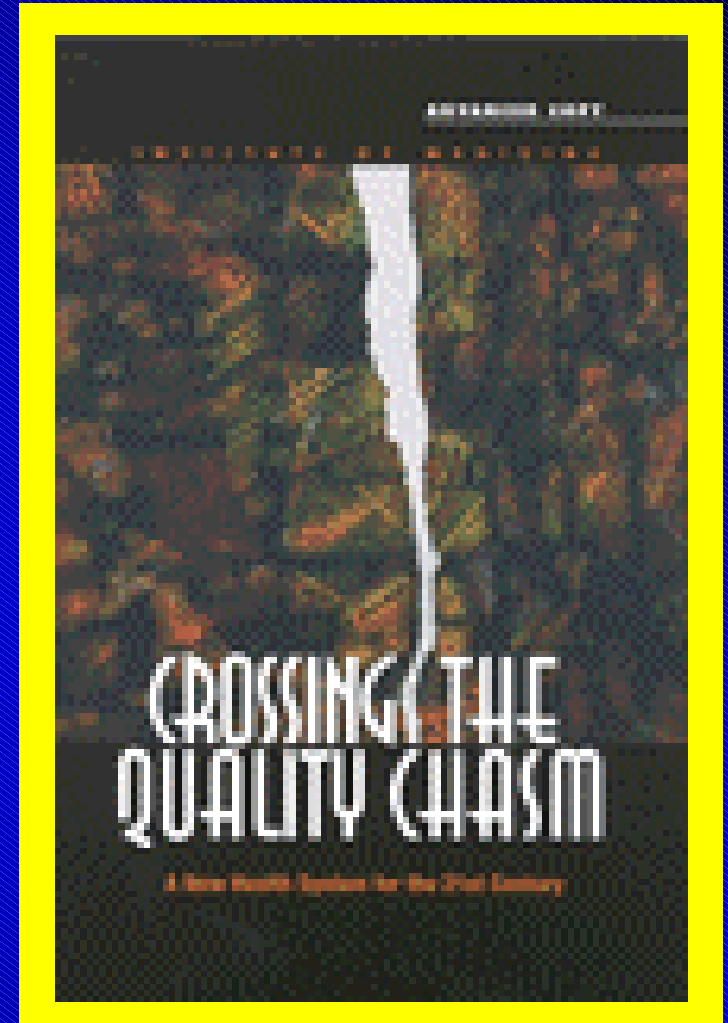


HIT SUMMIT
Payment/Reimbursement Incentives:
The Hudson Valley EMR Collaborative
October 20, 2004

Beau Carter
Senior Health Policy & Strategy Consultant
Med-Vantage, Inc. – San Francisco

IOM Call to Action on IT

“If we want safer, higher-quality care, we will need to have redesigned systems of care, including the use of information technology to support clinical and administrative processes.”



National P4P Survey – P4P Sponsor Types

	<u>2003</u>	<u>2004</u>
Commercial Health Plans	32	56
Medicaid Plans	1	9
CMS Initiatives	1	5
Employers/Employer Coalitions	5	6
Other	0	4
TOTAL	39	80

Change in P4P Categories 2003-2004

Frequency of Use in P4P Measurement Sets

	<u>2003</u>	<u>2004</u>
	n = 28	n = 50
Clinical (HEDIS)	89%	94%
Patient Satisfaction	79%	30%
IT	39%	56%
Efficiency	57%	46%
Administrative/market Share	54%	40%
Patient Safety	29%	13%

Taconic IPA – P4P Changes

- Existing P4P program with MVP health plan
- Historically covered HEDIS, patient satisfaction, access
- Changing in 2004 to reflect IT – 40% of \$1.00 pmpm
- 2004 – incentive for accessing and using e-results
- 2005 – incentive for use of e-prescribing
- 2006 – incentive for EMR adoption and use

Hudson Valley EMR Initiative - Goals

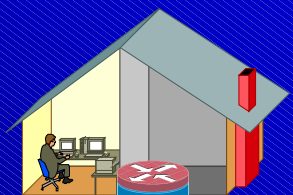
- Comprehensive, web-based, inter-operable, scalable system
- MedAllies covers planning, implementation, training, and support
- Health plans and employers provide IT incentives
- Incentive \$ cover ongoing licensing/maintenance costs
- Payers get benefit of full EMR w/ minimal investment

Enabling Responsive and Mobile Patient Care

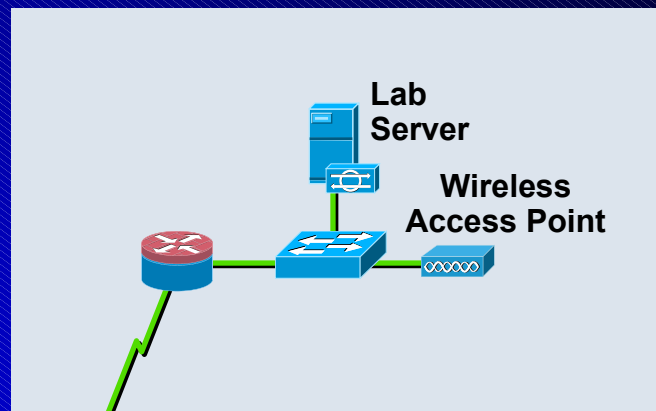
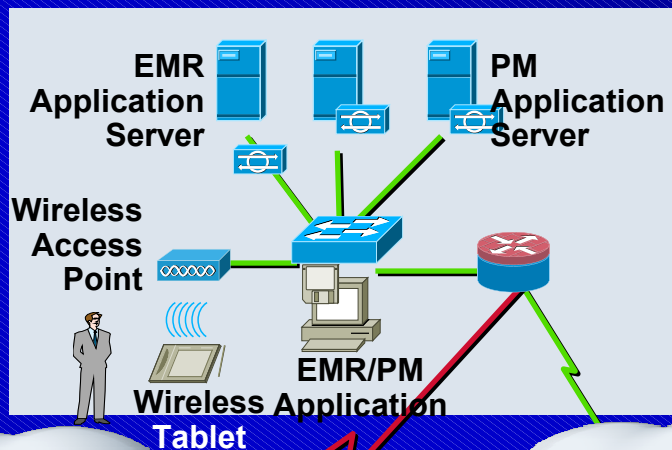
MedAllies Facility

Ancillary Services Facility

Physician at Home

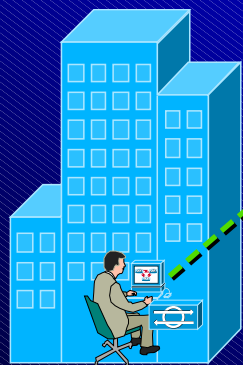


Broadband Router with Firewall and VPN



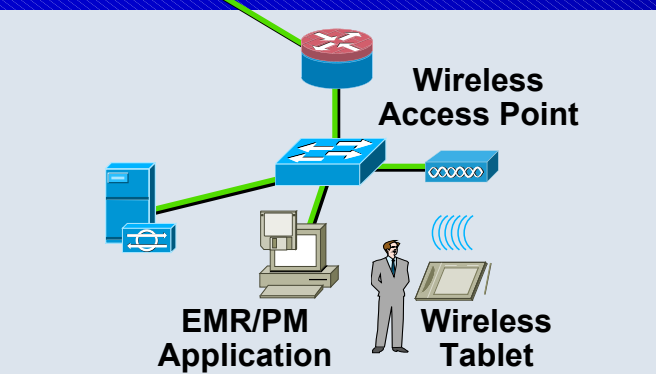
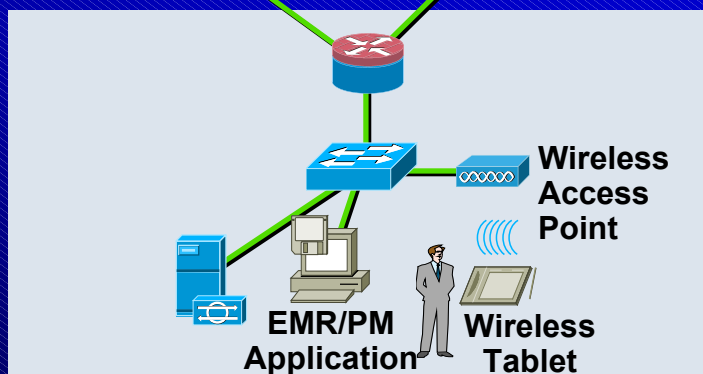
Internet

IP WAN



Cisco VPN Client with CSA

Physician at Hospital



Family Practice

Pediatrics

Enabling Responsive Patient Care

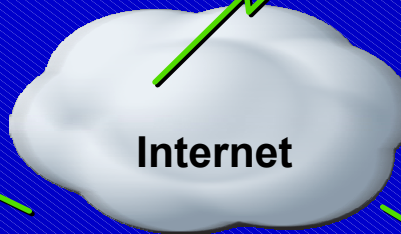
Physician at Home



Broadband Router with Firewall and VPN



CCR Data



Internet

Patient Demographics
Patient Insurance
Medications
Allergies
Health Maint Alerts
Lab Results
Dictated Reports
Vital Signs
DX and CPT codes

Source: Mark Anderson, AC Group

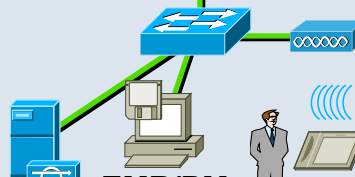
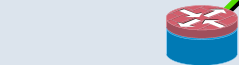


Wireless Access Point



Wireless Tablet

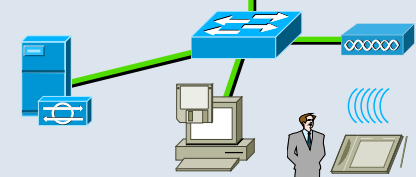
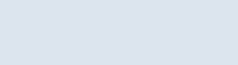
EMR Light



EMR/PM Application

Wireless Tablet

**Family Practice
EMR # 1**



EMR/PM Application

Wireless Tablet

**Pediatrics Care Facility
EMR # 2**

Wireless Access Point

THINC Vendor Functional Evaluations

AC Group managed a process that:

- Sent RFP's to 269 vendors that stated they sold EMR Applications.
- Reviewed 69 EMR vendors functionality and end-user satisfaction scores.
 - 5,500 functional questions
 - Looking for “certified EMR/EHR Vendors
 - Access Anytime, Anywhere, on Any Device, from Any location
- Selected the 13 top EMR vendors for on-site presentations
 - 11 EMR Vendors
 - 2 Community Repository Vendors



Source: Mark Anderson, AC Group

THINC Vendor Functional Evaluations

- **Created demonstration guidelines to ensure that vendors met physician needs, health plan needs, and Taconic IPA requirements.**
- **Invited health plans to sit in on the demo's (New York Health Plan Association rep attended all sessions)**
- **Asked vendors to demonstrate:**
 - Formulary and Generic Drugs
 - Drug Alerts
 - Health Maintenance Alerts
 - Best Practices
 - National Guidelines



Source: Mark Anderson, AC Group

THINC Vendor Evaluation: Vendors that Presented

- **EMR/EHR Vendors**

- NextGen
- Cerner
- Allscripts Healthcare Systems
- SynaMed
- Bond Medical
- PMSI
- eClinicalworks
- Med Com Sys

- **EMR/EHR Vendors (cont)**

- GE Medical
- A4 Healthcare
- Dr. Notes
- **Community Repository**
 - Health Vision
 - Integrate
 - Axolotl

Source: Mark Anderson, AC Group

Vendors Selected as Finalists

- **NextGen**
- **Cerner**
- **Allscripts Healthcare Systems**
- **GE Medical**

Next Step:

**On-site
demo's
scheduled for
Oct 20 and 27**

**Technology meetings with health
plans to determine specific
requirements and guidelines to be
scheduled in Nov. - Dec.**

Hudson Valley EMR – The Case for Payers

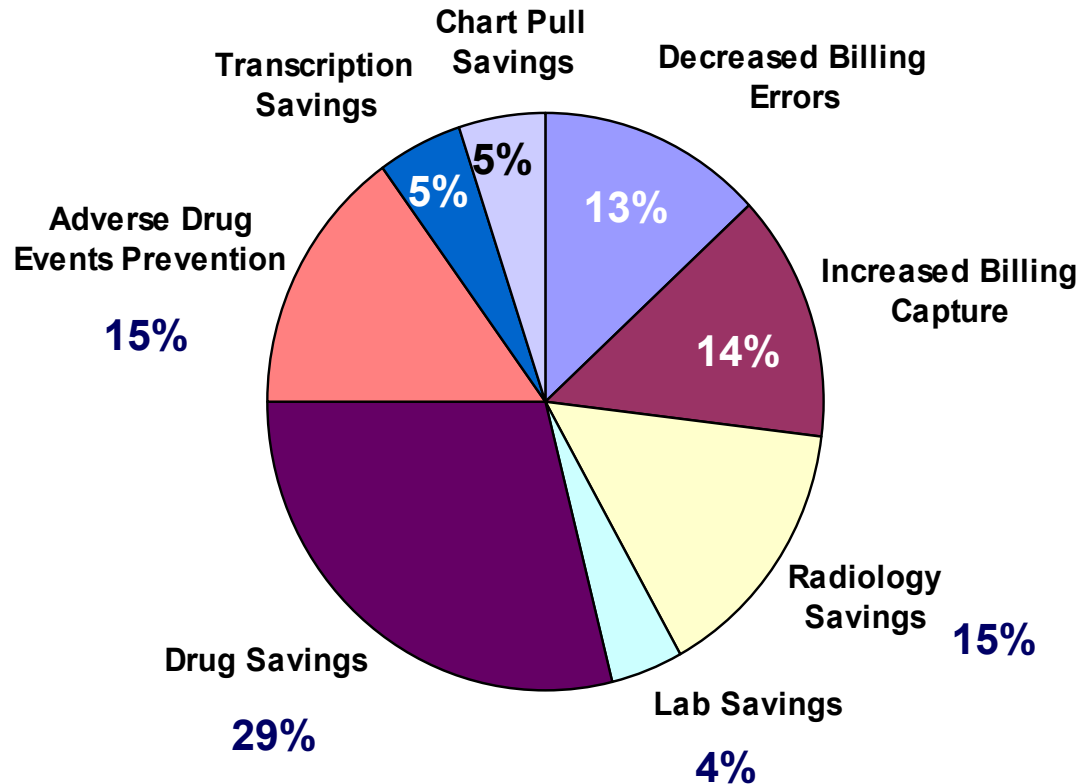
- No payer has enough market share to drive change alone
- A small investment can produce a large return
- The broader the participation, the fewer “free riders”
- Most EMR benefits accrue to the payer
- Payers could fund P4P program with Rx savings

Benefits of Full EMR System

- Reduce duplicate tests and prevent unnecessary tests
- Improve formulary compliance and generic drugs substitution
- Eliminate preventable adverse drug events and hospitalizations
- Improve health maintenance compliance
- Improve adherence to national and plan specific guidelines
- Health plans will have access to evidence based medicine as soon as data is entered - not just claims data, but clinical and DM data

Source: Mark Anderson, AC Group

Summary of EMR Benefits



Source: Partners Health Care experience based on 2500 patients and providers. "Cost and Benefit Analysis for electronic medical records in primary care." The American Journal of Medicine 2003;114:397-403

Threshold for Payer Incentives

“Financial incentives of the approximate range of \$3 to \$6 per patient visit or \$0.50 to \$1.00 per member per month appear to be a sufficient starting point to encourage wide-spread adoption of basic EMR technologies by small, ambulatory primary care practices.”

Work Group on Financial, Legal, and Organizational Stability
Connecting for Health...A Public-Private Collaborative

June 23, 2004

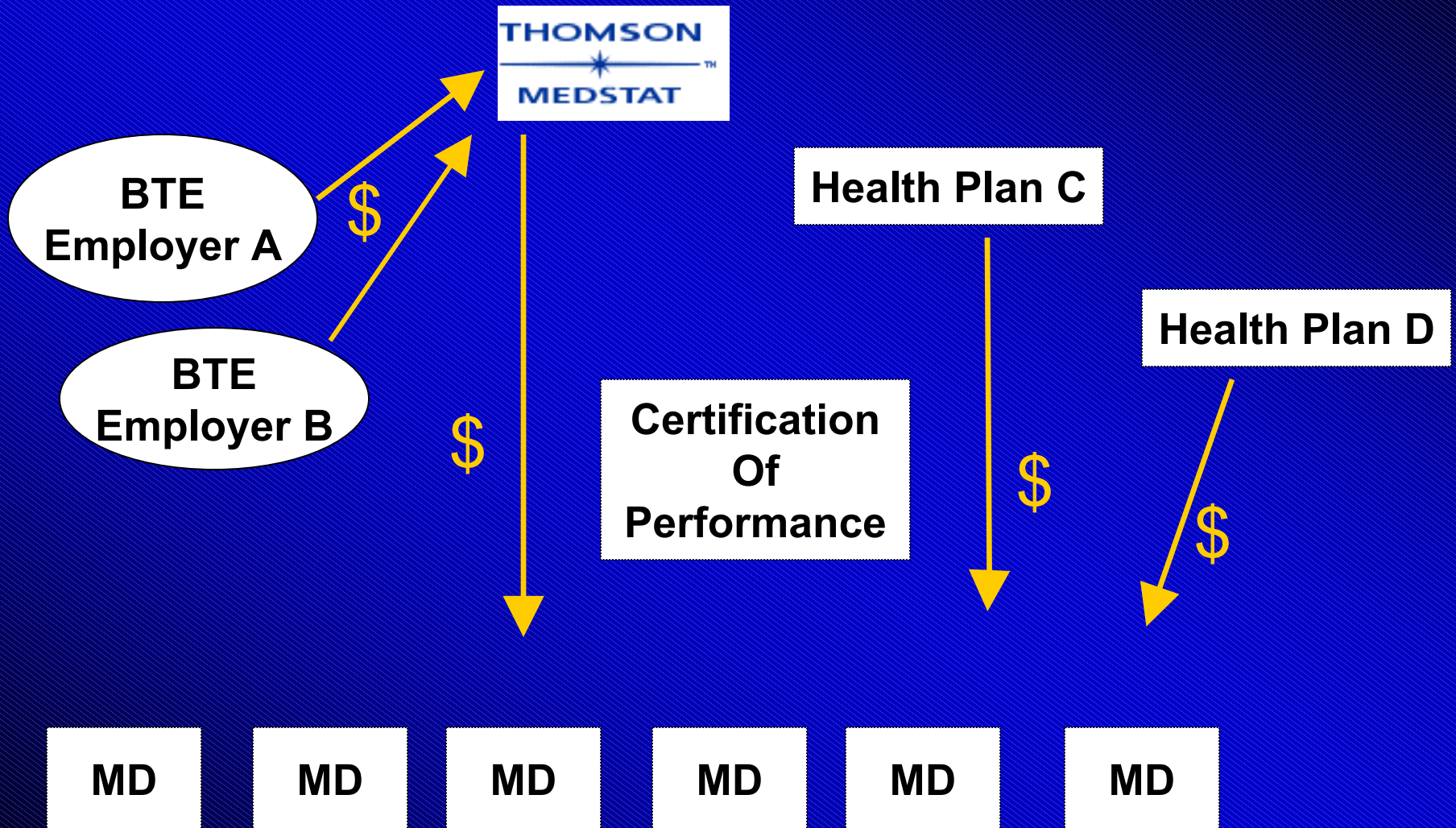
Hudson Valley EMR – Employer Incentives through *Bridges to Excellence* Physician Office Link (POL)

- Patients attributed to physicians/groups using each participating employer's health plan claims data
- Physician/groups are eligible for up to \$50 per patient under full POL program if they meet required performance thresholds
- Hudson Valley physicians eligible for pro-rated share of \$50 reward for 2005 e-prescribing and 2006 EMR use
- Medstat consolidates payments from employers and sends single reward check (from Bridges to Excellence) to each physician
- Physicians encouraged to apply for the full Bridges program

Hudson Valley EMR - Health Plan Incentives

- Plans must make individual decisions because of anti-trust
- Plan incentive programs could include more than IT
- Seek common certification of provider IT compliance
- Plan amounts and timing of pay-out will vary
- Project will seek incentives in \$0.50 - \$1.00 pmpm range

Hudson Valley EMR – Flow of Incentive \$



Hudson Valley EMR - Key Stakeholders

- Federal government agencies
- State government agencies
- Key self-insured employers in the Hudson Valley
- Health plans with enrollees in the Hudson Valley
- Other key opinion leaders

Stakeholder Contacts – Government

Federal government agencies:

- AHRQ
- CMS
- Office of National HIT Coordinator
- VA

Stakeholder Contacts – State Government

- Governor's office
- State Budget Office
- Governor's Office of Employee Relations
- Department of Health
- Office of Managed Care
- Office of State Civil Service
- Local elected officials
- Legislative health committee leaders

Stakeholder Contacts – Health Plans

- New York Health Plan Assn.
- Aetna
- CDPHP
- Empire Blue Cross Blue Shield
- GHI
- Health Net
- Hudson Health Plan
- HealthNow
- MVP
- Oxford
- United

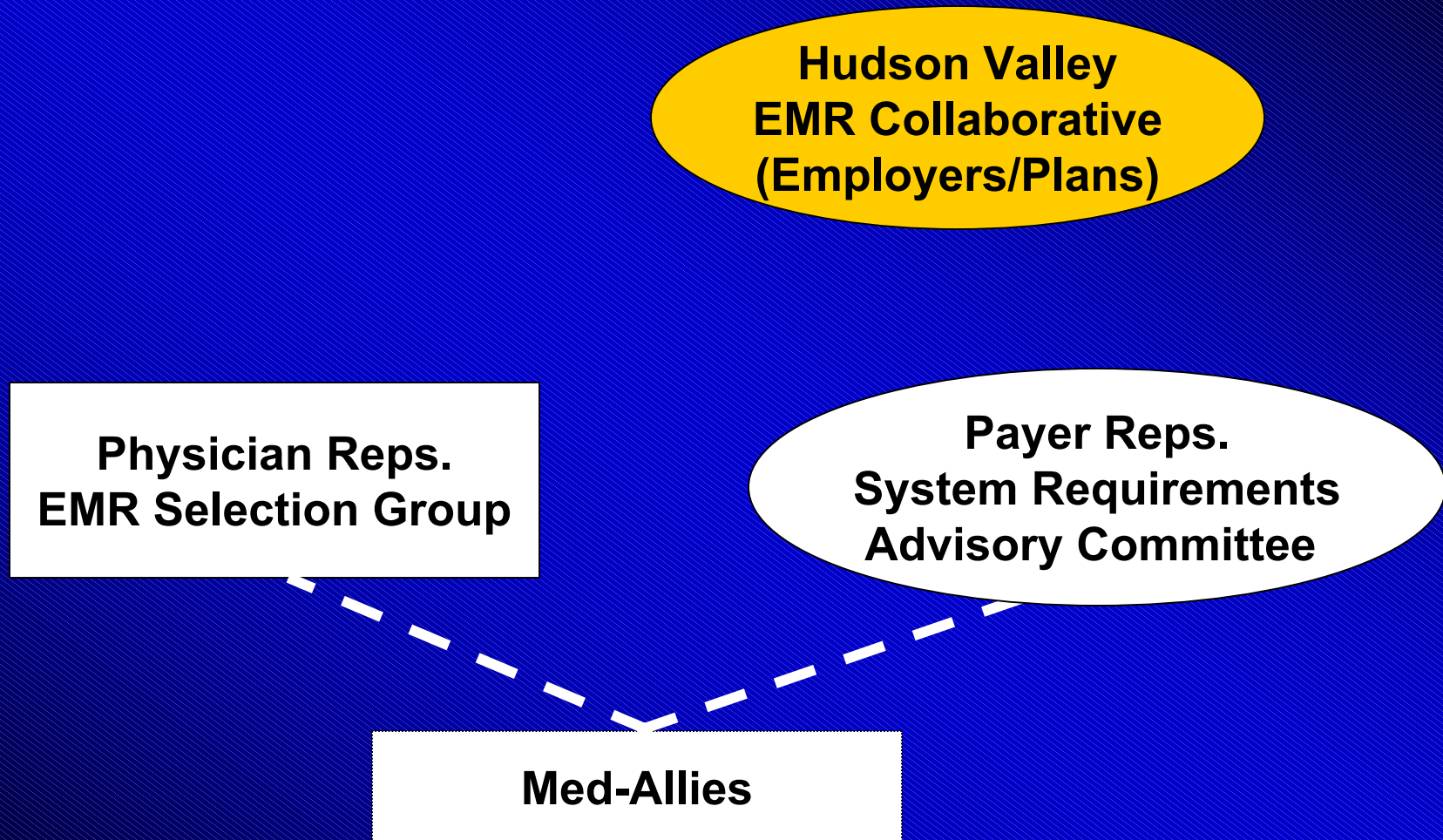
Stakeholder Contacts- Employers

- Business Council of New York State
- *Bridges to Excellence*
- Central Hudson Gas & Electric
- Golub
- Hannaford
- IBM
- State of New York
Dept. Civil Service
- Verizon

Stakeholder Contact – Other Key Leaders

- Commonwealth Fund
- e-Health Initiative
- HANYS and area hospital CEOs/CIOs
- Institute of Medicine (IOM)
- Markle Fund
- Key media
- United Hospital Fund

Hudson Valley EMR Initiative Proposed Committee Structure



Hudson Valley EMR Initiative – Proposed Committees

- Physician EMR Selection Group (ad hoc)
 - Physician champions – both Taconic IPA and other
 - Final determination of EMR vendor – Q4 2004
- Payers' System Requirements Committee (ongoing)
 - Technical reps from interested payers, e.g. medical directors, IT
 - Advisory to MedAllies on system and data issues
- Hudson Valley EMR Collaborative (ongoing)
 - Leadership reps from funding partners – chaired by external champion
 - Liaison members from government agencies, others
 - Independent of Taconic IPA and MedAllies
 - Agree on performance standards and certification issues

Hudson Valley EMR Initiative - Timetable

- May–June 2004: Initial discussions with payers
- Aug-Sep 2004: First round vendor demos (payers invited)
- September 22: Major kickoff meeting with David Brailer
- Q4 2004: Briefings for physicians and office staff
Selection of e-prescribing and EMR vendors
Organizational meeting of payers group
- 2005: Begin e-prescribing system & incentives
- 2006: Begin EMR IT incentives

Hudson Valley EMR Initiative: Key Success Factors

- A thoughtful, incremental game plan
- Clear physician leadership and a core set of champions
- Locally controlled physician training and support
- Unique commitment to make multiple EMRs inter-operable
- Strong public sector validation and support
- Private sector P4P IT incentive interest ... and a business case
- Well-developed AHRQ-funded evaluation plan in place

For More Information...

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