Intelligent Healthcare

Intelligent Solutions for Achieving Clinical Integration & Accountable Care

Case Study: Advocate Physician Partners

“Provide physicians with the right information, and they will make the right decisions.”

— Paul Katz, Intelligent Healthcare CEO
Advocate Physician Partners
Fact Sheet

• Joint Venture Between System & Physicians
• Formed in 1995 As a “Super PHO”
• Currently 10 Physician Hospital Organizations
• Over 3,800 Participating Physicians
• 8 Clinically Integrated Fee-for-Service Contracts
  – Covering Over 700,000 PPO Lives
• 2 Capitated HMO Contracts
  – Covering Over 230,000 Capitated HMO Lives
How the Advocate Clinical Integration Program Works

- Select Top Impact Areas for Employers & Community
  - Chronic Disease Conditions & Generics
  - Benefits Costs, Absenteeism, Presenteeism
- Utilize Best Evidence-Based Practices
- Establish Performance Targets Annually
- Obtain Contracts to Reward Improvement
- Provide Physicians Tools, Training & Feedback
- Develop Physician Progress Reporting System
- Reward Performance At End of Year
Advocate Physician Partners’ Clinical Integration Program

- 41 initiatives across 5 reporting domains -- clinical effectiveness, efficiency, technical infrastructure, patient safety, and patient satisfaction
- 155 measures to impact all medical specialties
- Added:
  - Office manager meeting attendance at information sessions
  - Smoker Screening + Household second-hand smoker screening and counseling for families with children
  - Depression Screening for all chronic disease patients

Measures Create Focus
Clinical Integration is a Foundation of an Accountable Care Organization

- Provides Infrastructure for Integration Across Small Practices
- Overcomes Problems Seen Within the Fee-for-Service Model
- Incentives to Providers Drive Improvement
- Promotes Continuity of Care for Patients
- Framework for Managing Total Cost & Quality
- Allows One Approach for Commercial and Governmental Payers
Clinical Integration: Increasing Physician/ System Integration

Increasing Specialist Measures

Primary Care/ Ambulatory Measures

Early Years: 2004 - 2006

Increasing Physician/ System Integration

Middle Years: 2007 - 2009

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Maturing Years: 2010 - 2020
In addition to the Fee for Service Payments to the hospitals and physicians:

- An additional 3% is paid by the payors to APP for the bonus fund
  - 2008 Fund $28 Million
  - 2009 Fund $38 Million
  - 2010 Fund $50 Million
ACO Infrastructure Data Inputs:

ACO DATA WAREHOUSE

- Hospitals
- Primary Care Physicians
- Specialists & Ancillary Providers
- Web Based Administrative Data Inputs
- EMRs
- National & Regional Labs
- Pharmacy Benefit Managers
- Hospital & Physician Office Labs
- Health Plans
- Medicare Intermediary
# Pivot Proofs (Lab & Rx)

## LAB PIVOT PROOF

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<thead>
<tr>
<th>Indicate</th>
<th>year</th>
<th>month</th>
<th>2010</th>
<th>2011</th>
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| Rx PIVOT PROOF

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<td>Voucher</td>
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<td>284</td>
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<td>35,379</td>
<td>34,320</td>
<td>32,061</td>
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Build and Maintain Master Patient Directory

Betty Who?

Betty J. Smith, F 01/01/1955
Betty Smith, U 01/01/1955
B. J. Smith, F 01/01/1955
Betty J. Smith, F 01/11/1955

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Set Linkage Weight for Date of Birth

Choose a variable:
- Family Name
- Business Name
- Given Names
- Surname
- Gender
- Date of Birth
- Other Date
- Address
- Identifiers
- User Defined
- Others

Linkage Weight:
- Dates of Birth agree (exact) +9.7
- Months of Birth agree +2.5
- Months of Birth disagree -2.0
- Days of Birth agree +3.0
- Days of Birth disagree -1.5
- Day and month of birth are transposed +2.0
- Years of Birth agree +4.0
- Years of Birth differ by 1 yr -0.5
- Years of Birth differ by 2-3 yrs -2.5
- Years of Birth differ by 4-6 yrs -3.0
- Years of Birth differ by 7-10 yrs -4.0
- Years of Birth differ by more than 10 yrs -9.0
- Day of Birth = 01 and Month of Birth = 01 +0.0
- Date of Birth Missing +0.0

OK Cancel Set Default
Data Populates ACO Disease and Preventive Care Registries:

- Acute and Chronic Cardiovascular Diseases
- Breast, Cervical, & Colorectal Preventive Care
- Smoking, BMI, BP Clinical Observations
- Childhood Flu Immunizations
- Generic Prescribing Efficiency
- Diabetes and Other Chronic Diseases
- Seamlessly View Patients Across Registries
- Employer & Population Management

ACO DATA WAREHOUSE
Menu-Driven Reporting Includes Patients, Physicians, Populations & More

Live Web Demonstration
Automated Web-Based Tools
Identify Patient Care & Compliance

Live Web Demonstration
Calculation and Distribution of CI Incentives

- CI incentive distribution for each physician based on the following:
  - Physician’s billing amounts as a % of combined billing amounts of all CI eligible physicians
  - Individual CI score
  - CI score of the physician’s primary PHO
  - Disease registry patient counts
Advocate Physician Partners’ Incentive Fund Design

Group / PHO Incentives (30%)
- Group / PHO Distribution
  - Tier 1 (50%)
  - Tier 2 (33%)
  - Tier 3 (17%)
- * Residual Funds

Individual Incentives (70%)
- Individual Criteria
- Individual Distribution
- * Residual Funds

* Residual Funds are rolled over into general CI fund (not tied to individual physician or originating PHO) to be distributed in the following year.
## Incentive Fund Design Sample Calculation

### Incentive Opportunity $ (based upon allowable physician billings)

<table>
<thead>
<tr>
<th></th>
<th>DR. A</th>
<th>DR. B</th>
<th>DR. C</th>
<th>TOTAL</th>
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<tr>
<td>Incentive Opportunity $</td>
<td>$12,000</td>
<td>$20,000</td>
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<td>$60,000</td>
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### INDIVIDUAL INCENTIVE POOL

<table>
<thead>
<tr>
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<th>DR. A</th>
<th>DR. B</th>
<th>DR. C</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Physician Allocation of Incentive Opportunity</td>
<td>70%</td>
<td>$8,400</td>
<td>$14,000</td>
<td>$19,600</td>
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<tr>
<td>Physician Progress Report Score</td>
<td>100%</td>
<td>90%</td>
<td>80%</td>
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<tr>
<td>Individual Physician Pool Actual Distribution Amount</td>
<td>$8,400</td>
<td>$12,600</td>
<td>$15,680</td>
<td>$36,680</td>
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</tbody>
</table>

Residual Funds* | $5,320 |

### PHO INCENTIVE POOL

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<thead>
<tr>
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<th>DR. A</th>
<th>DR. B</th>
<th>DR. C</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>PHO Incentive Pool Contribution Per Physician</td>
<td>30%</td>
<td>$3,600</td>
<td>$6,000</td>
<td>$8,400</td>
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<tr>
<td>Tier Based on Individual Physician Progress Report Score</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
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<tr>
<td>Allocation of Total PHO Incentive Pool Opportunity Amount</td>
<td>$9,000</td>
<td>$5,940</td>
<td>$3,060</td>
<td>$18,000</td>
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<tr>
<td>Group Progress Report Score</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
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<td>PHO Pool Actual Distribution Amount</td>
<td>$8,100</td>
<td>$5,346</td>
<td>$2,754</td>
<td>$16,200</td>
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</table>

Residual Funds* | $1,800 |

### ACTUAL INCENTIVE DISTRIBUTION

<table>
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<th>DR. A</th>
<th>DR. B</th>
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<td>PHO Incentive Pool</td>
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<tr>
<td>Total</td>
<td>$16,500</td>
<td>$17,946</td>
<td>$18,434</td>
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Intelligent Healthcare
Company Overview

- 20-year-old California-based company providing physicians with accurate, actionable, and easy-to-use information
- Responsible for maintaining data & information technology, allowing physicians to focus on meeting patient needs
- Target quality and efficiency
- Tools provided:
  - Pre-Populated Disease & Preventative Care Registries
  - Efficiency Analysis
  - Pay for Performance, PQRS. Meaningful Use Improvement and Reporting
  - Population Risk Analysis
  - Medicare HCC Auditing and Improvement
  - Client-Specific Healthcare Analytics
Intelligent Healthcare
Company Philosophy & Principles

- Complete software as a service (SaaS): we do the hard work, not you
- Up-to-date web based information right from the start, state-of-the-art tools, and full-line healthcare analytics
- Intelligent Healthcare not only manages the aggregation and integration of diverse data sources, but also continuously monitors the data for gaps
- Help physicians and their staff identify patient’s unmet needs
Intelligent Healthcare
California IHA-P4P Clients

- Over 5,000 primary care physicians caring for more than 1.6 million Californians

- Intelligent Healthcare’s clients excel in California’s IHA-P4P clinical measurements
Advocate Health Care is an integrated delivery system with 10 hospitals, 3,500 physicians in its PHO, and three medical groups caring for over 1,000,000 patients.
Intelligent Solutions for Achieving Clinical Integration

Presented by

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