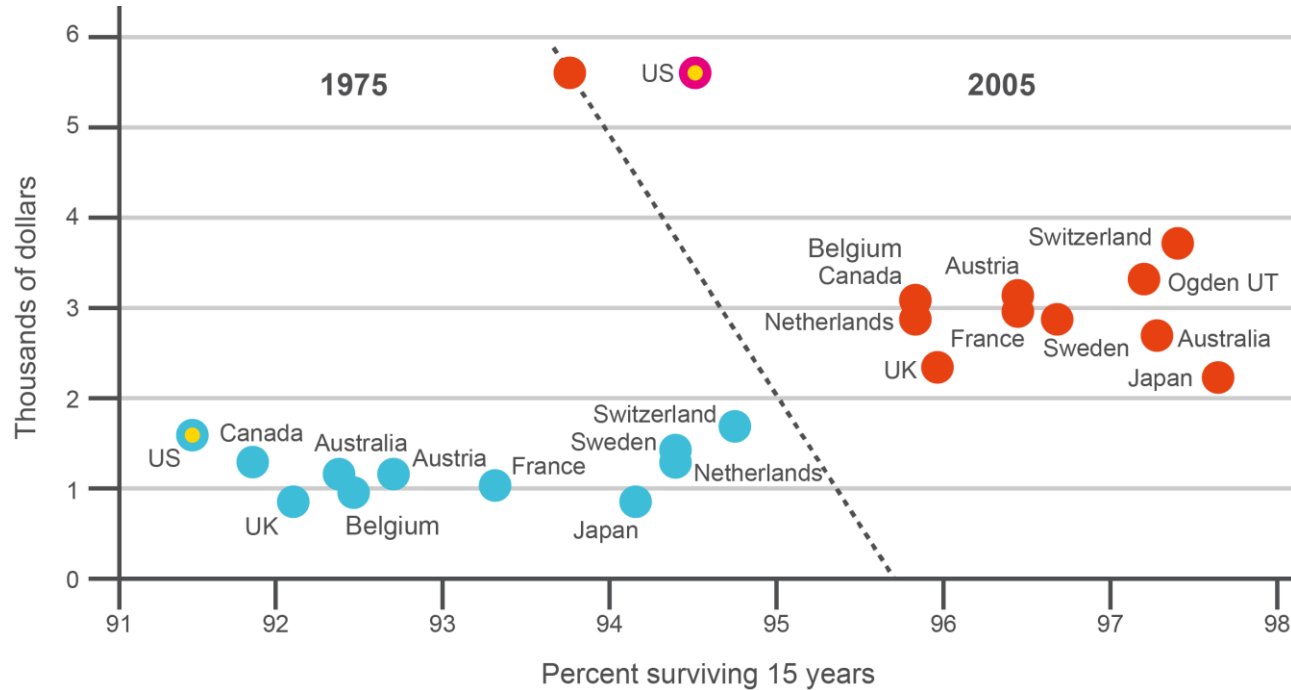


satisfaction





# Driving factor 1: Unsustainable Cost (USA 2012)



## Driving factor 2: Data



## Risk Analytics

- Actuarial Cost Analytics
- Contract Management
- Quality and cost reporting

## Practice Analytics

- Physician Efficiency profiles
- Episode Efficiency profiles
- Drug profiles
- Cost of care analysis
- Imaging
- Leakage

## Case Management

Manage high-cost patients (top 5%)

- Predictive modeling
- Patient risk stratification
- Readmissions
- ER usage
- Medication management
- Referral management

## Population Management

Manage entire population

- Patient Stratification
- Preventive/Chronic gaps
- Visit compliance
- Rx / Lab compliance
- Self management
- ER, Hospital, Readmissions

ANALYTICS

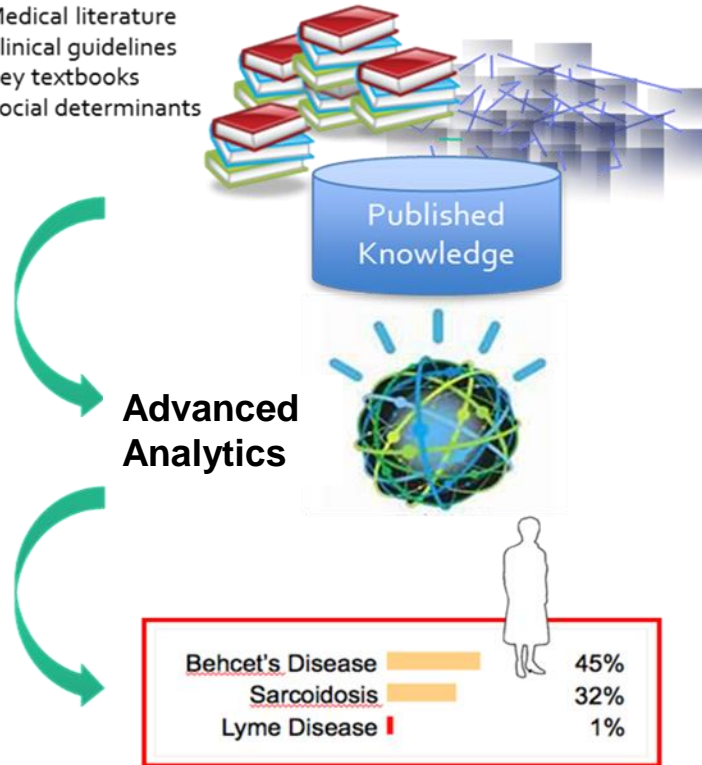
CARE DELIVERY

DATA FOUNDATION

# Leveraging Advanced Analytics for Knowledge-Data Driven Insights:

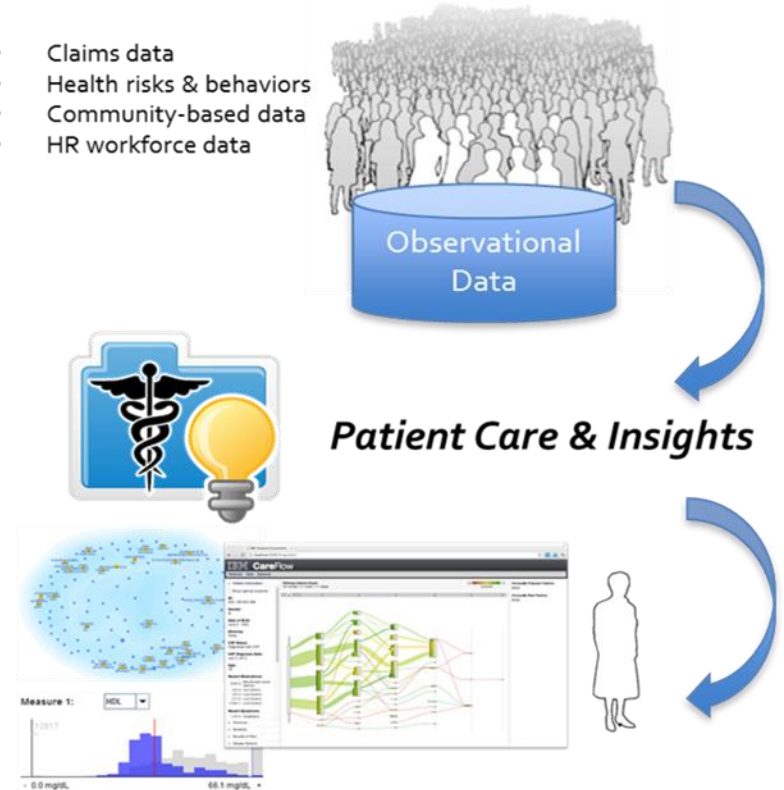
## Support **business continuity and growth**

- Medical literature
- Clinical guidelines
- Key textbooks
- Social determinants



*Closing the translational knowledge gap*

- Claims data
- Health risks & behaviors
- Community-based data
- HR workforce data



*Enabling new personalized and population health insights*

**Knowledge/Data-driven Insights for Better Health Decisions and Prevention of the Next 20% Who Could Cost 80%.**

# Driving factor 3: Communication



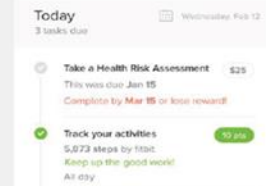
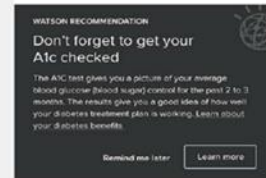
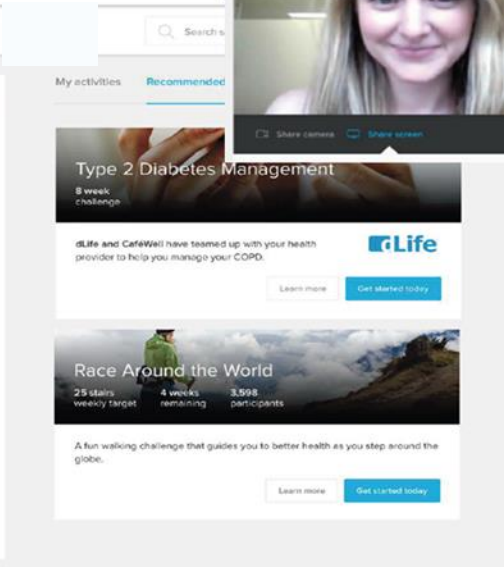
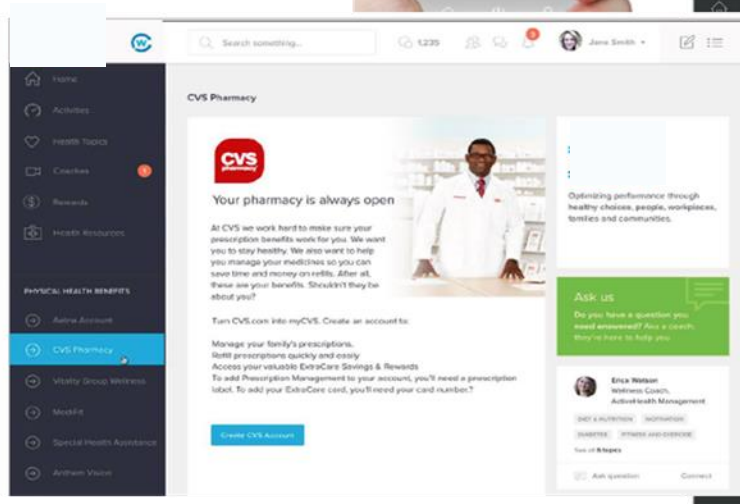
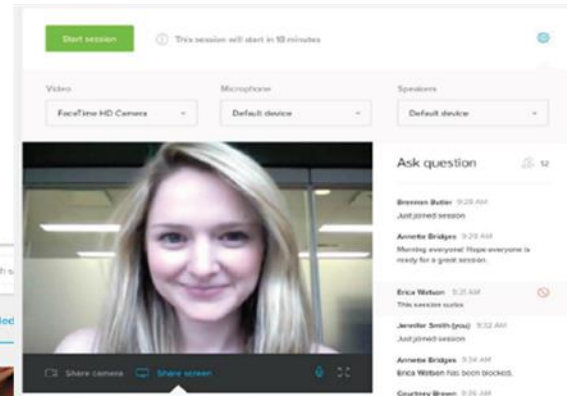


# Smart Integration, Customization, and Engagement:

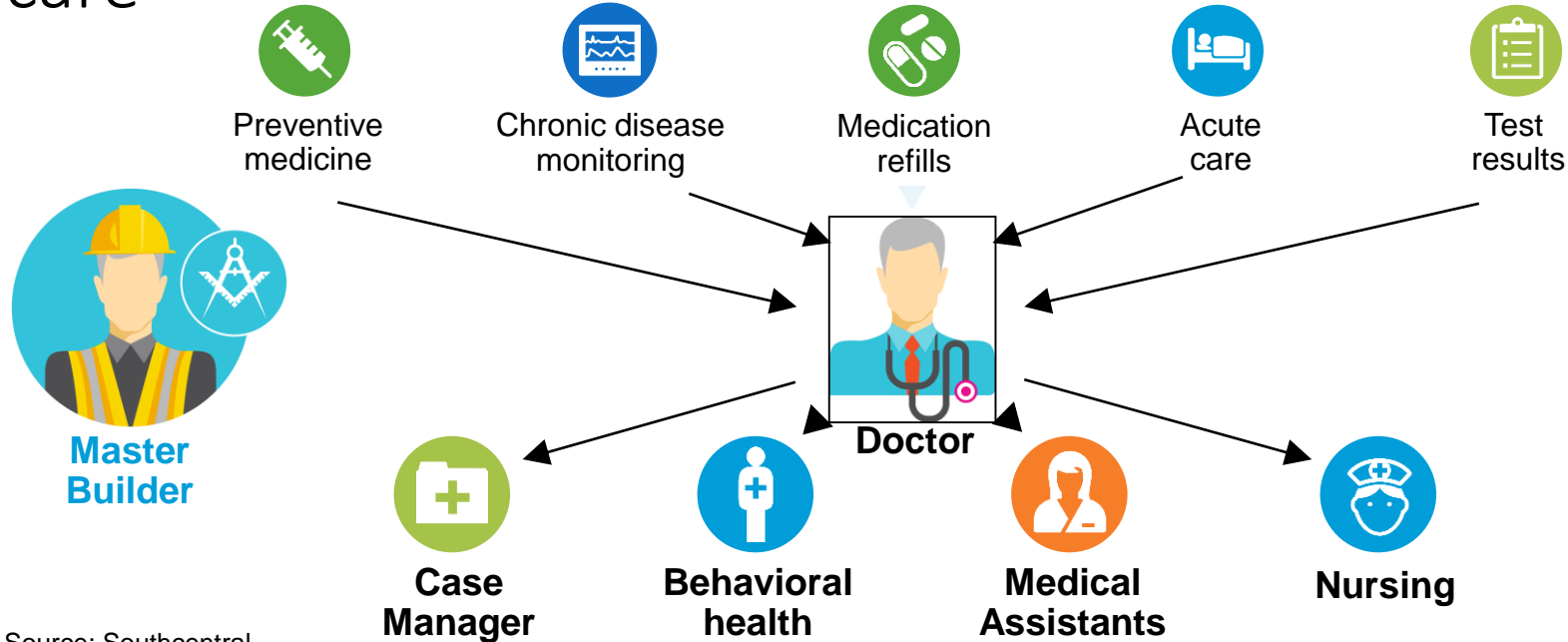
Improve the **overall health and vitality** of our employees and their families

## 5 Dimensions of Health:

- Physical
- Mental
- Financial
- Social
- Purpose

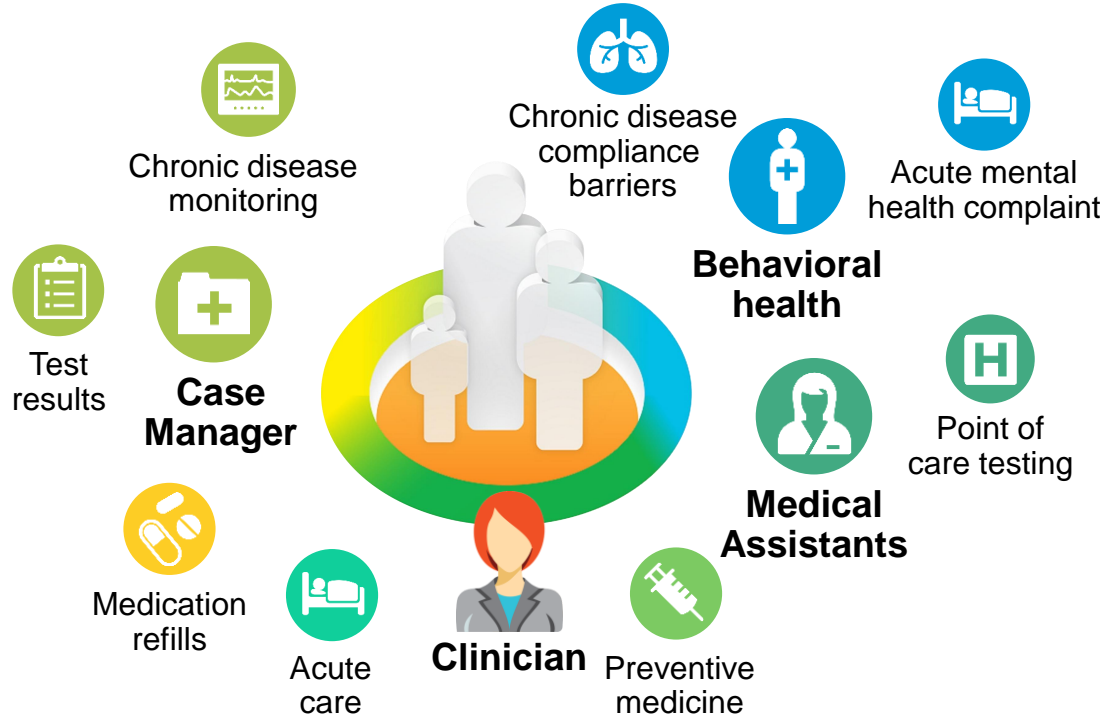


# Practice transformation away from episode of care



Source: Southcentral  
Foundation, Anchorage AK

# New model of care – putting the patient first



Source: Southcentral  
Foundation, Anchorage AK



# Future healthcare transformation

Data driven



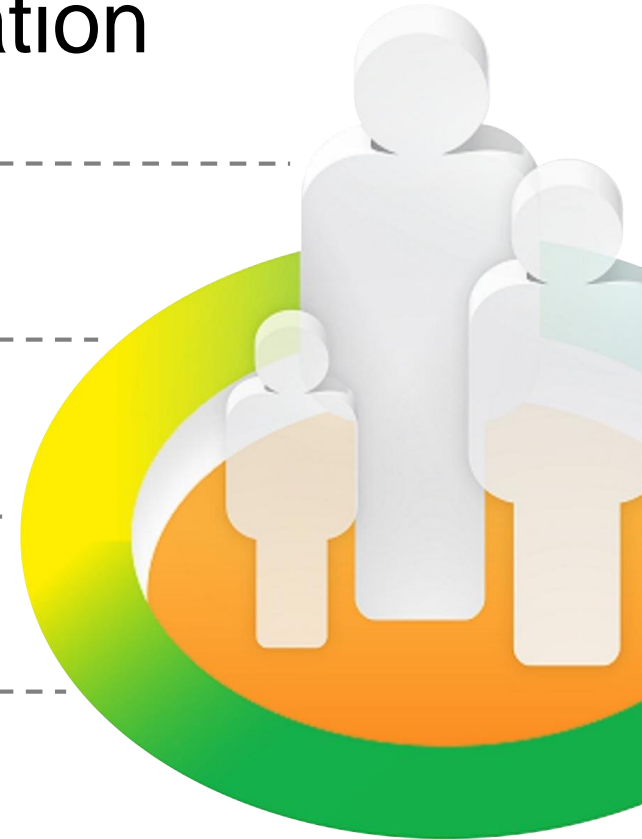
Every person  
has a plan



Team based



Managing a  
population down  
to the individual





CATASTROPHIC

CHRONIC

AT RISK

HEALTHY

## MARKET VECTORS

- Medicare value based payments
- ACO
- PCMH
- Bundled Payments
- Payer Programs
- CINs

## ENGAGEMENT

- Purpose driven [close care gaps, change behavior, etc.]
- Multimodal
- Behavioral Sciences

## ANALYTICS

- Benchmarking
- Reporting / View
- Stratify & Predict

## DATA

- 360° View of Patient [Data Sources: claims, patient reported, hospital, homecare, devices]
- Data model
- API (I/O)



## Today's Care

My patients are those making appointments to see me

Care is determined by today's problem and time available today

Care varies by scheduled time and memory/skill of the doctor

I know I deliver high quality care because I'm well trained

Patients are responsible for coordinating their own care

It's up to the patient to tell us what happened to them

Clinic operations centre on meeting the doctor's needs



## PCMH Care



Our patients are the population community

Care is determined by a proactive plan to meet patient needs with or without visits

Care is standardized according to evidence-based guidelines

We measure our quality and make rapid changes to improve it

A prepared team of professionals coordinates all patients' care

We track tests & consultations, and follow-up after ED & hospital

A multidisciplinary team works at the top of our licenses to serve patients

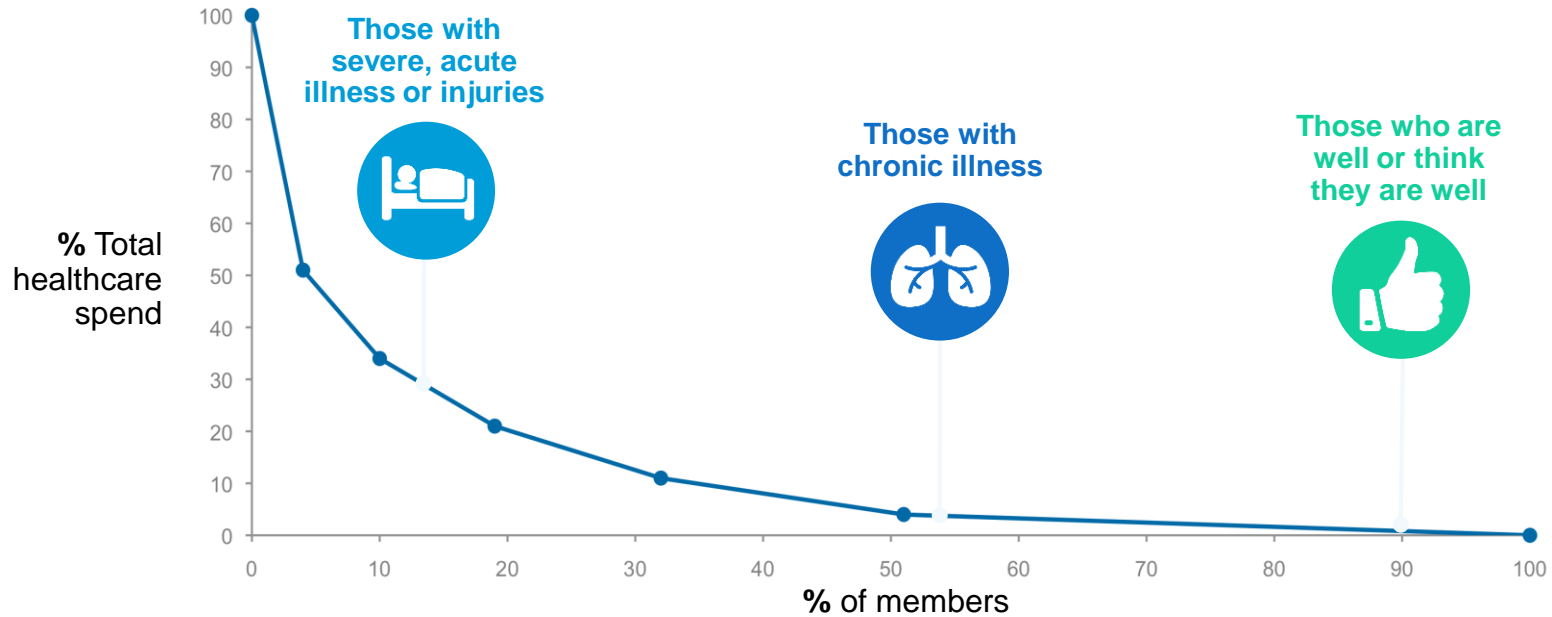
Source:  
Slide from Daniel  
Duffy MD School of  
Community Medicine  
Tulsa Oklahoma

# Defining the care centered on the patient



# Benefit redesign – Patient engagement

## Different strategies for different Healthcare spend segments



# PCMH 2.0 in action



Call & Check Providing support and care for all in the community

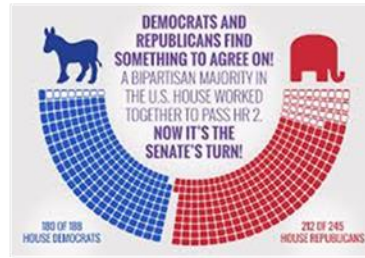
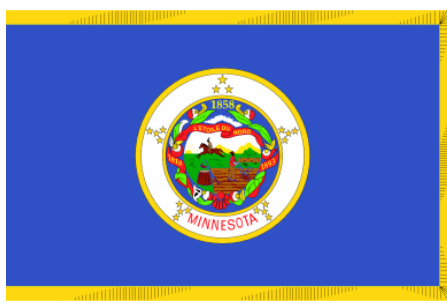




# Maryland – NEJM Nov 2015

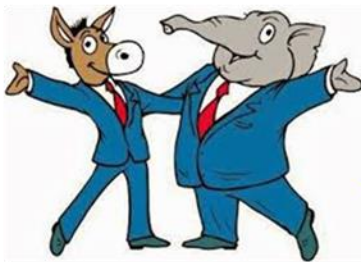
		Maryland Performance	Annual Target / Ceiling	
<b>ALL-PAYER HOSPITAL SPENDING GROWTH PER CAPITA</b> <small>(compared to prior year Maryland)</small>		<b>1.47%</b> spending growth	<b>3.58%</b> spending growth or below	PERIOD Jan-Dec 2014 vs. Jan-Dec 2013  DATA HSCRC monthly financial data
<b>MEDICARE HOSPITAL SPENDING GROWTH PER BENEFICIARY</b> <small>(compared to national)</small>		<b>-1.08%</b> spending decrease	<b>1.07%</b> national spending growth	PERIOD Jan-Dec 2014 vs. Jan-Dec 2013  DATA CMS data
<b>MEDICARE ALL PROVIDER SPENDING GROWTH PER BENEFICIARY</b> <small>(compared to national)</small>		<b>-0.4%</b> spending decrease	no more than <b>1%</b> above national growth rate <small>(national growth rate was 0.9%)</small>	PERIOD Jan-Dec 2014 vs. Jan-Dec 2013  DATA CMS data
<b>MEDICARE READMISSION RATE</b> <small>(compared to national)</small>		<b>-0.70%</b> decrease	<b>-0.96%</b> decrease or more	PERIOD Jan-Dec 2014 vs. Jan-Dec 2013  DATA CMS data, V-4 subject to revisions
<b>MARYLAND HOSPITAL ACQUIRED CONDITIONS RATE</b> <small>(compared to prior year Maryland)</small>		<b>-25.97%</b> decrease	<b>-6.89%</b> decrease or more	PERIOD Jan-Dec 2014 vs. Jan-Dec 2013  DATA HSCRC inpatient case-mix data





Nearly 1/3 traditional Medicare tied to alternative reimbursement models—such as Patient Centered Medical home (PCMH)/ accountable care organizations (ACOs) or bundled payments—by the end of 2016 --- 50% by end 2018

And end of 2018 90% of traditional Medicare payments to quality or value through programs such as the Partnership for Patients Hospital, Value Based Purchasing and the Hospital Readmissions



Senate 92 to 8

<https://www.youtube.com/watch?v=UY088YyQ6uA>



# Target percentage of payments in 'FFS linked to quality' and 'alternative payment models' by 2016 and 2018

