

Blue Cross Blue Shield of Michigan Patient Centered Medical Home Designation Program

Presented by Lisa Rajt, MSW
Medical Home Summit
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Physician Group Incentive Program: Catalyzing Health System Transformation in Partnership with Providers

2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

Launch of PGI based on Chronic Care Model

PCMH Program

Organized Systems of Care (OSCs)

- **Physician Organizations** have the structure and technical expertise to create highly functioning systems of care

- Design and execute programs in a **customized and collaborative manner**

- Measure performance at the **population** level and reward **improvement** as well as absolute performance: initial focus on **GDR and building patient registries**

- Launch PCMH
 - Support building of PCMH **infrastructure**
- Launch quality/use **Initiatives**
 - Measure PO performance across quality and use metrics such as preventive and evidence-based care, preventable ED use, high and low-tech imaging, IP use

- Include **specialists** involved in chronic care

- **Building the PCMH-Neighborhood:** expand PGI to include all specialists

- Catalyze building of **Organized Systems of Care** – enable OSCs to assume responsibility and accountability for managing the PCP-attributed population of patients across all locations of care

- OSC initiatives support integration of PCMH capabilities at OSC level



David A. Share and Margaret H. Mason, *Michigan's Physician Group Incentive Program Offers A Regional Model For Incremental 'Fee For Value' Payment Reform*. Health Affairs, 31, no.9 (2012):1993-2001.

PCMH Designation: The Beginning

- Aware of NCQA program, but wanted customized approach for physicians in Michigan
 - Solo, large group, rural, urban...recognize the diversity
 - Not “one size fits all”
 - Builds upon partnerships established since 2005
 - Currently 45 physician organizations
 - 12 initiatives in total
 - 6 in 2008
 - 6 more in 2009
 - Designation started in July 2009

PCMH Initiatives

- Patient-Provider Partnership
- Patient Registry
- Performance Reporting
- Individual Care Management
- Extended Access
- Test Tracking and Follow-up
- Preventive Services
- Linkage to Community Services
- Self-Management Support
- Patient Web Portal
- Coordination of Care
- Specialist Referral Process



PCMH: Two Ways to Participate

- **Phase I: Implementing up to 140 PCMH capabilities in 12 initiatives**
 - Physician organizations receive incentive dollars for capability implementation within their practices
 - Practices can be either PCPs or specialists
 - Rewards paid twice/year
 - Incentive at PO level = differentiator. Two reasons:
 - No issues with small n, better from measurement standpoint
 - More efficient dissemination of tools and resources
- **Phase II: Becoming PCMH Designated**
 - Designation takes place at practice unit level
 - Nominated by PO
 - Occurs annually
 - PCP only
 - Providers receive enhanced fee for office-based E&M codes



PCMH Key Statistics

- Patient Centered Medical Home program includes:
 - Nearly 13,000 providers across the state working to implement PCMH capabilities
 - Includes both PCPs (~7,000) and specialist (~6000) physicians
- 2013 BCBSM PCMH Designation
 - Over 3,600 primary care physicians in 1,243 practice units
 - Impacts 1.8 million members
 - Designated providers consistently show excellence on quality and utilization metrics
 - Analytics for 2014 designation cycle (renewed each July) will begin shortly

PCMH Designated Physicians: 3,600+ and Growing...

Number of designated PCPs has steadily increased each year:

2009: 1,259 physicians

2010: 1,852 (47% increase in designated PCPs over prior year)

2011: 2,552 (Up 38%)

2012: 3,029 (Up 19%)

2013: 3,623 (Up 20%)

Number of designated practice units has also increased:

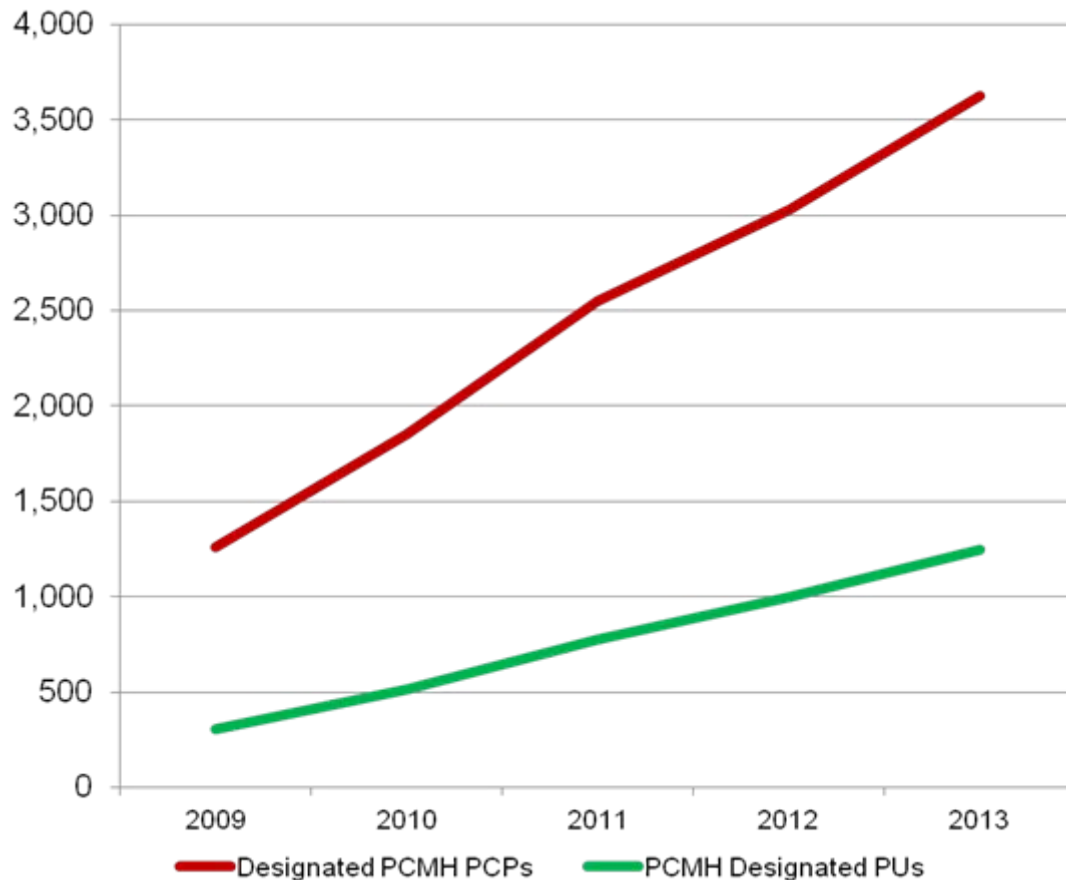
2009: 302 practice units

2010: 513 practice units (70% increase over prior year)

2011: 776 practice units (Up 51%)

2012: 995 practice units (Up 25%)

2013: 1,243 practice units (Up 28%)



How does process work?

1. Practice units nominated by their respective physician organizations
2. Site visits by “Field Team” – verify capability implementation.
Educational, consultative
 - a) Interpretive Guidelines – a how-to guide
3. Analytics
4. New “list” released each July
5. Designated practices receive 10% “uplift” on office-based E&M codes
6. Cost benchmark POs: Affiliated practices receive an additional 10%

Potentially 20% higher reimbursement for PCPs



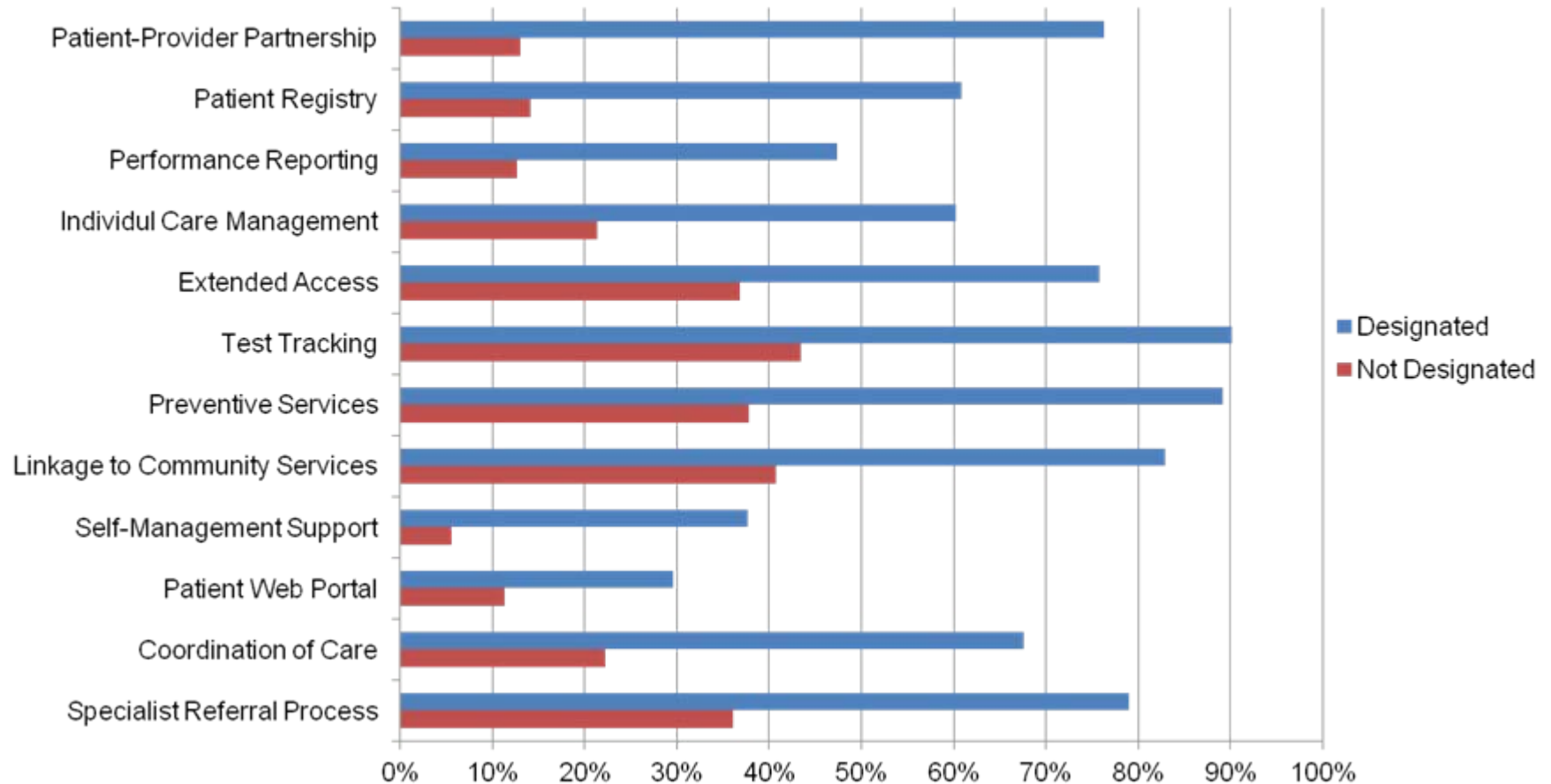
Metrics

- Analytics Process: Two elements, equal weight
 - Capability implementation (“self-assessment database”; 50%)
 - Quality/use/efficiency metrics (claims data; 50%)
- QUE measures include:
 - Evidence-based care (HEDIS)
 - Resource management
 - Generic dispensing rate
 - High tech imaging
 - Low tech imaging
 - ER use

***Additional Questions??
Ask this guy! →***



Development of PCMH Capabilities Continues



**For the “not designated” cohort, only PCMH Designation eligible practice units were included in the analysis; practices not functioning as primary care providers are excluded.*

***SOURCE: Winter 2012 SRD*

PCMH Designated Practices

= HIGH PERFORMING PRACTICES

PCMH Designees Compared to Non-PCMH Practices			
Metric	Year 3 Designation (2011)	Year 4 Designation (2012)	Year 5 Designation (2013)
	776 practices 2,552 designated physicians 820,000 attributed BCBSM members <i>(54.6% increase in practices and 39.0% increase in physicians over 2010)</i>	995 practices 3,017 designated physicians 1.08M attributed BCBSM members <i>(28.1% increase in practices and 18.2% increase in physicians over 2011)</i>	1,244 practices 3,624 designated physicians 1.12M attributed BCBSM members <i>(24.6% increase in practices and 19.8% increase in physicians over 2012)</i>
Adults (18-64)	2010 Data°	2011 Data°	2012 Data°
Emergency department visits (per 1,000)	-9.7%	-9.3%	-8.8%
Primary care sensitive emergency department visits (per 1,000)	-11.2%	-11.3%	-11.2%
Ambulatory care sensitive inpatient discharges (per 1,000)	-22.1%	-23.8%	-19.1%
High-tech radiology services (per 1,000)	-7.5%	-8.3%	-7.3%
High-tech radiology standard cost PMPM	-5.0%	-4.3%	-3.1%
Low-tech radiology services (per 1,000)	-4.9%	-7.3%	-6.7%
Low-tech radiology standard cost PMPM	-5.1%	-7.4%	-5.6%
Generic dispensing rate	3.8%	3.0%	1.9%

Impact on Patient Experience

- **Over 99% of PCMH designated practice units have:**
 - 24-hour access to a clinical decision-maker
 - All test tracking steps documented in the patient's medical record
 - Patients routinely informed about abnormal test results
 - Medication review and management for patients with chronic conditions
 - Up-to-date directories of specialists and community resources
 - Staff training about PCMH/practice transformation concepts
 - Systematic approach to providing smoking cessation advice
 - And more....

Outcomes/Results/ROI

- PCMH Designated physicians consistently perform well on measures of quality, utilization, and efficiency
- PCMH demonstrated savings of \$155M over first three years of program
 - 2008-2011 program years certified by BCBSM Actuary
 - 2012 data will be certified later in 2014
 - Not *just* designated practices
- For a practice that has fully implemented PCMH, expected cost savings of \$26.37 lower PMPM adult medical costs
 - *Health Services Research* article (M. Paustian, July 2013)
 - Caveat: No practice has accomplished full PCMH-ness...yet



Programmatic Changes

- Designation has evolved slightly over time
- Methodological changes
- Responding to PO/PU feedback
 - Example: “Honor Roll”
 - Previously conducted entire designation process every year for every practice
 - As of 2013, practices remain continuously designated as long as they continue to implement PCMH capabilities and meet Q/U/E criteria (performance is above 20th percentile)
- No significant changes for 2014...yet 😊

Questions?

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