

Advancing Primary Care through Changing
Reimbursement: Provider Based Disease Management
and the Advanced Medical Home.



David S Hanekom, M.D.
Medical Director
Blue Cross Blue Shield of North Dakota

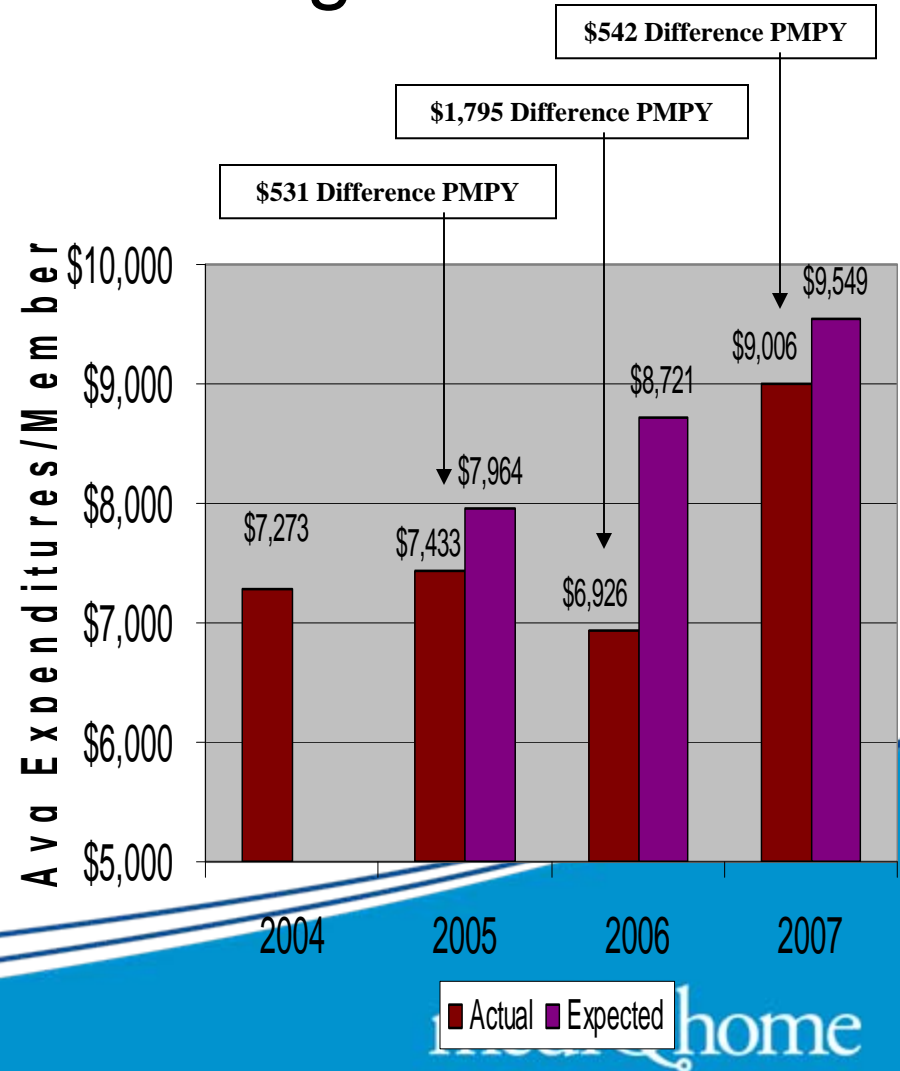
The National Healthcare Incentives Institute
October 21, 2008
Washington, DC

Outline

- North Dakota Healthcare Market
- Diabetes Disease Management
- Medical Home Proof of Concept (POC)
- Advanced Medical Home POC
- MediQhome Quality Project
- MediQhome and Physician Reimbursement

Diabetes Disease Management

- MeritCare Health System
- Period 2004-2006
- Diabetes DM Program
- 192 Patients
- 2 Clinical Sites
- + ROI of \$ 531 PMPY
- Improved Clinical Outcomes
- Improved Patient Satisfaction
- Improved Provider Satisfaction
- BCBSA *Blue Works Winner* 2007



Medical Home Pilot Program

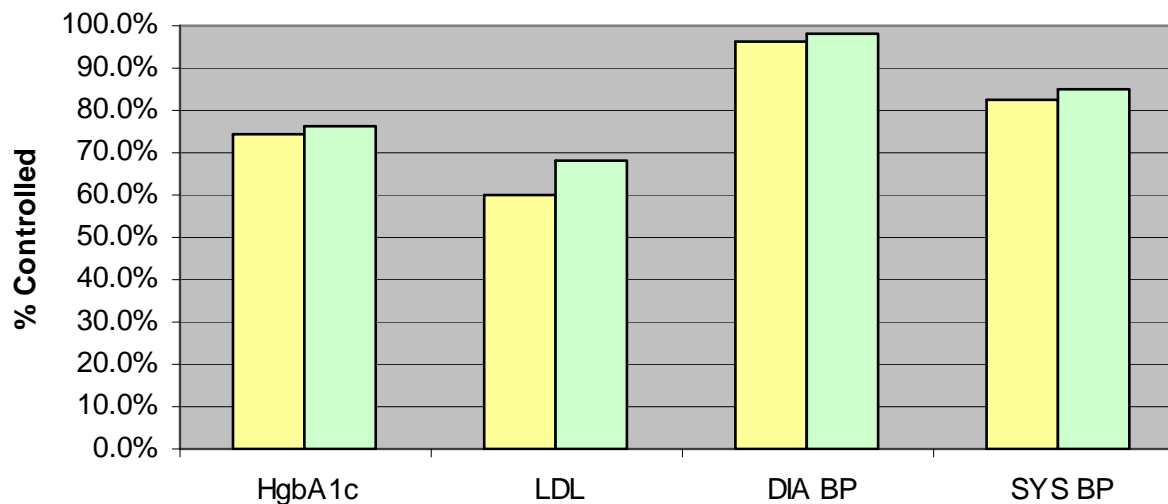
- MeritCare Diabetes DM Expansion
- Study Period 2 years (Sept 2007- Sept 2009)
- Diabetes & Hypertension & CAD
- Patient-Centered Medical Home
- Information Technology and Infrastructure
- Medical Practice Re-design
- Payment Re-design

MeritCare Clinic	Members				Primary Diagnosis on DM Claim			Total Paid for DM Program
	Mems	% All Mems	Avg Age	% Male	Diabetes	Hypertension	CAD	
Desk 35	622	48.4%	56.2	45.8%	26.9%	59.2%	13.9%	\$8,925
Island Park	183	14.2%	54.5	49.7%	24.3%	70.6%	5.1%	\$75,521
Moorhead	51	4.0%	54.6	30.6%	31.9%	53.2%	14.9%	\$32,375
Southpointe	430	33.4%	55.9	40.2%	21.9%	71.6%	6.6%	\$108,815
Total	1,286	100.0%	55.3	41.6%	26.2%	63.6%	10.1%	\$225,636

Diabetes Clinical Outcomes

Diabetes						
	% Member with Lab:		Mean Value		% Controlled †	
	Pre*	During**	Pre*	During**	Pre*	During**
HgbA1c	76.8%	78.3%	7.05	6.97	74.1%	76.6%
LDL	66.7%	64.4%	95.8	93.1	60.1%	68.0%
DIA BP	83.9%	86.1%	75.9	74.2	96.4%	98.3%
SYS BP	83.9%	86.1%	129.7	128.1	82.6%	84.8%

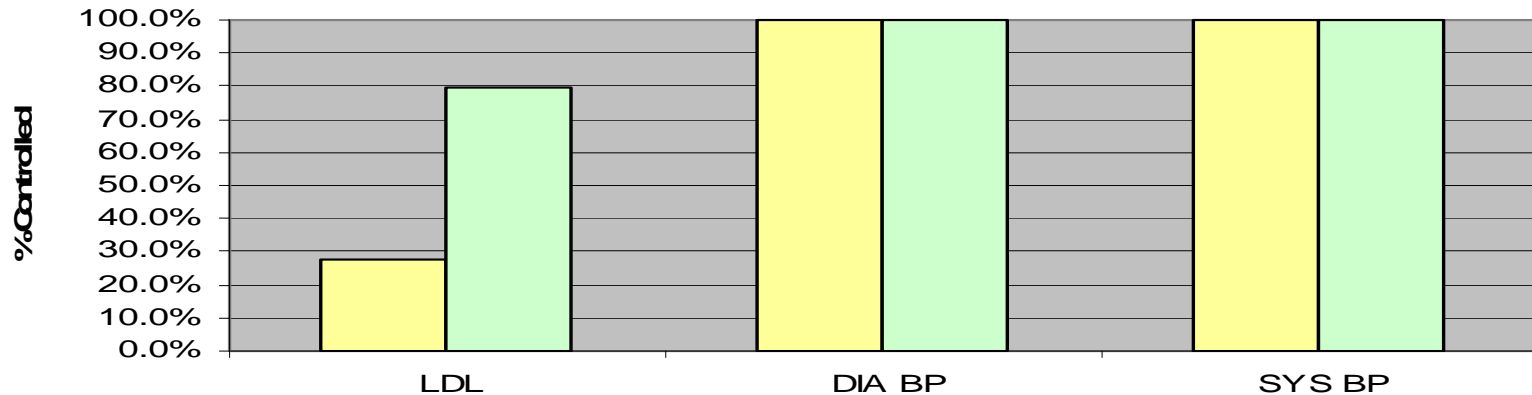
† Controlled values: HgbA1c ≤ 7.5 ; LDL ≤ 100 ; Sys ≤ 130 ; Dia BP ≤ 80



CAD Clinical Outcomes

CAD						
	% Member with Lab:		Mean Value		% Controlled †	
	Pre*	During**	Pre*	During**	Pre*	During**
LDL	27.5%	63.3%	83.7	80.9	27.5%	79.7%
DIA BP	33.9%	84.4%	74.6	73.6	100.0%	100.0%
SYS BP	33.9%	84.4%	130.1	123.8	100.0%	100.0%

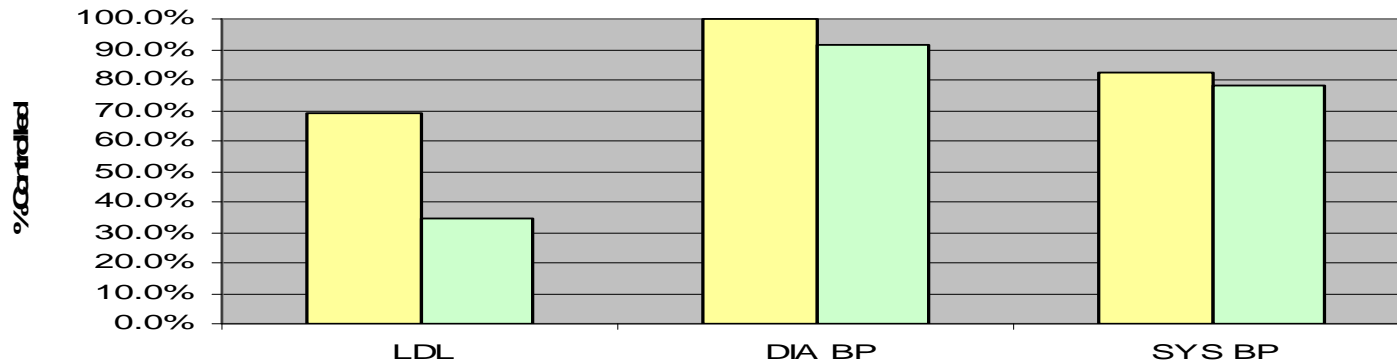
† Controlled values: LDL \leq 100; Sys \leq 140; Dia BP \leq 90



HTN Clinical Outcomes

Hypertension						
	% Members with Lab		Mean Value		% Controlled †	
	Pre*	During**	Pre*	During**	Pre*	During**
LDL	1.9%	57.1%	98.5	112.8	69.2%	34.7%
DIA BP	2.5%	83.7%	78.4	79.3	100.0%	91.3%
SYS BP	2.5%	83.7%	131.5	131.4	82.4%	77.9%

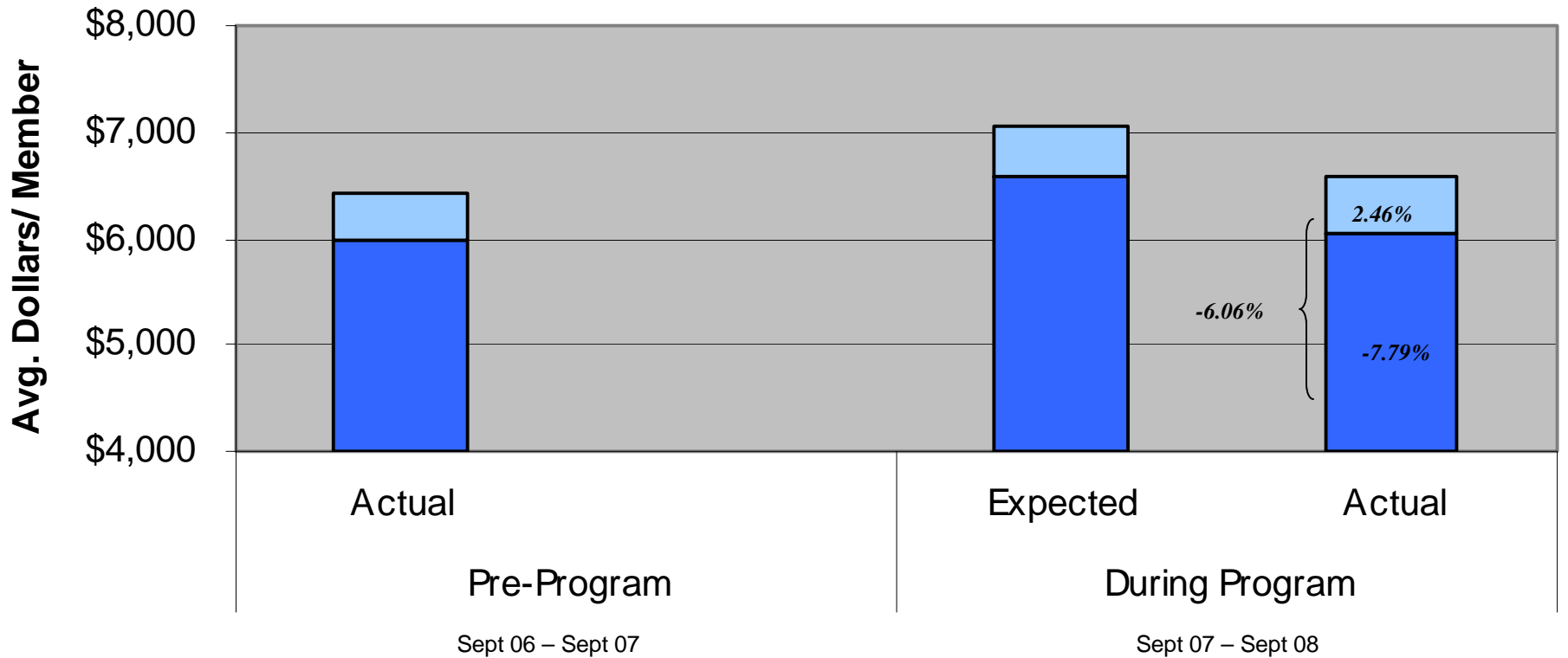
† Controlled values: LDL \leq 100; Sys \leq 140; Dia BP \leq 90



ER and Inpatient Admissions

MeritCare Clinic	Total Mems	ER Visits Rate per 100		IN Admissions Rate per 100	
		Pre-Program Comparison *	During Program**	Pre-Program Comparison *	During Program**
Desk 35	51	57.4	22.2	16.7	22.2
Island Park	430	22.6	11.8	9.9	11.8
Moorhead	183	17.5	9.8	12.0	9.8
Southpointe	622	23.6	13.2	10.8	13.2
Total	1,286	23.8	12.6	10.9	12.6

Global Costs: Actual vs. Expected

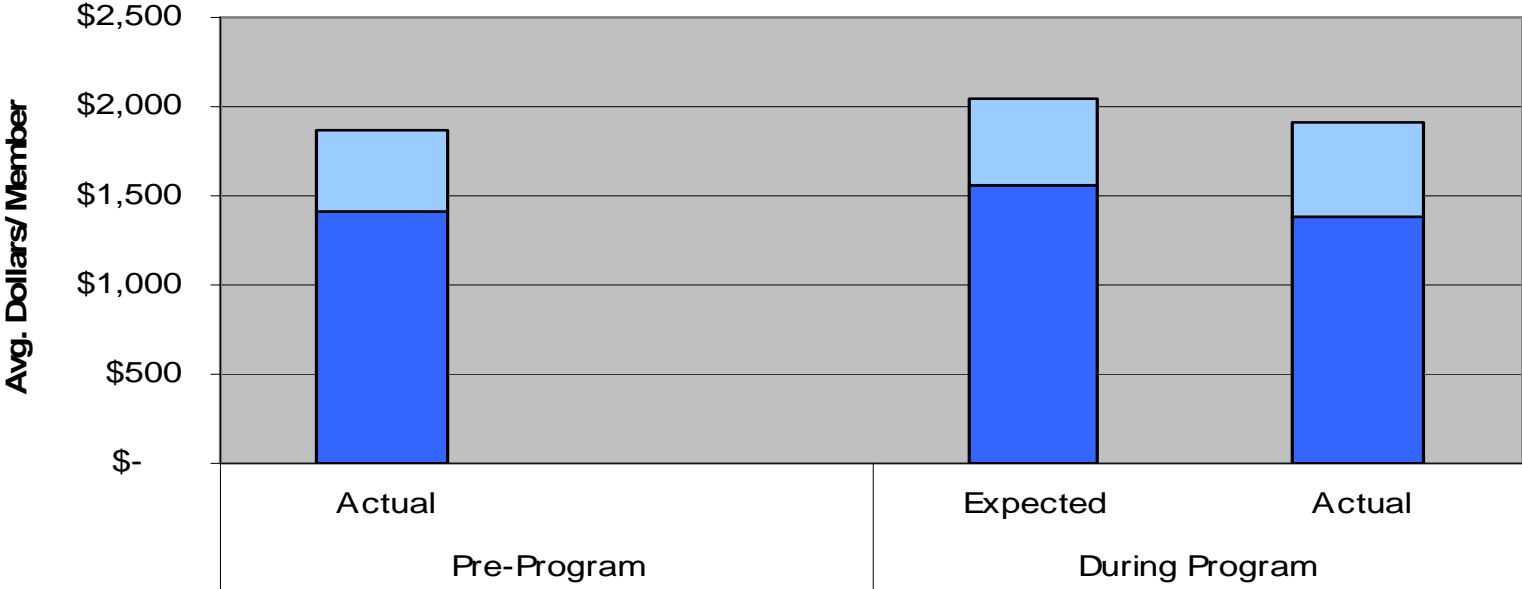


Average Cost Trend 10%

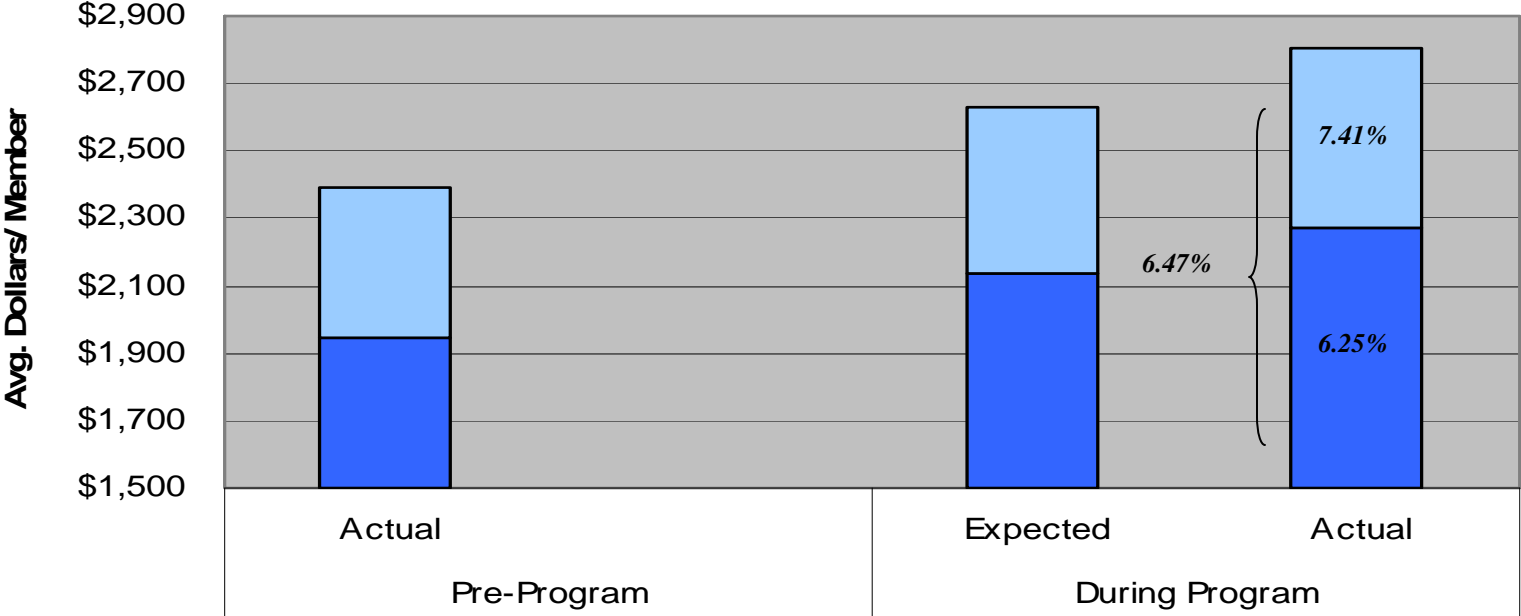
■ Blue Cross Blue Shield Contributed Dollars

■ Member Contributed Dollars

Pharmacy Claims

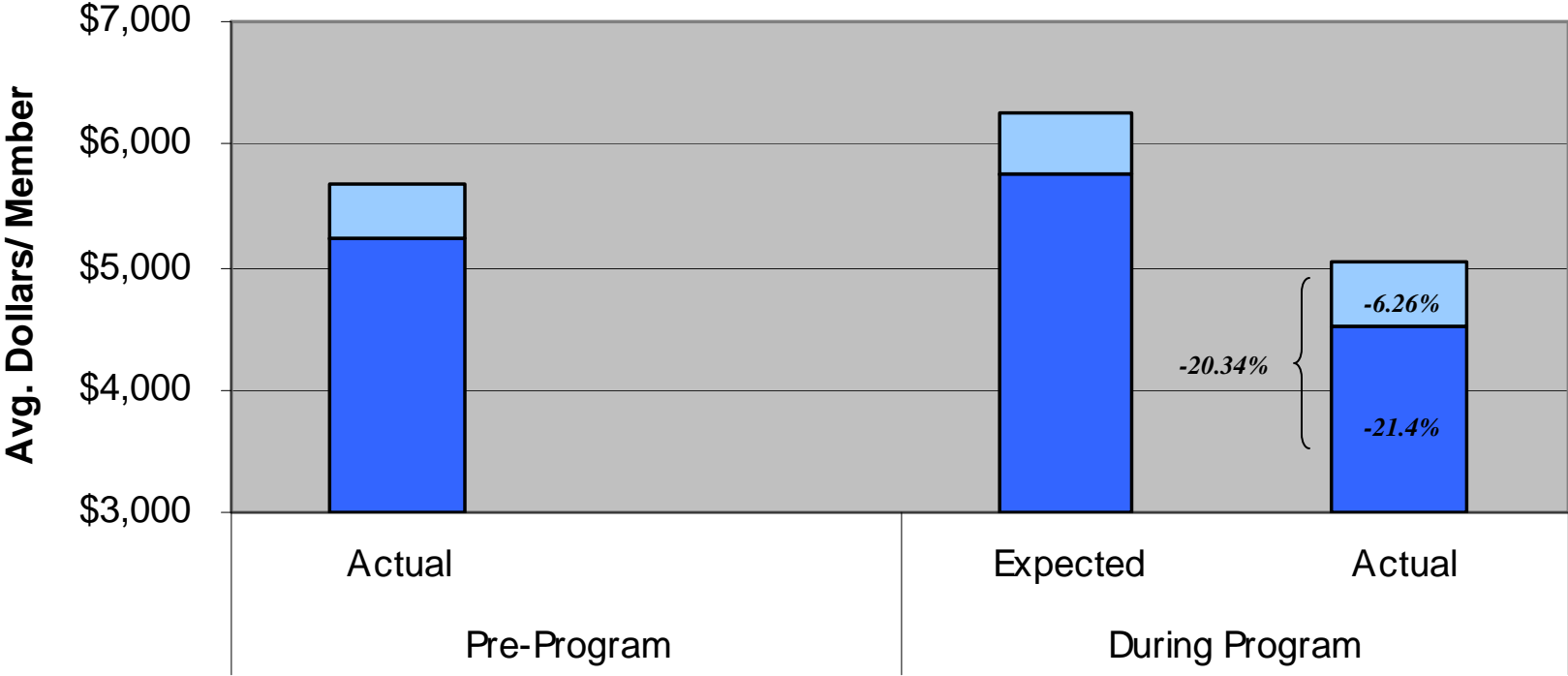


Professional Claims



Average Cost Trend 10%

Institutional Claims



Average cost trend 10%

ROI

Comparison* Time Frame: Actual \$/Mem	Trend Factor	Expected \$/Mem	During Program: Actual \$/Mem**	Average PM Savings	Total Members in Program	Total Savings
\$7,185	10.00%	\$7,904	\$7,425	\$479	1,286	\$ 616,364

Total Program Expenditures: \$ 225,636

* Comparison time frame = 09/01/2006 through 08/31/2007

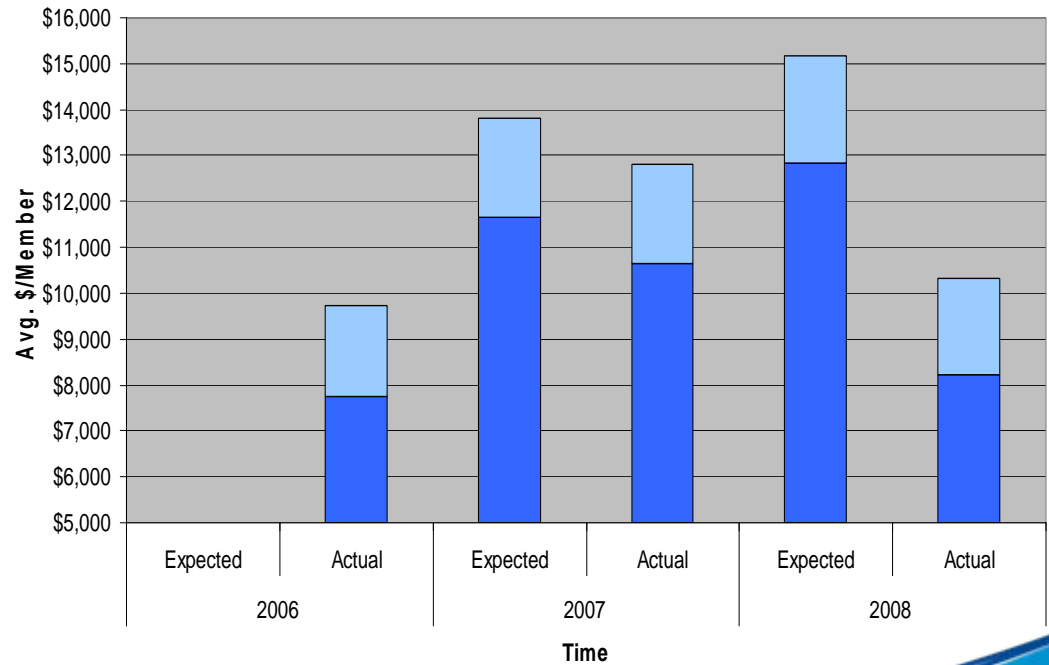
** During Program= 09/01/2007 through 9/1/08

Current ROI: \$390,728

Global Cost Trend 2006-2008

- 3 year follow-up
- 115 Members
- AMH Care Desk 35
- Longitudinal claims and clinical data.
- Medical inflation
- Clinical Quality Improving

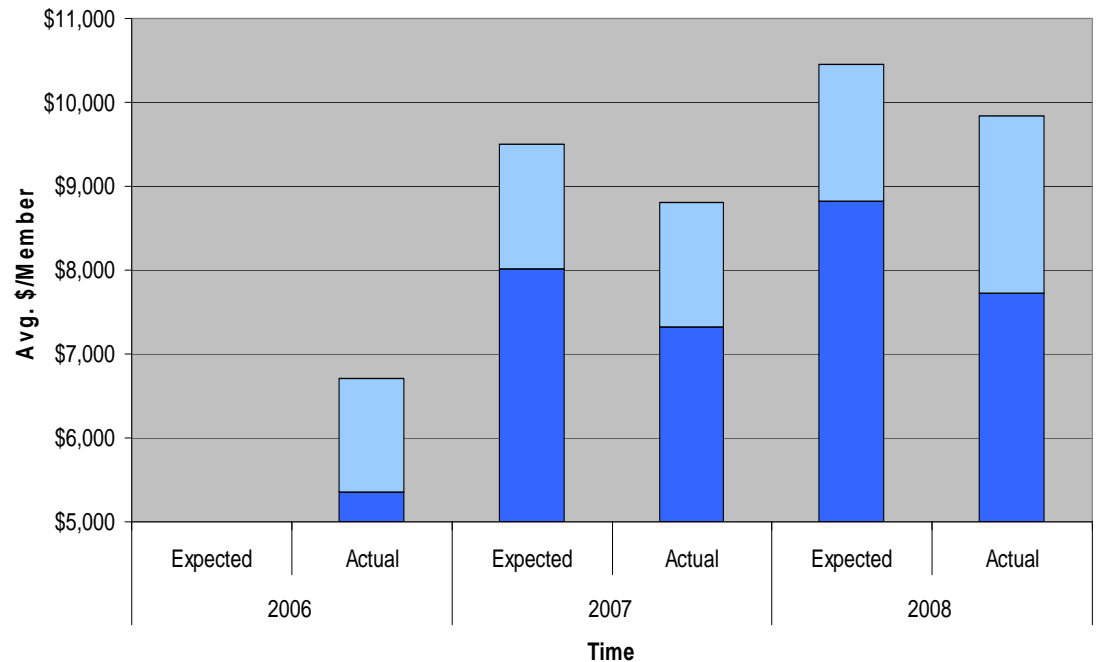
Desk 35 12-Month Adjusted Data



Global Cost Trend 2006-2008

- 3 year follow-up
- 160 Members
- AMH SouthPointe Clinic
- Improving Quality

Southpointe 12-Month Adjusted Data



Philosophical Expectations: MediQhome Quality Project.

– Philosophy

- Transformative Change
- Evidence-based clinical care
- Reduce/eliminate patient harm
- Care Coordination norm not exception.
- Shared financial social responsibility

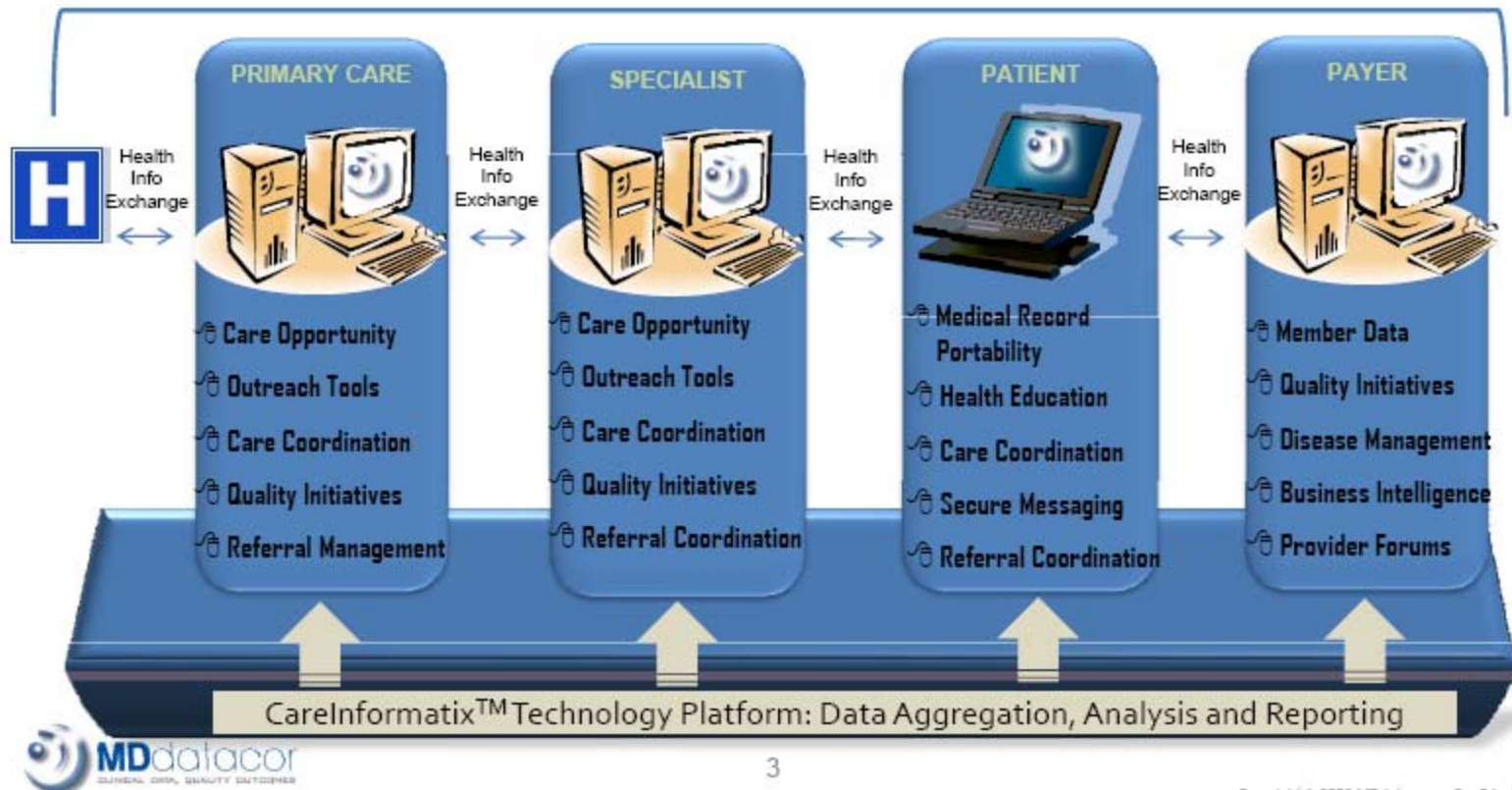
– Expectation

- Provider-based practice redesign.
- Minimum care standards must be pursued for every patient.
- Explicit safety design for care application.
- Collaboration and shared responsibility for outcomes.
- Explicit partnership and stewardship of financial resources.

MediQhome Quality Project

- Patient-Centered Advanced Medical Home
 - BCBS ND funded Program
- Payor Agnostic enrollment
- Primary Care redefined and focused
- Multiple Clinical Conditions
 - HTN, CAD, DM, Asthma, ADHD, CHF, Immunization, Cancer Screening
- Clinical data driven
 - Labs, medications, vitals, etc.
- Predominantly outcomes focused
 - Process vs. intermediate outcomes
- Minimal claims data support
- Abolition of clinical data silos
 - Patient-centricity of data
- Patient-Centric Design
 - Information Technology
 - Clinical Quality Reporting
 - Program Provider Re-imburement

MediQhome Information Technology



MediQhome

- Quality Advisory Committees (Adult & Pediatric)
- Cooperative research opportunities
- External Partnerships
- Multiple Functionalities- PQRI and CMS Medical Home Demonstration Project
- Information sharing with Patients (Wellness Initiative)

Summary

- Cooperative Relationship Building
- Commitment to quality clinical care
- Delivery System Redesign
- Reimbursement System Redesign
- Attitudinal Changes
- Trust
- Commitment
- Shared Savings

- David s Hanekom, M.D.
- Medical Director
- BCBS of North Dakota
- David.hanekom@noridian.com
- Tel: 701-282-1350