



Pay for Performance Summit

Los Angeles, CA

2/28/2008



HEALTHCARE

as

WE KNOW IT

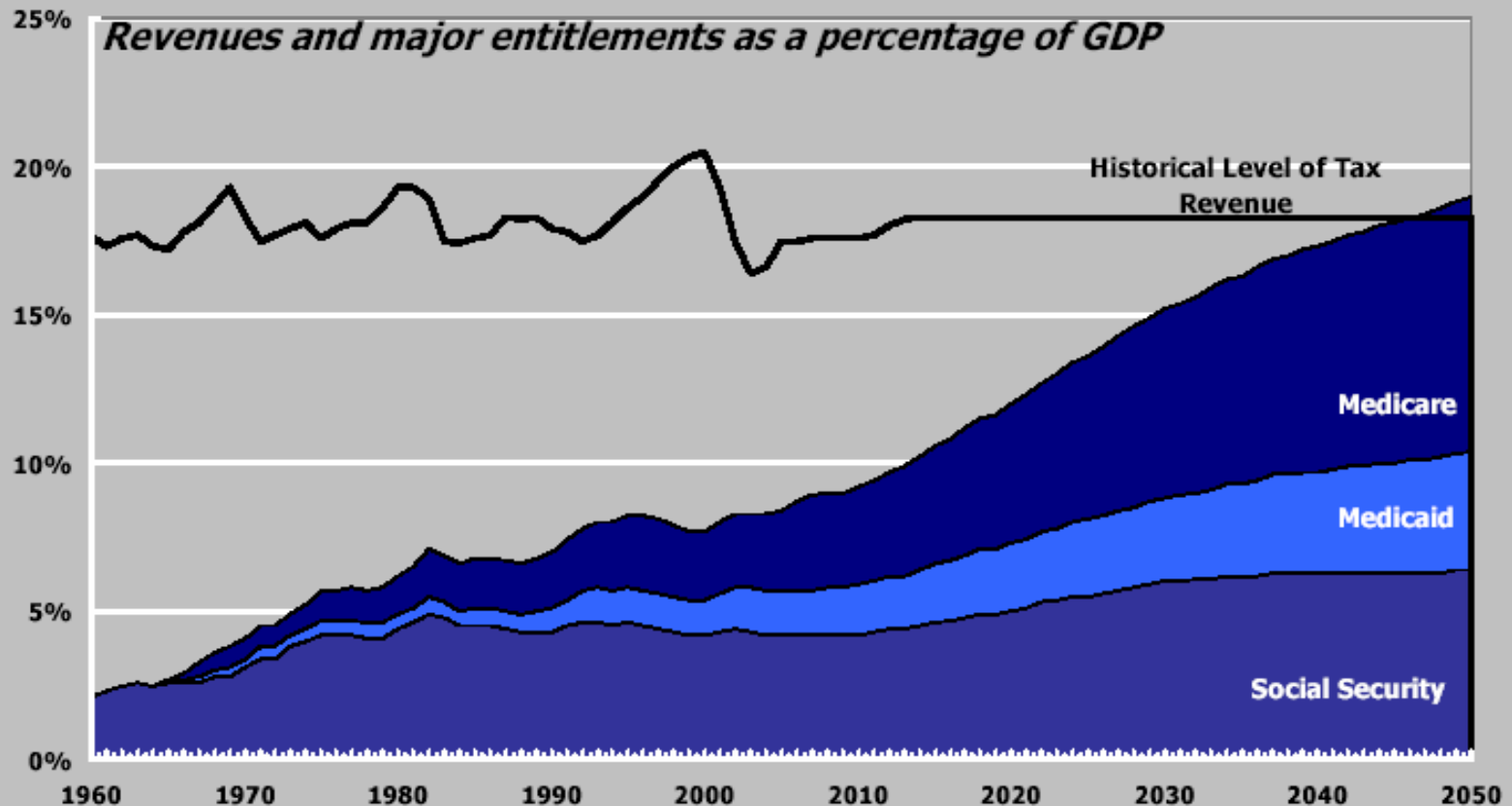
IS NOT

SUSTAINABLE

FINANCIALLY / CLINICALLY

Overdrawn

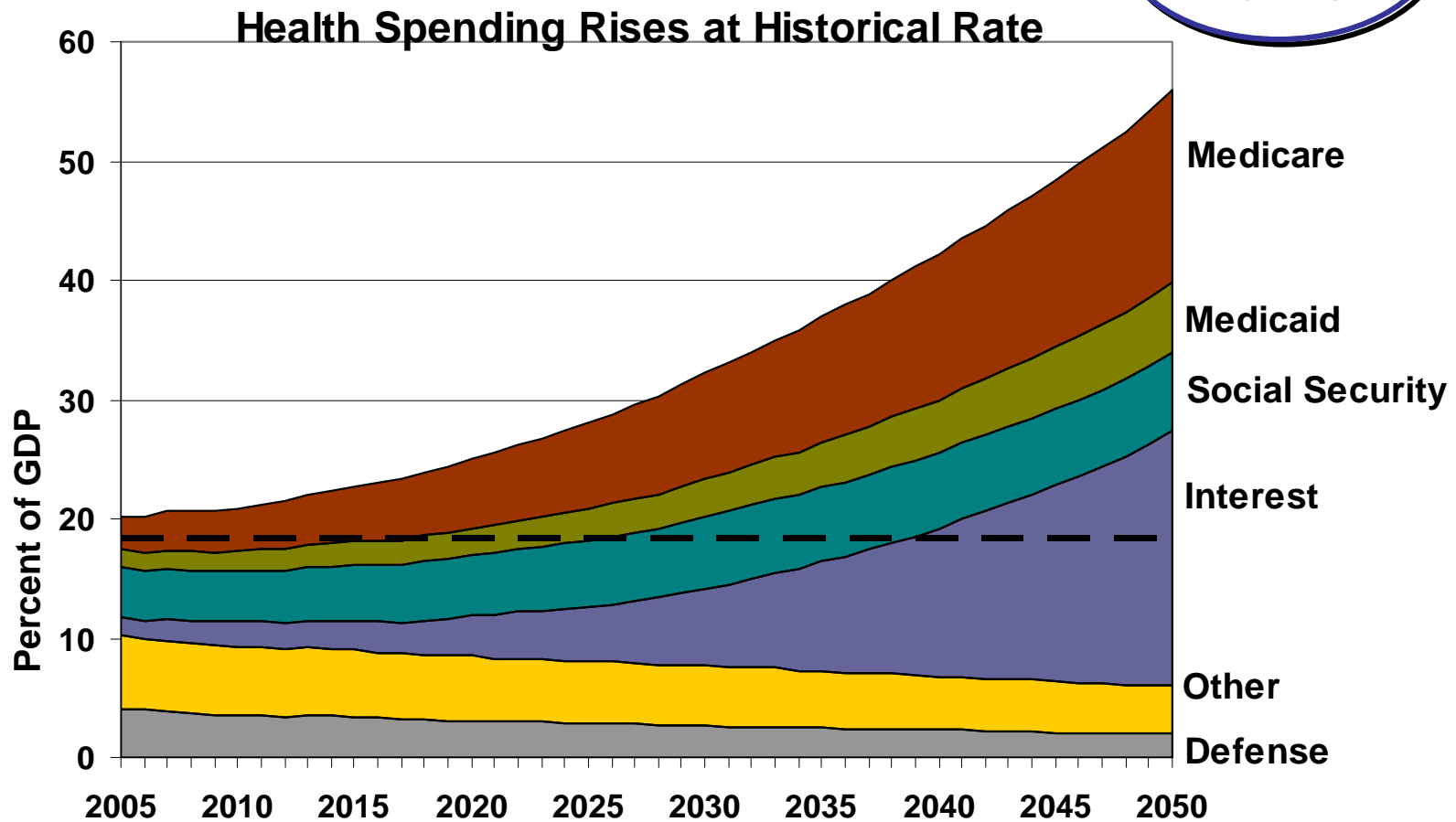
Entitlements will crowd out everything else and collide with historical long-term level of taxes



Source: CBO Long-Term Budget Outlook, December 2005
Scenario 2 Data - Intermediate Spending and Lower Revenues

Really Overdrawn

*Moody's
Warns !!*





Pay for Quality

VISION
PROTOTYPE
EVOLUTION
FUTURE





CORE PRINCIPLES

- Non-arbitrary
- Transparent
- Fair
- Evidence Based
- Appropriate - Relevant

GOALS

- Engage Physician Partners
- Invest in the long term health of our members
- Provide improved consistency and quality of care

EXPOSE

Systems – Population Management
Information Technology



Innovations

The Value of On-Site
Support in the Adoption of
P4P Programs



The Players

- HealthSpring is a managed care organization whose primary focus is the Medicare Advantage Market with 126,000 members in 6 States
- HealthWays (formerly American HealthWays) is an international disease management company

The Players

- Pilot Physician Groups:
 - Eight private practice groups in three states (88 PCPS)
 - Size 2- 20 PCPs
 - 30% EMR 70 % paper charts
 - Compensation varies from FFS to total professional risk in the an IPA model
 - 7,436 Patients in 8 practice sites

Goals for the HealthSpring Pay for Quality Pilot

- Improve clinical outcomes by:
 - Improving physician buy-in into the DM program
 - Aligning financial incentives for all parties
 - Improving patient acceptance of the program
 - Connecting data sources between the HMO, DM company, physicians and the patient
 - Improving the practice infrastructure in order to allow the physician to be more successful
 - Improving the “relationships” between the patients, physicians, and the care support team



Pilot Program Overview

- **Aligning Dollars**

- Additional Quality Bonus up to 20% of professional cap or \$6 PMPM (not a withhold)
- Bonus awarded for improvement, not absolute thresholds
- No downside risk to physicians

- **Aligning Data**

- Fully funded chart-based audit and measurement (25 indicators)
- Reciprocal point-of-care data (PCP <-> Practice Coordinator)

- **Aligning Care Support**

- Fully funded in-office resource (\$3.75 PMPM)
- Fully funded dedicated telephonic RN linked to the PCP

Historical DM Model

Patient



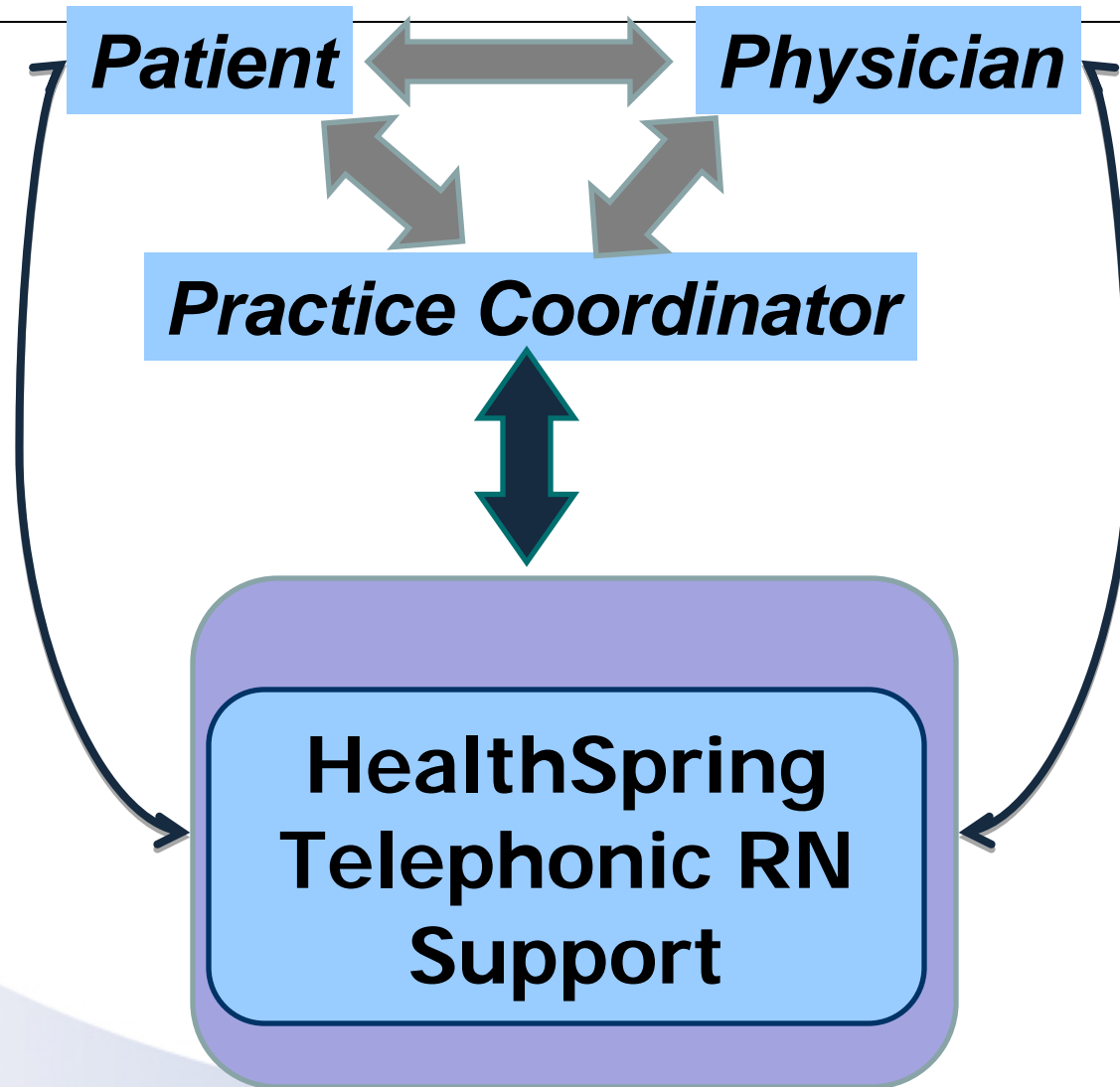
Physician

Telephonic and Mail Support

Mailings

HealthWays
Telephonic RN
Support

What Does It Look Like Now?





Tasks performed by the Practice Coordinator

- Assist in the audit process
- Review the patient's charts for Preventive and DM needs prior to each visit and prompt the physician at the POC for action
- Populate and update the patient's flow-sheets with existing and new data



Tasks Performed by the Practice Coordinator

- Communicate with the dedicated nurse educator at HealthWays
- Develop disease registries
- Create telephonic and mail contact with the patients for preventive and DM campaigns
- Follow up on data results



Tasks Performed by the Practice Coordinator

- Identify and act on tasks that can be performed via Standing Orders
- Communicate Preventive and DM needs which cannot be performed via standing orders to the PCP

TASKS THAT CAN BE DONE UNDER STANDING ORDERS

- **PREVENTATIVE CARE:**
 - Order Mammograms
 - Pneumococcal vaccination
 - Influenza vaccination
 - Order PSA
 - Administer the depression screen
- **CORONARY ARTERY DISEASE:**
 - Order lipids if needed
 - Mail smoking cessation handout
 - Notify doctor of medication needs
- **COPD:**
 - Schedule spirometry
 - Notify doctor of medication needs



TASKS THAT CAN BE DONE UNDER STANDING ORDERS

- **DIABETES:**
 - **Order A1c, lipids, microalbumin/creatinine ratio, basic metabolic profile**
 - **Schedule eye exam**
 - **Schedule foot exam**
- **CONGESTIVE HEART FAILURE:**
 - **Notify doctor of need to check EF**
 - **Notify doctor of medication needs**

Sample note to Physician

Dr. _____:

Our medical record review reveals that your patient with ASHD/CAD,

Mr./Ms. _____ has an LDL level that is not to goal.

- I will discuss at the next visit
- Make an appointment for discussion
- Make the following medication changes and repeat the lipid profile in one month.

M.D.

PAY for QUALITY AT A GLANCE

- PHYSICIAN DRIVEN METRICS
- CONSENSUS BASED IMPROVEMENT
- CHART / HYBRID DATA
- PROVIDE and FUND ALL SUPPORT
INCLUDING an ONSITE CLINIC NURSE
- PROVIDE & FUND DATA MANAGEMENT
 - DISEASE REGISTRIES
 - ASCENDER

AT A GLANCE

- **FLEXIBLE BONUS STRUCTURE**
- **VALUE METRIC**
 - PATIENT SATISFACTION
 - PATIENT EDUCATION and UNDERSTANDING of THEIR DISEASE and TREATMENT
- **PHYSICIAN ADVISORY COMM.**



HealthSpring *Pay for Quality* 2008 Measures

Preventative Measures

Hypertension Screening

Osteoporosis Screening

Pneumococcal Vaccine

Depression Screening

Hypertension Control

Breast Cancer Screening

Influenza Vaccine

Colorectal Cancer Screening

Smoking Cessation Education

HealthSpring *Pay for Quality* 2008 Measures *continued*

Disease Management Measures

Diabetes Management

- Statin Prescribed
- Hypertension Control
- HbA1c Screening
- HbA1c Control
- LDL Screening
- LDL Control
- Microalbuminuria Testing
- Creatinine Testing
- Eye Exam Screening
- Foot Exam

Chronic Obstructive Pulmonary Disease (COPD)

- Spirometry Completed
- Sao2 Measurement
- Beta-agonists Prescribed

Coronary Artery Disease

- LDL Screening
- LDL Control
- Beta Blocker Prescribed (history of MI)
- Antiplatelet Therapy Prescribed
- Statin Prescribed

Congestive Heart Failure

- LVF Assessment Completed
- ACE Medication Prescribed
- Beta Blocker Prescribed



Pay for Quality Group Dashboard

**ABC Clinic - 2nd Interim Audit
Group Overall Rate
Audit Time Frame: 7/1/06 - 6/30/07
P4Q Coordinator: Jane Doe
Updated on: 9/5/2007**

Preventative

Standard of Care	Eligible Patients	Patients Met Standard	Actual Percent	Goal Percent	Goal Score	Percent of Goal Achieved
<i>Breast Cancer Screening</i>	<i>129</i>	<i>82</i>	<i>63.6%</i>	<i>90%</i>	<i>116</i>	<i>70.6%</i>
Pneumococcal Vaccine	643	468	72.8%	90%	579	80.9%
Influenza Vaccine	643	292	45.4%	53%	341	85.7%
Depression Screening	689	413	59.9%	90%	620	66.6%
Colorectal Cancer Screening	570	421	73.9%	90%	513	82.1%
Osteoporosis Screening	385	326	84.7%	90%	347	94.1%
Hypertension Screening	689	619	89.8%	90%	620	99.8%
Hypertension Control (<140/90)	619	431	69.6%	90%	557	77.4%
<i>Total Preventative</i>	<i>4367</i>	<i>3052</i>	<i>69.9%</i>		<i>3692</i>	<i>82.7%</i>

RESULTS...

Standard of Care	Eligible Patients	Patients Met Standard	Actual Percent	Goal Percent	Goal Score	Percent of Goal Achieved
Grand Totals	6742	4877	72.3%		5733	85.1%
Prior Percent of Goal Achieved (Jan 06 - Dec 06)						83.3%
Percent Improvement						2.1%

Bonus Based on Percentage of Goal:
 For >= 98% then 100% of the maximum bonus
 For 95% to 97%, then 90% of the maximum bonus
 For 92% to 94%, then 80% of the maximum bonus
 For 89% to 91%, then 70% of the maximum bonus
 For 86% to 88%, then 60% of the maximum bonus
 For 83% to 85%, then 50% of the maximum bonus
 For less than 83%, then 0% of the maximum bonus

The “Goal Percent” equals a 50% improvement over the “Actual Percent” <60%; 61 -75% = 25%improvement; 74 -90% = 10% improvement or a 50% minimum or a 90% maximum.

For LDL and HbA1c, a “Goal Percent” is set for the ideal control value only.

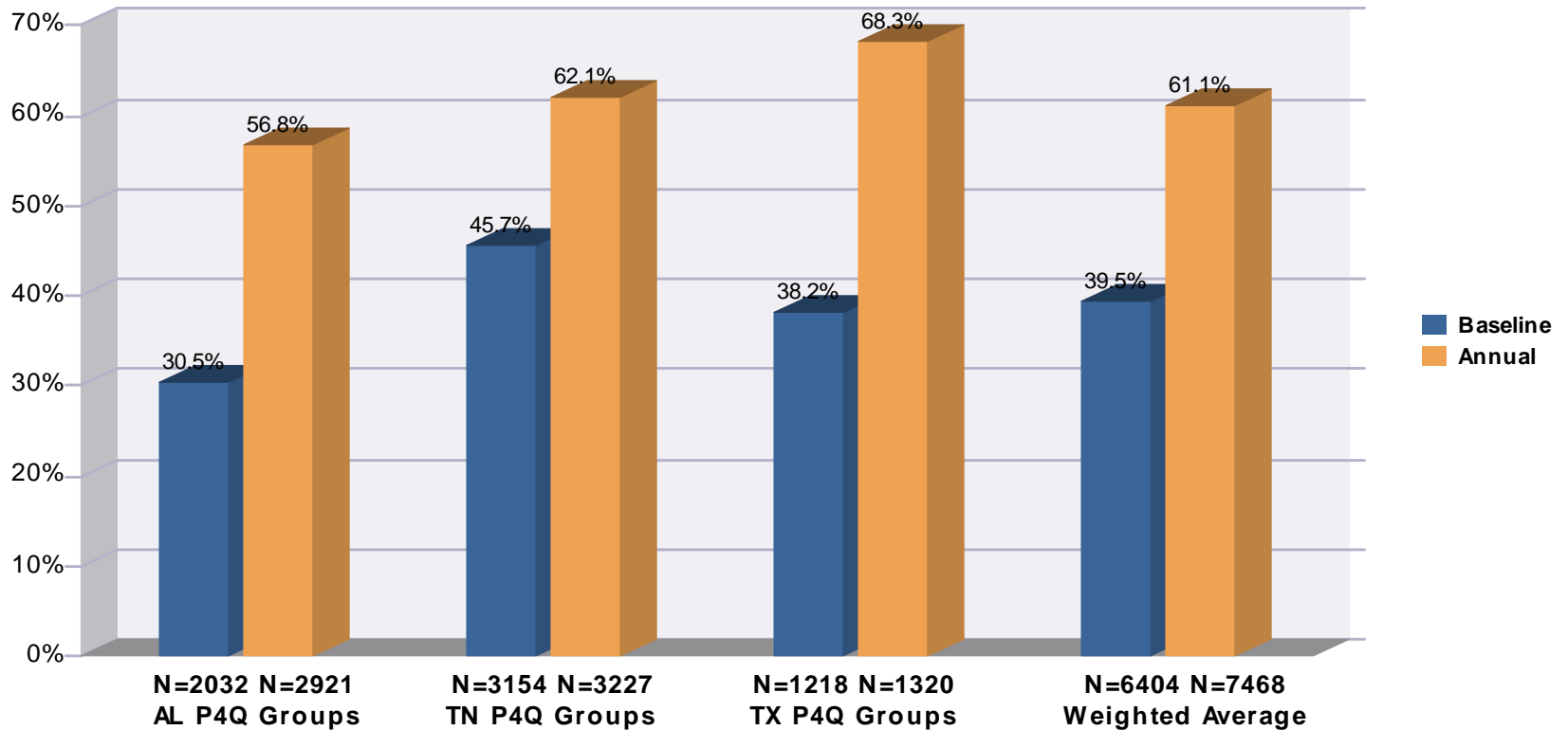


RESULTS

- Quality has uniformly improved
- Significant gap remains
- Plateau without systems
- Utilization
- Financial Impact
 - Short Term
 - Long Term

AL-TN -TX Market P4Q Performance Rate

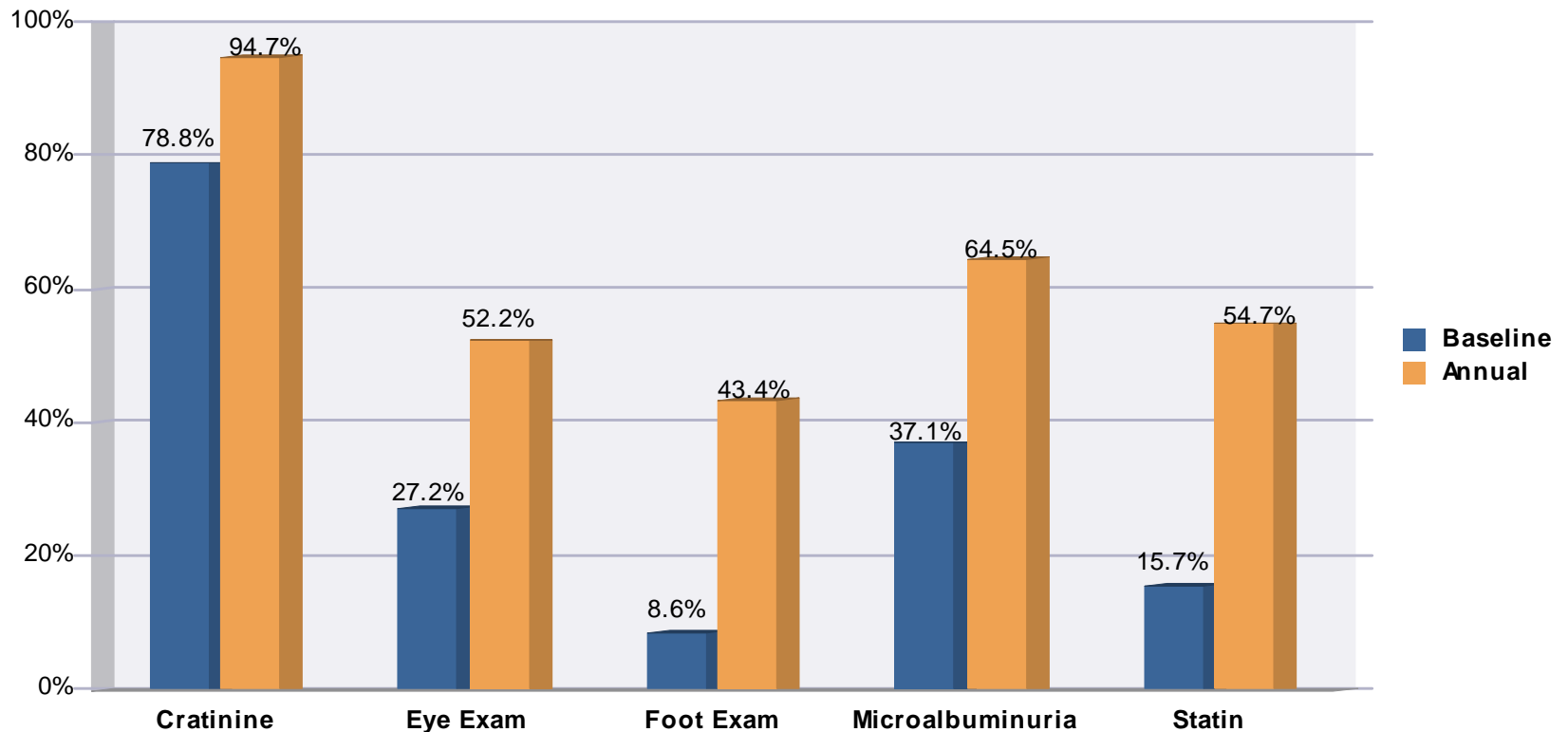
N refers Number of Counted Members



AL-TN -TX Market P4Q

Clinical Measures - Diabetes Metrics

(Baseline N=6404 Annual N=7468)



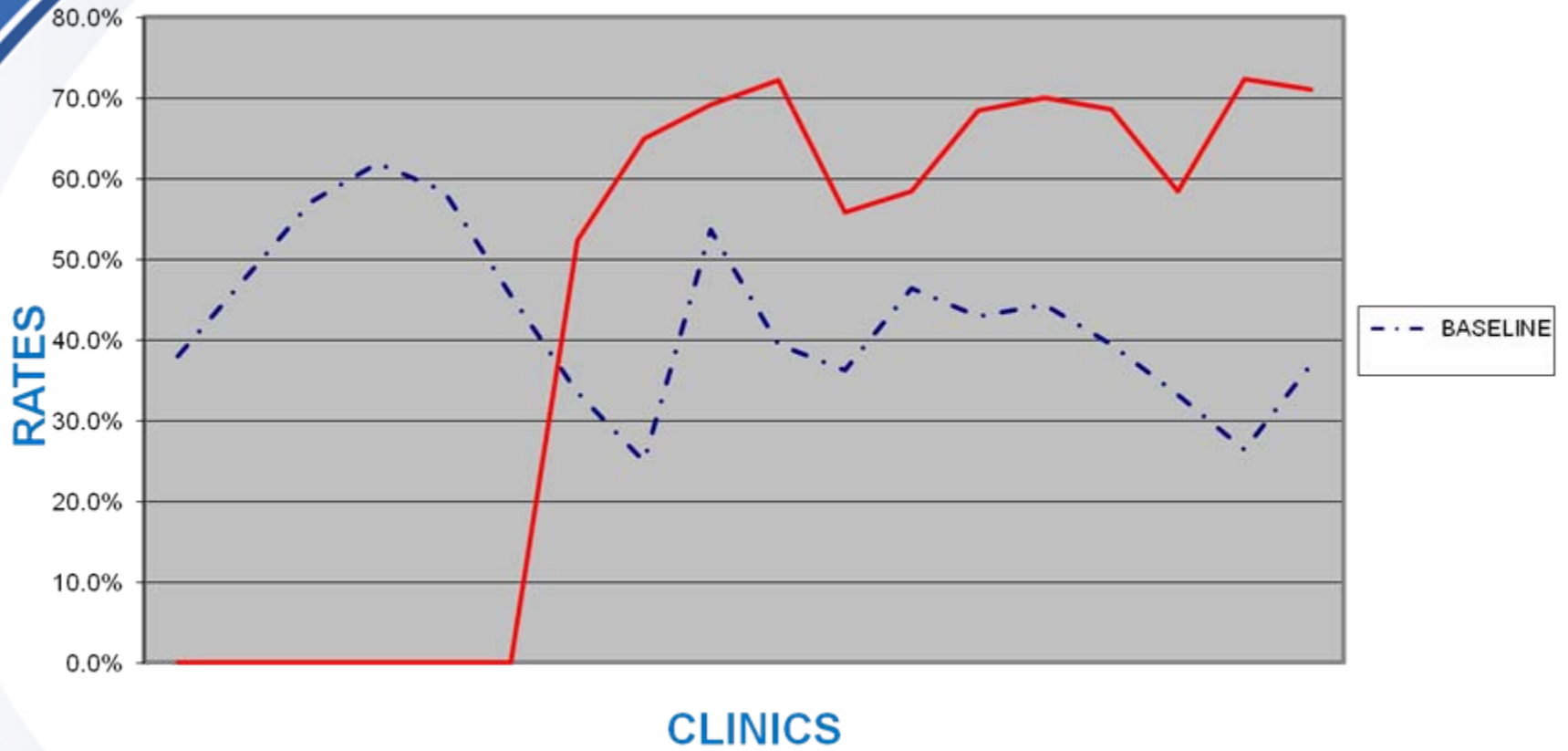
PRELIMINARY RESULTS

- **Scope:** 3 states, 9 practices, 87 physicians, 7,468 patients
- **Duration:** 3 years for 1 group (SMG), 1 year for others
- **Clinical Measures:**

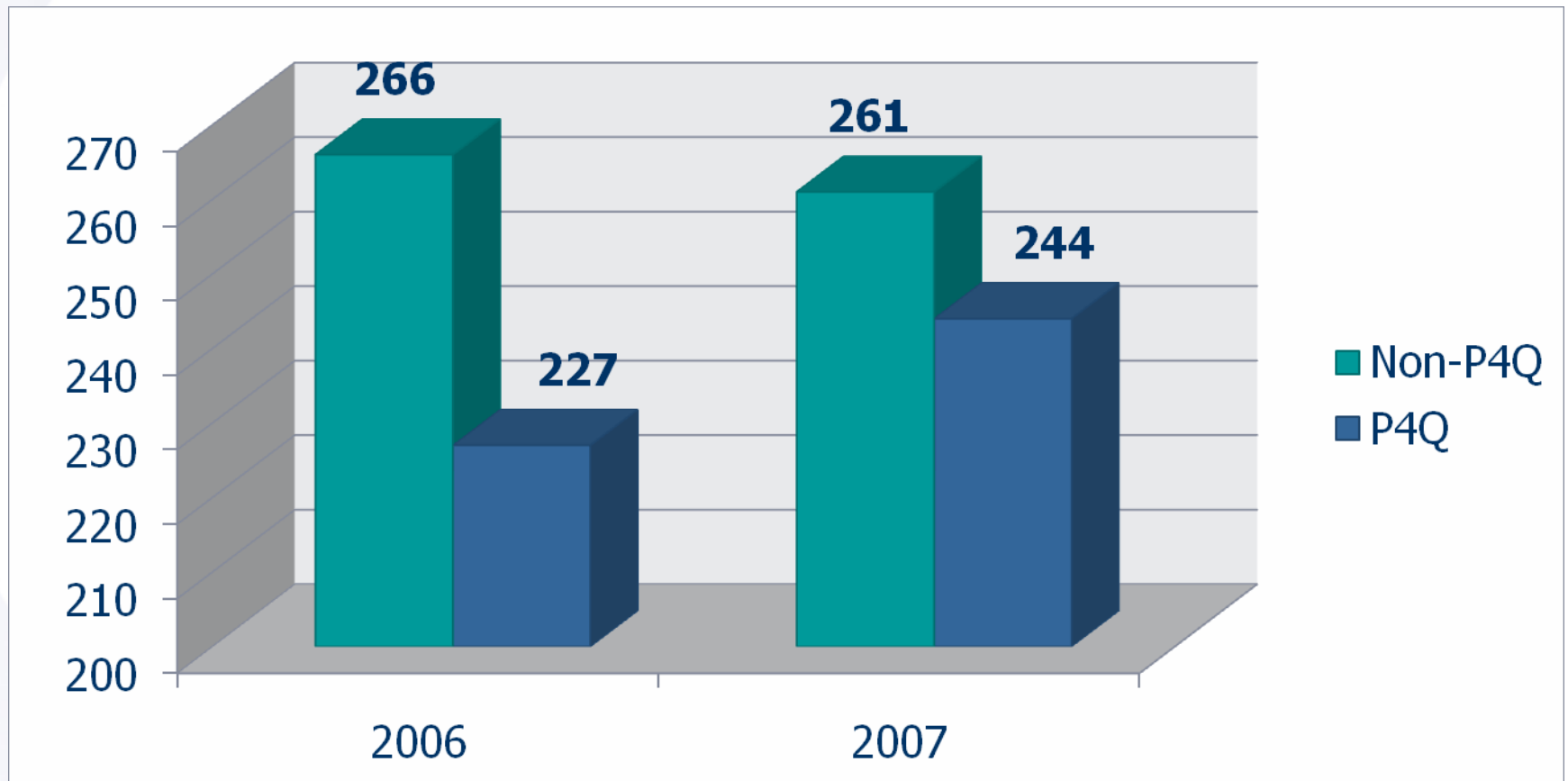
	<u>% Improvement</u>
Mammography	68%
Pneumonia	65%
Influenza	192%
Colon CA	27%
Diabetic Eye Exam	93%
Diabetic Foot Exam	378%
- **Utilization Benefits:**

	<u>% Improvement</u>
ER Visits per 1,000	7%
Admissions per 1,000	11%
MLR	8%
- **2008:** Expanding to 31 practices, 329 physicians, 27,000+ members

CORPORATE RATE COMPARISON

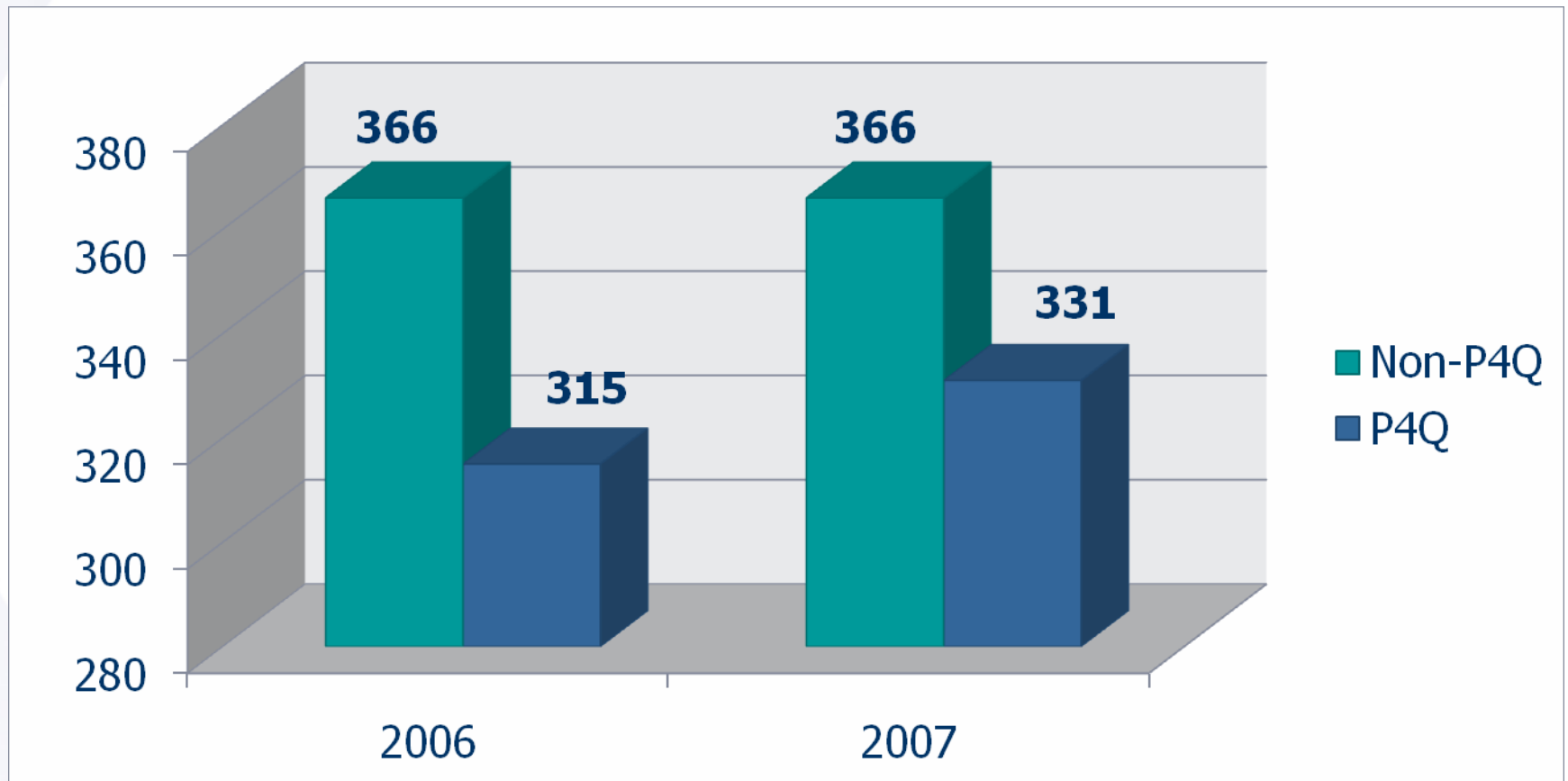


Decrease in Preventable Utilization - *ADK*



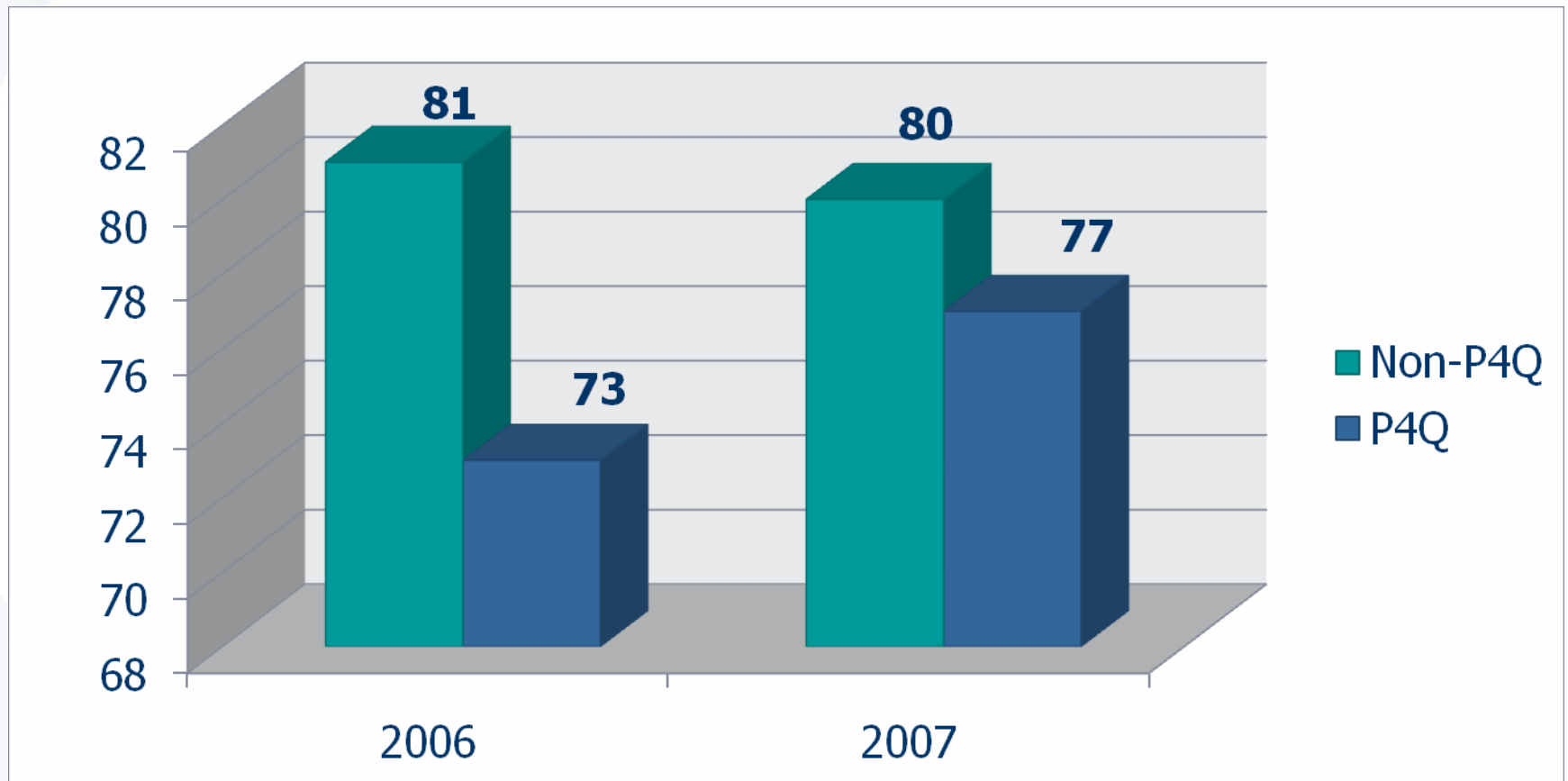
N = 11,000 MA members; Period = 1/1/06 to 7/31/07;
Six TN P4Q Physician groups

Decrease in Preventable Utilization - *ERK*



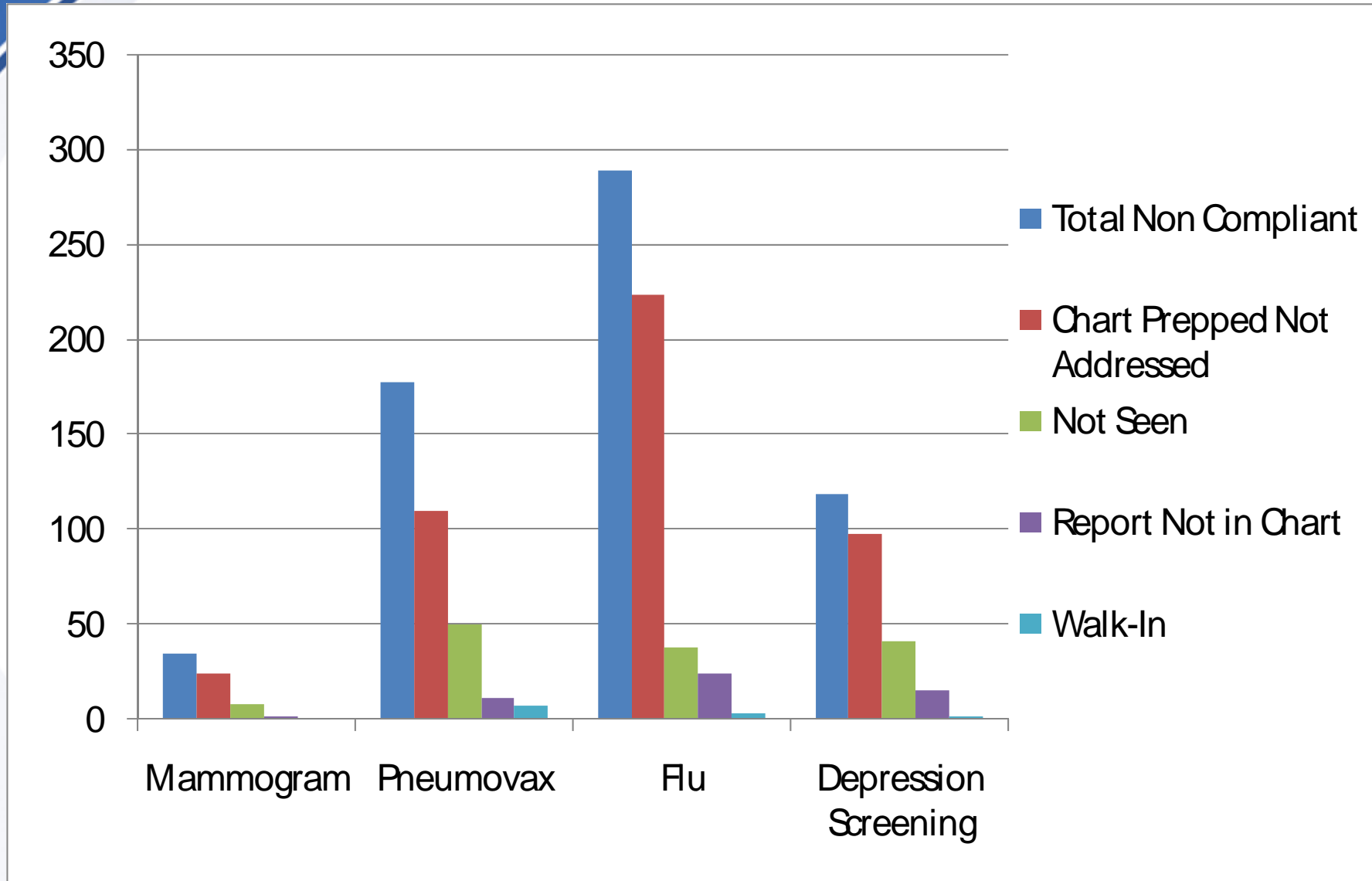
N = 11,000 MA members; Period = 1/1/06 to 7/31/07; Six TN P4Q Physician groups
Three groups started on or before 1/1/06; Three groups started Q1 '07

Decrease in Preventable Medical Costs



N = 11,000 MA members; Period = 1/1/06 to 7/31/07; Six TN P4Q Physician groups
Three groups started on or before 1/1/06; Three groups started Q1 '07

Non Compliant Preventative





FUTURE

ASCENDER

- Data aggregation
- Contemporaneous data
- Decreased audit costs and clinic disruption
- Population based management

VISION

VALUE

PATIENT SATISFACTION

- Access
- Physical / Interactive
- Empathy / Understanding

PATIENT EDUCATION

- Do you understand??
 - Disease
 - Treatment
 - Medication
- Perception of wellness



Please select the extent to which you agree with the following statements:

	Strongly Disagree	Disagree	Sometimes Disagree/ Sometimes Agree	Agree	Strongly Agree
1. I was welcomed in a friendly manner.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. I felt comfortable through my visit.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. I waited an acceptable time in exam room before being seen by the care provider.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. The medical staff explained things clearly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. I understand my disease and treatment plan.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. My health is improving with each visit to my HealthSpring Primary Care Physician (PCP).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. I would recommend my HealthSpring PCP to others.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Using the space below, please share any additional comments about your visit:



ESSENTIALS

- Adequate Bonus: 15%+
- Minimal Impact on Work Flow
- Minimal Financial Burden
- Obvious Value to the Physician Practice and Patient
- Access to Systems and IT Tools
 - No Expense
 - Web Based

WHY ??

We Can – We Need To – We Have To

- Invest in the future health of our members.
- “Least expensive adequate care”
- Preserve the efficient care of illness
- Coordination of care vs. fragmentation

IT WORKS!!

- PATIENT
- PHYSICIAN
- SYSTEM

