# Bundled Payments Collaborative Learning Network

*Thomas R Graf MD*

*Chief Medical Officer, Population Health, Geisinger Health System*

***"Let us bear in mind that the most important individual after all is the patient. Our paramount thought must be to provide him means by which he can have skilled diagnostic and therapeutic service in as complete form as may be indicated in a given case, in the shortest possible time consistent with thoroughness, and at the least cost to him."***

***HL Foss, MD***
***11/4/1950***

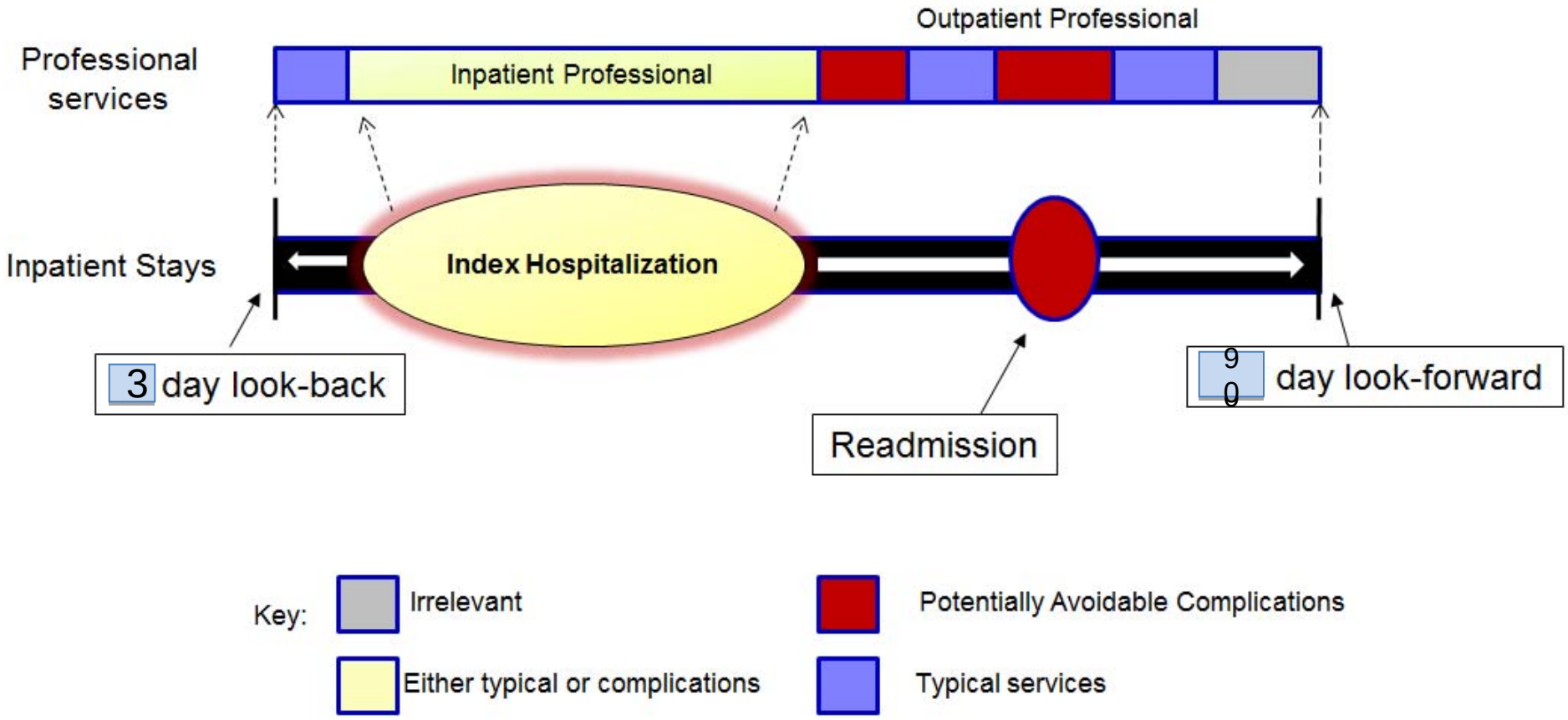
# CMS Bundled Payment Opportunity

- Single payment to a provider for an entire episode of care
- Goal to better coordinate care, improve quality of care, and lower costs
- Four models focusing on different parts of an episode
- Model 2 is best for optimizing quality & generating savings
- Bundles will include all related Part A and Part B services
- Beginning 3 days prior to a hospitalization and 90-180 days post discharge
- Hospital gives CMS 2-3% discount on services and keeps 100% of savings
- CMS is encouraging large (convener) applications including multiple providers with a common BP methodology and gain-sharing with partners

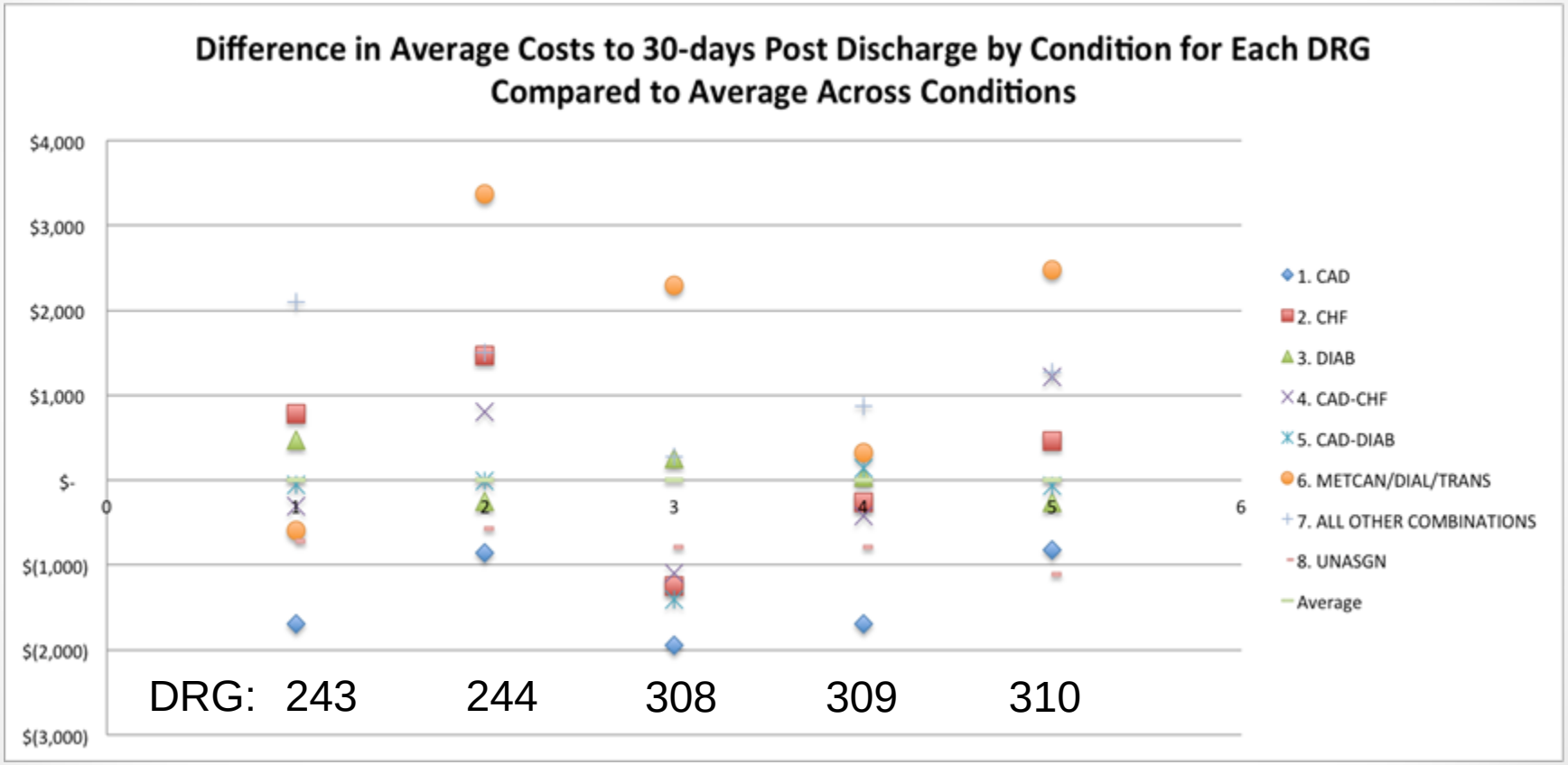
# Model 2 Specifications

- Episode bundles are organized around reason for hospitalization (MS-DRG) with exact identification criteria to be determined
- Care and cost responsibility is minimum 90 days post-hospital discharge
- Discount to CMS is minimum 2%
- Includes almost all related Part A and Part B services
- Target is based on 2009 episode claims trended to 2013
- If aggregate FFS payments are less than the target, Medicare will pays difference to hospital
- If aggregate FFS payments exceed the predetermined target price, hospital must repay Medicare

# Prototypical Bundled Payment Episode



# Cost Variation by Comorbidity Profile (Selected Cardiac DRGs)

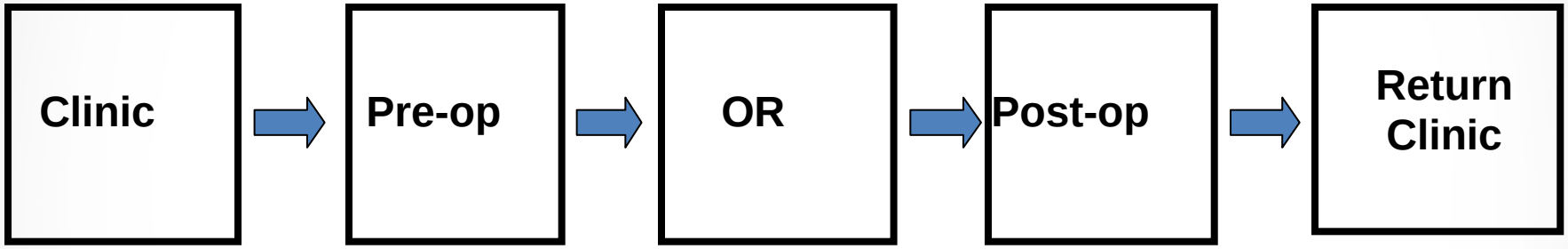


# ProvenCare®

1. Document appropriateness of care.
2. Establish evidence or consensus-based best practices.
3. Reliably deliver these by redesign of complex clinical systems by embedding the behaviors into everyday patient flow using the EHR when able.
4. Activate patients and families, engaging them in the care processes.
5. Provide a packaged price for the episode of care.
6. The “Warranty” transfers risk for financial effects of preventable complications to Geisinger.

# GHS/Brandeis Partnership

## ProvenCare® CABG: Process flow




- Carotid Eval
- Vascular Consult
- Inf.MI/RV
- Clopidogrel
- Warfarin
- Beta Blockade
- Smoking Cessation

- Beta Blockade
- Clopidogrel
- Warfarin

- Antibiotics
- Glycemic Control
- IABP use
- Atherosclerotic Aortas
- Cardioplegia
- Arterial Conduits

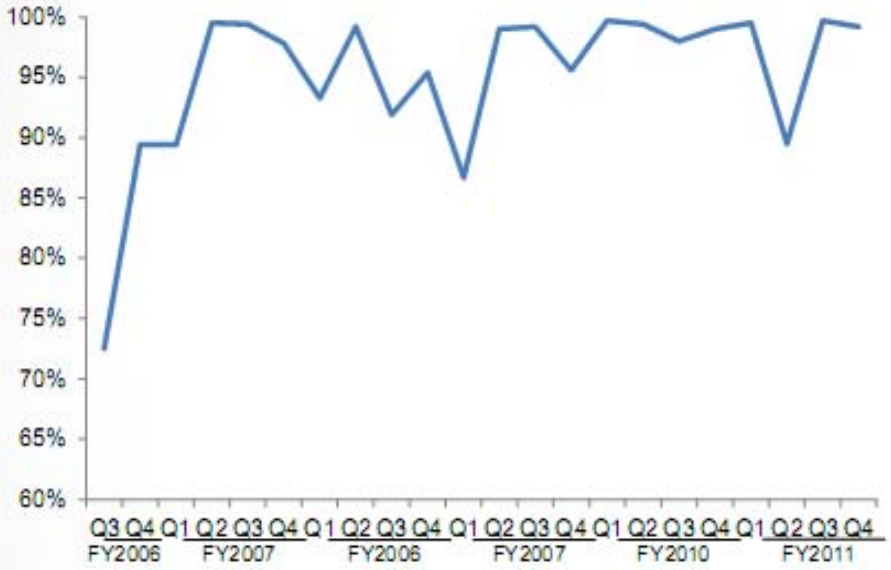
- Antibiotics
- Glycemic Control
- Beta Blockade
- ASA Therapy
- Afib prevention
- Lipid management
- Ant.MI/WMA
- Smoking Cessation

- Beta Blockade
- ASA Therapy
- Lipid management
- Cardiac Rehab
- Smoking Cessation

# ProvenCare® clinical protocols have driven improved clinical and financial outcomes

## ProvenCare® CABG

% of patients receiving all ProvenCare ® best practice elements




## ProvenCare® Financial Outcomes

| | |
|---|---|
| **Hospital** | • Contribution margin increased 17.6%<br>• Total inpatient profit per case improved by $1,946 |
| **Health Plan** | • Paid out 4.8% less per case with ProvenCare® than it would have without |

| | Before Proven Care® N = 132 | After Proven Care® N = 554 | % Improvement (Deterioration) |
|---|---|---|---|
| In-hospital mortality | 1.5 % | 0.5 % | **67 %** |
| Patients with any complication (STS) | 38 % | 34 % | **10 %** |
| Atrial fibrillation | 24 % | 20 % | **16 %** |
| Permanent stroke | 1.5 % | 1.3 % | **13 %** |
| Prolonged ventilation | 5.3 % | 4.9 % | **8 %** |
| Re-intubation | 2.3 % | 1.4 % | **40 %** |
| Intra-op blood products used | 24 % | 12 % | **48 %** |
| Re-operation for bleeding | 3.8 % | 2.4 % | **37 %** |
| Deep sternal wound infection | 0.8 % | 0.2 % | **76 %** |
| Post-op mean LOS | 5.2 d | 5.0 d | **4 %** |

Reporting period: FY2011 Q4 Apr-Jun
Update date: July 5, 2011

# Benefits: BPCLN

- Gain expertise on a wide range of clinical conditions from two organizations long considered on the cutting edge of health information technology, data analysis, and process improvement
- Benefit from the experience of a strong and diverse cohort of hospitals
- Build on proven knowledge of best practices and care re-engineering methods/models
- Better understand your organization’s chances of success
- Significantly improve margins on selected clinical episodes

# BPCLN – NOVEMBER 2012

| SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|
| | | | | 1<br>CMMI Webinar | 2<br>2009 Data released by CMMI for episodes | 3 |
| 4 | 5<br>CMMI Interviews with Candidates - TBD | 6<br>CMMI Interviews with Candidates - TBD | 7<br>CMMI Interviews with Candidates - TBD | 8<br>CMMI Interviews with Candidates - TBD | 9<br>CMMI Interviews with Candidates - TBD | 10 |
| 11 | 12<br>CMMI Interviews with Candidates - TBD | 13<br>CMMI Interviews with Candidates - TBD | 14<br>CMMI Interviews with Candidates - TBD | 15<br>CMMI Interviews with Candidates - TBD | 16<br>CMMI Interviews with Candidates - TBD | 17 |
| 18 | 19 | 20 | 21<br>Templates A & B due to Geisinger FC | 22<br>Thanksgiving Holiday | 23<br>Review/edits/changes | 24 |
| 25 | 26<br>Review/edits/changes | 27<br>Final copies approved | 28<br>Due Date - Templates A & B | 29 | 30 | |

# CMMI Bundles Update - Convener

Participants

Of 35 hospitals, 17 hospitals proceeded with applications

Updated June 25, 2012

| State | Facilities |
|---|---|
| Massachusetts | Lahey Clinic Medial Center |
| Minnesota | EH-St. Mary's Medical Center |
| North Dakota | Essentia Health Fargo |
| Pennsylvania | Aria Health<br>Bryn Mawr Hospital (MLH Awardee Convener)<br>Geisinger Medical Center<br>Geisinger Wyoming Valley<br>Holy Redeemer Health System<br>Lankenau Medical Center (MLH Awardee Convener)<br>Paoli Hospital (MLH Awardee Convener)<br>Riddle Memorial Hospital (MLH Awardee Convener)<br>Thomas Jefferson Health |
| Tennessee | Indian Path Medical Center<br>Johnson City Medical Center |
| Virginia | Bon Secours St. Mary's Hospital<br>Johnston Memorial Hospital<br>Virginia Baptist Hospital/Lynchburg General Hospital |


GAPP GOALS
NATION-LEADING QUALITY &
$300 MILLION GAP
How do we
achieve them?
RIGHT CARE
RIGHT WORKFLOW
RIGHT PROCESS
RIGHT TEAM
RIGHT RESOURCES
PATIENTS & MEMBERS ARE THE CENTER OF OUR UNIVERSE
DELIVERING VALUE
Increased QUALITY
Decreased COST
WIN ↔ WIN
Relentlessly Raising the Bar!
SET NO LOW ASPIRATIONS
NOT BUT
NO!
YES, IF!
&
STEP UP TO THE CHALLENGE
Confront the ELEPHANT IN THE ROOM!
KEYS to LEADERSHIP
Integrity
Accountability
Collaboration
Communication
Evidence-Driven
UNLOCK FUTURE SUCCESS!
THINK OUTSIDE THE BOX
Driving Transformational Change
TACTIC
DRIVER
GOAL