

Medicare

HEALTH SUPPORT

Use of Health Information Technology to Reduce Health Risk

Sandra M. Foote
Senior Advisor, Chronic Care Improvement
Centers for Medicare & Medicaid Services

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The MHS Challenge

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Develop and test new programs to help selected chronically ill beneficiaries reduce their health risks

Section 721: “Voluntary Chronic Care Improvement in Traditional Fee-For-Service” of the Medicare Prescription Drug, Improvement and Modernization Act of 2003

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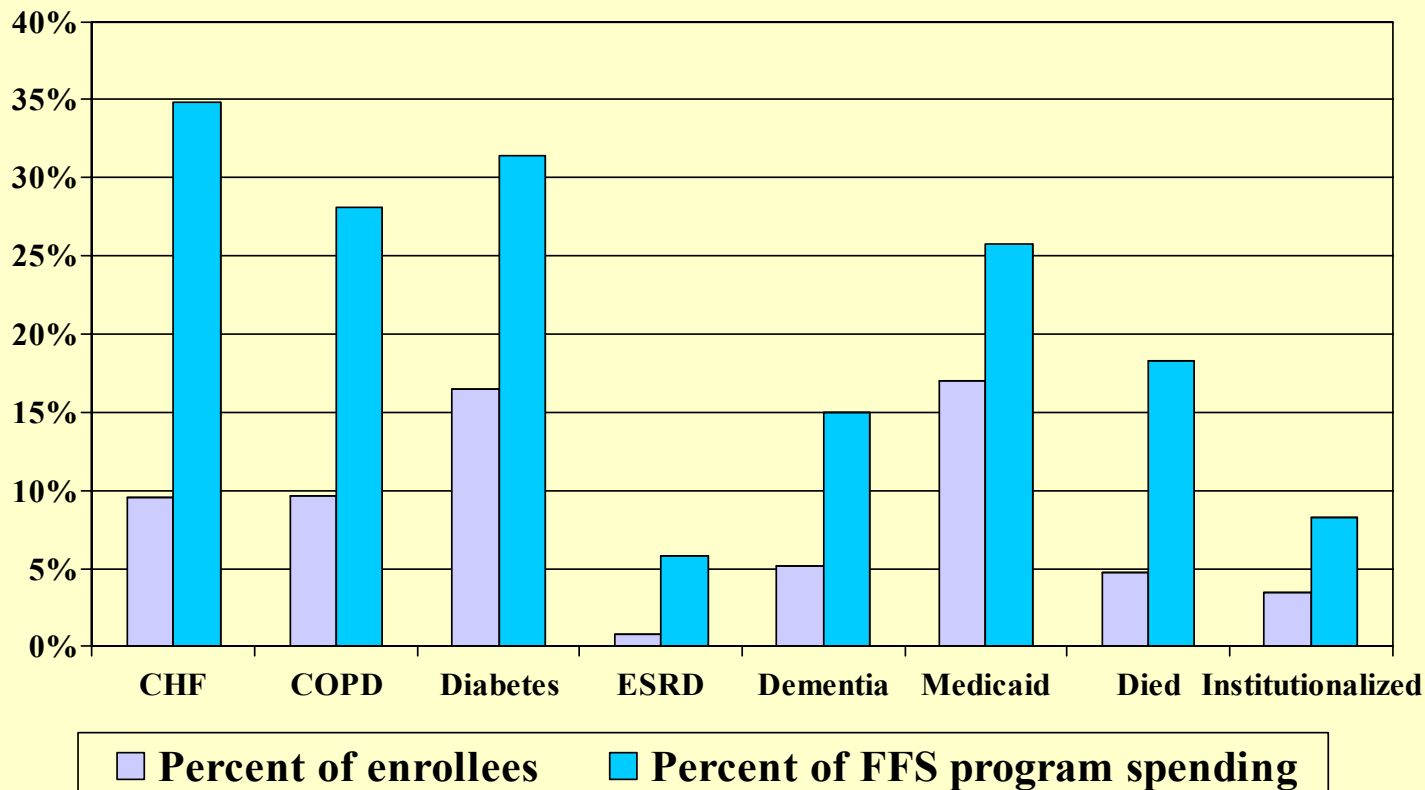


Fee-For-Service Medicare

- 35 million people
- \$281 billion/year
(projected 2005)



Subgroups driving costs



NOTE: Spending is for treatment of all conditions, by enrollee subgroup, 2002

SOURCE: C. Hogan and R. Schmidt, MedPAC Public Meeting, 03/18/2004

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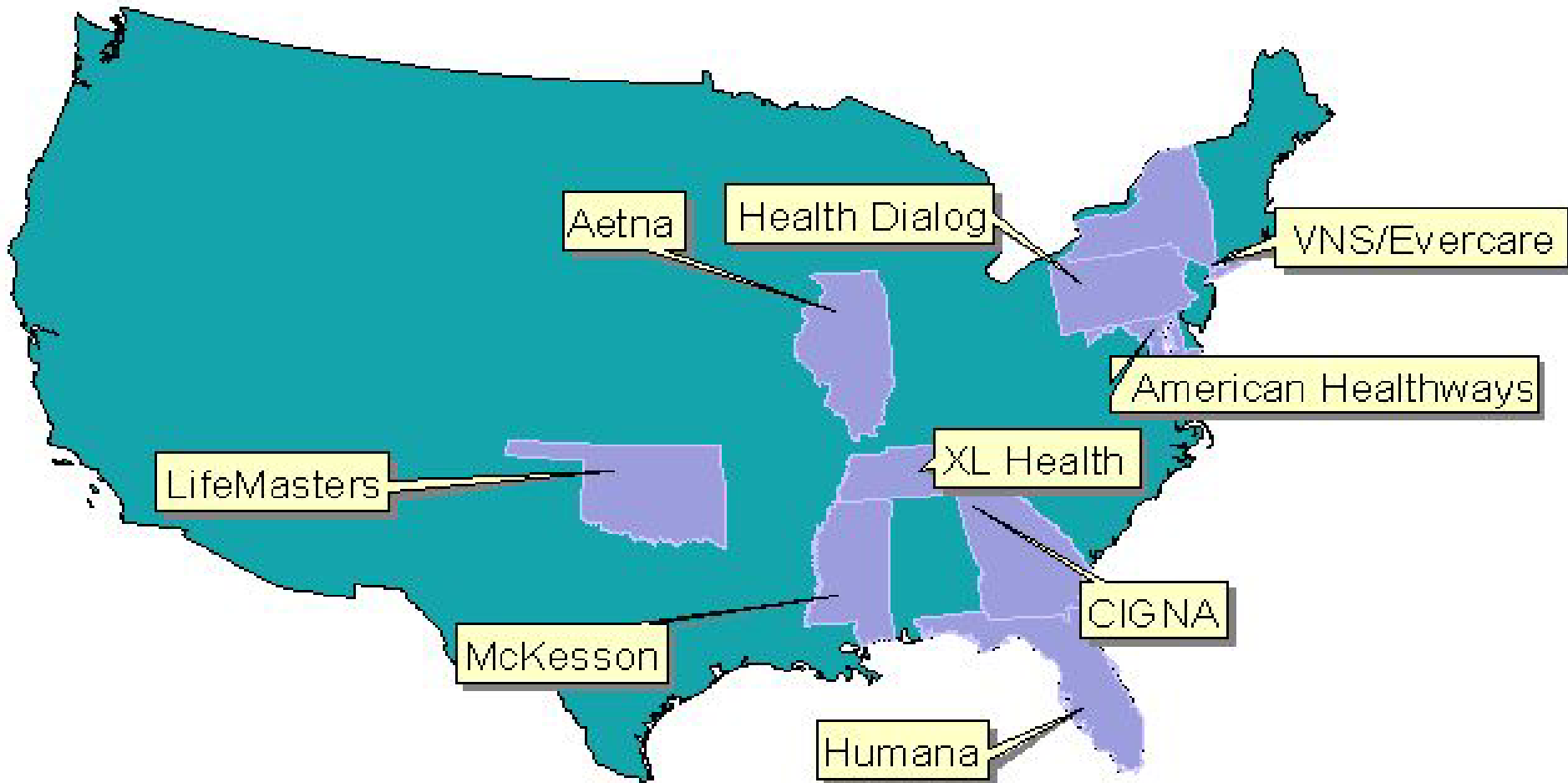


- 8 pilot programs starting in 2005
- 20,000 beneficiaries per program; 10,000 per control group—randomly assigned
- Phase II: Expansion follows in 2–3.5 years, if pilot programs (or components) are successful



Program Locations

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MHS Phase I: Developmental

Key Program Features

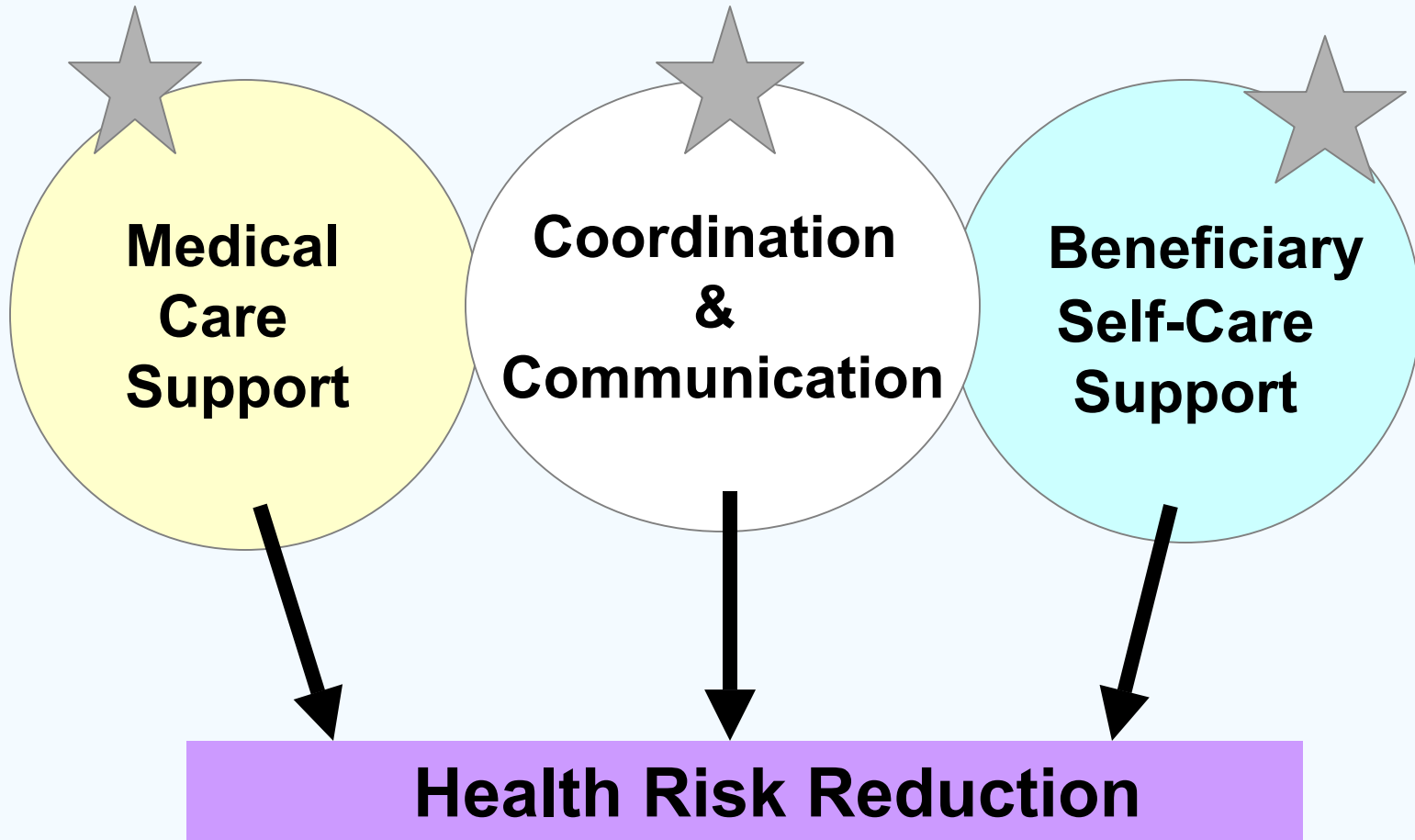
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- Voluntary
- No charge to participants
- No change in Medicare benefits, choice of providers or claims payment
- Supportive, not restrictive
- Not a substitute for current care

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Flexible Interventions



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Who is eligible?

Medicare Fee-For-Service only

Identified by CMS through claims review, applying selection criteria

All have diabetes and/or congestive heart failure

Only individuals invited by CMS can participate in Phase I programs

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Multiple Health Risks

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63% of Medicare beneficiaries have 2 or more chronic conditions *

On average, Medicare beneficiaries see **6.4 MDs** and fill **20 Rx** per year*

23% of beneficiaries have 5 or more chronic conditions**

*Medicare Standard Analytic File, 1999. Anderson GF. Testimony on Promoting Disease Management in Medicare -www.partnershipforsolutions.com/statistics/

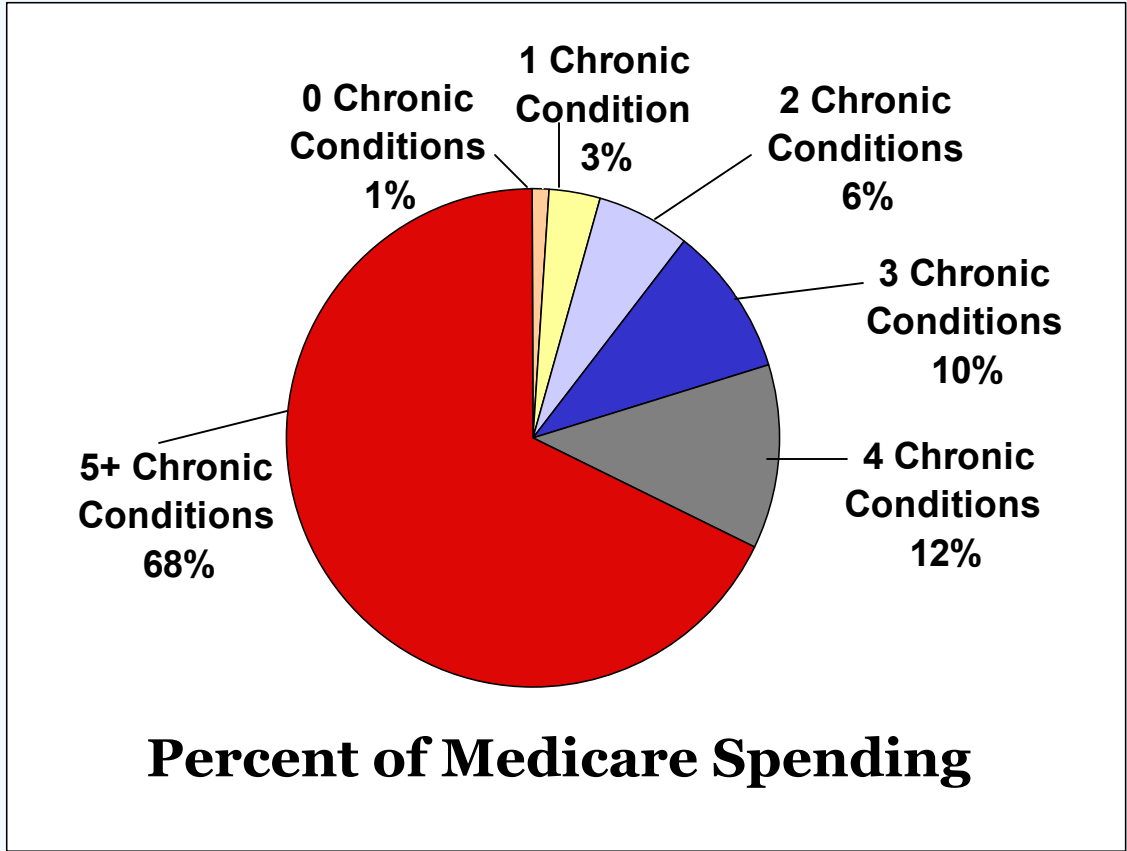
**Medicare Standard Analytic File, 2001. Anderson GF. N Engl J Med 2005; 353; 305-309

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Multiple Health Risks

Beneficiaries who had 5 or more chronic conditions accounted for 68% of Medicare spending in 2001



Johns Hopkins University, Partnership for Solutions: Medicare Standard Analytic File, 2001

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“Comorbidity is associated with poor quality of life, physical disability, high health care use, multiple medications and increased risk of adverse drug events and mortality. Optimizing care for this population is a high priority.”

Boyd CM et al., JAMA, 2005, 294: 716-724.

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How to Optimize Care?

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1650 active Clinical Practice Guidelines (CPGs) in
National Guideline Clearing House in July, 2005*

“Ideally CPGs would help physicians select from among
multiple evidence-based recommendations those
with the greatest benefit to a given patient.”*

Need EMR to compute priorities and MD to evaluate
with patients in context of their personal goals

O'Connor PJ. JAMA, 2005, 294:741-743.

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MHS Value Added

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- Synthesis of person-level input from multiple sources (participants, claims, multiple physicians, caregivers)
- Application of sophisticated clinical decision support tools (incorporating multiple CPGs) to:
 - identify modifiable health risks
 - track changes in participants' health status
 - Generate preventive care reminders and alerts
 - Assist beneficiaries and MDs weighing priorities and options
- Use of HIT to help for 180,000 chronically ill people this year
- Monitoring changes in clinical quality for targeted populations

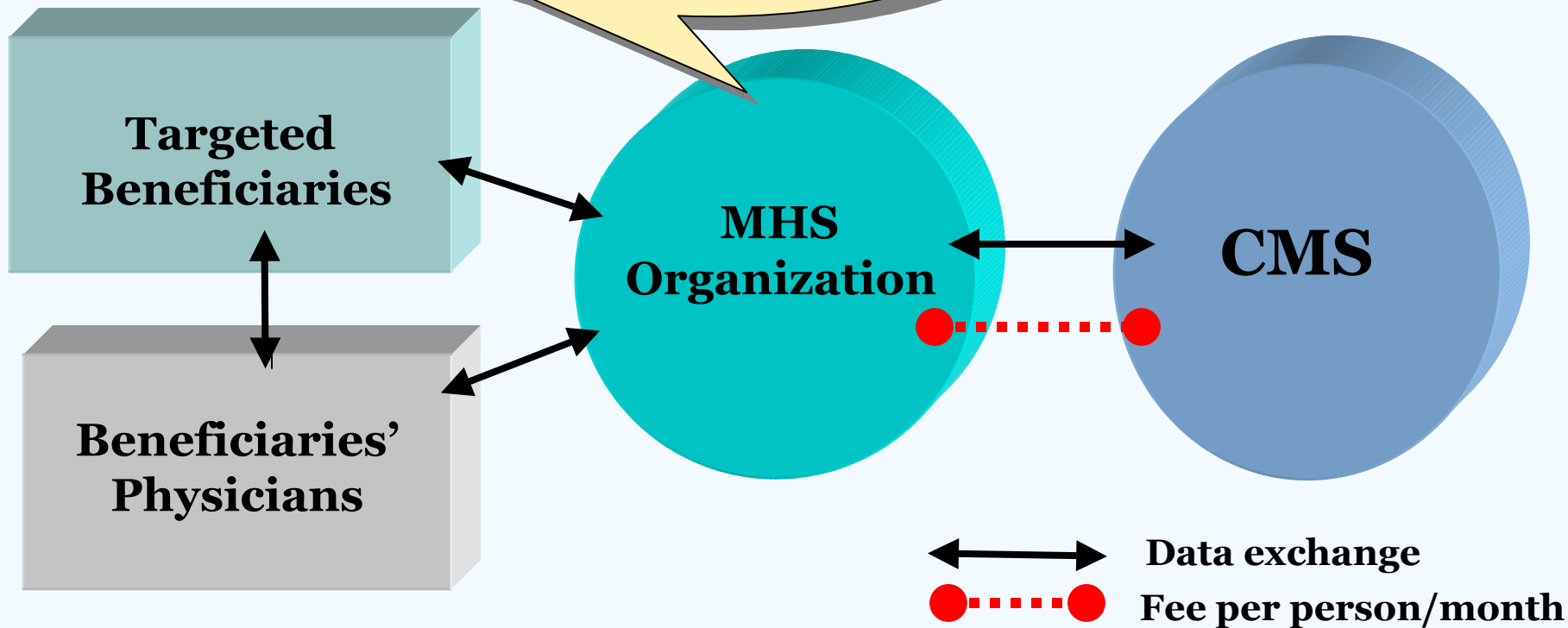
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New Population-Based Model



Fees at risk: QI, \$, satisfaction



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Expected Results

- Improved health and quality of life
- Lower average Medicare costs
- Reduced complications, emergencies and hospital admissions
- Increased adherence to evidence-based care guidelines
- Better coordination of care through use of new integrative infrastructure (e.g., applying new health information and communication technologies)

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Where is MHS leading?

New strategies to improve chronic care
cost-effectively on a national scale

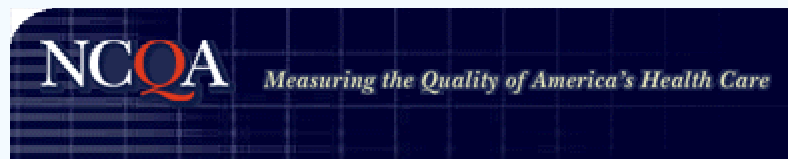
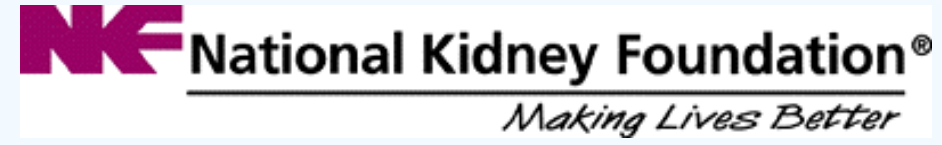
- Focus on prevention
- New partnerships
- Fostering innovation
- Accountability for performance

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National Organizations Helping to Promote Understanding of MHS

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...AND MANY OTHERS!