Alternative Approaches to Disease Management

- **What constitutes a full program**
- How to determine whether to "build" or "buy"…or "assemble"
- Role of eDM in these programs
- Where eDM is really going to take off...

Alternative Approaches to Disease Management

Al Lewis

Executive Director

Disease Management Purchasing Consortium

www.DisMgmt.com, www.DMAA.org

Newton MA 02464

The Top-Rated 25 Full Programs

◆ **Access Health***

◆ **Accordant**

◆ **AirLogix***

◆ **American Disease Management**

◆ **Asthma Disease Management (ADMI)**

◆ **Baxter RMS**

◆ **CorSolutions***

◆ **Cardio-Continuum***

◆ **Caremark***

◆ **Coordinated Care Solutions***

◆ **Diabetes Treatment Centers of America***

◆ **Franklin Health***

◆ **Health Care Solutions 2000**

The Top-Rated 25 Full Programs

- HMC*
- Health International
- Interactive Heart Management
- LifeMasters*
- Matria *
- Optimal Renal Care
- Paidos
- Promedex*
- Quality Oncology
- Renaissance Health Care
- Renal Disease Management
- Vida Health

The Top 25: Success Secrets

Program Component	Of 25 Recommended Vendors...	Other 137 Vendor
Direct Provider Interactions	20	5
Home Education Visits if Needed	19	6
Unscheduled Inbound Calls Taken Live, *disease-specific*	21	7
Takes 100% Fee Risk or Top-line Risk	21	8
Valid Outcomes Measurement	15	2

Why isn't a Website a Critical Success Factor?
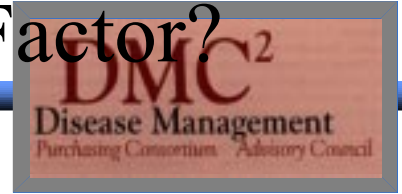
- In verse Demographics
- Buyer resistance (actually buyer indifference)

Alternative Approaches to Disease Management

- ? What constitutes a full program
- ? **How to determine whether to "build" or "buy"…or "assemble"**
- ? **Role of eDM in these programs**
- ? Where eDM is really going to take off...

Case Management:

Traditional HMO Role

```
                                              Full Recovery
                          ┌──────────────┐ ──────────────────►
                          │  Inpatient   │
         ┌──────────────► │ Admission    │
         │                │ and/or       │ ──────────┐
┌────────────────┐        │ Procedure    │           │
│ Under-managed; │        └──────────────┘    ┌──────────────┐
│    Relapse     │          │ Partial       │   │ No Recovery  │
│                │          │ Recovery      │   │              │
└────────────────┘          ▼               │   └──────────────┘
         │             ┌──────────────┐
         └──────────── │ Traditional  │
                       │    Case      │
                       │ Management   │
                       └──────────────┘
```

Key:
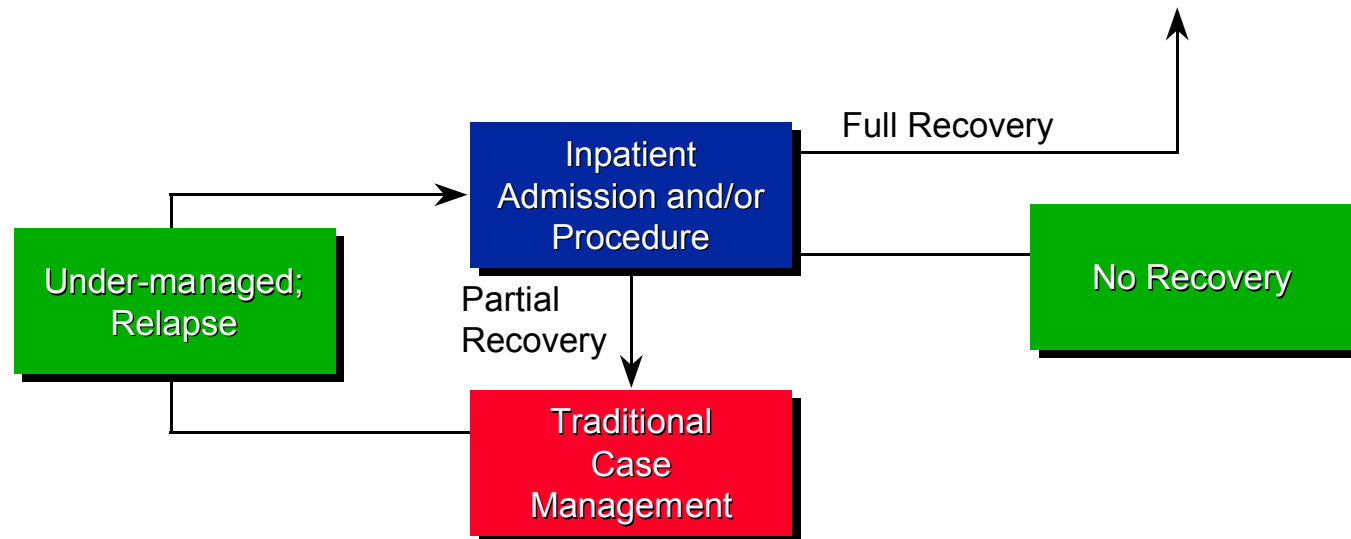
🟥 = Case Management   🟩 = Outcomes

🟦 = Pre-Cert/UR

(c) 1998 DM Consortium

Disease Management: Managing Care Throughout the Delivery Spectrum

DMC²
Disease Management
Purchasing Consortium · Advisory Council

```
┌──────────────────┐  Healthy   ┌──────────────────┐
│  Screen/Wellness │ ─────────▶ │   Self-manage    │
│     Programs     │            │                  │
└──────────────────┘            └──────────────────┘
         │
      At Risk
         │
         ▼
┌──────────────────┐  Healthy   ┌──────────────────┐
│ Medicate, Control,│ ─────────▶ │     Modified     │
│ Alter Lifestyle, etc.│        │  Self-management │
└──────────────────┘            └──────────────────┘
         │                                ▲
      Health                              │
   Deteriorates                      Full Recovery
         │                                │
         ▼                                │
┌──────────────────┐            ┌──────────────────┐
│     Inpatient    │ ──────────▶│                  │
│  Admission and/or │            │                  │
│    Procedure     │ ──────────▶│   No Recovery    │
└──────────────────┘            └──────────────────┘
    ▲    │
    │  Partial
    │  Recovery
    │    ▼
┌──────────────────┐            ┌──────────────────┐
│  Under-managed;  │            │    Traditional   │
│      Relapse     │ ──────────▶│       Case       │
│                  │            │    Management    │
└──────────────────┘            └──────────────────┘
```

Key:

■ = Case Management   ■ = Outcomes   ■ = High-risk population management
■ = Pre-Cert/UR   ■ = Proactive Medical Screening

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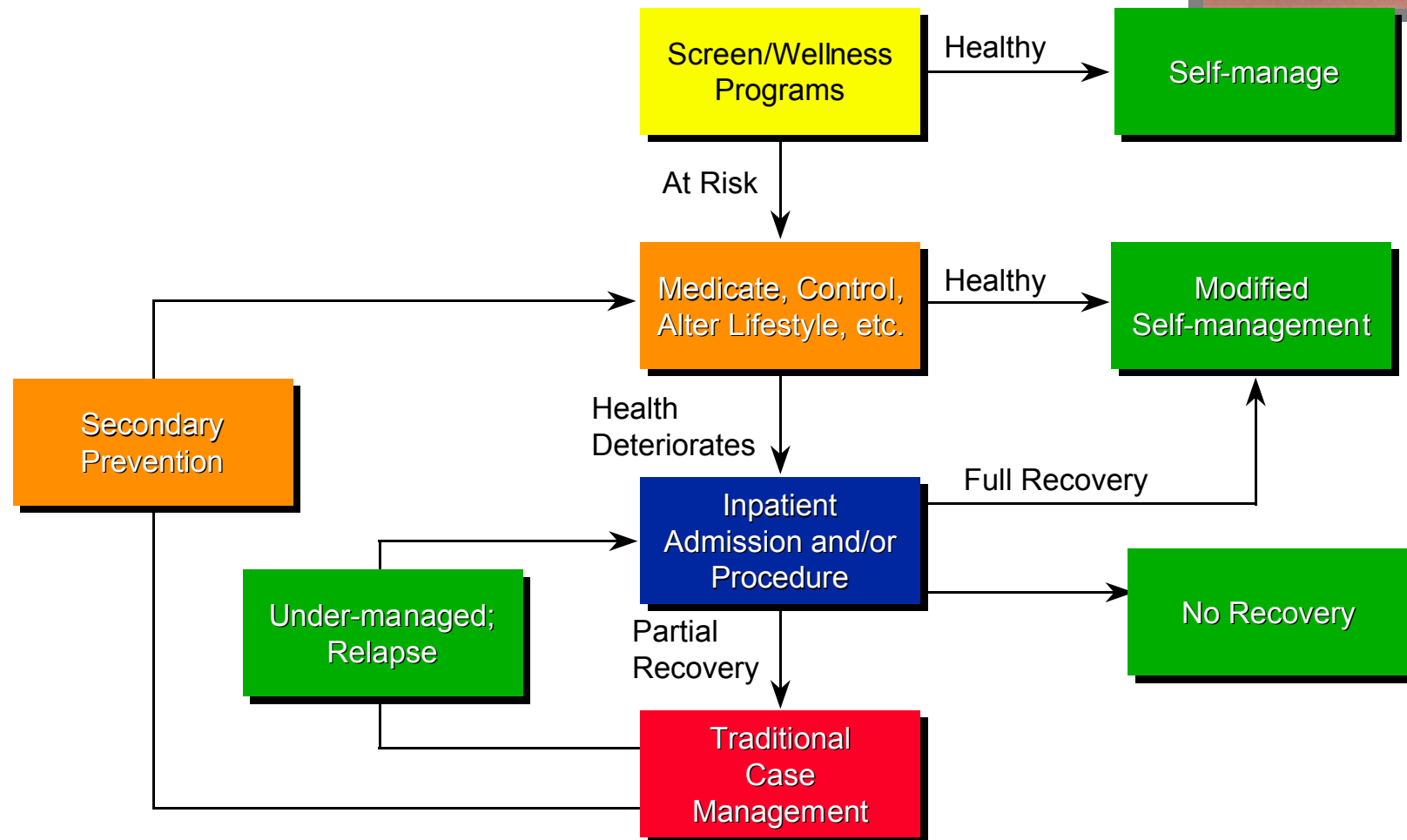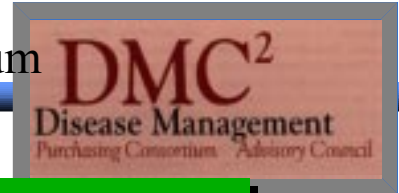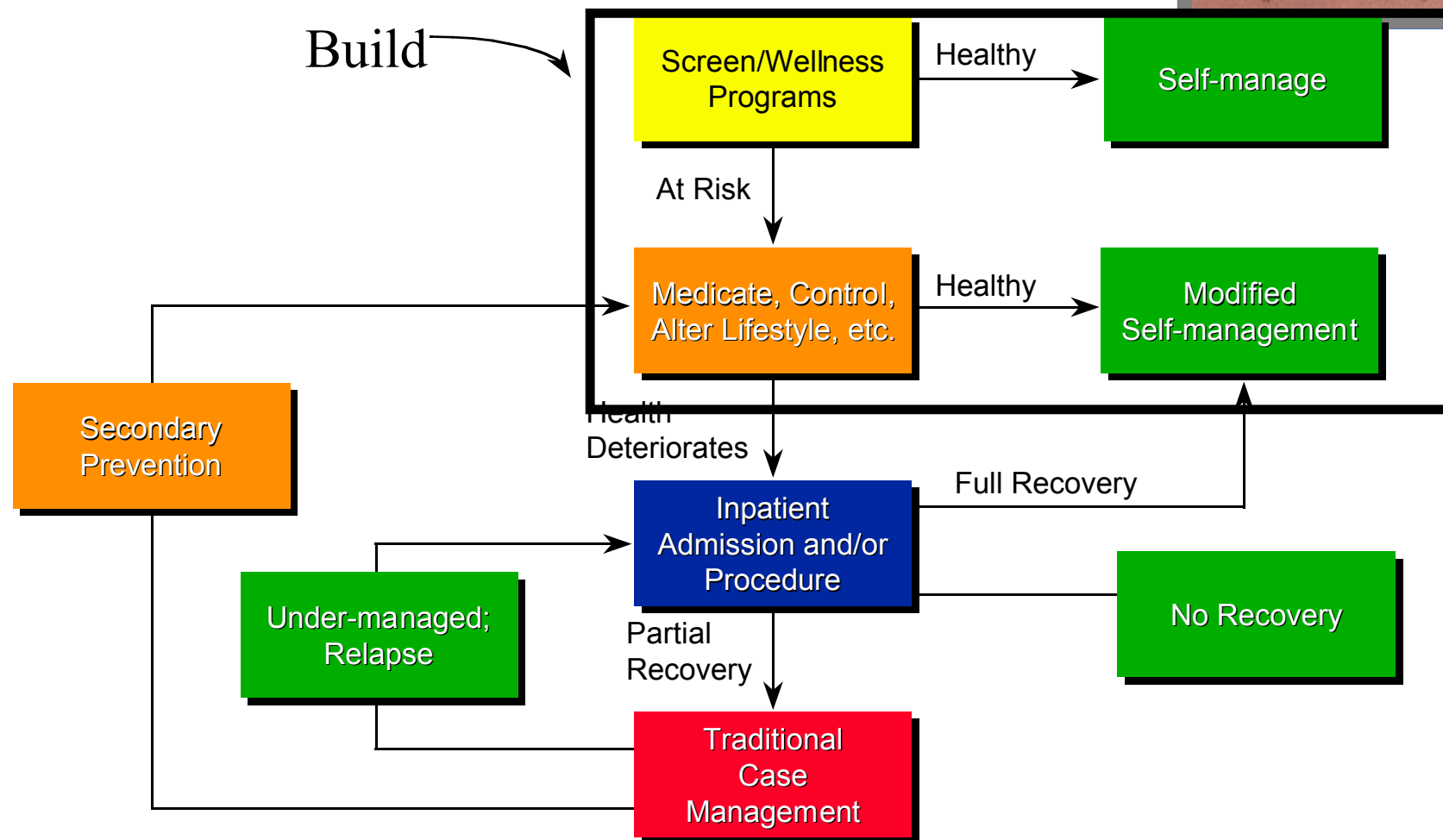# Disease Management: Managing Care Throughout the Delivery Spectrum

DMC²
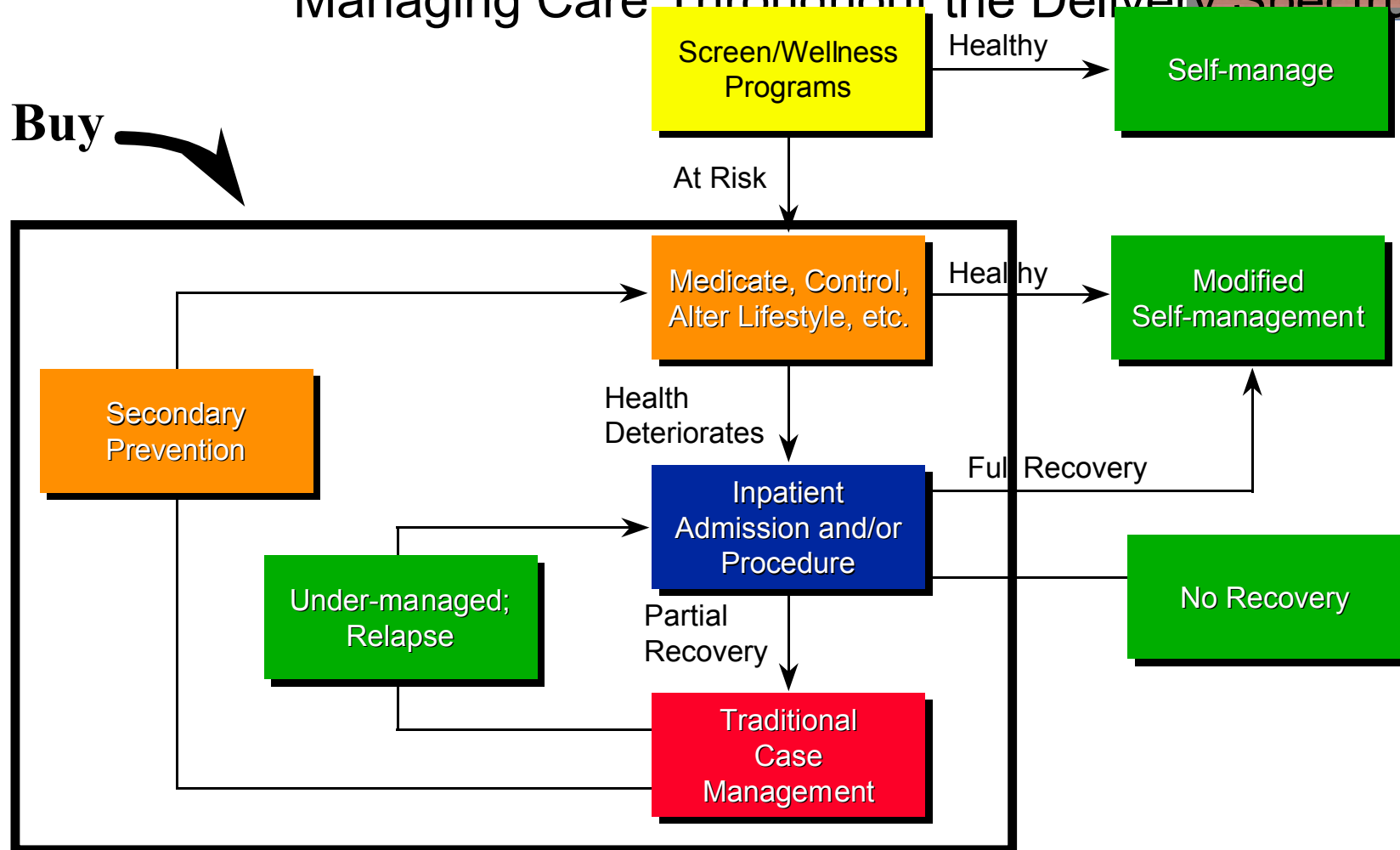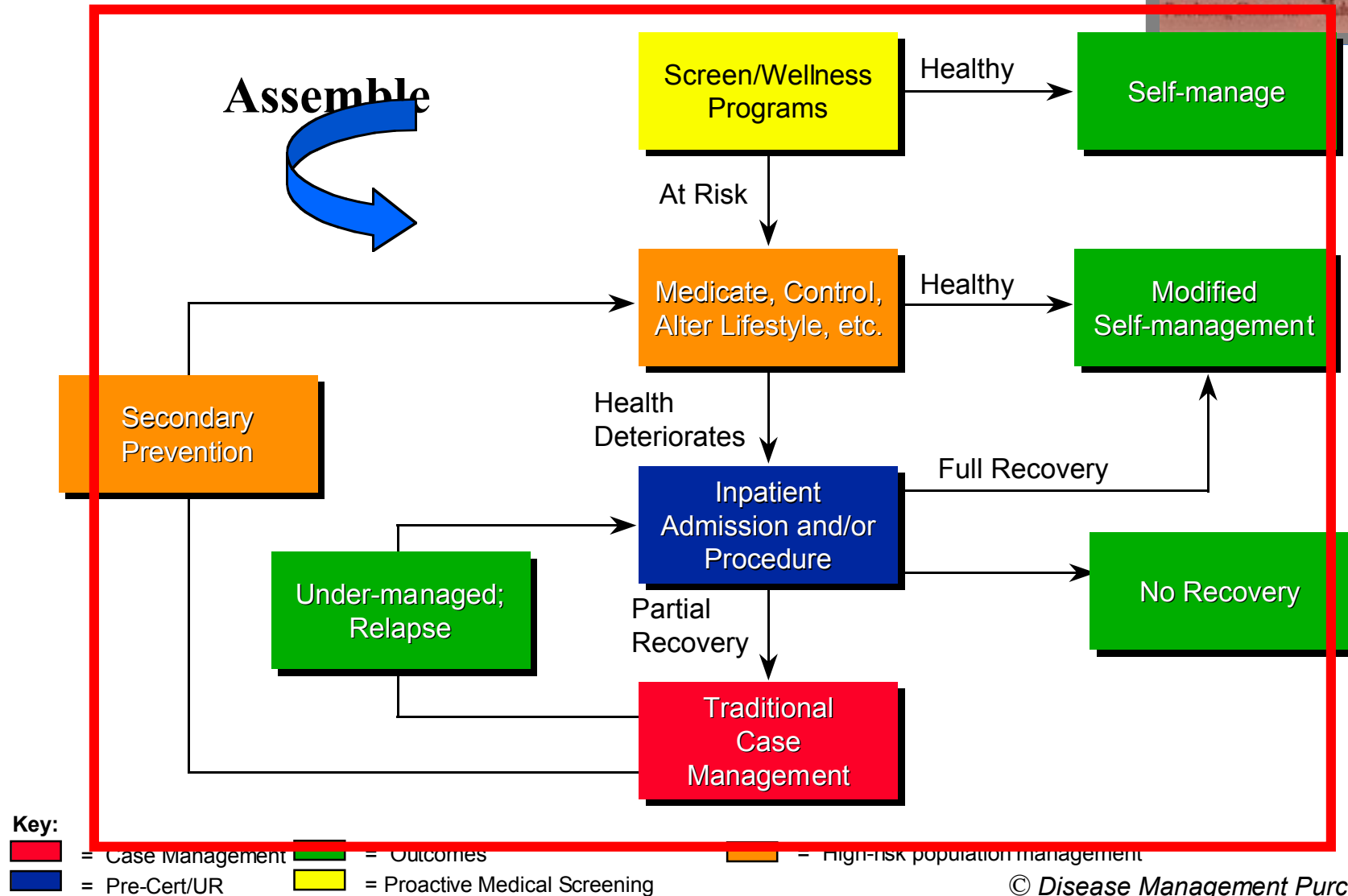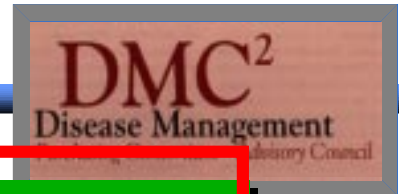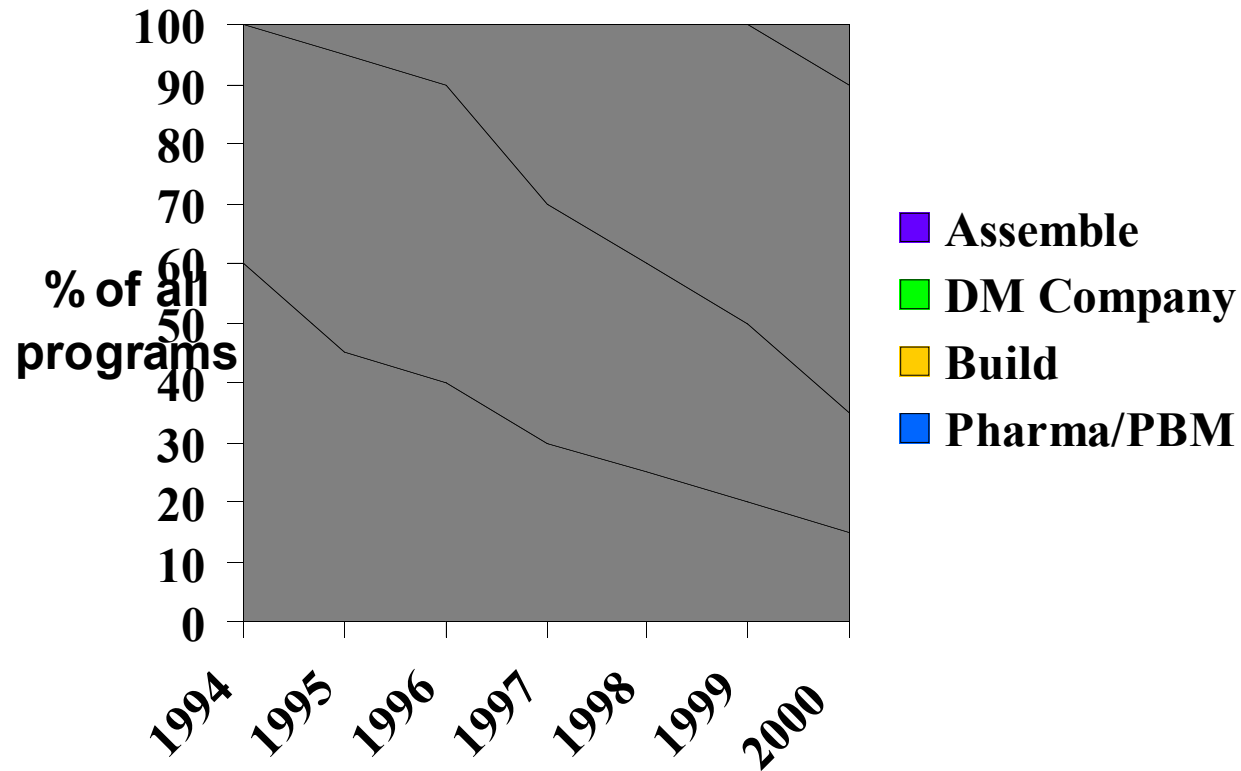Disease Management
Purchasing Consortium   Advisory Council

```
┌─────────────────┐   Healthy    ┌─────────────────┐
│  Screen/Wellness │─────────────▶│   Self-manage   │
│     Programs     │              │                 │
└─────────────────┘              └─────────────────┘
         │
      At Risk
         ▼
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│ Medicate, Control,│────────────▶│    Modified      │
│ Alter Lifestyle,  │             │ Self-management  │
│     etc.          │             │                 │
└──────────────────┘             └─────────────────┘

┌─────────────────┐                       ▲
│   Secondary      │              Full Recovery
│   Prevention     │
└─────────────────┘       Health
                        Deteriorates
                           ▼
                  ┌─────────────────┐
┌─────────────────┐│   Inpatient     │
│ Under-managed;  ││ Admission and/or │──────▶ ┌─────────────────┐
│    Relapse      ││   Procedure     │        │   No Recovery   │
└─────────────────┘└─────────────────┘        └─────────────────┘
                      Partial
                      Recovery
                         ▼
                  ┌─────────────────┐
                  │   Traditional   │
                  │      Case       │
                  │   Management    │
                  └─────────────────┘
```

Key:

🟥 = Case Management	🟩 = Outcomes	🟧 = High-risk population management
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Disease Management:
Managing Care Throughout the Delivery Spectrum

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Build

Screen/Wellness Programs (yellow)	→Healthy→	**Self-manage** (green)

↓ At Risk

Medicate, Control, Alter Lifestyle, etc. (orange)	→Healthy→	**Modified Self-management** (green)

↓ Health Deteriorates

Secondary Prevention (orange)

Inpatient Admission and/or Procedure (blue) — Full Recovery →

Under-managed; Relapse (green) →

No Recovery (green)

↓ Partial Recovery

Traditional Case Management (red)

Disease Management:

Managing Care Throughout the Delivery Spectrum

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Buy

Screen/Wellness Programs — *Healthy* → **Self-manage**

↓ *At Risk*

Medicate, Control, Alter Lifestyle, etc. — *Healthy* → **Modified Self-management**

Secondary Prevention

↓ *Health Deteriorates*

Under-managed; Relapse

Inpatient Admission and/or Procedure — *Full Recovery* → Modified Self-management

No Recovery

↓ *Partial Recovery*

Traditional Case Management

Key:
- = Case Management (red)
- = Pre-Cert/UR (blue)
- = Outcomes (green)
- = Proactive Medical Screening (yellow)
- = High-risk population management (orange)

Disease Management:
Managing Care Throughout the Delivery Spectrum

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Assemble

Screen/Wellness Programs	→ Healthy →	**Self-manage**

↓ At Risk

Medicate, Control, Alter Lifestyle, etc.	→ Healthy →	**Modified Self-management**

Secondary Prevention

↓ Health Deteriorates

Inpatient Admission and/or Procedure	→ Full Recovery →	

Under-managed; Relapse

→ | **No Recovery** |

↓ Partial Recovery

Traditional Case Management

Source of Disease Management

% of all programs

Legend:
- Assemble
- DM Company
- Build
- Pharma/PBM

X-axis: 1994, 1995, 1996, 1997, 1998, 1999, 2000

Y-axis: 0, 10, 20, 30, 40, 50, 60, 70, 80, 90, 100

Building is dead

- Assembling "trumps" it
- No valid outcomes
- Health plans not set up to do it
- Building's "poster child" is Aetna
  - Aetna's hospitalization ratae up
  - Aetna's own reported DM outcomes well below vendor results

Why is Assembling Growing?

- Vendors are selling the pure value-added
- Low external budget required (like "builds")
- Guaranteed savings possible (like buys)
- Health plans have extra nurses if they are scaling back their UR

Recommended "Assemble" Companies in DM
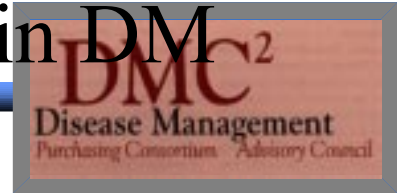
- **IVR Companies**
  - Promedex, Patient InfoSystems
- **Gadget Companies**
  - IHMC, Matria, HealthBuddy, LifeChart
- **Data-gathering Companies**
  - Alere, LifeMasters, Agilent, CardioCommand
- **Pure Internet Companies**
  - PDHI, Predictive Sciences, DiabetesManager
- **Sorting Companies**
  - Axonal, CDMS, StatusOne, FranklinHealth
- **"Infrastructure" companies**
  - Confer, Landacorp

The Web is NOT NOT NOT a program by itself

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? No physician education

? No hand-holding

? Low penetration

? No home visits

? No inbound calling

? No "red zone" intervention
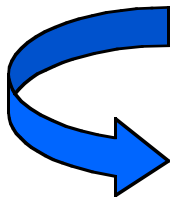
But it's an excellent COMPLEMENT to a program

Complementary Web Role in Assemble Programs (CHF example--oversimplified)
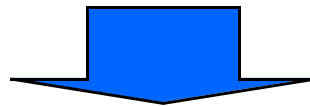
- Class 1
- Class 2
- Class 3

- Class 4

- Web and IVR
- HealthBuddy
- Agilent or Alere monitoring
- CardioCommand

In each case, sudden weight gain or other symptoms trigger a live nurse

Builders, Buyers, Assemblers and trends
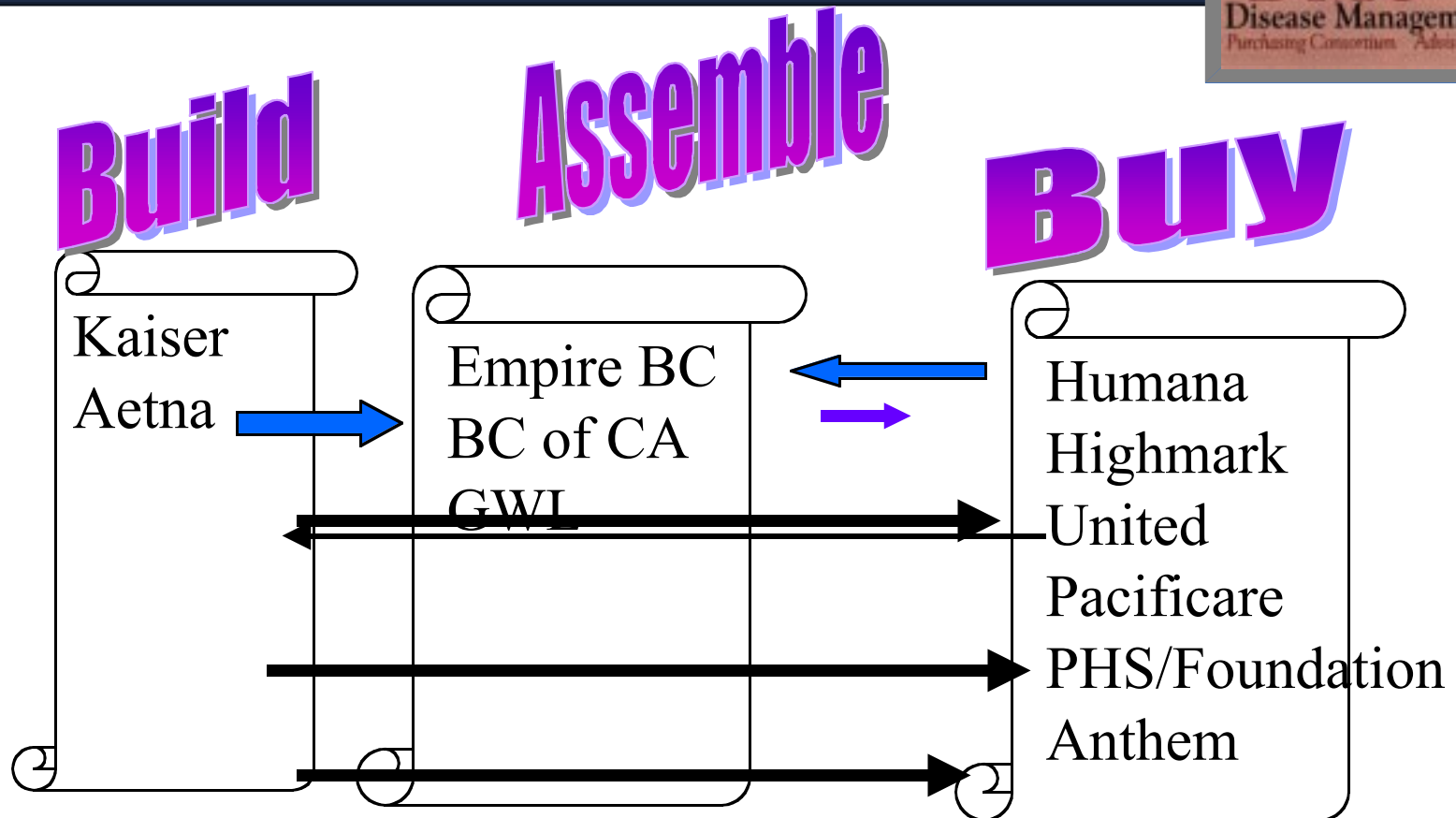
Build

Kaiser
Aetna

Assemble

Empire BC
BC of CA
GWL

Buy

Humana
Highmark
United
Pacificare
PHS/Foundation
Anthem

Builders, Buyers, Assemblers and trends

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Build

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Alternative Approaches to Disease Management

- What constitutes a full program
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- Role of eDM in these programs
- Where eDM is really going to take off…
  - best segment
  - best disease

Best segment: Employers

? More web access (vs. average >65)

? Proven behavior change for a subset

? *Perception* of confidentiality

? reporting of lost work time

? very inexpensive

- sites came out at $0.25 PMPM
- today they are $0.05 PMPM

All DM Websites are *Not* Created Equal
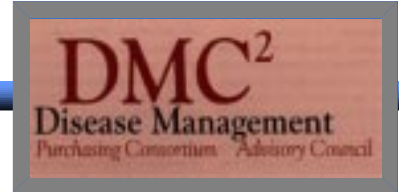
? Disease Information

? Personal Health Assessment, fear factor

? Total health information

? Personal report generation

? Exception reporting (for health plan)

? nurse on call immediate switching

? "push" strategy

? supply ordering

? Reporting of (self-reported) lost work time

Best Disease

- What would be by far and away the single best disease…education, monitoring, compliance, and supplies...

Conclusion

- Web is a great complement but a lousy substitute for a program
- The best programs are mix-and-match of tools and human contact
- Web will penetrate first in the employer segment

Hey, Butch, Who *Are* These Guys?

Disease Management Purchasing Consortium members:

- 57 health plans and employers doing 70% of all contracting

- Virtually every reputable vendor (and some not-so-reputable ones) is a member

- Firms which sell to DM companies

- The White House, NCQA, Harvard School of Public Health, Prof. Herzlinger, Bain, BCG, Ernst & Young, M&R, other marquee names