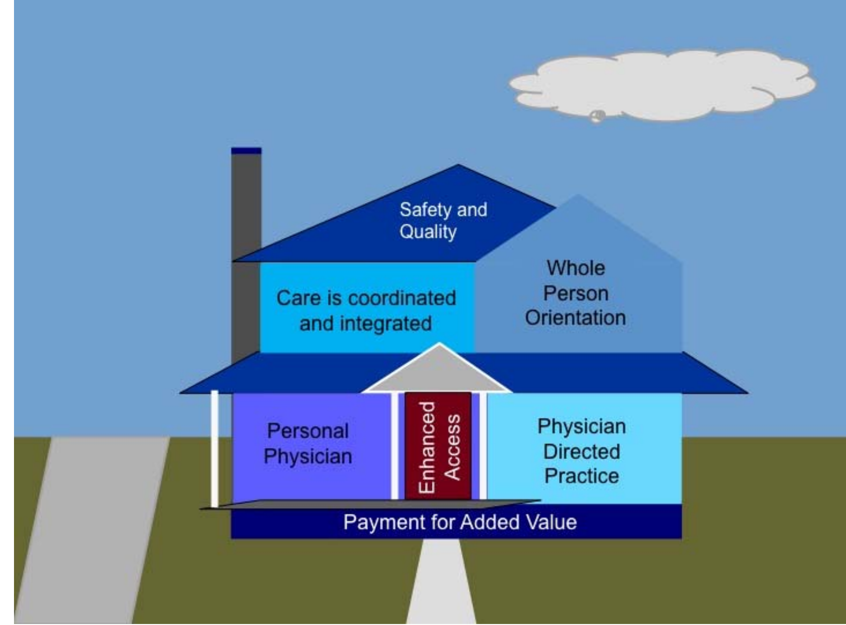
Patient Centered Medical Home



Paul Grundy, MD, MPH, FACOEM, FACPM

IBM Director Healthcare Transformation
President Patient Centered Primary Care Collaborative

OPM Carrier Letter Feb 5th 2013

Patient Centered Medical Homes (PCMH) within the Federal Employees Health Benefits (FEHB) Program

- Triple Aim of improved patient care, improved population health, and reduced health care costs
- A growing body of evidence supports **investment in PCMH**
- there must be a plan for all FEHB lives enrolled in the practice to be included in a reasonable timeframe.

Triple Aim

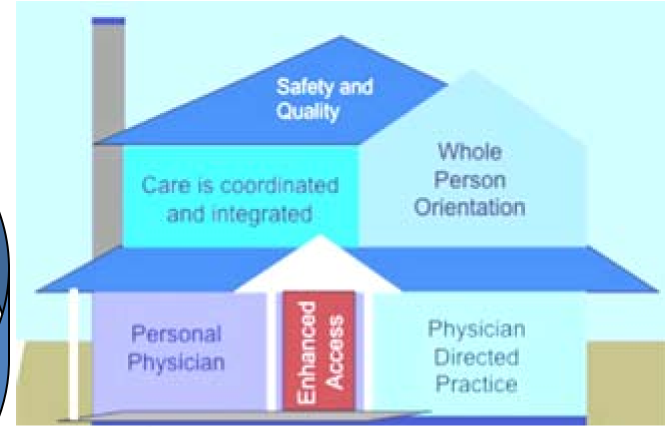
Population Health

Per Capita Cost

System Integrator

Patient Experience

Productivity



The System Integrator

Creates a partnership across the medical neighborhood

Drives PCMH primary care redesign

Offers a utility for population health and financial management

Smarter Healthcare

36.3% Drop in hospital days

32.2% Drop in ER use

12.8% Increase Chronic Medication use

-15.6% Total cost

10.5% Inpatient specialty care costs down

18.9% Ancillary costs down

15.0% Outpatient specialty down

Outcomes of Implementing Patient Centered Medical Home Interventions: A Review of the Evidence from Prospective Evaluation Studies in the US - PCPCC Oct 2012

WellPoint PCMH Preliminary Year 2 Highlights In Sept Issue

Health affairs 2012

Colarado

NEW HAMPSHIRE

New York

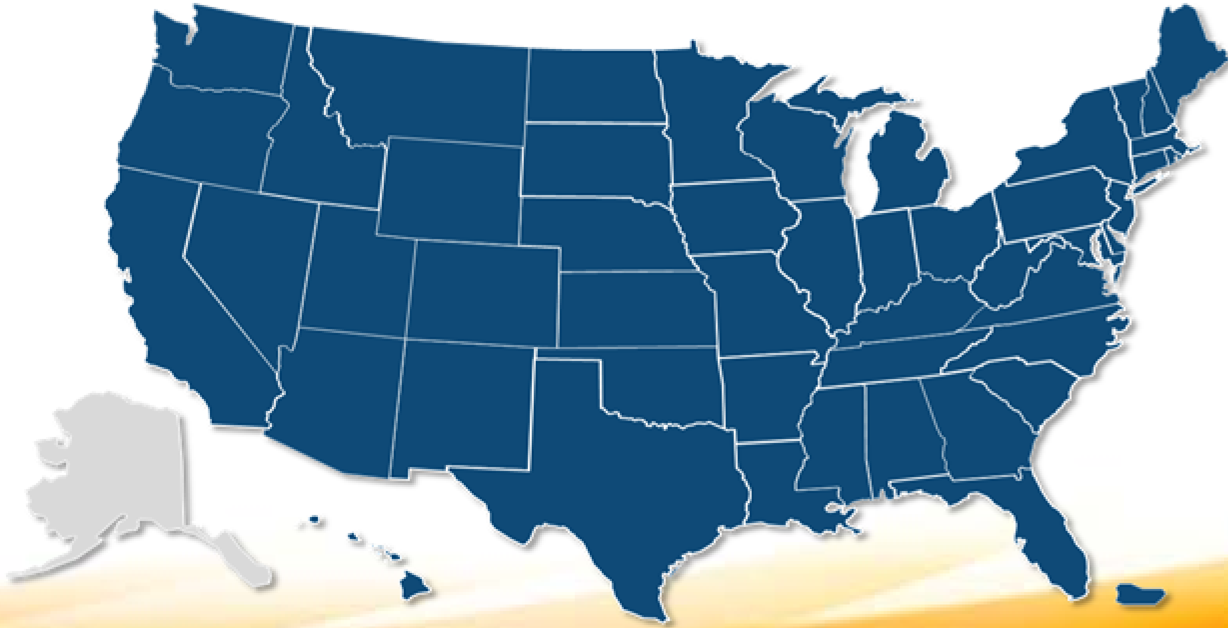
- **18% *decrease* in acute IP admissions/1000, compared to 18% *increase* in control group**
- **15% *decrease* in total ER visits/1000, compared to 4% *increase* in control group**
- **Specialty visits/1000 remained around flat compared to 10% *increase* in control group**
- **Overall Return on Investment estimates ranged between 2.5:1 and 4.5:1**

United PCMH

- we have also conducted an internal assessment of the first four pilots that were launched in Arizona, Colorado, Ohio, and Rhode Island starting in 2009 . Compared to a control group of similar patients, and averaged across the four pilots over two years, gross savings on medical
- costs were in the range of 4 .0 percent to 4 .5 percent per year . After factoring in additional payments for care coordination and bonuses to the participating practices, net savings averaged about two percent — thus generating a 2:1 return on investment — at the same time that notable improvements in care quality measures were observed

Blue Plan Care Delivery Innovations

PCMHs/ACOs are in market or in development in 49 states, District of Columbia and Puerto Rico, bringing the total number of patient centered organizations to 204



IBM

"How to Stop Hospitals From Killing Us"
WSJ Friday 21 Sept 2012

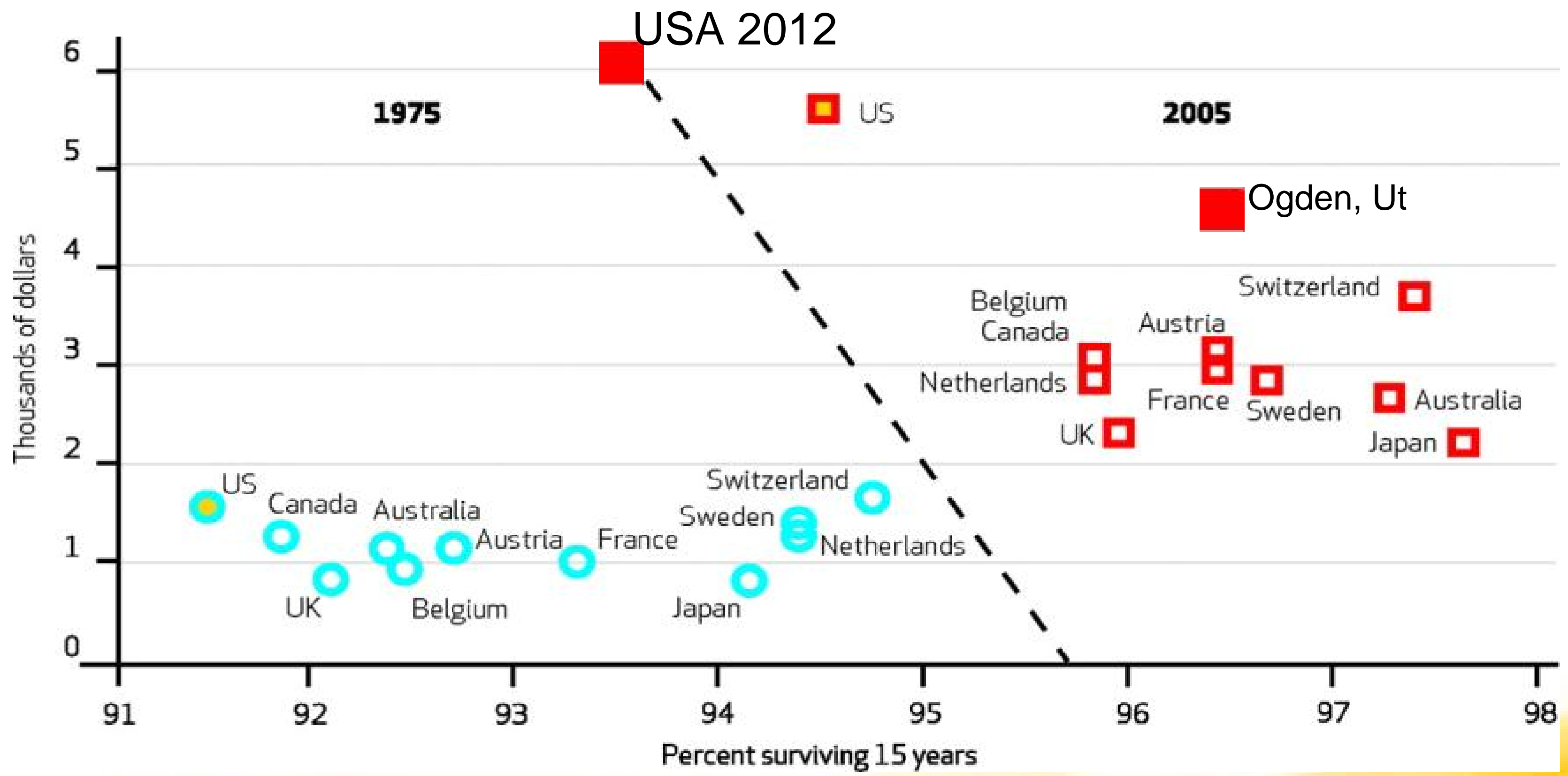
We don’t know how to play as a team

The Institute of Medicine's 2012, 385-page report,

Best Care at Lower Cost:

Primary care providers are the only healthcare professionals who can effect transformation in health care. The systems and structures which will fulfill the Triple Aim (IHI) can **only be designed** and implemented by primary Healthcare Healers.

Three DRIVERS

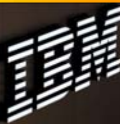

USA 2012
6
5
4
3
2
1
0
Thousands of dollars
1975
2005
US
Ogden, Ut
Switzerland
Belgium
Canada
Austria
Netherlands
France
Sweden
Australia
UK
Japan
US
Canada
Australia
Austria
France
Switzerland
Sweden
Netherlands
UK
Belgium
Japan
91
92
93
94
95
96
97
98
Percent surviving 15 years

Least Expensive

- Ogden, UT $2,623
- Dubuque, IA $2,719
- Fargo, ND $2,996

Most Expensive

- Anderson, IN $7,231
- Punta Gorda, FL $7,168
- Racine, WI $6,528
- Boston, Ma $6,432



Thirteen Year Cumulative Percent Change in Cost

120.0%
100.0%
80.0%
60.0%
40.0%
20.0%
0.0%
-20.0%

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008

Medicare / DoD Purchased Care

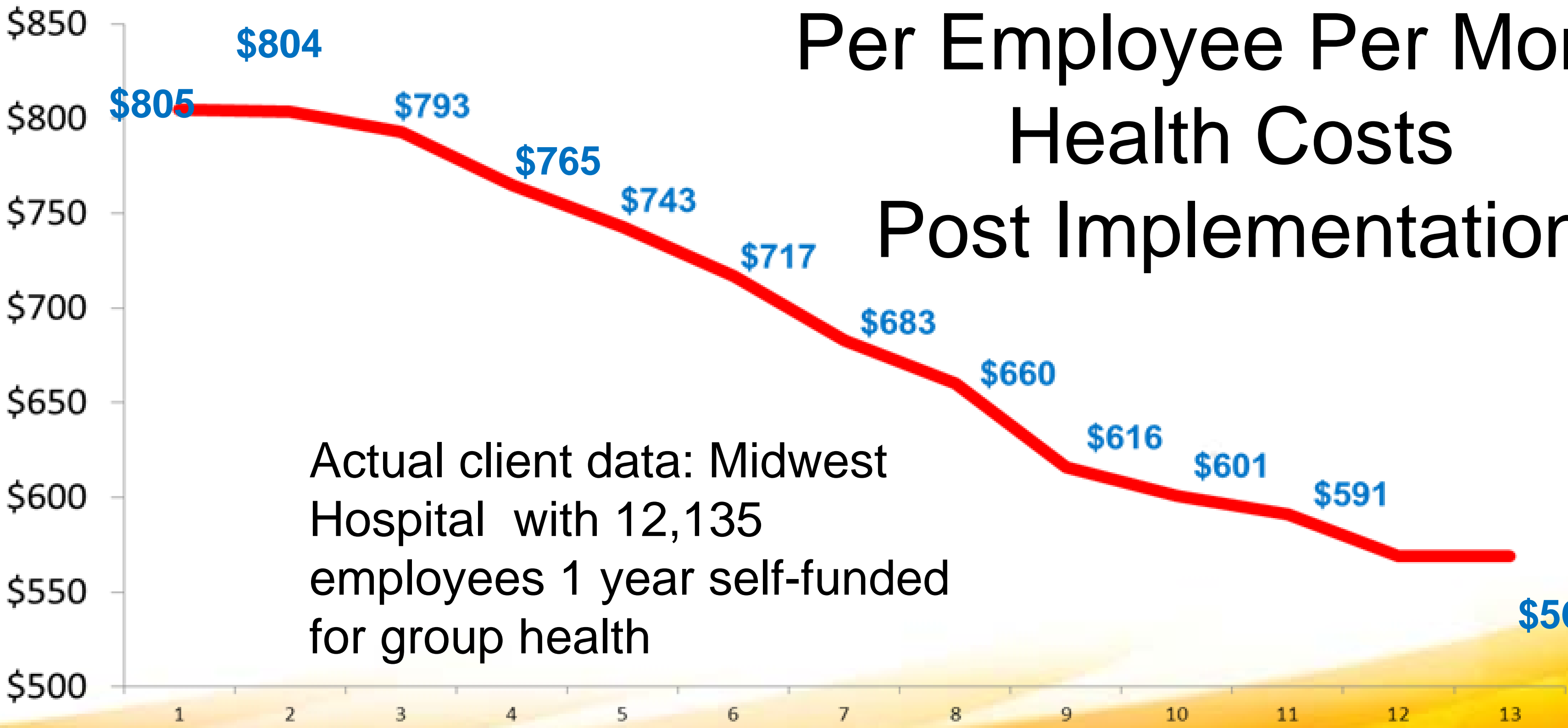
CPI

VHA

Community
Employer Health

Onsite Health and Wellness Centers

Hospital as Employer Build PCMH own Employees



http://www.nytimes.com/2012/09/03/opinion/health-care-where-you-work.html

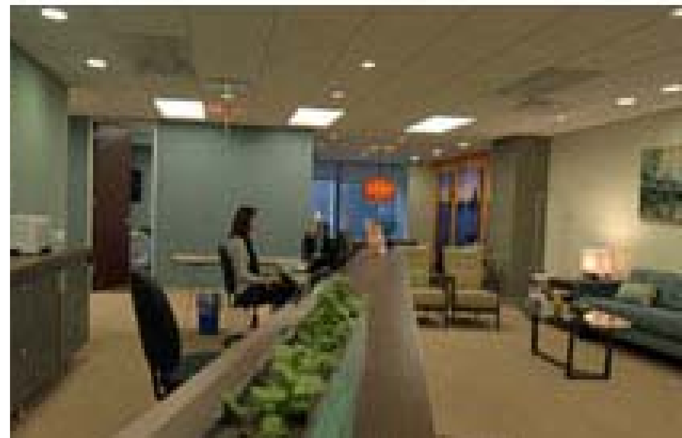
Montana Governor “sees big savings with new state PCMH health clinic

- PCMH for every beneficiary
- Better coordination of care
- Prevent ER, Hospital
- Unneeded Expensive test
- Saving $100 million 5 years
- Employee health clinics up 36%

IBM
POWER7
POWER7
POWER7

one
EDICAL GROUP

Carrier
3:36 AM
Mobile Scheduling
New Appointment
Preferred Provider
My Primary Care Team
Appointment Date
10/1/2010
Primary Reason for Office Visit
Specific Medical Issue(s)
Specific Medical Issue (one) - 10 minute
Preventive Checkup / "Annual" Physical Exam
Carrier
3:28 PM
Back
Issue Detail?
What kind of issue would you like to address?
Allergies / Hayfever
Cold / Flu / Sinus
Female with UTI
Yeast Infection
None of the Above



What needs to change?

1. Delivery
2. Payment
3. Health care benefits

Practice transformation away from episode of care

Preventive Medicine

Chronic Disease Monitoring

Medication Refills

Acute Care

Test Results

DOCTOR

Case Manager

Behavioral Health

Medical Assistants

Nursing

Master Builder

Source: Southcentral Foundation, Anchorage AK

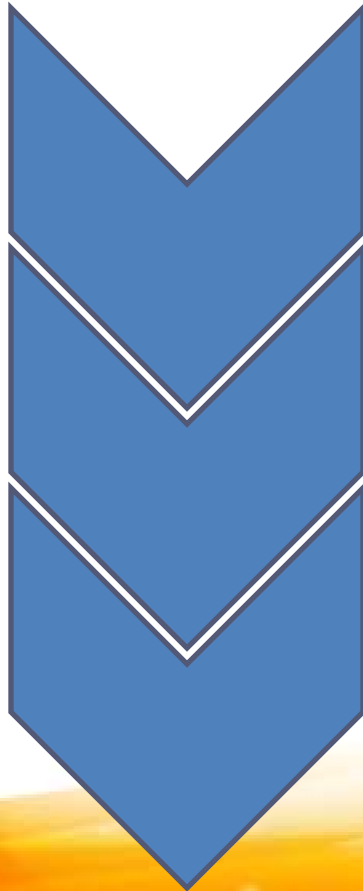
Healthcare will transform

- Data Driven
- Every patient has a plan
- Team based

BCBS as the largest will drive it

Or be consumed by it

Defining the Care Centered on Patient



Superb Access to Care

Patient Engagement in Care

Clinical Information Systems, Registry

Care Coordination

Team Care

Patient Feedback

Publicly Available Information

Payment reform requires more than one method, you have dials, adjust them!!!

“fee for health”

fee for value

“fee for outcome”

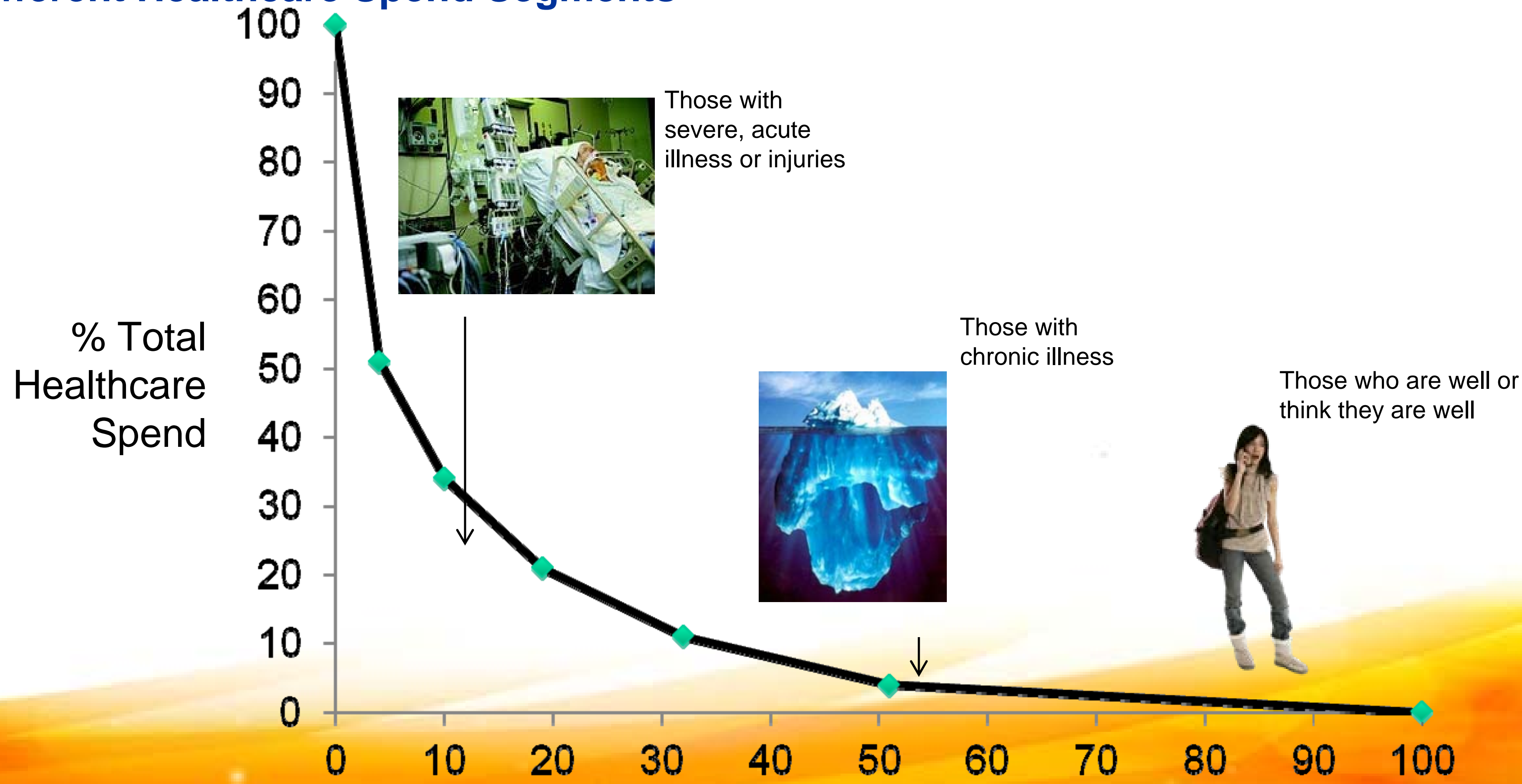
“fee for process”

“fee for belonging

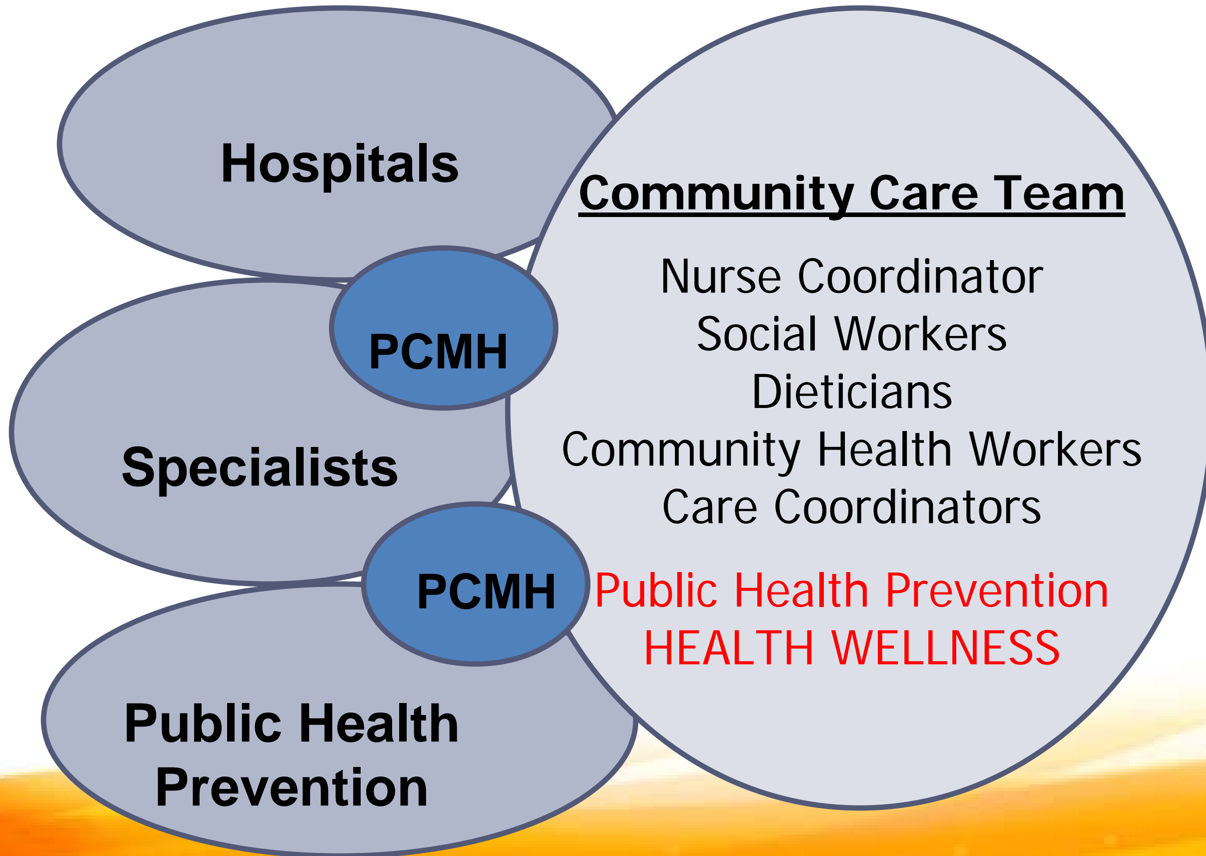
“fee for service”

“fee for satisfaction”

Benefit Redesign - Patient Engagement Different Strategies for Different Healthcare Spend Segments

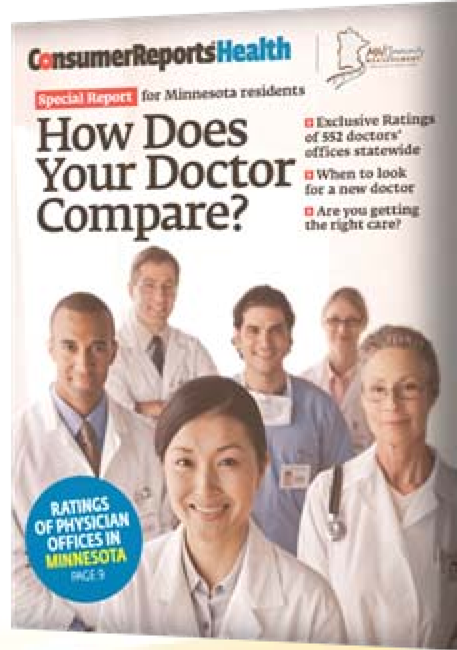


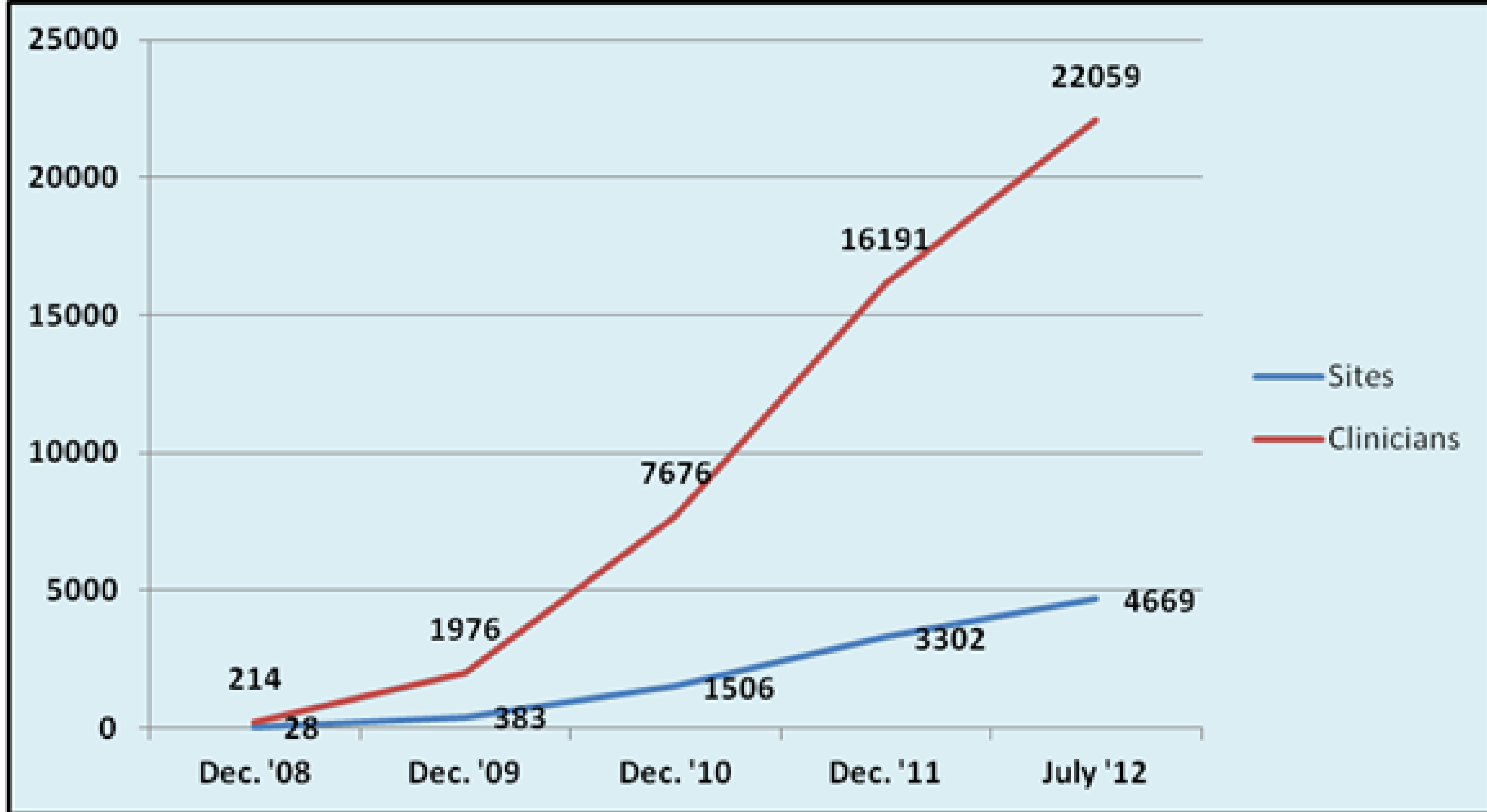
PCMH in Action



- A Coordinated Health System
- Health IT Framework
- Global Information Framework
- Evaluation Framework
- Operations

Patients not shortchanged





PCMH Growth

Support the Build of PCMH as the Foundation

The right care
The right time
The right price

Patient Centered Medical Home