

# ADK Medical Home

PCPCC Conference Call: Multi-Stakeholder Demonstrations

February 2, 2010

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## Past 2 Years

- The department has significantly restructured Medicaid payments leading to hundreds of millions of dollars being invested in outpatient care
  - Need is obvious: excess of preventable hospitalizations, gaps in quality and access, years of underinvestment, primary care crisis
- These are critical investments that we believe will demonstrate value: improved quality at reduced costs
  - Medical Home is key

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## What is Medical Home?

- Some old concepts of primary care, modernized with.....
  - Chronic care model
  - Electronic health records and exchange of clinical information
  - Team care
  - Population health management
  - Responsibility for health outcomes
    - Monitoring and measurement
  - Active role of patient/family – patient ‘engagement’

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## What does Medical Home mean for patients?

- Better coordination of care between physicians (primary care and specialists)
- 24 hour access to physician
- Patient education and engagement in prevention and care for chronic conditions
- Convenience and safety associated with electronic prescribing
- Patient reminder systems

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## Adirondack Medical Home

- Adirondack Medical Home Demonstration is an important component of a larger agenda for the department, and for Medicaid, to invest and improve access and quality in primary, ambulatory care

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## ADK

- ADK Medical home demonstration is particularly important and unique
  - Preparation: development work among providers and plans prior to department engagement
    - Commitment is extraordinary
  - Multi-stakeholder project
    - Providers and payers at the same table
    - Difficult for payers to do this on their own
  - Public and Private payers
  - Opportunity to address a capacity crisis, improve access and quality, enhance value
  - Number and range of providers in terms of medical home 'capacity'

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## Demonstration Details

- Primary care providers in Clinton, Franklin, Essex, and Hamilton Counties
  - Affiliated providers in other counties
  - Over 40 practices
- Insurers
  - State Employee Program (Empire Plan)
  - Medicaid/Family Health Plus
  - MVP
  - Empire BC/BS
  - Fidelis
  - BlueShield (HealthNow)
  - CDPHP
  - Excellus

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## Providers are committing to...

- Become 'certified' medical homes within one year
  - Using NCQA standards (level 2 or level 3)
- E-prescribing
- Advanced access
- Quality measurement and improvement
- Use of patient surveys
- Work toward goals of increased efficiency

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## Progress to Date

- Legislation and state financial commitment (Medicaid)
  - Anti-trust
- Health plan/insurer commitment
- Agreement on terms of participation for insurers and providers
- Education and outreach to both providers and plans regarding 'medical home'
- Size/scope of demonstration
  - Master patient/provider index
- Other grant support for EHR/HIT
- Trust

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## Next Steps

- Signed agreement on standards/requirements for participation
- Handling of self-insured products
- Develop infrastructure to support demonstration: governance, data, etc.
- Finalize measures of success
  - Including quality, access, satisfaction, value (return on investment)
- CMS/Medicare?

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## Summary

- The Adirondack Demonstration is an extraordinary collaboration between provider community, payers, and the state
- The demonstration is an important test of the medical home concept
  - can be a model for multi-payer projects
- We greatly appreciate the effort and support from many parties that has enabled us to advance this far
- Challenges remain, but we are confident that we can meet them

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## The Adirondack Medical Home Pilot Project

Improving the Value Equation?

## About NYSHIP; Key Facts

- One of the Nation's Largest Employee Health Benefit Plans
- Approximately 1.2 million covered lives
- \$6.6 Billion Premium Cost in 2010
- Two broad choices, the Empire Plan or HMO coverage
- 896 Local Government entities and Public Authorities Participate in the Empire Plan

## Driving Value in Health Care

- Access: if patients lack access to care, the potential to manage quality and cost is lost
- Quality: high quality care has the greatest potential to manage long term costs by appropriate management of resources
- Cost: Reimbursement structures and the level of reimbursement for various components will effect provider behavior and impact quality

## Impact of Collective Bargaining

- 9 employee unions represent 95% of the State's workforce
- Negotiate benefit design of the Empire Plan, which HMOs Will be Offered
- Employer contribution requirements
- Ongoing Joint Labor-Management Committees on Health Benefits

## Benefit Design and Collective Bargaining

- Copayment and deductible increased tied to CPI
- Value Based Preferred Drug List
- Specialty Drug Program
- Centers of Excellence

## Managing High Cost illness and Chronic Disease

- Disease management programs
  - Asthma
  - Diabetes
  - Cholesterol
  - High Blood Pressure
  - Integrated programs
- Centers of Excellence
  - Transplants
  - Cancer

## The Adirondacks

- Lack of access to primary care an issue for our workforce
- High incidence of chronic disease among covered population
- High incidence of risky behavior; smoking
- Lost time a key productivity issue, drives employment costs particularly at facilities

## NYSHIP in the Adirondacks

- Approximately 13000 covered lives ???
- Majority of workforce are employed in institutions, or widely scattered small work units such as DEC and DOT residences
- Majority of physicians in Empire Plan Network
- Workforce tends to have long tenure
- Generous retiree coverage

## NYSHIP's Long-Term Strategy

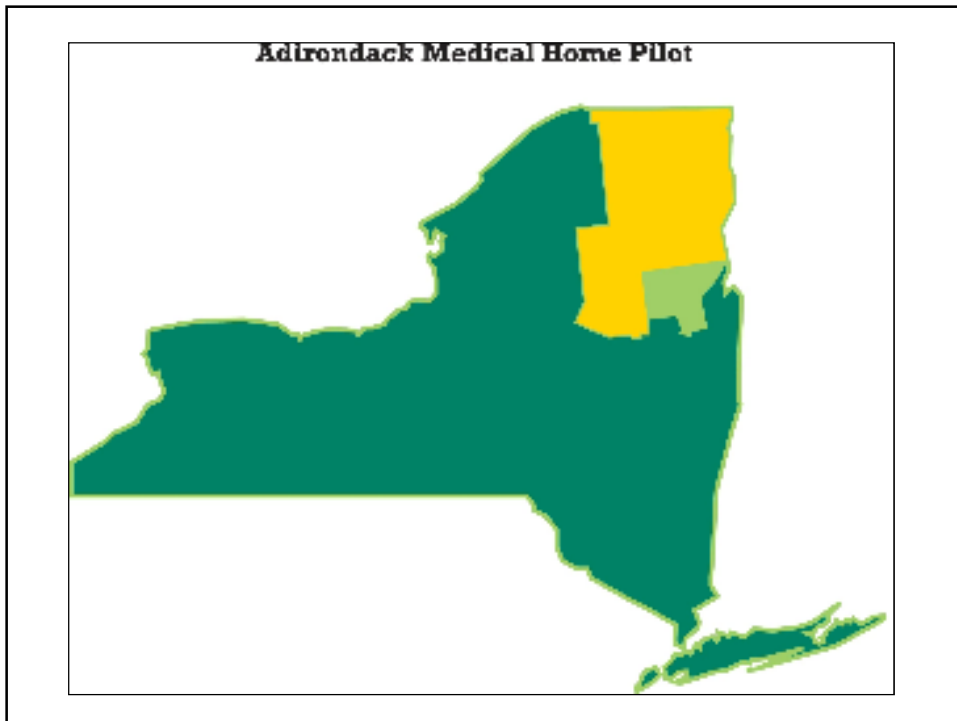
- Add value by effectively managing chronic disease
- Promote health education initiatives- diabetes education, patient management of asthma
- Avoid higher costs downstream
- Five year commitment with ongoing cost evaluation

# The Adirondack Region Medical Home Pilot

John Ruge, M.D.

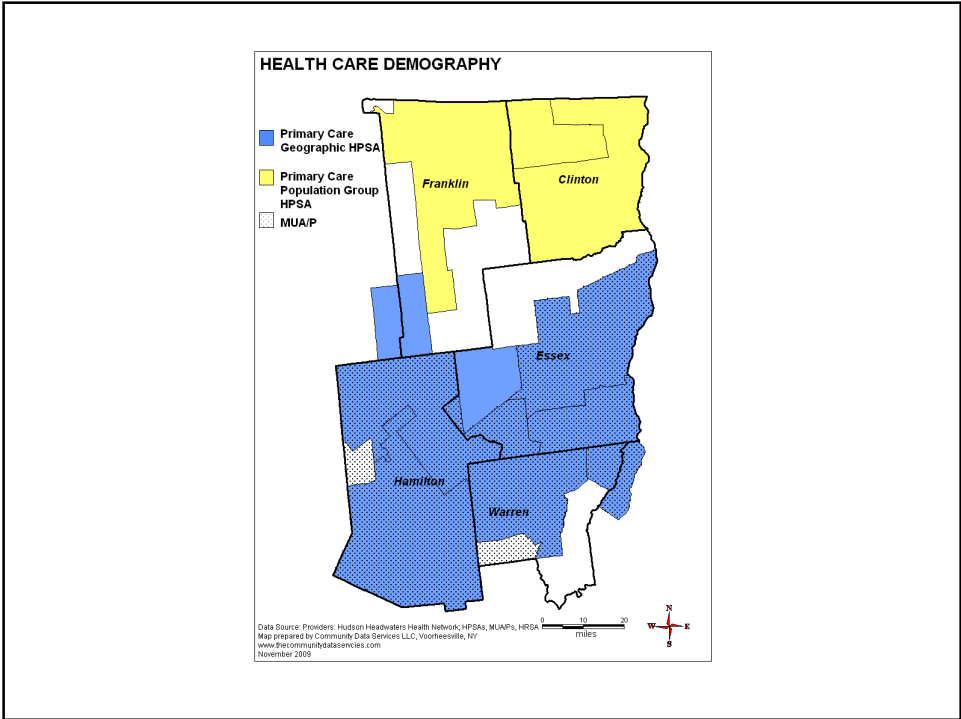
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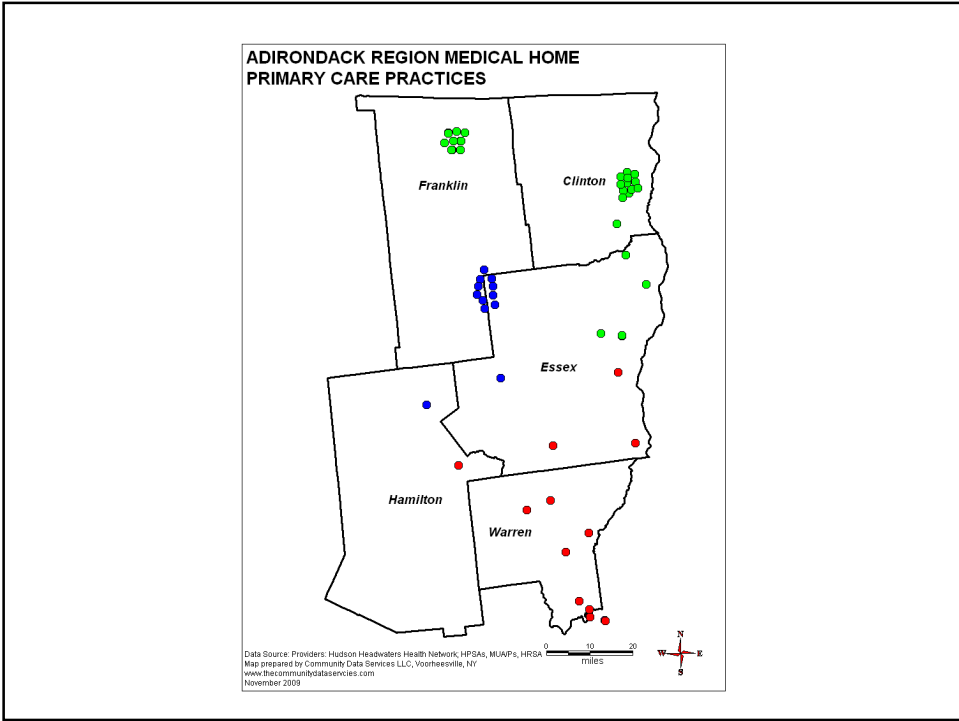
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# Demographics

- Population ~ 200,000
- Micropolitan (2)/rural/frontier
- Second to SW Florida in age
- Unusual and stressed economy





# The Emerging Adirondack Crisis

## Departure of primary care providers

- Low pay
- Long hours
- Grinding work

## Destabilized health care system

- Hospitals
- Specialists

## Pilot Goals

- Improve clinical outcomes
- Control health care costs
- Increase provider satisfaction
- Enable retention and recruitment

## Pilot Design

### Care Coordination Pods

Plattsburgh – Integrated Hospital System

Saranac - PHO

Lake George - FQHC

## Pilot Financing

### Enrolled patients

- One E&M visit in previous 24 months
- Household members

### Continue existing reimbursement

### Add \$7 pmpm

- Establish/operate care coordinating teams
- Contribute to physician compensation

### Consider additional incentives in out-years

## Pilot Data

Focus on 3 clinical conditions

Shared performance standards

Pooling of data

- Providers and payers
- RHIO
- HEAL - 10

## Pilot Budget

### Developmental investment

\$ 500,000	HRSA	Project development
\$3,000,000	MSSNY	Regional pod capacities
\$7,000,000	HEAL 10	Electronic connectivity
\$8,000,000	Providers	Matching commitments

### Operating revenue/expenses

\$45,000,000 (Estimated)      Five years

## Next Steps 2010

### The transformation begins

E-Rx  
EMR  
Medical Home recognition

## **What The Future Holds 2011**

Deploying our new capacities

## **What It Means**

2012 and beyond