Patient-Centered
Primary Care
COLLABORATIVE

Blue Cross
Blue Shield
Association

An association of independent Blue Cross and Blue Shield companies

Milbank Memorial Fund
Panelists

Welcoming Remarks
• Doug Henley, MD, FAAFP: Executive Vice President and Chief Executive Officer, American Academy of Family Physicians

Presenter/Moderator
• Marci Nielsen, PhD, MPH: CEO, Patient-Centered Primary Care Collaborative

Panelists:
• Justine Handelman: Vice President, Legislative and Regulatory Policy, Blue Cross Blue Shield Association
• Chris Koller: President, Milbank Memorial Fund
• Rahul Rajkumar, MD, JD: Acting Deputy Director, Center for Medicare and Medicaid Innovation
• Julie Schilz BSN, MBA: Program Director, Patient Centered Primary Care Transformation, Anthem
• Katherine Clark, DO: Practicing Physician, Ohio Comprehensive Primary Care Initiative
The Patient-Centered Medical Home’s Impact on Cost & Quality
Review of Evidence, 2013-2014

Friday, Jan. 30, 2015

Patient Centered Primary Care Collaborative
Lunch sponsor: Blue Cross Blue Shield Association
Report sponsor: The Milbank Memorial Fund
Host: Senator Charles Grassley
Overview

• Background on methodology for the report

• **Key Point #1:** New evidence demonstrates improvements in cost and utilization associated with the PCMH

• **Key Point #2:** The health care marketplace must invest in primary care in new ways to achieve the Triple Aim

• **Key Point #3:** Future direction for the PCMH & primary care -- includes clinical integration (inside and outside of the PCMH), increased financial support, team-based training, consumer engagement & technology.
About PCPCC

Founded in 2006, the PCPCC is dedicated to advancing an effective and efficient health care system built on a strong foundation of primary care and the patient-centered medical home.

About Milbank Memorial Fund

The Milbank Memorial Fund is an endowed operating foundation that works to improve health by helping decision makers in the public and private sectors acquire and use the best available evidence to inform policy for health care and population health.

About Blue Cross Blue Shield Association

The Blue Cross and Blue Shield Association is a national federation of 37 independent, community-based and locally operated Blue Cross® and Blue Shield® companies. The Association owns and manages the Blue Cross and Blue Shield trademarks and names in more than 170 countries and territories around the world. The Association grants licenses to independent companies to use the trademarks and names in exclusive geographic areas.
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Description of Methods

• Examined medical home/PCMH studies published between September 2013 and October 2014
  • Peer-reviewed scholarly articles
  • State government program evaluations
  • Industry reports

• Explored relationship between “medical home/PCMH” model of care and Triple Aim outcomes
  • Predictor variable: “Medical home”, “PCMH”, “advanced primary care”, or “health home”
  • Outcome variable: “Cost” or “Utilization”

Resulted in 14 peer reviewed studies, 7 state PCMH program evaluations, and 7 industry reports
## How data is reported: example Oregon

<table>
<thead>
<tr>
<th>Oregon Coordinated Care Organizations (CCO)(^5^3)</th>
<th>Reduced ED spending: 19%</th>
<th>Decreased hospitalization for chronic conditions: 27% reduction for patients with CHF*</th>
<th>Increased enrollment in patient-centered primary care homes since 2012: 52%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Published:</strong> Oregon Health Authority, June 2014</td>
<td>• 17% reduction in ED visits</td>
<td>• 32% reduction for patients with COPD*</td>
<td>• &gt;20% increase in spending for primary care and preventive services: 11%</td>
</tr>
<tr>
<td><strong>Data Review:</strong> 2011 (comparison group); 2013 (PCMH group)</td>
<td>• 5% reduction in all-cause readmission rates</td>
<td>• 18% reduction for patients with adult asthma</td>
<td>• Increase in outpatient primary care visits</td>
</tr>
<tr>
<td></td>
<td><strong>Decreased hospitalization for chronic conditions:</strong></td>
<td>• Increase in screening, intervention and referral for treatment for alcohol or other substance abuse (from 0% to 2%): 5% improvement in LDL screening in patients with diabetes</td>
<td>• Increase in adolescent well-care visits (from 27.1% to 29.2%): Increase in follow up care after hospitalization for mental illness (from 65.2% to 67.6%): Improvement in all 3 components of medical assistance with smoking and tobacco use cessation</td>
</tr>
</tbody>
</table>
Key Point #1:
Recent evidence demonstrates improvements in cost and utilization associated with the PCMH.
PCMH Peer-Reviewed Outcomes

14 PEER-REVIEWED STUDIES

$ 10 reported on cost, 6 found improvements

13 reported on utilization, 12 found improvements

3 reported on quality, 2 found improvements

4 reported on access, 4 found improvements

4 reported on satisfaction, 4 found improvements

- Medicare FFS (NCQA PCMH)
- Veterans Affairs (PACT)
  - (4 studies)
- Florida Medicaid
- Illinois Medicaid
- Kentucky – Ft. Campbell
- New York Presbyterian Regional Health Collaborative
- Community Care North Carolina
- Pennsylvania Chronic Care Initiative
  - Rand
  - Independence BCBS (2 studies)
### PCMH **State Government** Outcomes

#### 7 STATE GOVERNMENT EVALUATIONS

<table>
<thead>
<tr>
<th>Icon</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>$</td>
<td>7 reported cost savings</td>
</tr>
<tr>
<td>🚑</td>
<td>6 reported reduction in utilization</td>
</tr>
<tr>
<td>🎯</td>
<td>6 reported improvements in population health/preventive services</td>
</tr>
<tr>
<td>🕒</td>
<td>5 reported improvements in access</td>
</tr>
<tr>
<td>👍</td>
<td>3 reported improvements in patient or clinician satisfaction</td>
</tr>
</tbody>
</table>

- Colorado Medicaid
- Minnesota Health Care Homes
- Oklahoma SoonerCare Choice
- Oregon Coordinated Care
- Rhode Island Chronic Care Sustainability Initiative
- Vermont Blue Print for Health
PCMH Industry Reports Outcomes

7 INDUSTRY REPORTS

- 4 reported cost savings
- 6 reported reductions in utilization
- 3 reported improvements in population health/preventive services
- 1 reported improvement in access
- 1 reported improvement in patient or clinician satisfaction

- UnitedHealth Care PCMH
- California AFP & Community Medical Providers
- CareFirst BCBS
- BCBS Michigan
- Horizon BCBS New Jersey
- Aetna PCMH: Westmed
- Pennsylvania Highmark
Key Point #2:

The health care marketplace must invest in primary care in new ways to achieve the Triple Aim.
Primary Care Remains Undervalued

- Primary Care: 4%
- Drugs: 17%
- Professional procedures (non-hospital): 30%
- Hospital inpatient: 21%
- Hospital outpatient visits/other: 28%

U.S. per-capita health spending, 2012 (under 65 with employer-sponsored health insurance)

Investing in Primary Care

• **Payment Reform**
  - Increase % spend on primary care (relative to total cost of care)
  - Move away from fee-for-service & embrace value-based comprehensive primary care payment

• **Investment in primary care**
  - The United States spent over 2.9 trillion dollars on health care in 2013
  - Only four to seven percent is dedicated to primary care, when primary care visits in the U.S. account for more than half (55 percent) of physician office visits each year
Emerging Payment Reform Trends

- Fee-For-Service
- Volume-based reimbursement
- Bundled payments
- Global budget contracts
- ACOs
- Value-based reimbursement
Key Point #3:

Future directions for the PCMH & primary care include clinical integration (inside and outside of the PCMH), increased financial support, team-based training, consumer engagement & technology.
Future Directions

• Integrating services inside and outside primary care
  • Examples: inside -- integrating behavioral and oral health into PCMHs; outside -- integrating PCMHs into ACOs and community-based organizations and services

• Providing financial support for enhanced primary care controlling total cost of care while improving quality

• Developing health professions workforce to embrace all members of the team -- including the patient and their family/caregiver

• Engaging consumers/employees and the public

• Promoting interoperable technology to support this model of care

www.pcpcc.org/initiatives

Primary Care Innovations and PCMH Map

Mapping the Medical Home Movement:

This map includes a diverse range of programs using patient-centered medical homes (PCMH) and enhanced primary care teams as the model for improving health care delivery. Click the map for a summary of all public and commercial PCMH programs in the State (State View). For more information on what programs are included visit our Frequently Asked Questions (FAQ) page.

State View

* Darker colors indicate more PCMH-related activity

Join our mailing list for the latest map updates and medical home news.
State View: Iowa
(Thank you Senator Grassley!)

In June of 2013, Governor Terry Branstad signed Senate File 446 into law, which authorized health care delivery and payment system reforms including expanded use of medical homes and ACOs.

Iowa is implementing a comprehensive PCMH-based health care payment and delivery system that will reduce health care costs, improve population health and improve patient care. Iowa is transforming health care across the state through the integration of several legislative initiatives including Health Homes, Integrated Health Homes (IHH), the Balancing Incentives Payment Program (BIPP), the Iowa Health and Wellness Plan, and the Mental Health and Disability Services (MHDS) Redesign. Wellmark, the predominant private payer across the state of Iowa, is partnering with the state in its effort to implement multi-payer ACO methodology statewide. Iowa plans to implement regional ACOs for Medicaid enrollees statewide in January of 2016.

State PCMH Activity

<table>
<thead>
<tr>
<th>CHIPRA</th>
<th>MAPCP</th>
<th>Dual Eligible</th>
<th>2703 SPA</th>
<th>CPC</th>
<th>SIM Award</th>
<th>PCMH QHP</th>
<th>PCMH Legislation</th>
<th>Private Payer</th>
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Public Payer Programs

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Payer Type</th>
<th>Coverage Area</th>
<th>Parent Program</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAMC eConsults/eReferrals program - Iowa</td>
<td>Grant</td>
<td>California, Iowa, New Hampshire, Virginia, Wisconsin</td>
<td>CMS Health Care Innovation Award (Round 2)</td>
<td></td>
</tr>
<tr>
<td>Catholic Health Initiatives Value-Based Care program - Iowa</td>
<td>Grant</td>
<td></td>
<td>CMS Health Care Innovation Award (Round 2)</td>
<td></td>
</tr>
<tr>
<td>CMS State Innovation Model (SIM) Testing Award - Iowa</td>
<td>Grant</td>
<td>Statewide</td>
<td>CMS State Innovation Model (SIM)</td>
<td></td>
</tr>
<tr>
<td>Iowa Health Homes</td>
<td>Medicaid</td>
<td>Statewide</td>
<td>ACA Section 2703 Health Homes</td>
<td></td>
</tr>
</tbody>
</table>

State Facts:
- Population: 3,070,800
- Uninsured Population: 9%
- Total Medicaid Spending FY 2012: $3.5 Billion
- Overweight/Obese Adults: 64%
- Poor Mental Health among Adults: 31.5%
- 2014 Medicaid Expansion: Yes

Source: Kaiser

Legend
- $ Cost Savings
- Fewer ED / Hospital Visits
Take Home Points

✓ Recent evidence demonstrates improvements in **cost and utilization** associated with the PCMH.

✓ The health care marketplace must **invest** in primary care in new ways to achieve the **Triple Aim**.

✓ Collaboration across stakeholders is critical to the **long-term success** of the PCMH.
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Download the report at pcpc.org