HealthPartners®

The Quality Colloquium at Harvard University August 24-27, 2003

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What is the role of the health plan in enhancing quality of care and reducing medical errors? … in translating new knowledge into practice? … in the transformation of health care?

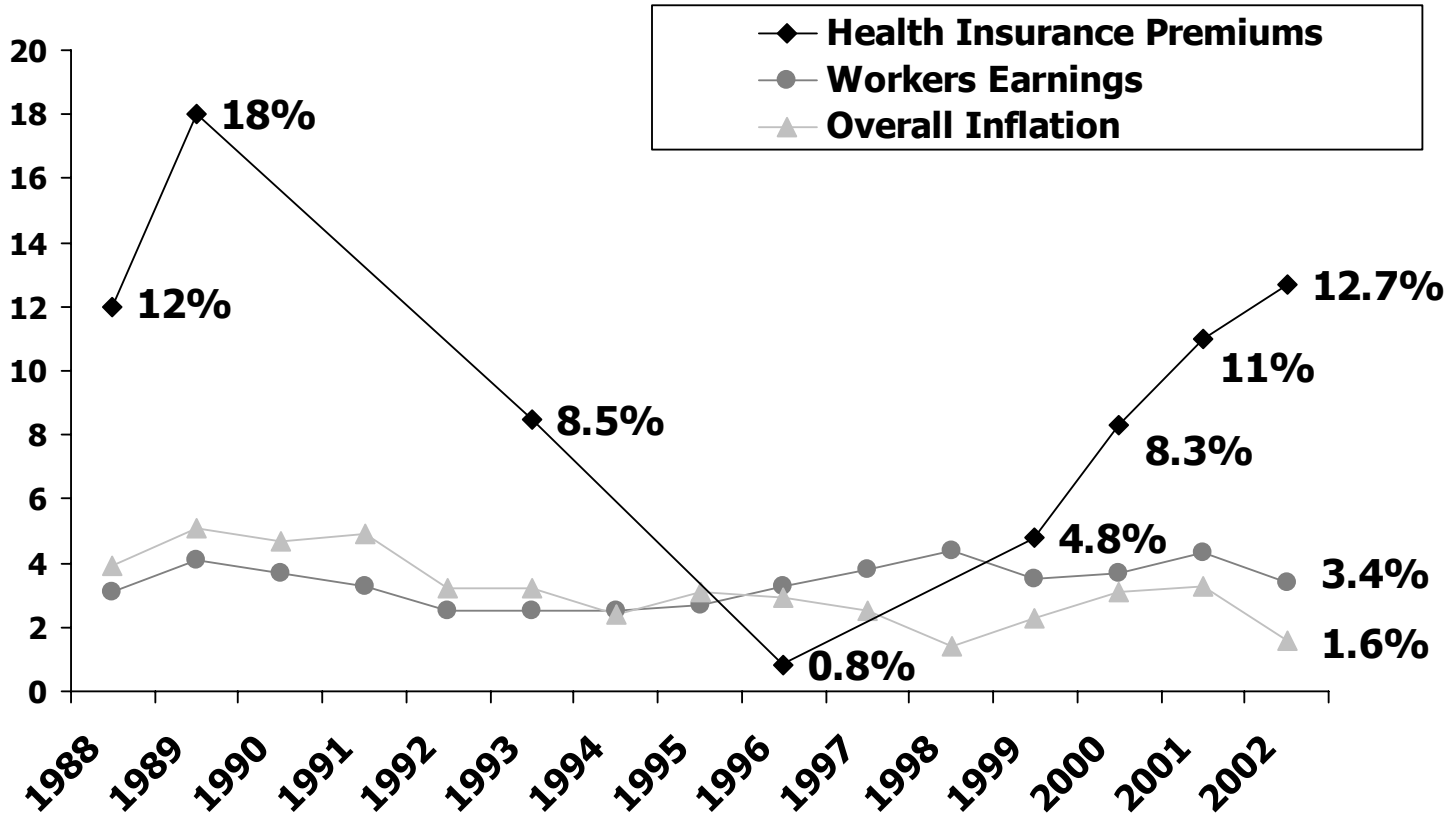
HealthPartners®

- We are a health plan with 675,000 members
- We are a clinic system consisting of more than 30 clinics and 600 physicians, one of the largest clinic systems in the country.
- We own and operate one of the largest hospitals in the Twin Cities, Regions Hospital.
- We have 9,200 employees, the vast majority of which are care providers.

HealthPartners®

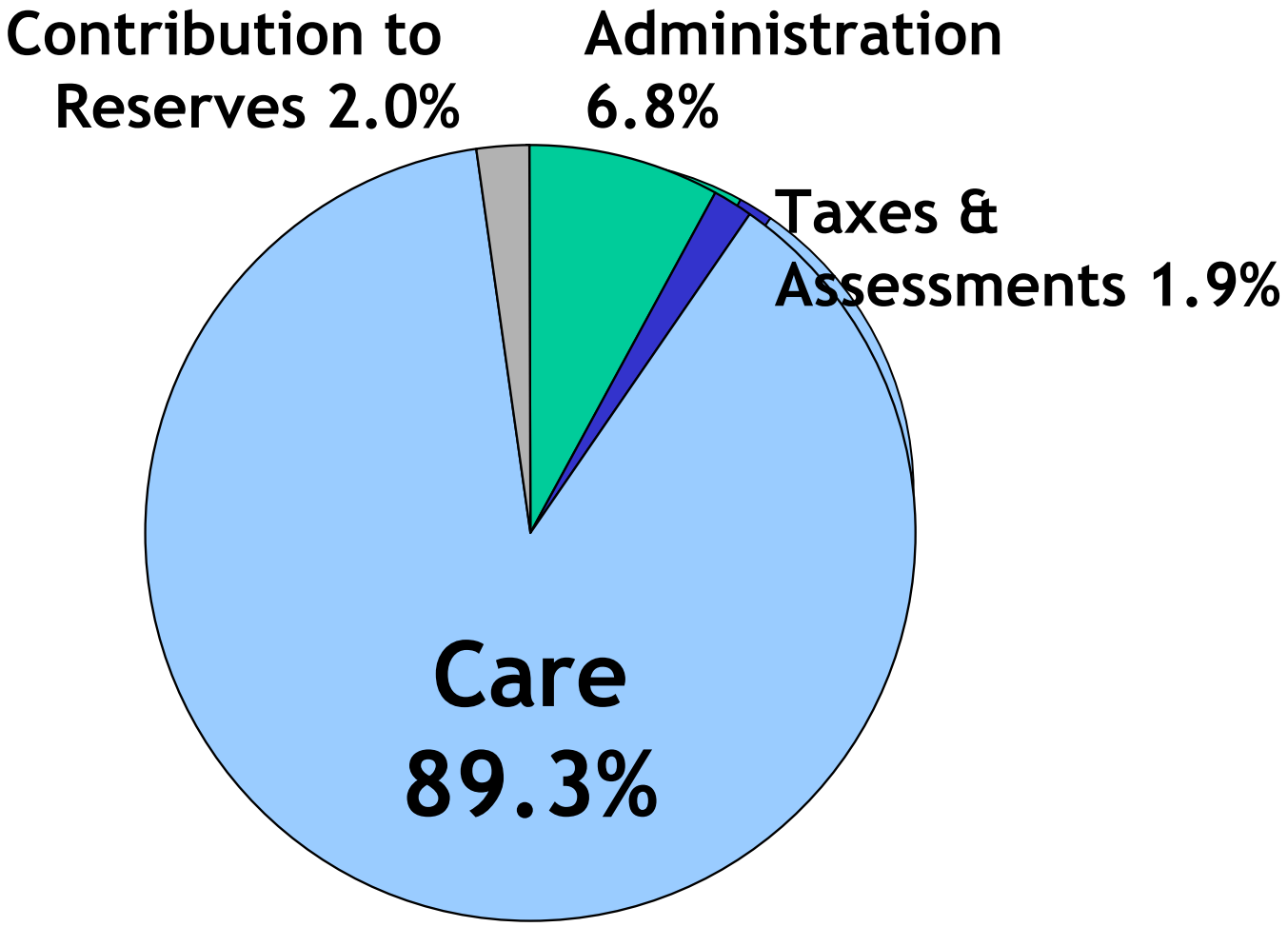
- We have a Research Foundation
- We have a Institute for Medical Education
- We are the founding member of the Institute for Clinical Systems Improvement

Increases in Health Insurance Premiums Compared to Other Indicators, 1988-2002



Source: KFF/HRET Survey of Employer-Sponsored Health Benefits: 1999, 2000, 2001, 2002; KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1993, 1996. Note: Data on premium increases reflect the cost of health insurance premiums for a family of four.

Slicing the Premium Pie



What's Driving Cost Increases

- New treatments, medications, diagnostic services and technology
- An aging population, with chronic disease on the rise (exacerbated by unhealthy lifestyles)
  - 55+ consume 80% of care and baby boomers hitting 55
  - Epidemic of diabetes and heart disease
- Hospital and physician consolidation into geographic and horizontal monopolies -- with resulting upward pressure on payment rates.

What's Driving Cost Increases (Continued)

- Shortages of health professionals (nurses, pharmacists, radiation techs) and lack of hospital capacity.
- Significant investments in facilities and programs which need to be recovered in revenue increases.
- Payment increases in Medicare and Medicaid that don't cover the increases in costs -- individuals and businesses cover the "cost shift".

What's Driving Cost Increases (Continued)

- Over-use, under-use and misuse of health care resources.
- Seemingly insatiable consumer demand -- driven, in part, by separation of who uses from who pays and, in part, by growing belief that there should be a treatment and cure for everything.
- Mandates and government regulations, impact of litigation, fraud and abuse
  - $18 billion in 2001 -- enough to fund coverage for 6.8 million people

Consumer Engagement

"Employees must take further responsibility for their health care needs and costs. Employers are increasingly informing and empowering workers to make their own choices and determine what coverage is best for them."

- 2002 WBGH/Watson Wyatt Survey Report

New Drugs Cost More than Old Drugs

	Old	New
For Nausea	$3.25 per Day	$56.00 per Day
For Depression	$0.25 per Day	$2.64 per Day
Antibiotics	$0.39 per Dose	$58.10 per Dose

Halvorson and Isham, *Epidemic of Care: A Call for Safer, Better, and More Accountable Health Care*, Jossey-Bass: 2003

There is an Urgent Need to Improve Health Care Quality!

"Serious and widespread quality problems exist throughout American medicine. These problems, which may be classified as underuse, overuse, or misuse, occur in small and large communities alike, in all parts of the country, and with approximately equal frequency in managed care and fee-for-service systems of care."

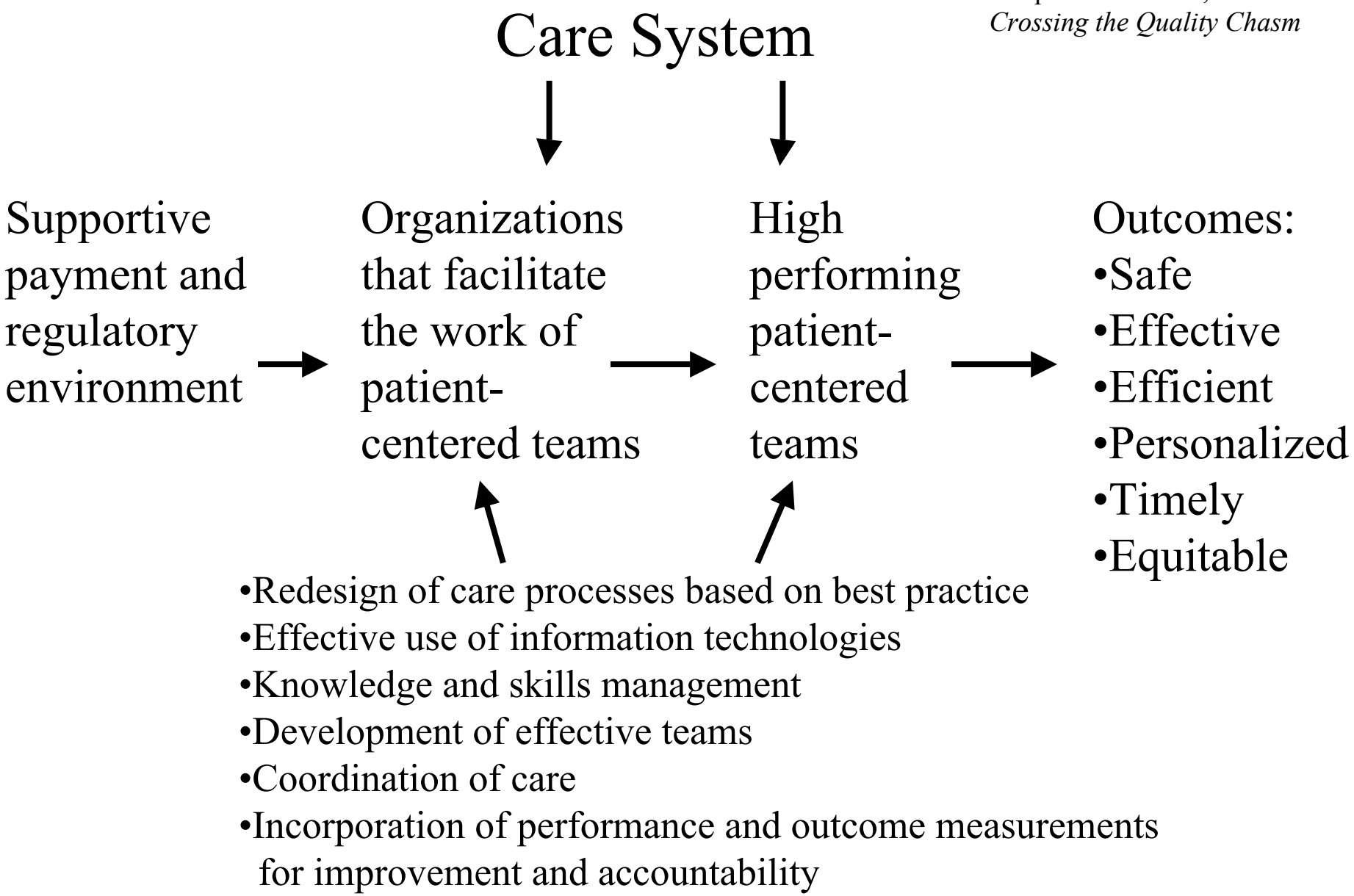
Chassin and Galvin; JAMA. 1998;280:1000-1005

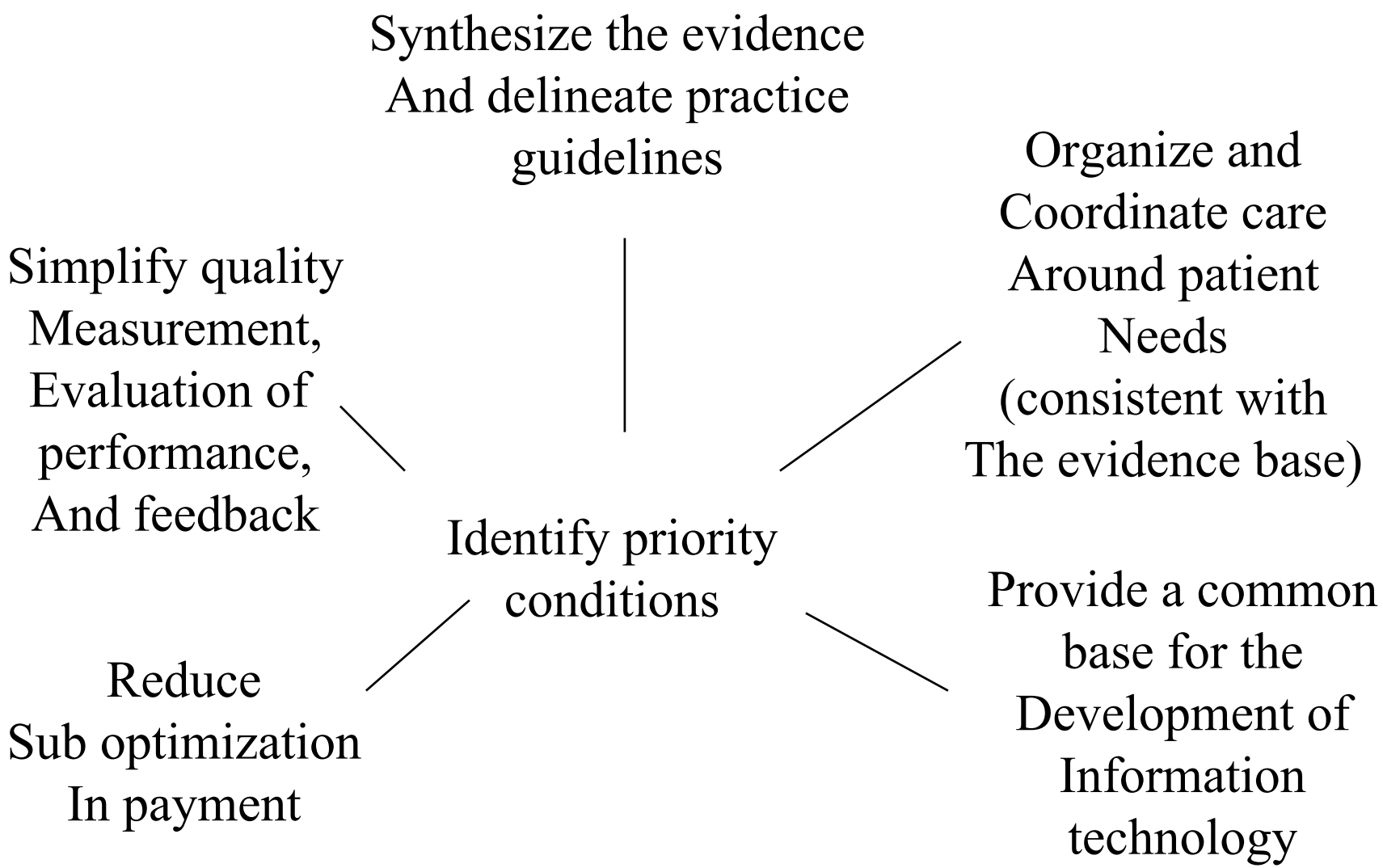
Crossing the Quality Chasm
Committee's Conclusion:

The American health care delivery system is in need of fundamental change. The current care systems cannot do the job. Trying harder will not work. Changing systems of care will.

To order: www.nap.edu

Adapted from IOM,
Crossing the Quality Chasm





IOM, *Crossing the Quality Chasm, p.103.*

Recommended Priority Areas

- Care coordination (Cross Cutting)
- Self-management & health literacy (Cross Cutting)
- Asthma
- Cancer screening that is evidence-based: focus on colorectal and cervical cancer
- Children with special healthcare needs
- Diabetes
- End of life with advanced organ system failure: focus on CHF/COPD
- Frailty associated with old age: preventing falls and pressure ulcers, maximizing function and developing advanced care plans
- Hypertension
- Immunization

IOM: *Priority Areas For National Action: Transforming Health Care Quality,* www.nas.edu

Recommended Priority Areas

- Ischemic Heart Disease
- Major depression
- Medication management: preventing medication errors and overuse of antibiotics
- Nosocomial infections: prevention and surveillance
- Pain control in advanced cancer
- Pregnancy and childbirth
- Severe and persistent mental illness: focus in the public sector
- Stroke: early intervention and rehabilitation
- Tobacco dependence treatment in adults
- Obesity (Emerging)

IOM: *Priority Areas For National Action: Transforming Health Care Quality,* www.nas.edu

Clusters of Influence That Correlate With the Rate of Spread of a Change (Rogers and Van de Ven):

1. Perceptions of the innovation
2. Characteristics of the people who adopt the innovation, or fail to do so; and
3. Contextual factors, especially involving communication, incentives, leadership, and management.

Berwick, JAMA, April 16, 2003 – Vol. 289, No. 15: pp. 1969-1975

Translation

- In health care, new ideas that emerge from the scientific literature and body of medical or health knowledge (the evidence-base) need to be translated into applications and programs
- In moving from efficacy to effectiveness, the effect size needs to remain large enough to maintain a positive return on [health/quality, financial, and service] investment

Pronk, NP, Presentation to the HealthPartners Quality and Utilization Management Council, July, 2003

Translation

- Systematic approaches to translation are under-studied
- Typically not based on practice, instead based on academic/theoretical foundations
- Ideally, translation approaches should be based on *both* research and practice

Source: Pronk, NP Disease Management & Health Outcomes 2003;11(3):149-157.

Translation: 4S's and PIPE Impact Metric

- 4-Ss of Design – Designing for impact
  - Size
  - Scope
  - Scalability
  - Sustainability

- PIPE Impact Metric - Monitoring impact
  - Penetration
  - Implementation
  - Participation
  - Effectiveness

Source: Pronk, NP Disease Management & Health Outcomes 2003;11(3):149-157.

Transformation - What is it?

- *trans* - across, beyond, through, so as to change
- *formare* - to form, [*fr. forma* form]
  - To change in composition or structure
  - A genuine reinvention of the self
  - Eagerly challenging deeply held assumptions and beliefs about strategies and processes and, in response, thinking and acting in fundamentally altered ways
  - Radical re-learning

Nico Pronk, Presentation to the Institute of Medicine Committee on Identifying Priority Areas for Quality Improvement, May 9, 2002

Donabedian

- Structure
- Process
- Outcome

McKinsey 7-S Framework

- Structure
- Systems
- Style
- Staff
- Skills
- Shared Values
- Strategy

Kotter: The Eight-Stage Process of Creating Major Change

- Establishing a Sense of Urgency
- Creating the Guiding Coalition
- Developing a Vision and Strategy
- Communicating the Change Vision
- Empowering Broad-Based Action
- Generating Short-Term Wins
- Consolidating Gains and Producing More Change
- Anchoring New Approaches in the Culture

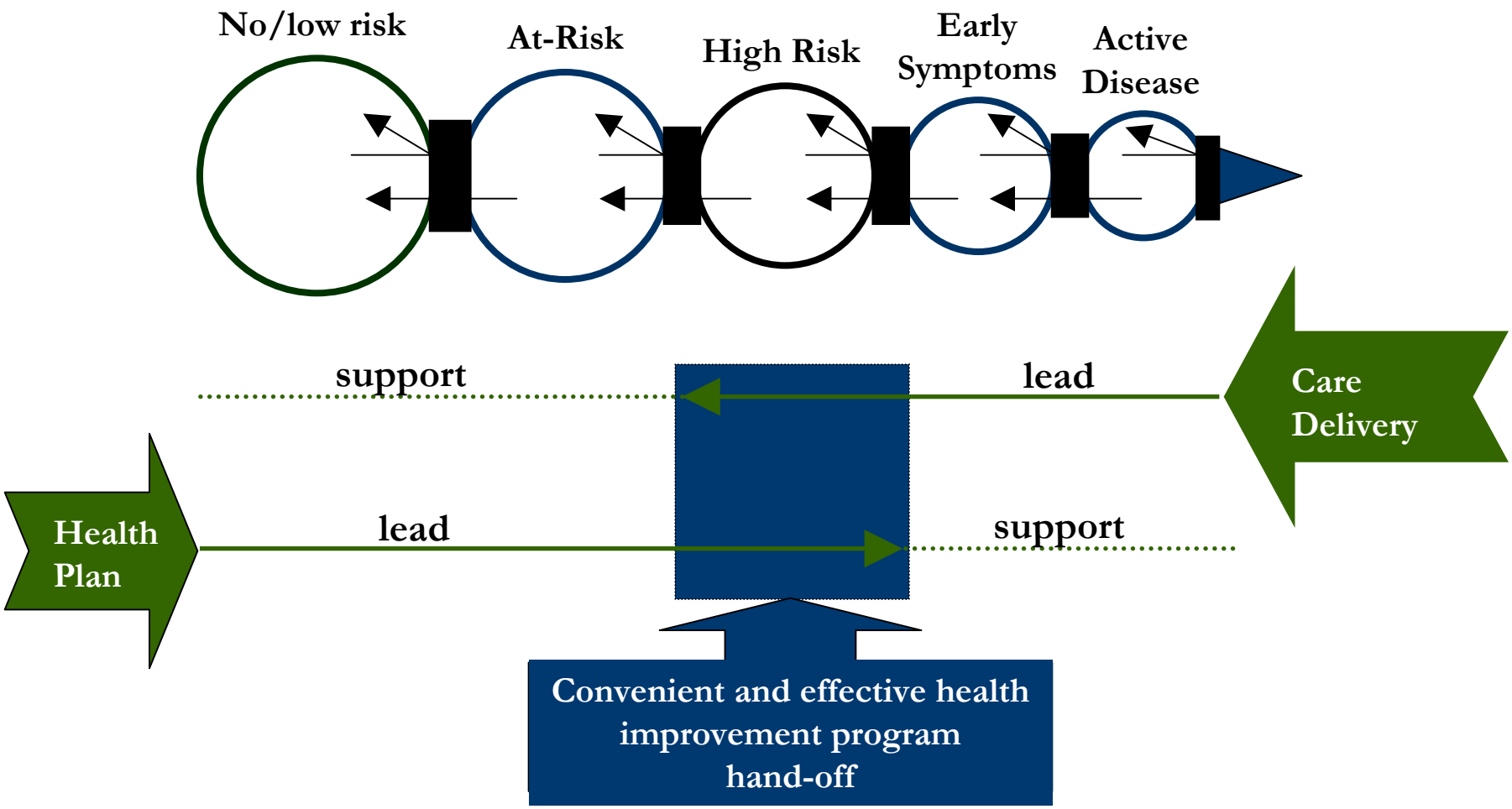
SOURCE: Adapted from John P. Kotter, "Why Transformation Efforts Fail," *Harvard Business Review (March-April 1995): 61. Reprinted with permission.*

Transformation: What is needed for transformation to occur?

- Vision (direction)—a clear description of what is to be created
- Leadership (guidance)
- Setting the field
  - Allowing innovation to happen
  - A common language
  - A "tension" to change (being at the edge of chaos)
- A structure that optimizes learning and engagement
- Collective buy-in of providers and health care staff
- Tools
  - Effective and efficient operational processes
  - Information technology
  - Payment mechanism and incentive strategies
  - Member engagement strategies

Source: Pronk, N.P. Presentation to the IOM Committee on Setting Priorities in Health Care. Washington, DC, 2002.

Partners for Better Health



Improving Health

Focus	***PBH***
Agree on elements of care	***ICSI Guidelines***
Determine a measurement approach	***CISC***
Establish performance targets	***Stated Goals***
Align incentives	***Outcomes Recognition Program***
Support improvement	***'At Risk' lists, CQI, CHP…***
Evaluate and repeat	***Clinical Indicator Report***

Partners for Better Health Goals

- Heart Disease
- Diabetes
- Depression
- Tobacco Control
- Healthy Eating
- Physical Activity

- Dissemination, Translation, adoption
- Collaborative Capacity and Partnership Development
- Productivity and Workplace Performance

The Collaborative

Minnesota Community Measurement Pilot Results: Medical Group Ranges

	% Tested		% at Target	
	Low	High	Low	High
Blood Pressure <130/85			17%	52%
Daily Aspirin > 40 years			17%	63%
LDL-Cholesterol < 130	60%	98%	25%	77%
A1c ≤ 8.0	75%	100%	22%	80%
Documented No Tobacco			30%	87%
Eye Screen			27%	83%
Kidney Screen			28%	87%

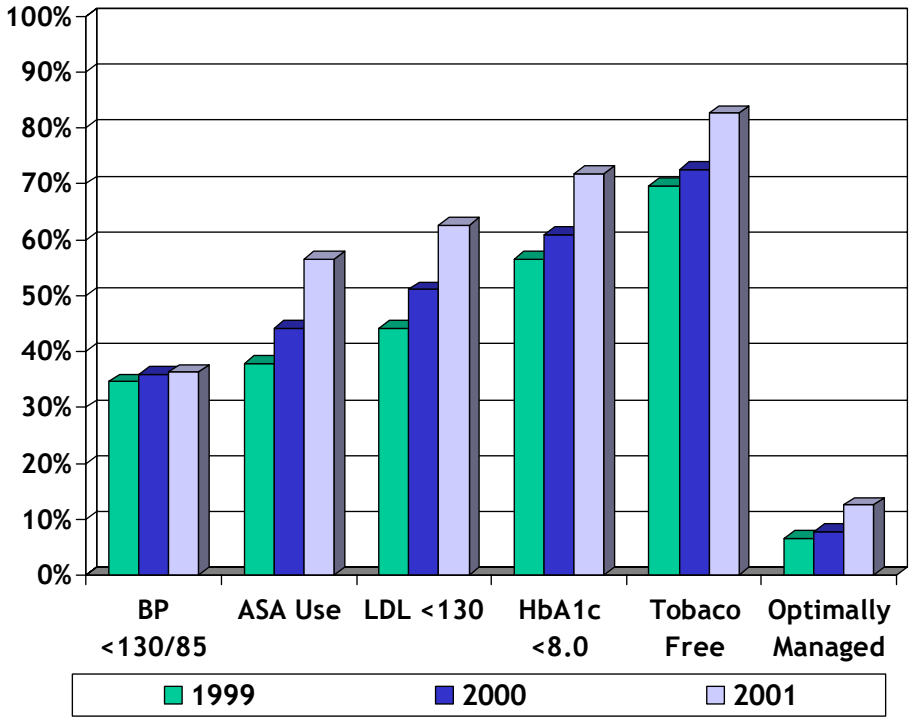
Establish Performance Target: Goals 2003

- Preventive Services UTD 85%
- Comprehensive Diabetes 30%
- Comprehensive Heart Disease 65%
- Tobacco Ask/Assist 95/75%
- Satisfaction with Access 50%
- Generic Drug Use 50%

Reward Outcomes

- Outcomes Recognition Program (ORP)
  - 18 medical groups in 2002
- Hospital Pay for Performance (PFP)
  - 9 hospitals in 2003
- Specialty Outcomes Program
  - 63 specialists and 3 groups

Comprehensive Diabetes Care Getting Better

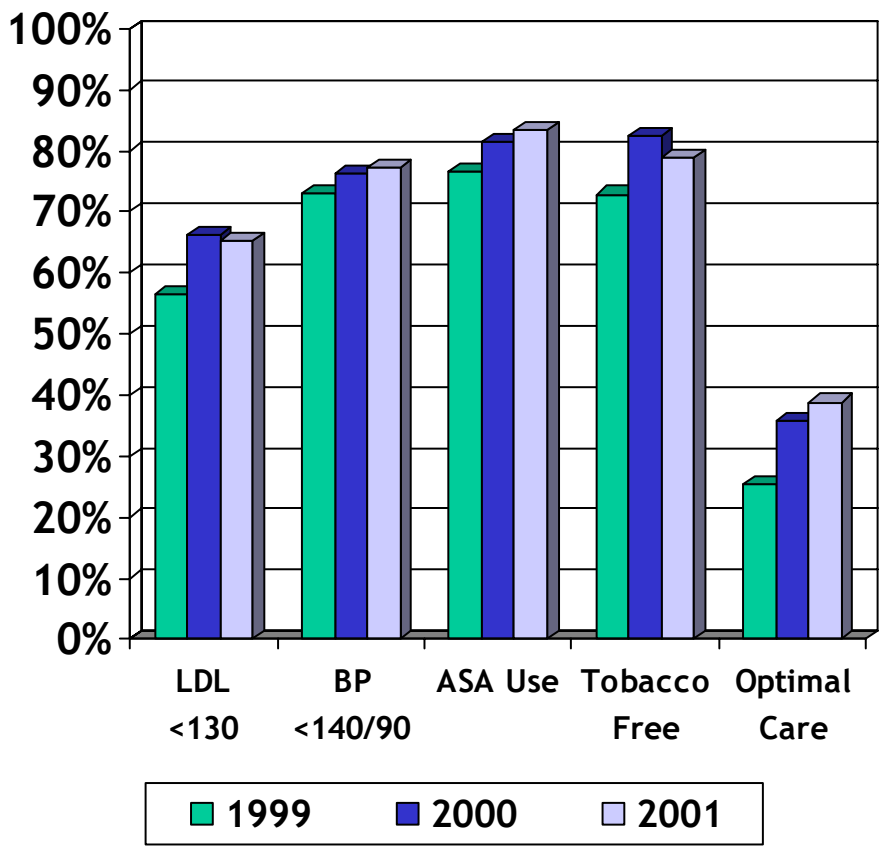


More DM Patients at Target

N=13,861

- Blood Pressure <130/85
- Daily Aspirin Use.
- "Bad" Cholesterol <130
- HbA1c <8.0
- No Tobacco

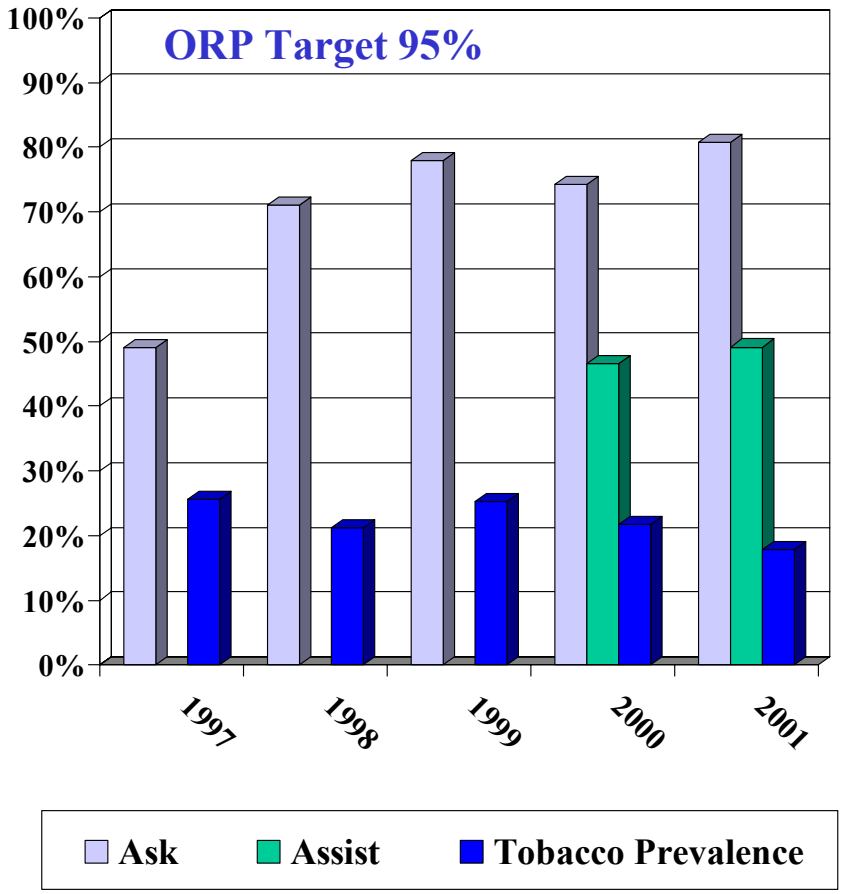
Heart Disease Care Getting Better



More Heart Disease Patients at Target

- **"Bad" Cholesterol <130**
- **Blood Pressure <140/90**
- **Daily Aspirin Use**
- **No Tobacco**
- **Optimal Care**

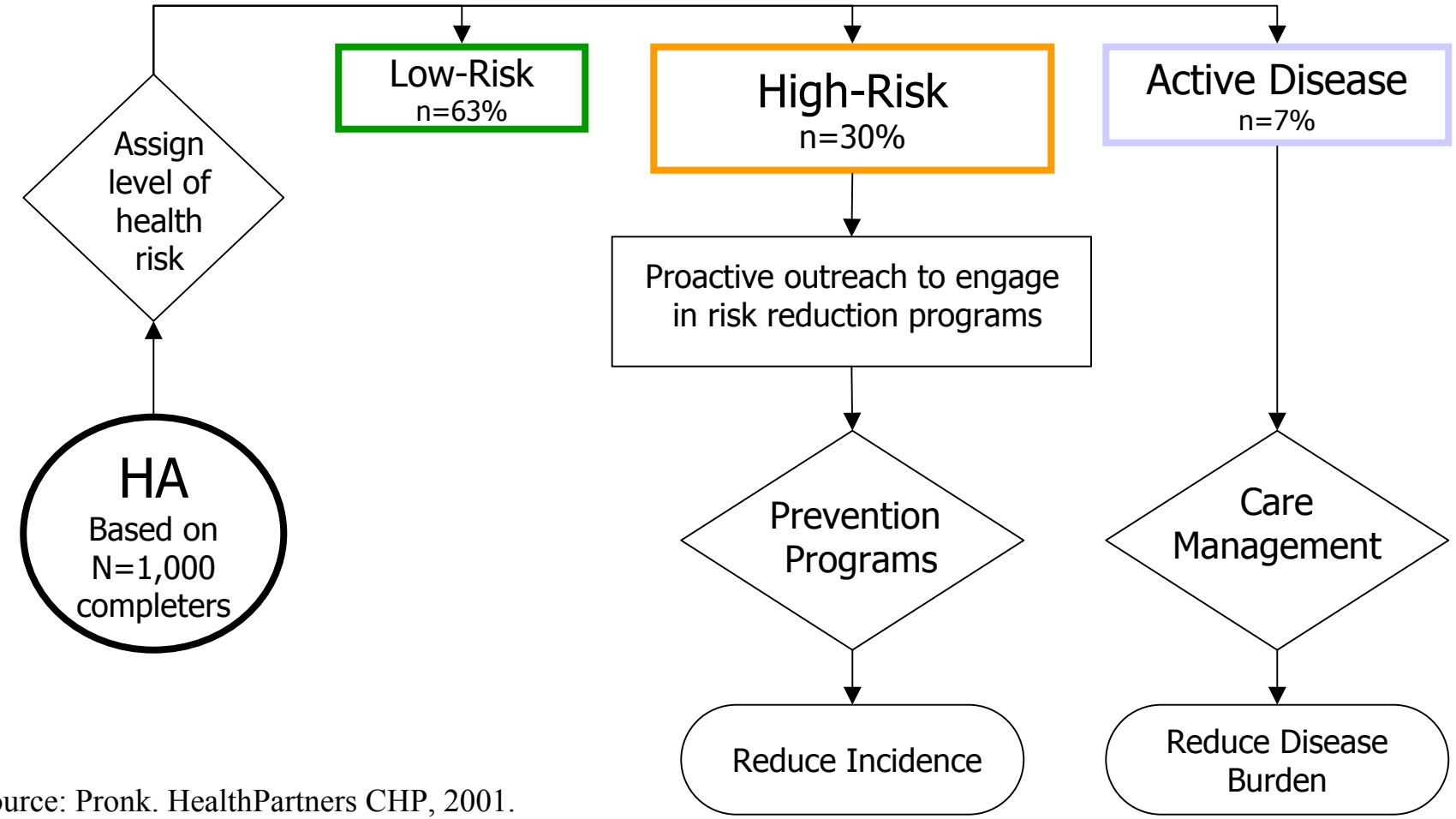
Tobacco Use as a Vital Sign



- 52,400 have quit smoking since 1997
- 217,000 more asked about tobacco use
- 59,800 provided assistance to quit in 2001.
- Adult prevalence now 17.9%
- N=680,000 members

Health Risk Segmentation

Systematic Targeted Outreach Integrated with Medical Care



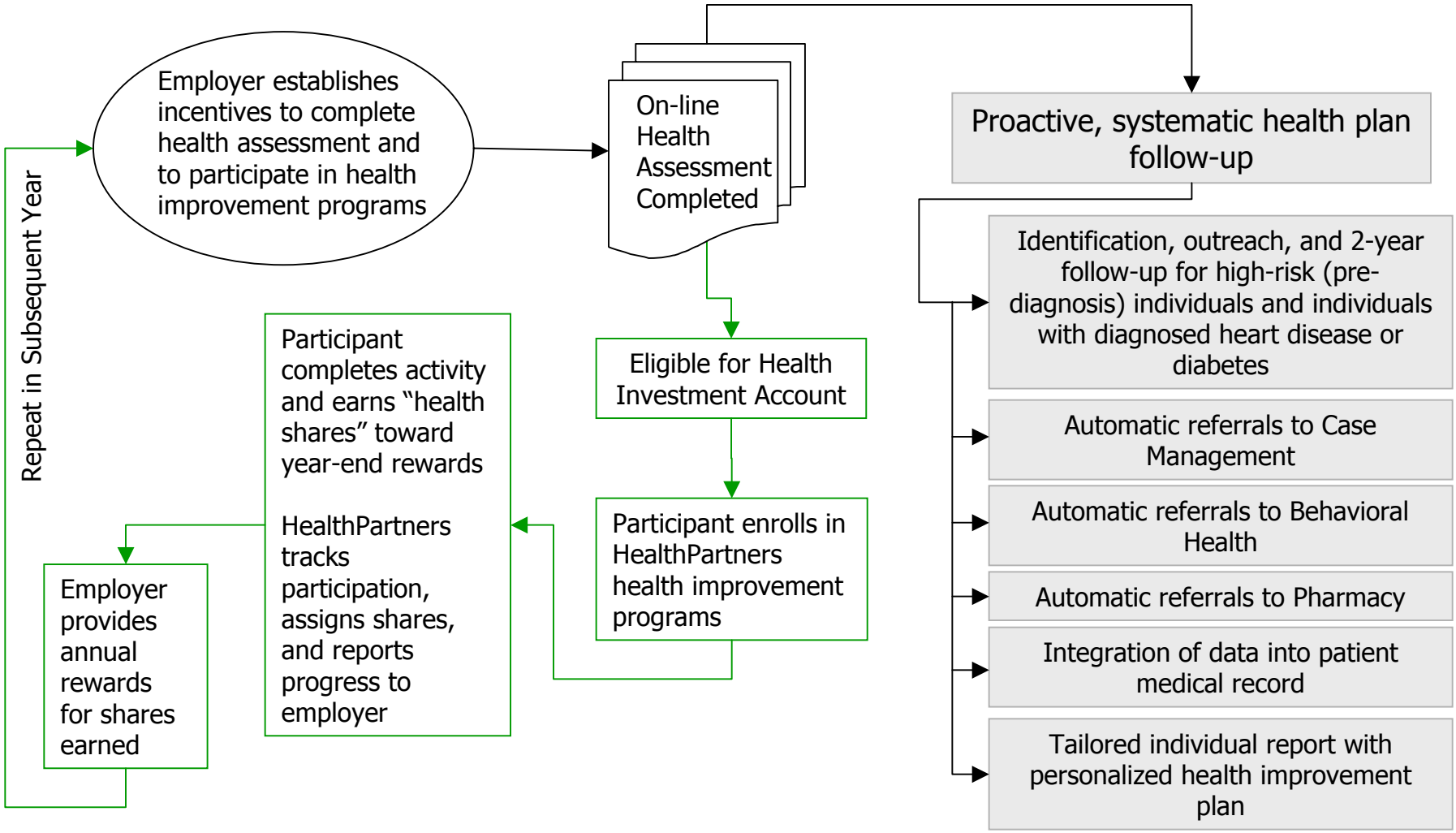
Source: Pronk. HealthPartners CHP, 2001.

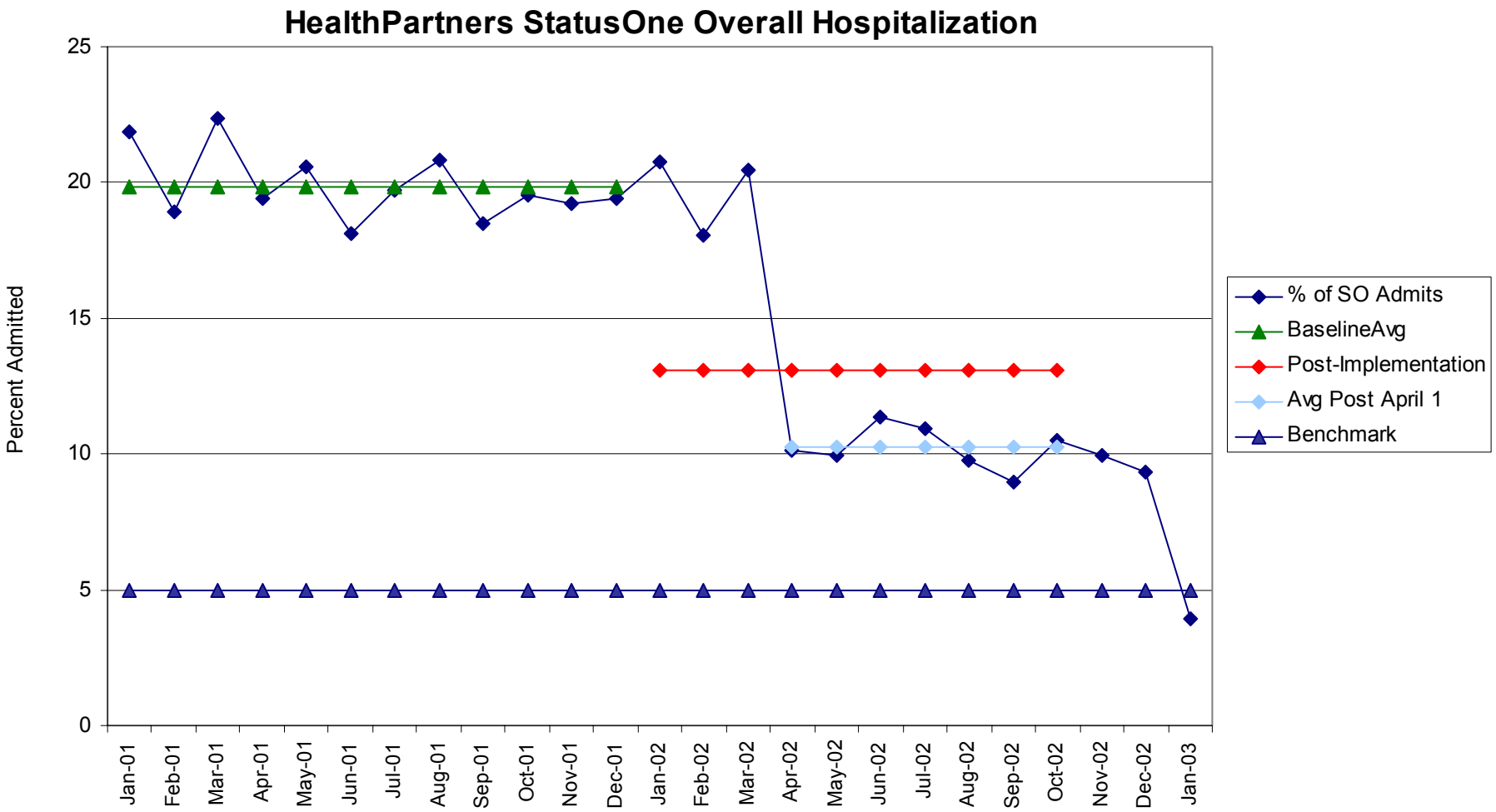
The 10,000 Steps ® Online Program Includes:

- A state-of-the-art pedometer
- A *Getting Started* booklet
- A *Step Tracker* log
- Motivational mailings
- A chance to win great prizes!

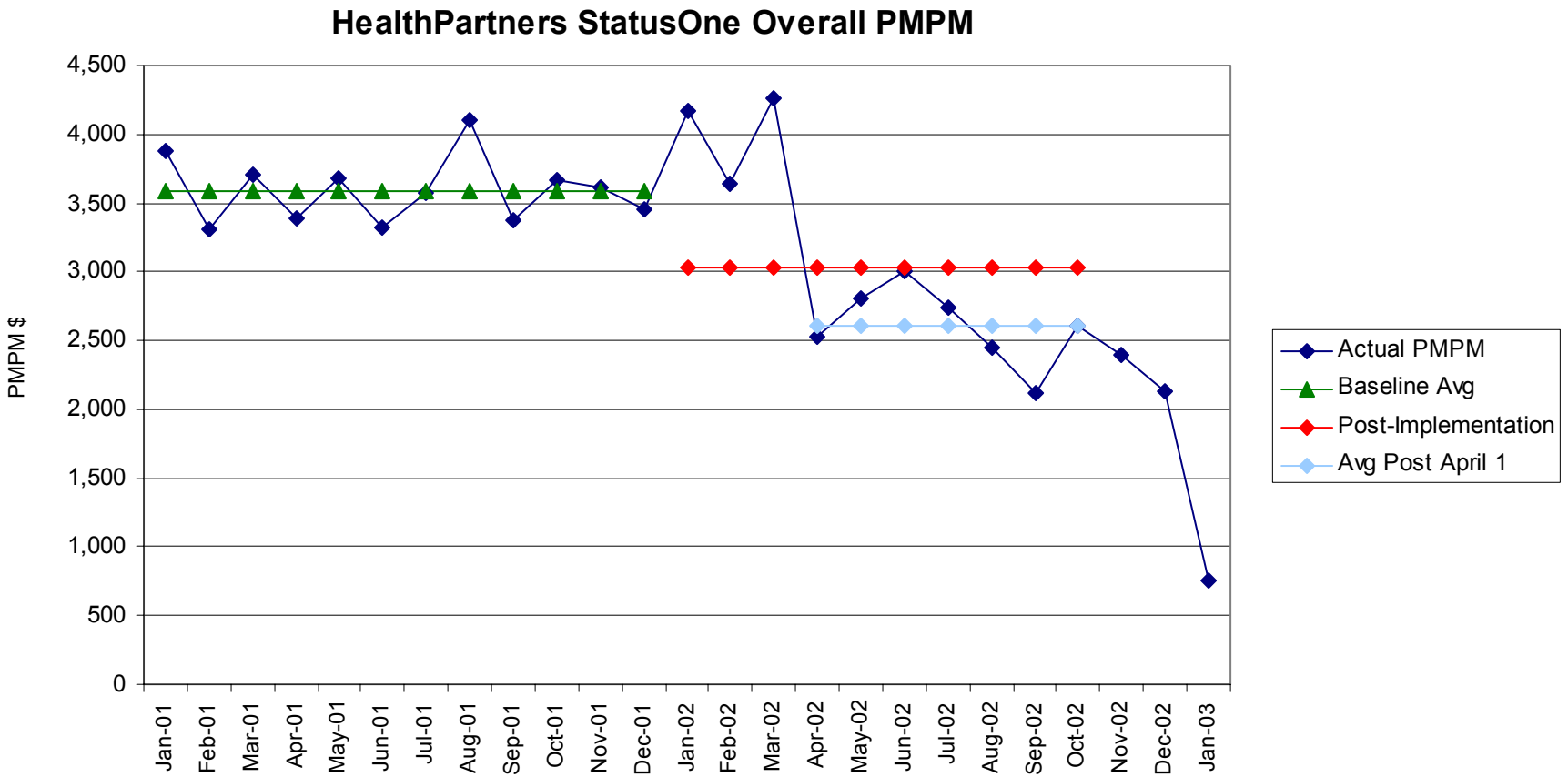
HealthPartners Health Investment Program

Combining Product Design, Incentives and Health Improvement Programs





After April 1: 48.5% decrease in Hospitalization Rate

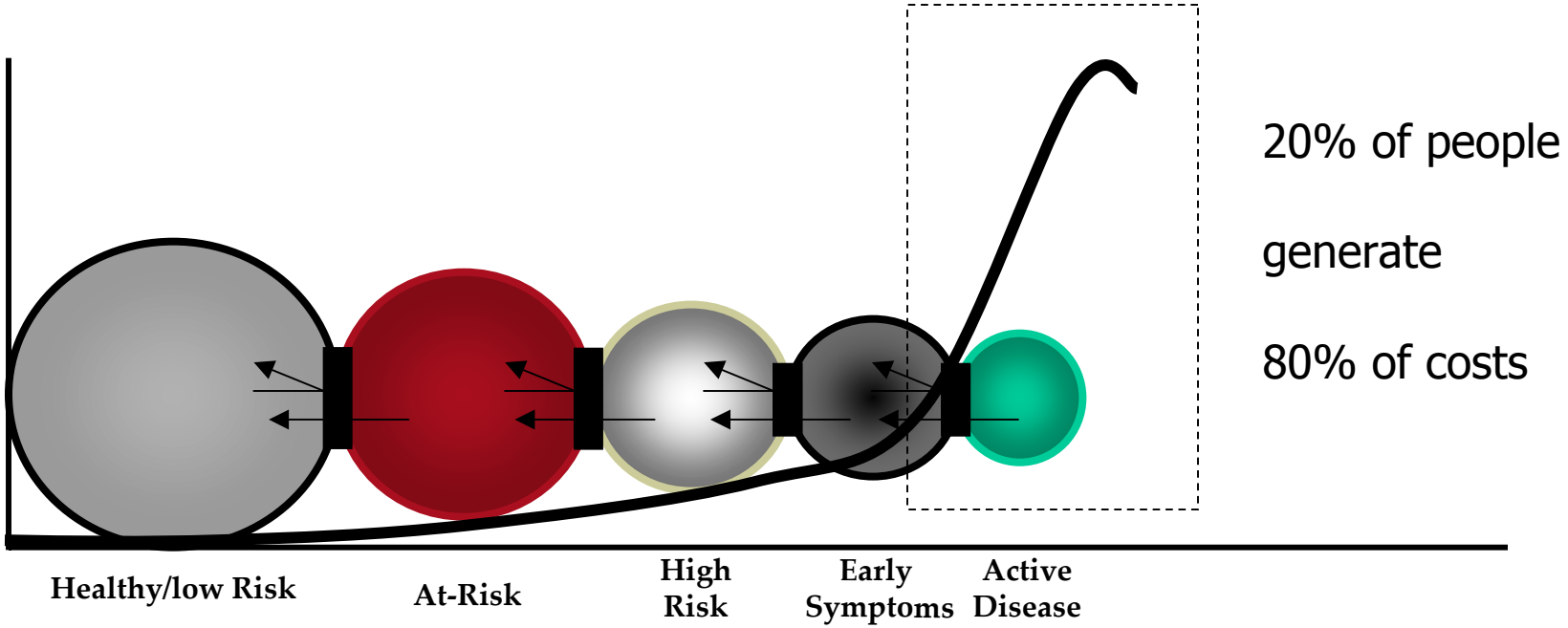


After April 1: 27.3% decrease in PMPM

Members Tell Us:

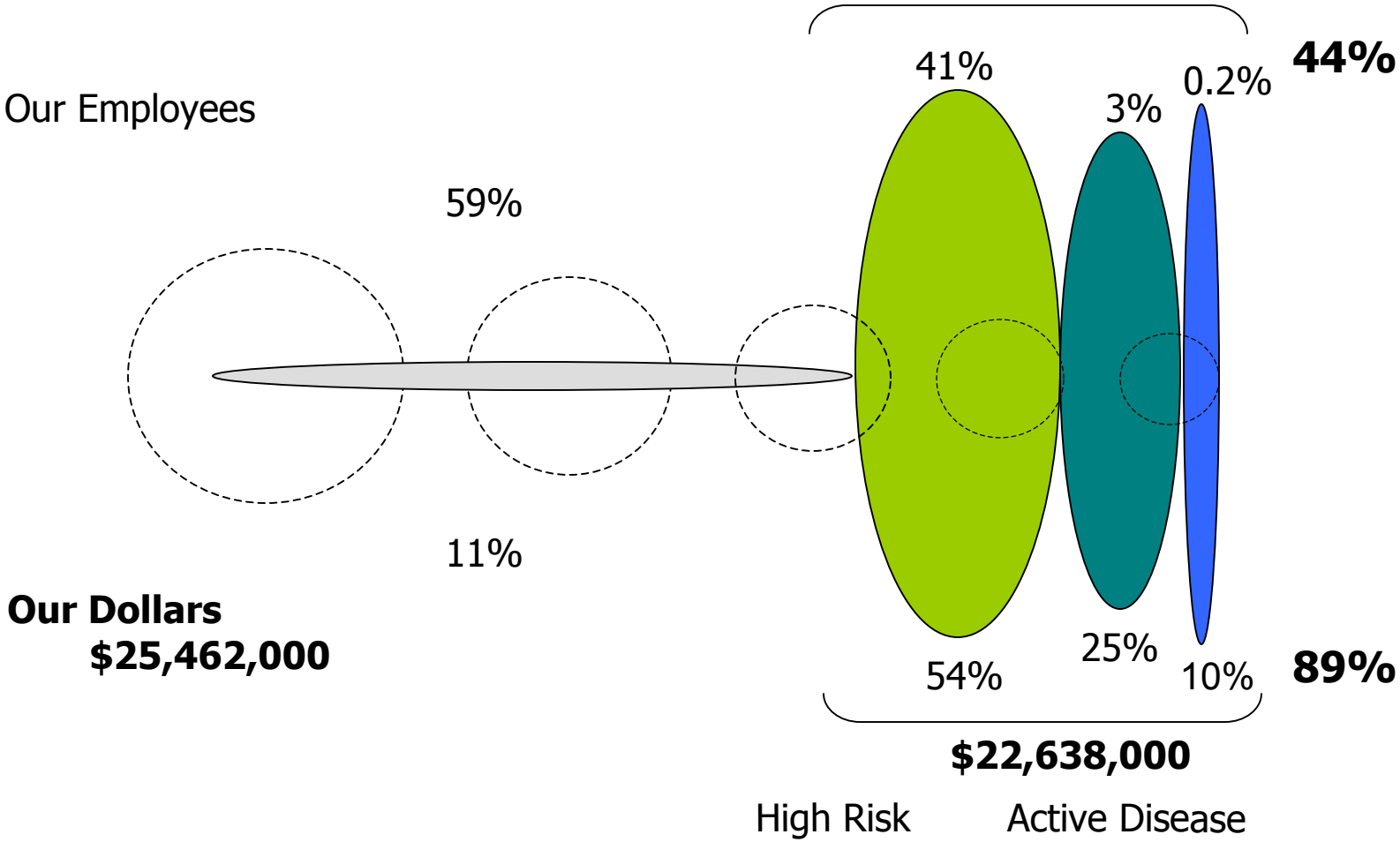
“Thank you for your kind and much needed assistance…appreciate your help through the quagmire of today’s health providers…I feel like giving up and just living in my closet…and then along comes Wonder Nurse! Thanks again.”

HealthPartners Model:
Claims Cost Distribution



HealthPartners®

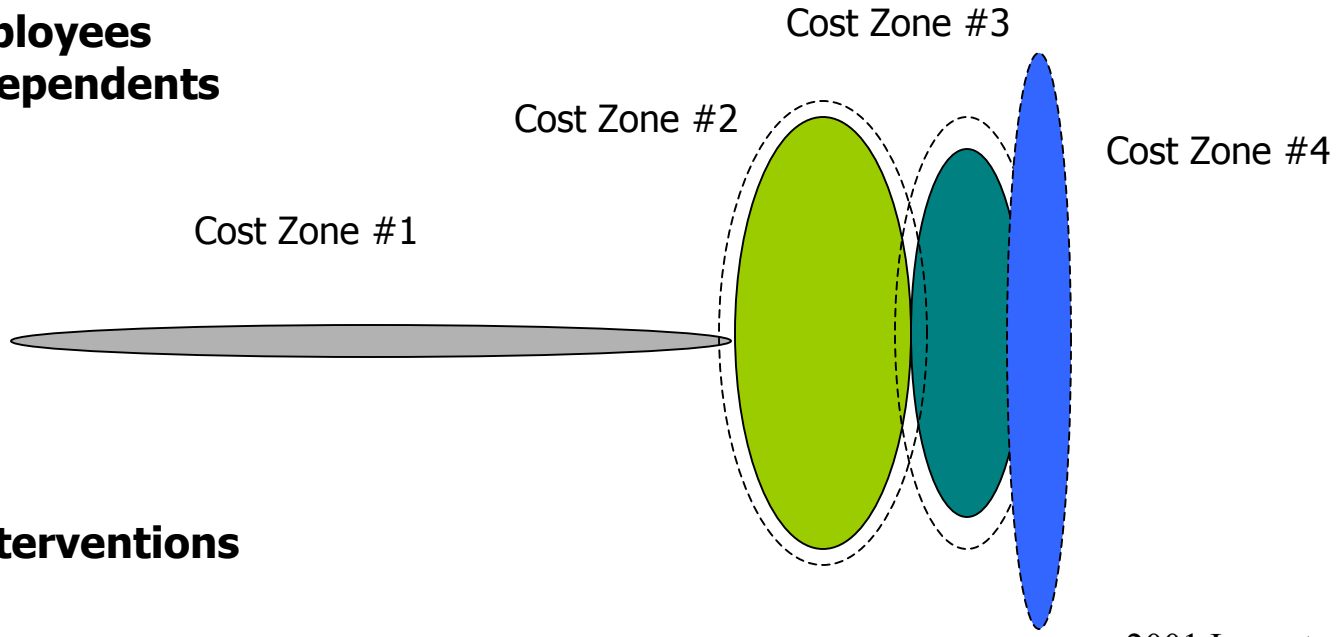
HealthPartners Model:
A New Perspective-
Improve Quality and Reduce Cost



HealthPartners®

A New Language:
The Business Case for Quality

Your Employees and Dependents



Our Interventions

	2001 Savings
Congestive Heart Failure	$ 7,000
Rare/Chronic Diseases	$102,000
Care Management	$400,000
Early Identifier Program	$129,000
Pharmacy Management	$338,000
	$976,000

2001 Impact

Quality Care Portion of Plan Costs
$ 5.39 pmpm

2001 Savings Analysis
$ 7.11 pmpm
ROI 1.32

HealthPartners®

The Pursuing Perfection Initiative

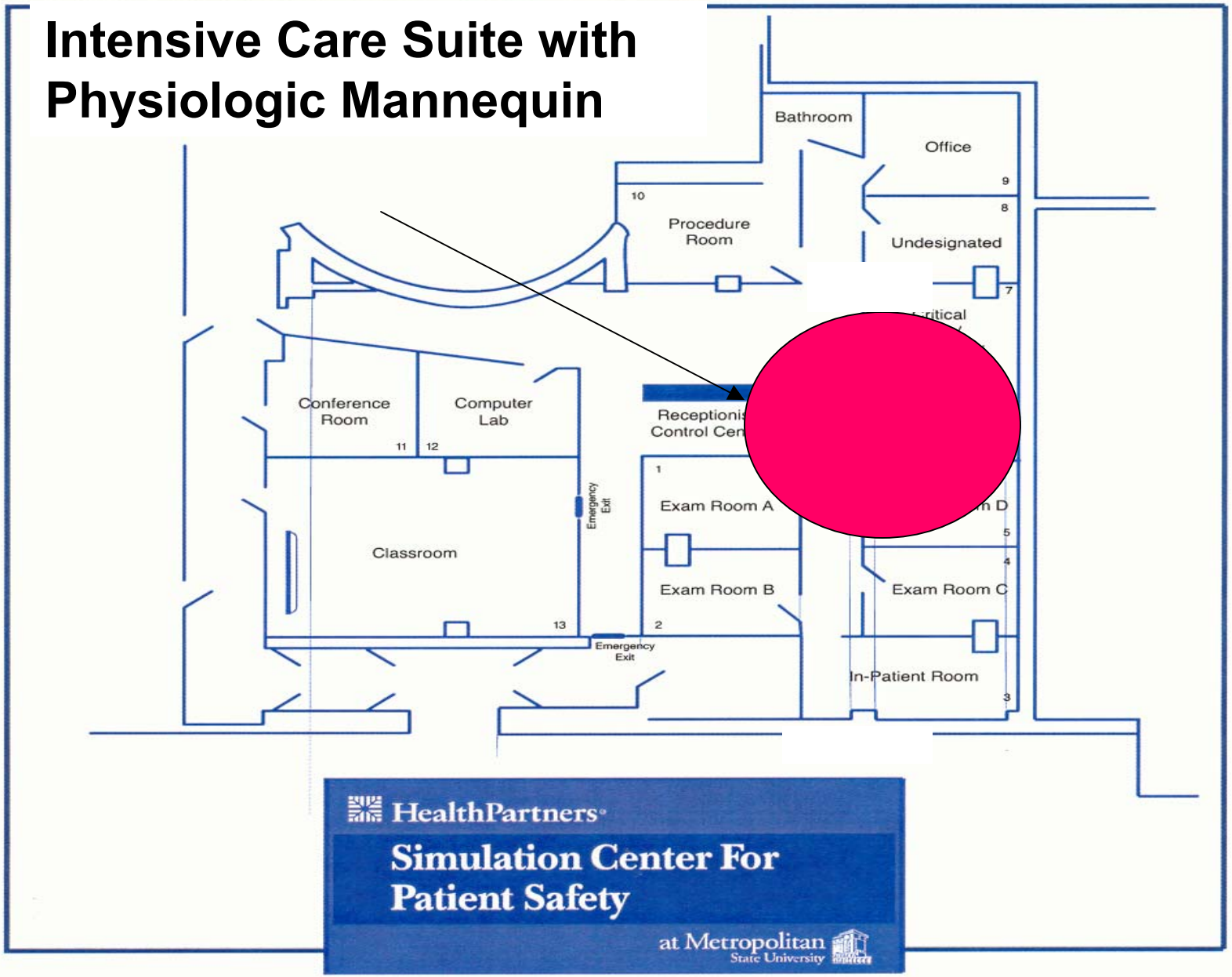
- $20.9 million initiative sponsored by Robert Wood Johnson Foundation and the Institute for Healthcare Improvement
- Transform the way health care is delivered making dramatic improvements based on six dimensions of quality care
- Pursing perfection does not mean having achieved perfection, it means we will set goals stated in terms of perfection and continuously work to narrow the gap

Lessons Learned, so far

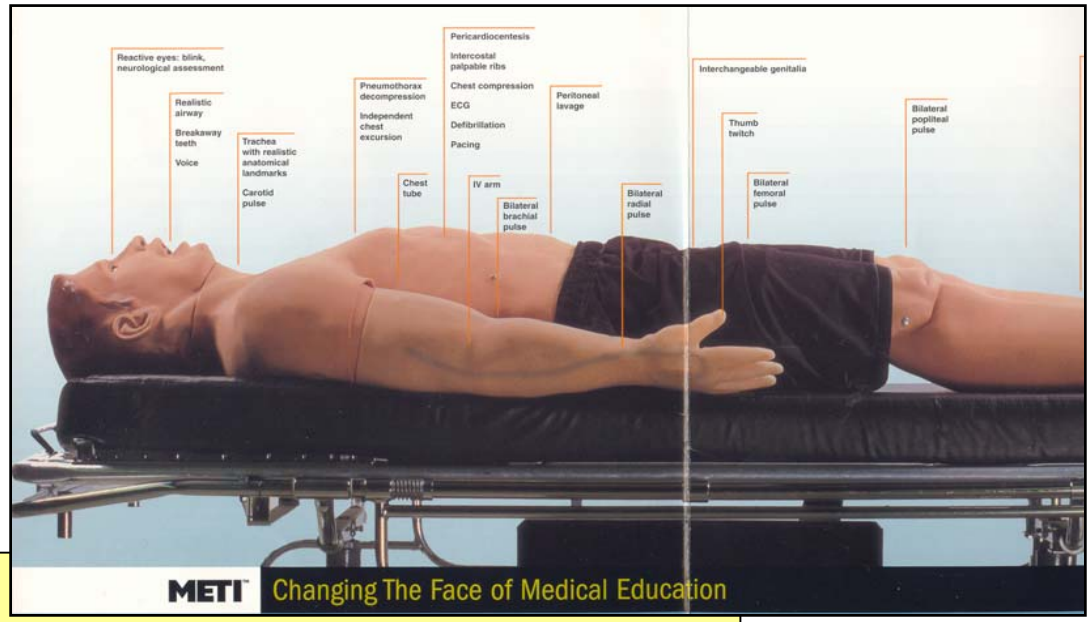
- Transformation is extremely difficult in a working environment. It's like remodeling the airplane in the air.
- Technology is critical to achieving perfect care
- We cannot make significant improvements in primary care access without utilizing alternative forms of visits – group, phone care, e-care
- Developing effective team work is challenging
- Professional autonomy continues to reign - there is an unbelievable amount of inappropriate practice variation
- Removing old artifacts helps transformation happen (e.g. paper prescription pads to computer order entry)
- Involving patients in our design work is the best thing we've done

- Uses simulated clinical environments and cutting-edge virtual reality training
- Allows practice without risk to patients
- Improves skills prior to patient contact
- Contributes to patient safety
- No similar existing facilities in this state

Intensive Care Suite with Physiologic Mannequin



Human Patient Simulator



- Realistic simulation of acute medical disorders
- Progressing in real time
- Ability to review and repeat

Preventive Services Improvement in a Clinic: Outcomes

Measure	Before	After	Comp Group (21 Clinics)
10 Prev.Serv up to date	80%	91%	80%
Colon Screen	59%	82%	53%
Cholesterol	61%	89%	78%
Breast exam	71%	89%	75%

Gendron, ICSI Process Improvement Report #2, November, 1998

Preventive Services Improvement in a Clinic: Processes Implemented

- Visit planning
- A system of Patient education
- A link to action via the prescription refill process
- Culture
  - Physicians and nurses formed as teams
  - Clinic Manager Leadership to ensure time and resources
  - Mandatory (and paid) attendance of staff at training
  - Physician champion for Colon Cancer Screening on site
- Clinic is benchmark on 6 measures when compared with a group of 21 clinics
- (Has Information System, Guideline and Measures with Feedback)

Gendron, ICSI Process Improvement Report #2, November, 1998

Clinical Analysis of Performance in Diabetes Care