

ADVANCING PRIMARY CARE DELIVERY

Practical, Proven, and
Scalable Approaches

**UnitedHealth Center for
Health Reform & Modernization**

Why Focus on Primary Care?



Primary care is the foundation of the U.S. health care system

- ◆ 55% of over 1 billion physician office visits annually
- ◆ 6% – 8% of national health care spending (\$200 - \$250 billion annually)
- ◆ The ACA could generate 25 million additional visits each year



High value of primary care

- ◆ Central to effective treatment and efficient care delivery
- ◆ Emphasis on preventive services
- ◆ Core element in advanced care delivery models



Accessing primary care is a major challenge for many individuals

- ◆ Lack of capacity and access in rural areas and low-income communities
- ◆ 70% of ER visits by commercially insured individuals are non-emergencies

Practical, proven, and scalable solutions exist in the marketplace to advance primary care delivery

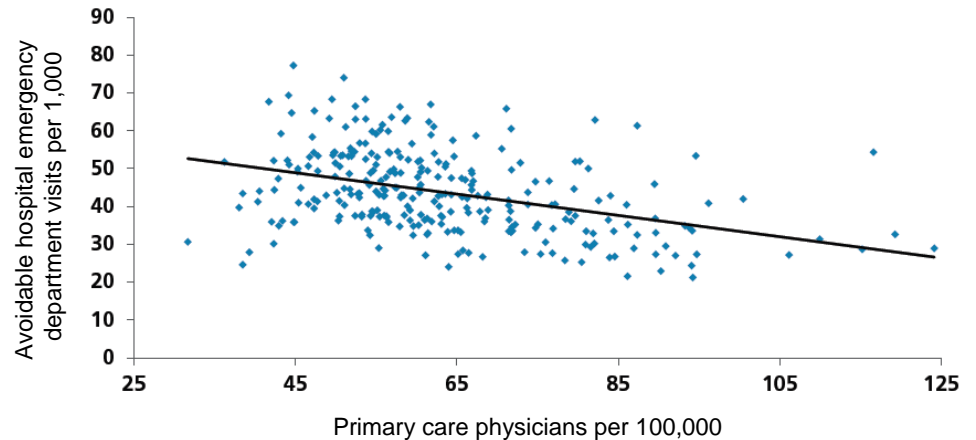
Read the Complete Report at unitedhealthgroup.com/modernization

Assessing Value and Capacity

A higher concentration of primary care physicians is related to:

- Lower rates of mortality
- More effective preventive care
- Fewer avoidable admissions
- Fewer avoidable emergency department visits
- Less use of costly and often not more effective high-technology diagnostic imaging

Avoidable Hospital Emergency Department Visits and Primary Care Physician Supply



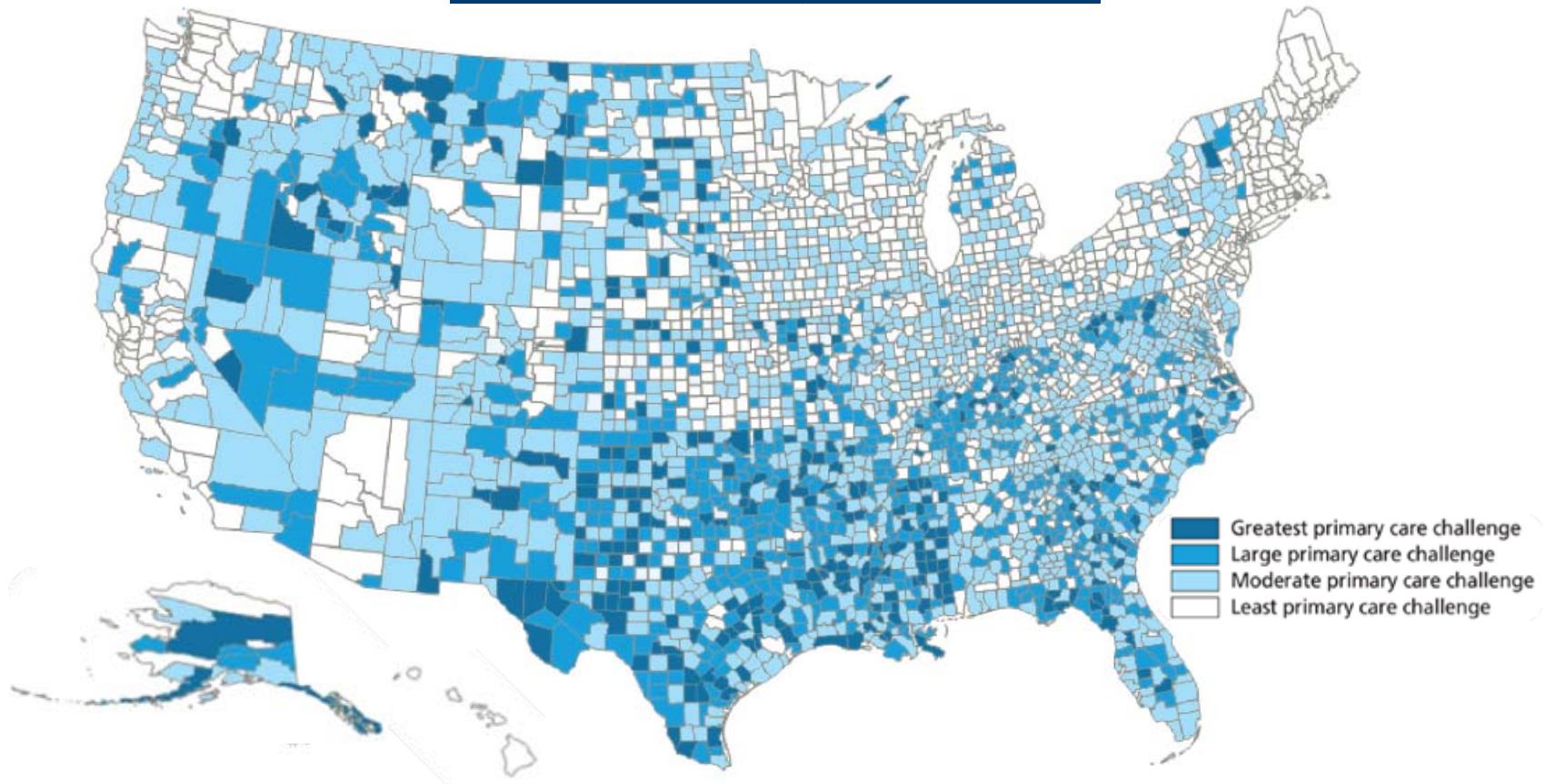
Demand for primary care is growing due to:

- An aging population
- Increases in chronic conditions
- Reduction in uninsured population
- Consumers looking for more convenient ways to access care, including extended office hours and electronic communications

Assessing Value and Capacity

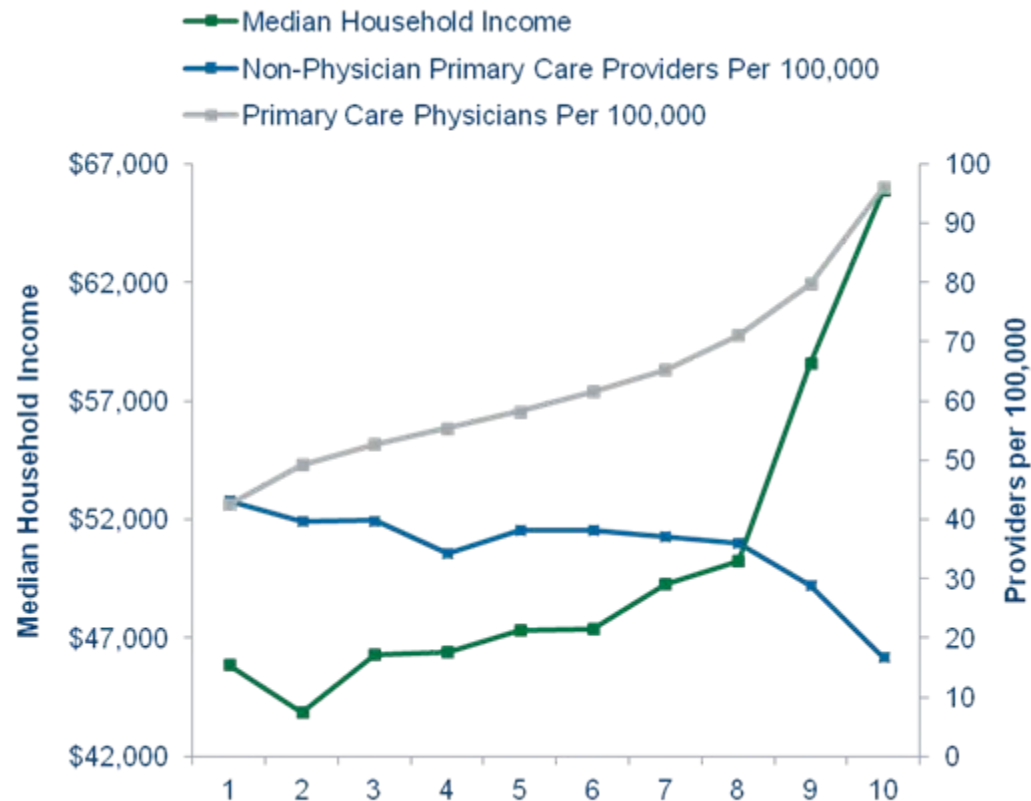
Some areas of the country, including the West and the South, face greater challenges in ensuring primary care capacity in the coming years

Primary Care Challenge by County, 2014



Assessing Value and Capacity

Primary care physicians are more concentrated in areas with higher household incomes and lower uninsured rates, while nurse practitioners and physician assistants are more concentrated in these underserved areas



Building Blocks for Bolstering Capacity and Quality



Diverse Workforce

- ◆ Over 190,000 nurse practitioners (NPs), as well as other clinicians, can increase primary care capacity
- ◆ Evidence indicates high quality of primary care delivered by NPs



Multi-Disciplinary Teams

- ◆ A primary care physician with a panel of 2,000 patients would need to spend 17.4 hours per day providing recommended care
- ◆ Integrating NPs and other providers into team-based care can allow practices to double the number of patients they see
- ◆ Practicing in teams increases the satisfaction of primary care physicians



Health Information Technology (IT)

- ◆ Broader implementation of Health IT, including Electronic Health Records (EHRs), increases system-wide quality and care coordination
- ◆ Lack of interoperability prevents effective data sharing
- ◆ Cost of adoption and ongoing support is a challenge for smaller practices

Advanced Service Delivery and Payment Models

Paying for value incents higher quality care instead of a greater volume of services

Fee-For-Service (FFS)

- ◆ Encourages providers to deliver a greater volume of more costly services
- ◆ Fails to promote high-quality services and care coordination across providers
- ◆ Contributes to failures in care delivery, including overtreatment and wasteful health care spending

Models using FFS rather than value-based payments have struggled to achieve success

Value-Based Payment

- ◆ Shifts away from payments based on the quantity and intensity of services delivered
- ◆ Rewards high-quality and effective care rather than higher volume of more complex services
- ◆ Includes multiple approaches that allow payments to be tailored to the diverse capacities of providers

Advanced Service Delivery Models

Medical Homes and Accountable Care Models:

- Multi-disciplinary care teams
- Health information technology
- Focus on care coordination
- Treating the whole patient

Advanced Service Delivery and Payment Models

Medical homes that transform care delivery and pay for value have improved quality and reduced costs

Medical Home Outcomes in Arizona, Colorado, Ohio, and Rhode Island*

6 to 1 return on investment for care coordination activities



Improved diabetes management



6.2% net savings on third-year medical costs



Improved patient satisfaction



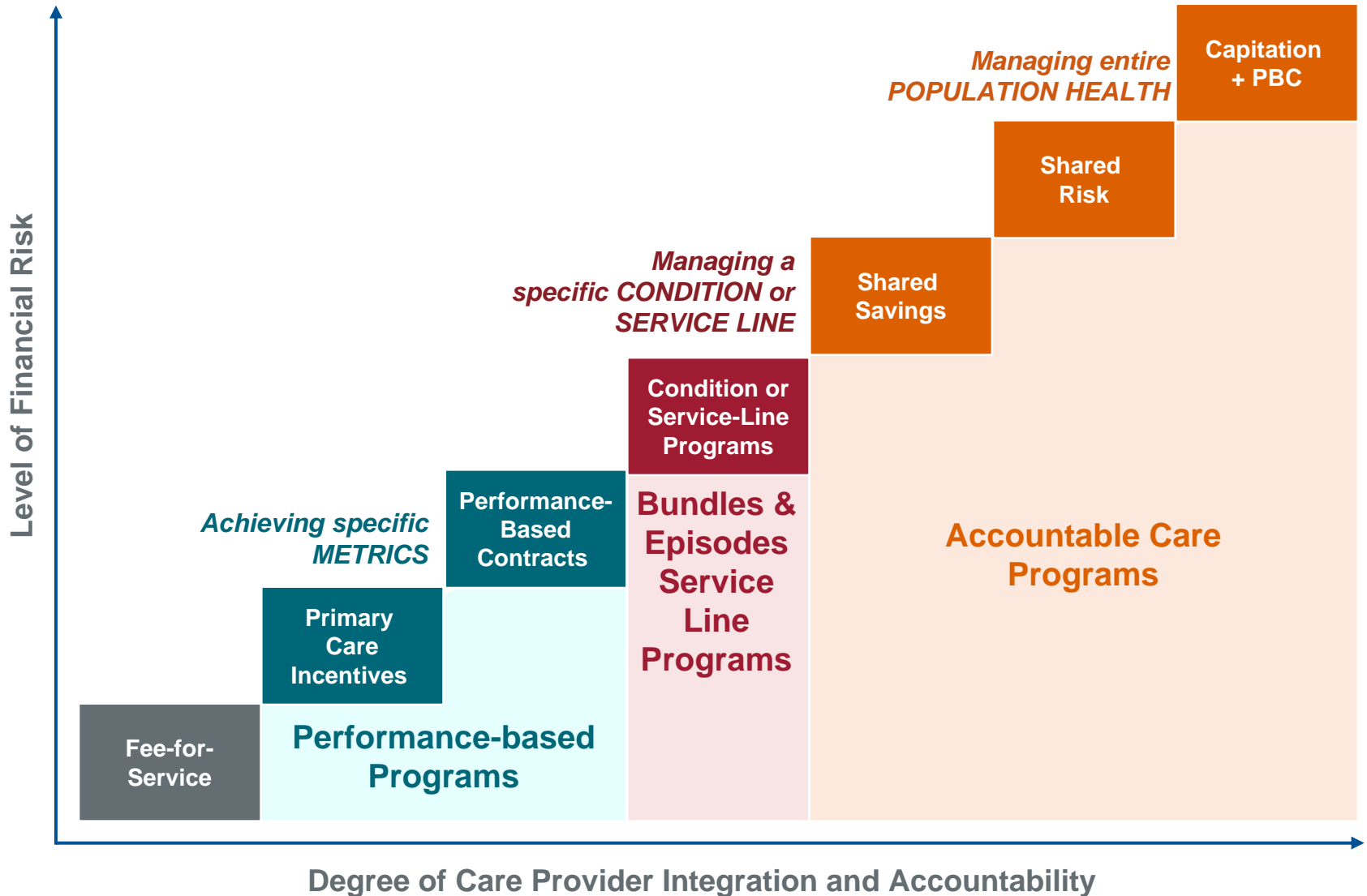
Reduced avoidable hospital stays



Increased care coordination

**Medical home models don't always succeed.
A common factor in many successful models is paying for value through measures of quality, outcomes, and appropriate utilization**

Driving Consistency in Quality and Cost Effective Care



Components of Value Creation



Multidisciplinary Team

- Primary Care Led
- Clinical and Non-clinical Resources

Clinical Transformation

- Population Health
- Practice Transformation
- Advanced Data & Analytics
- Care Transitions
- Value-based Compensation

Connections

- Medical, Behavioral, Social
- Community-based Resources