Employers and the Primary Care Imperative: What Can Employers Do to Support Comprehensive Primary Care?

Monthly National Briefing
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Access it here: https://pcpcc.org/resource/primary-care-imperative

**The Primary Care Imperative: New Evidence Shows Importance of Investment in Patient-Centered Medical Homes**

**Executive Summary**

Primary care accounts for about 5% of health care spending, but decisions made in the primary care setting influence up to 90% of overall cost and quality through referrals, testing, invasive procedures, and hospitalizations. The fee-for-service (FFS) payment system does not adequately reward high-quality primary care nor address patient health holistically to reduce overall costs.

The PCMH model offers an alternative paradigm designed to increase access to care, improve quality, and better care for the patient overall. The model is growing, but up until recently, data on whether the PCMH has delivered on improving health and reducing costs has been limited. This is why the Patient-Centered Primary Care Collaborative's (PCPCC) 2016 PCMH Evidence Report is so exciting. Last year, over 90% of PCMHs that evaluated cost of care or utilization of acute care services found improvements, greatly improving the case for employer investment in the model.

**What Employers Can Do to Promote PCMHs:**

Many employers, several of whom already pay care coordination fees to support PCMHs, have been reluctant to further engage with this delivery system reform. Given robust results from the PCMH Evidence Report, the Business Group recommends employers take the following actions:

- Ask your health plan(s) to identify opportunities for a PCMH strategy (i.e., which of your markets have a PCMH presence, how many of your employees see PCMH providers, what fees you pay) and to provide educational materials that highlight which practices provide PCMH care.
- Contract with health plans that identify PCMHs that are improving outcomes and reducing costs.
- Ask for regular health plan reports on PCMH performance in your markets.
- Reduce or eliminate cost-sharing for care delivered in a PCMH, as allowed under the plan, and communicate the benefits of selecting a PCP participating in a high-performing PCMH.
- Consider direct-contracting with PCMH providers in markets with large employee bases and providers with high quality track records, if partnering with your health plan is not possible.
- Study and consider joining multi-payer PCMH collaboratives in your markets.

This issue brief addresses common employer concerns and lays out convincing evidence that investing in PCMHs is a valid strategy for improving employee health, and reducing costs.

*This Issue Brief was developed by the National Business Group on Health® and the Patient-Centered Primary Care Collaborative, which should be cited accordingly. 2016 National Business Group on Health®*
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MGM Resorts
Direct Care Health Plan:

Supporting and Investing in Primary Care
MGM Resorts International

• Company Overview
  • One of the leading global hospitality companies, operating a portfolio of destination resort brands, including Bellagio, MGM Grand, Mandalay Bay, and The Mirage
  • Owns and operates 12 properties, has 50% investments in 3 others, and has a 51% interest in MGM China Holdings

• Largest private employer in the state of Nevada
  • Over 52,000 employees in Nevada
  • Roughly half are covered by union health plans and 22,000 are eligible for MGM Resorts benefits
Healthcare in Nevada

• Nevada ranks 47th in terms of healthcare quality (1)

• For example, below average in: (2)
  • Cancer screening rates
  • Cancer survival rates
  • Childhood and adult immunizations

• For example, above average in: (2)
  • Incidence of asthma
  • Incidence of diabetes in adults
  • Death rates due to heart disease

(2) The Centers for Disease Control and Prevention (CDC), National Center for Health Statistics, Division of Vital Statistics, National Vital Statistics Report Volume 60, Number 3, December 2011, Table 19
PCMH-Inspired Tenets

• Designated primary care providers directing a team of caregivers
• Enhanced access to care for patients
• Integrated technology to facilitate care coordination
• KPIs for quality, access, and cost that hold both patients and providers accountable
• Compensation that recognizes the value of primary care
Plan Incentives/Requirements

• Primary Care Providers
  • Enhanced reimbursement including:
    • Monthly PMPM care management fees
    • Global visit fees
    • Annual benchmark bonus
    • Peer comparison bonus
  • No prior authorization requirement for covered services
  • Enhanced access for plan members
  • Dedicated phone line for DCHP patients
  • Effectively utilize Population Health Management and Referral technology provided by the Plan
    • Access, quality, and cost KPI reporting provided monthly
Plan Incentives/Requirements (cont.)

- Plan Members
  - Lowest paycheck contributions of their 3 plan options
  - Lowest cost plan design (no deductible, low copays)
  - Guaranteed same or next day appointments for sick visits and less than a 30 minute wait time
  - Given a “Direct Care Health Plan Day” to be used like a PTO day
  - Adults must select one primary care provider
  - Employees and spouses receive participation and outcome based paycheck contribution credits related to a “Health Score”
Health Score Program

• Biometric scorecards are provided to members following a physical and lab work with their PCP
  • Scored on a 100 point scale with reductions based on BP, Lipids, Glucose, Waist/Height ratio, and Tobacco use
  • Enrollees and spouses both receive $520 in annual credits towards paycheck deductions for participating and will receive an additional $520 for any one of the following outcomes:
    • Maintaining a score above 70
    • Improving their score from year to year
    • Visiting with a wellness coach at least 6 times per year
# Key Results

- **Enrollment**

<table>
<thead>
<tr>
<th>DCHP Membership</th>
<th>1/1/2012</th>
<th>1/1/2013</th>
<th>1/1/2014</th>
<th>1/1/2015</th>
<th>1/1/2016</th>
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<tbody>
<tr>
<td>Enrollees</td>
<td>2,324</td>
<td>4,529</td>
<td>7,226</td>
<td>9,627</td>
<td>11,165</td>
</tr>
<tr>
<td>Dependents (19+)</td>
<td>1,265</td>
<td>2,445</td>
<td>4,175</td>
<td>5,586</td>
<td>6,326</td>
</tr>
<tr>
<td>Dependents (&lt;19)</td>
<td>1,427</td>
<td>2,739</td>
<td>4,450</td>
<td>5,967</td>
<td>6,822</td>
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<tr>
<td><strong>Total Members</strong></td>
<td><strong>5,016</strong></td>
<td><strong>9,713</strong></td>
<td><strong>15,851</strong></td>
<td><strong>21,180</strong></td>
<td><strong>24,313</strong></td>
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<tr>
<td>Total Paneled Adult Members</td>
<td>3,589</td>
<td>6,974</td>
<td>11,401</td>
<td>15,213</td>
<td>17,491</td>
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<tr>
<td>Primary Care Providers</td>
<td>18</td>
<td>20</td>
<td>23</td>
<td>26</td>
<td>28</td>
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<tr>
<td>Paneled Members per PCP</td>
<td>199</td>
<td>349</td>
<td>496</td>
<td>585</td>
<td>625</td>
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</tbody>
</table>
Key Results (cont.)

• Cost
  • Increases in outpatient spend have been more than offset by decreases in inpatient and pharmacy spend
    • 20% fewer ER visits
    • 35% fewer medical and surgical inpatient days
    • 2% greater generic dispensing rate
  • Annual cost trend has been nearly flat

• Access
  • 89% survey satisfaction rate based on wait time and service
    • 71% report waiting 15 minutes or less
Key Results (cont.)

• Diabetic Care
  • 70% have HbA1c in good control
  • 77% have blood pressure in good control

![Diabetic Screening Rates Chart]
Key Results (cont.)

- Cancer Screening
  - Each exceeds NCQA’s 75th percentile for commercial payers in our region
THANK YOU
Marci Nielsen, PhD, MPH
President & CEO
Patient-Centered Primary Care Collaborative
Addressing Employer Concerns
• Are care coordination fees just adding extra costs to the health care system?
• Am I paying for practice transformation that mostly benefits patients outside my population?
• Are PCMHs and ACOs just “HMO-light”?
• Is my population too small in a given market to succeed? Is critical mass essential?
Recommendations & Alternative Strategies for Employers
• Work with your health plan to **identify opportunities** for a PCMHs
• Push your health plans to **get the most out of your PCMHs**
• Offer first-dollar primary care coverage or reduced cost-sharing for primary care at a PCMH, as allowed under your plan
• Promote transparency to drive members to top providers through contracting, communication, and networks
• Consider **direct-contracting** with PCMH providers in markets with large employee bases and PCMHs with high quality track records
• Consider **joining multi-payer PCMH collaboratives** in your markets
Questions?