

THE KEY TO ACCOUNTABILITY: High-Need, High-Cost Patients

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National Medicare Advantage Summit

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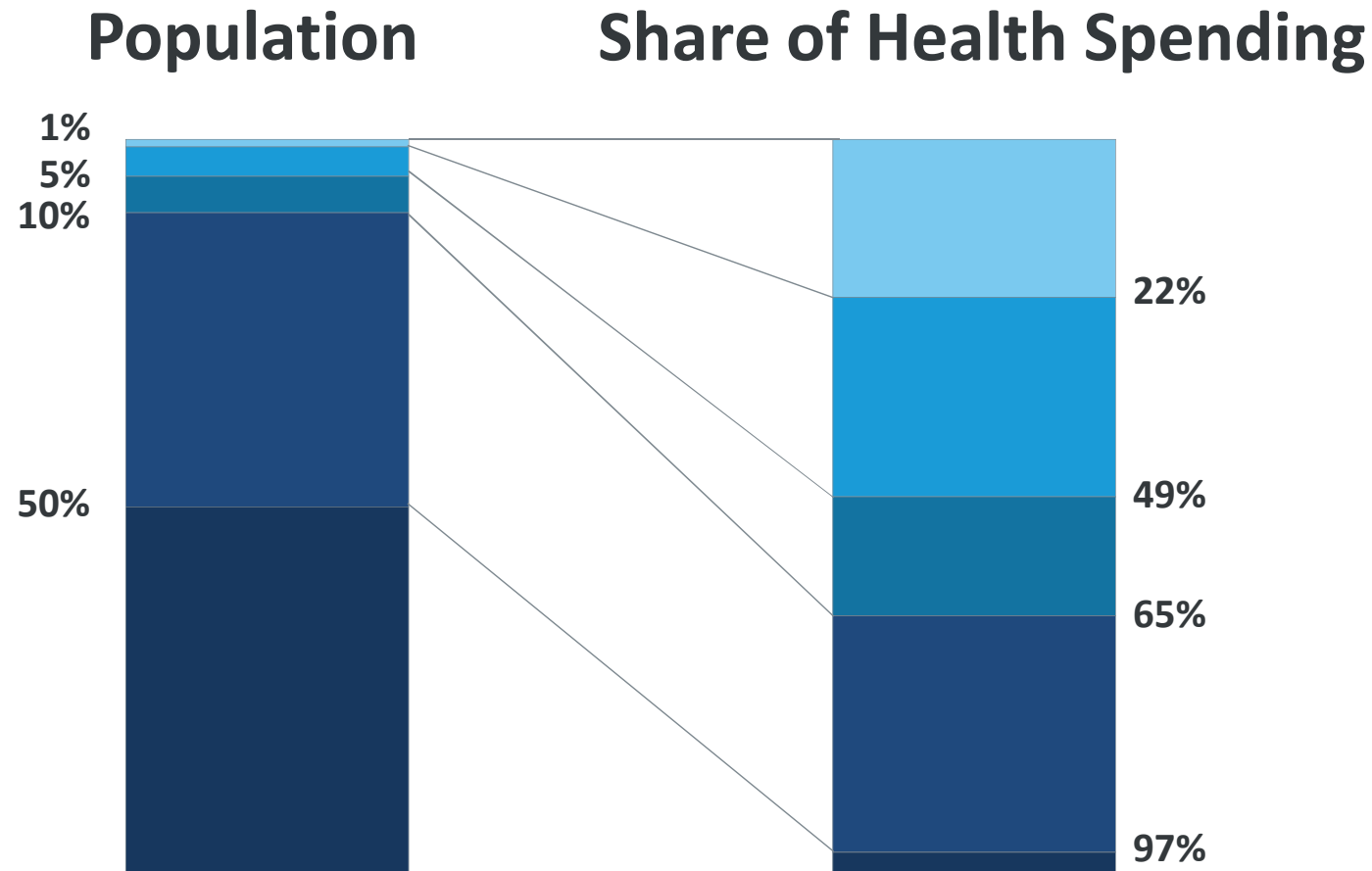
Agenda

1. Why worry about high-need, high-cost patients?
2. Who are they?
3. What works?



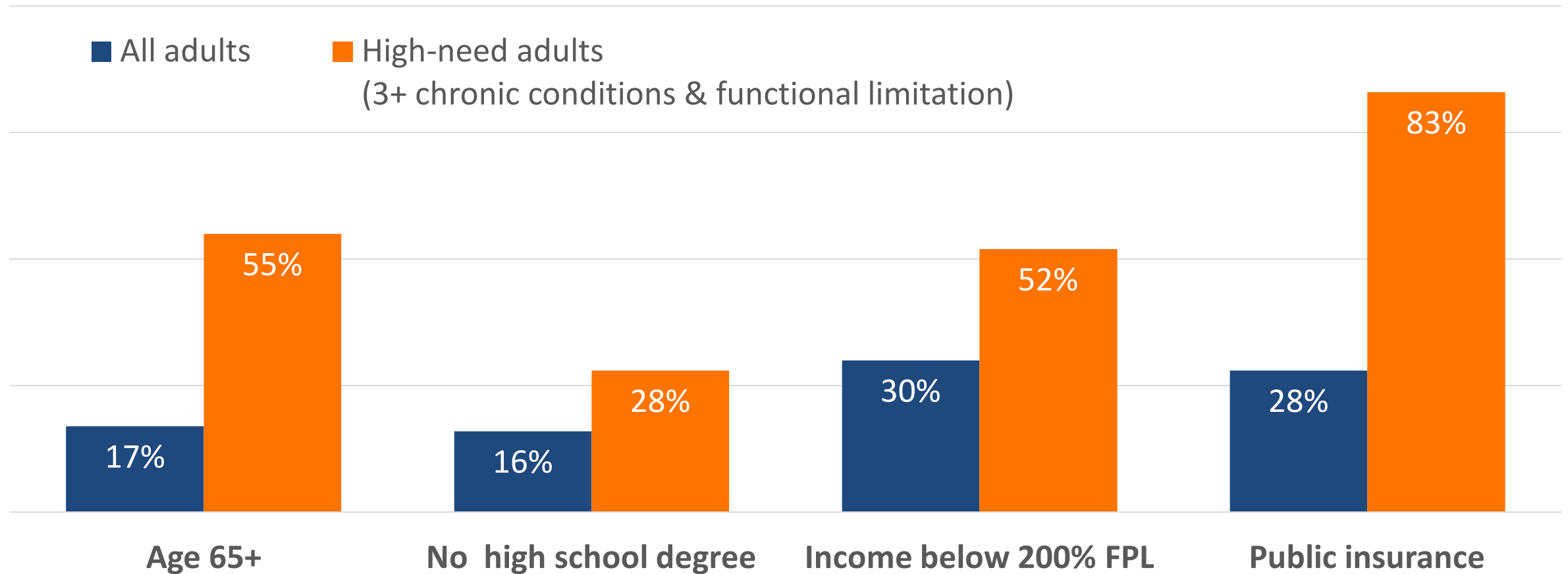
Health Care Costs Concentrated in Sick Few— Sickest 5% Account for 49% of Expenses

*Distribution of health expenditures for the U.S. population,
by magnitude of expenditure, 2013*



A high performing health system must perform for high-need, high-cost patients.

High-Need Adults Tend to be Older, Have Low Socioeconomic Status, and Have Public Insurance



Data: 2009–2011 Medical Expenditure Panel Survey (MEPS).

Source: S. L. Hayes, et al., *High-Need, High-Cost Patients: Who Are They and How Do They Use Health Care?* The Commonwealth Fund, August 2016.



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Functional Limitations are a Key Predictor of High Costs

Average Annual Health Expenditures Among U.S. Adults



Data: 2009–2011 MEPS. Noninstitutionalized civilian population age 18 and older.

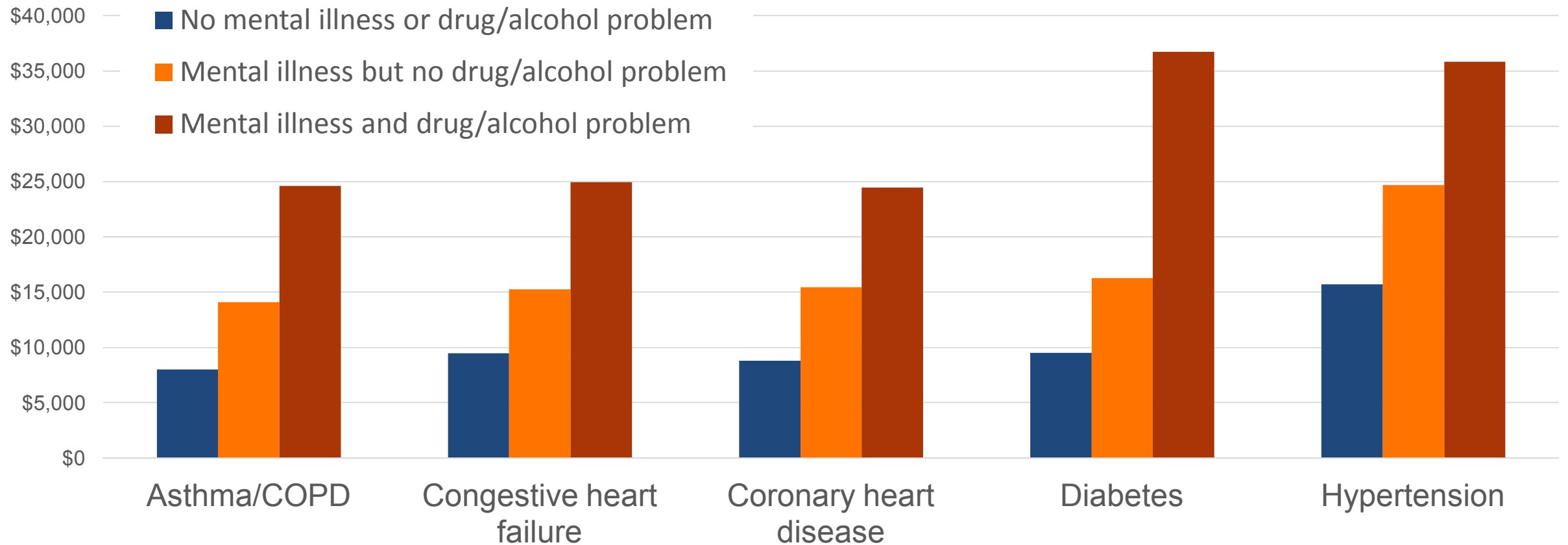
Source: S. L. Hayes, C. A. Salzberg, D. McCarthy, D. C. Radley, M. K. Abrams, T. Shah, and G. F. Anderson, *High-Need, High-Cost Patients: Who Are They and How Do They Use Health Care?* The Commonwealth Fund, August 2016.



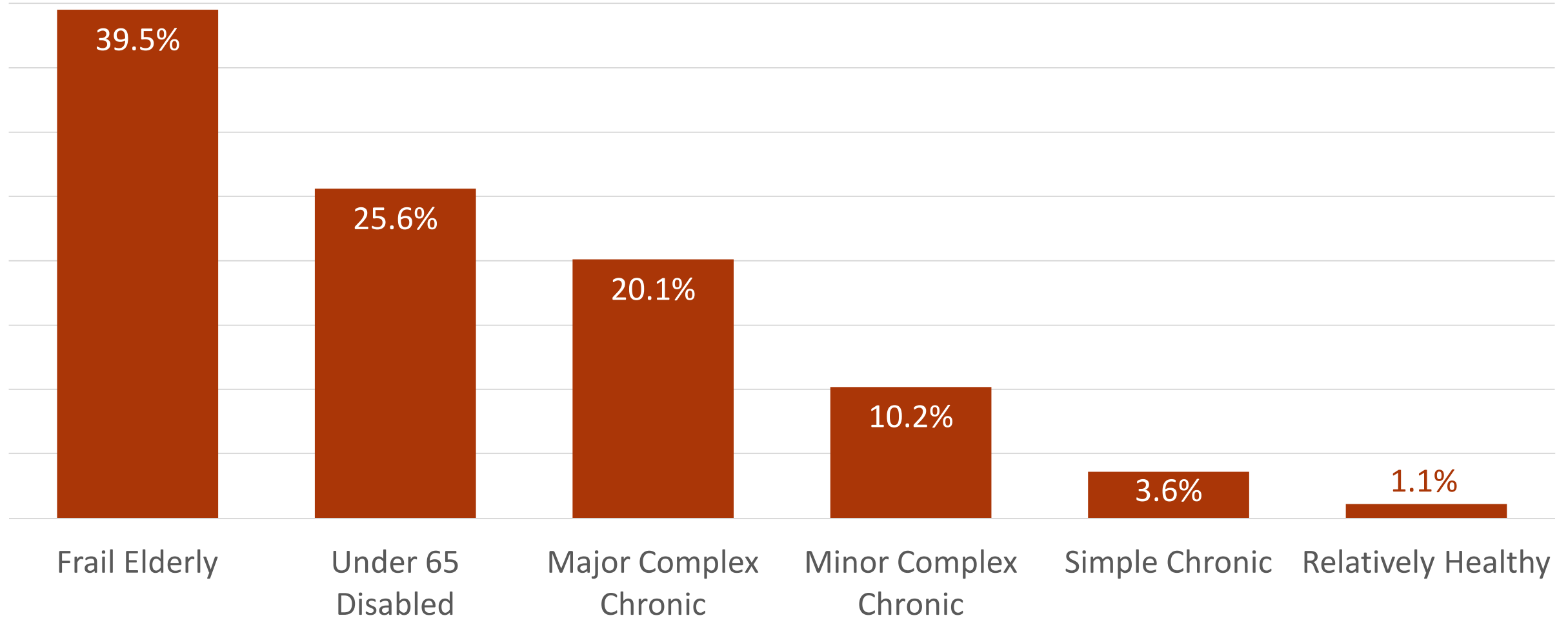
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...As Are Behavioral Health Issues

Average Annual Health Expenditures Among a Medicaid Population



Segments of High-Cost Patients in Medicare



Source: Ashish Jha, analysis of Medicare data.

Strategies to Care for High-Need, High-Cost Patients

1. Stratify patients by common needs
2. Invest in care coordination
3. Shift care from institutions to community
4. Integrate medical, behavioral, and social services
5. Give providers flexibility in allocating resources

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Commonwealth
Care Alliance 

Commonwealth Care Alliance

Program

- Health plan & network with 60+ sites in Massachusetts.
- Serves 17,000+ duals (disabled adults & frail elderly).

Key Elements

- Interdisciplinary primary care team with home visits.
- Individualized care plans, including for long-term care.
- Blended Medicare and Medicaid funding for total cost of care.

Results

- Reduces hospital and nursing home use; improves care experiences.





No need to
reinvent the
wheel.

The Five Foundation Collaborative



The NEW ENGLAND JOURNAL *of* MEDICINE

Caring for High-Need, High-Cost Patients — An Urgent Priority

David Blumenthal, M.D., M.P.P., Bruce Chernof, M.D., Terry Fulmer, Ph.D., R.N., John Lumpkin, M.D., M.P.H.,
and Jeffrey Selberg, M.H.A.



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Developing a “Playbook” for Serving High-Need, High-Cost Patients

Goal

Explain challenges facing high-need, high cost patient segments, and offer evidence-based practices and models to meet their needs.

Core Content

- Value proposition
- Segmentation framework
- Patient profiles
- Case studies of proven models
- ROI data and calculator
- Policy & payment reform opportunities

Target Audience

- Health system leaders, payers, and policymakers



Thank You



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Question and Answer