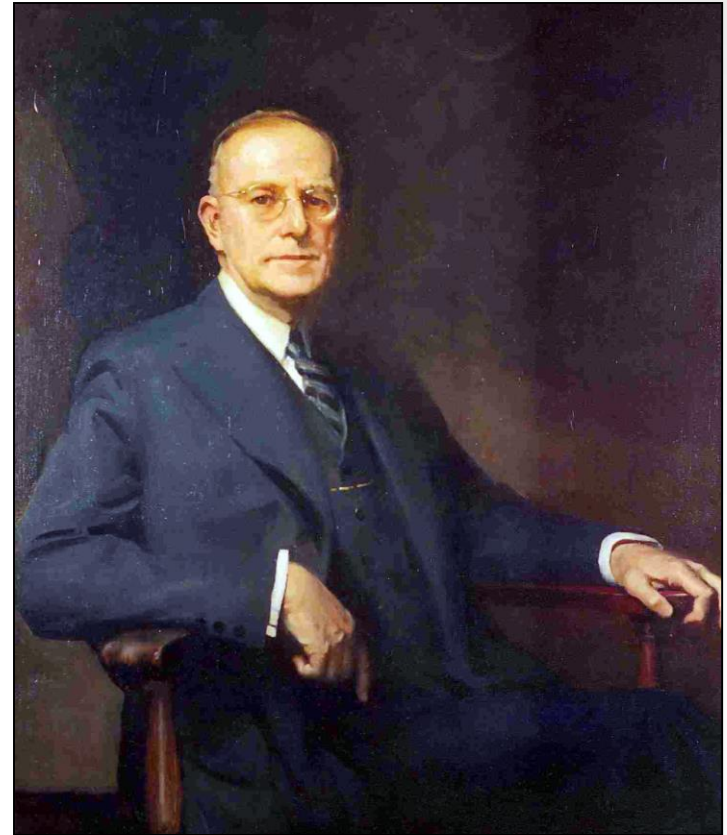


# Creating Value for Patients

## In an Era of Accountability

Thomas Graf, MD  
CMO Population Health and Longitudinal Care Service Lines  
Geisinger Health System



*“Let us bear in mind that the most important individual after all is the patient. Our paramount thought must be to provide him means by which he can have skilled diagnostic and therapeutic service in as complete form as may be indicated in a given case, in the shortest possible time consistent with thoroughness, and at the least cost to him.”*

*HL Foss, MD*

*11/4/1950*

2

# Geisinger Now and Future

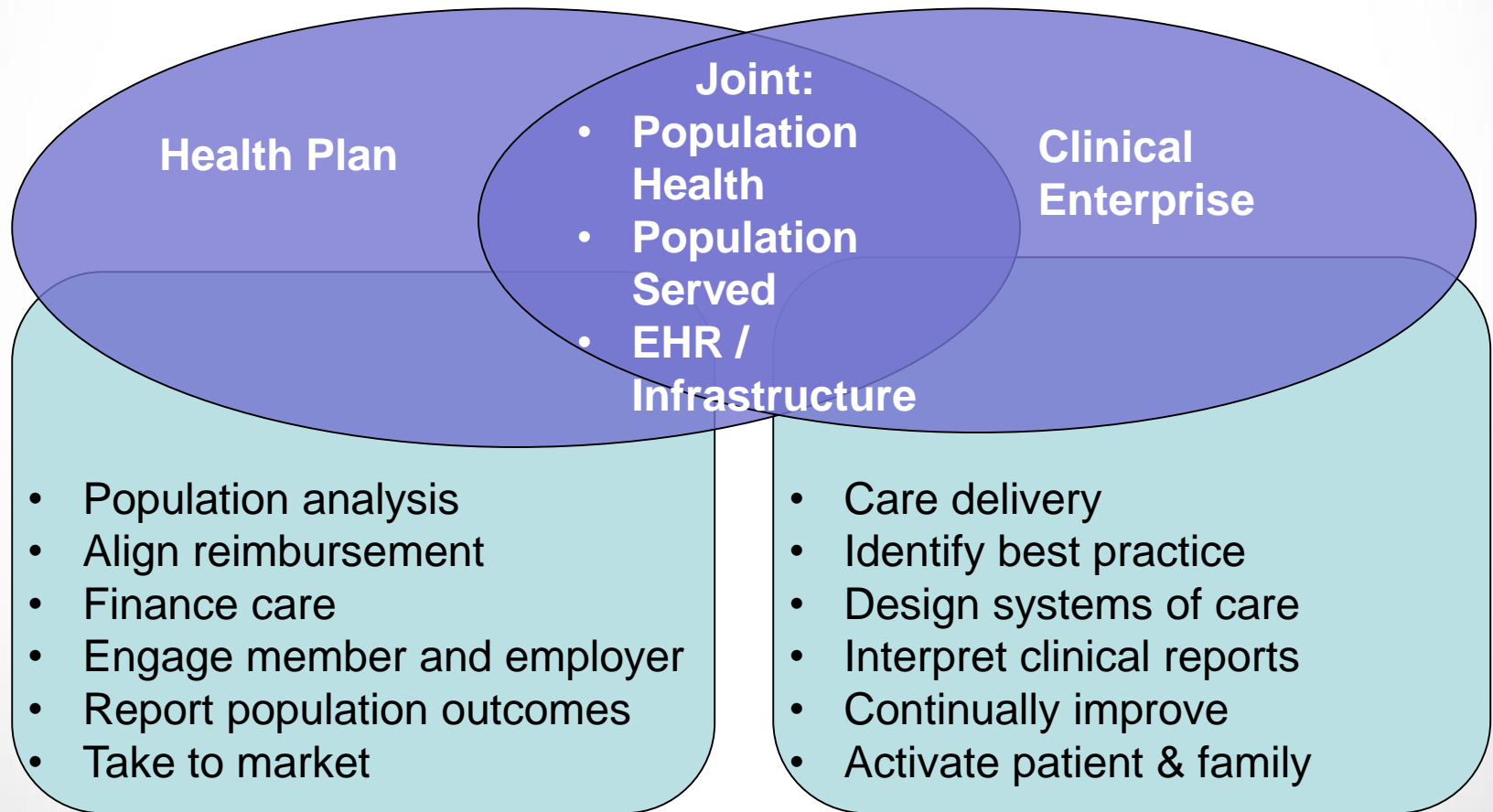
- Last Decade: Creating Systems to support medical professionals success and changing their behavior
- Next decade: Building on this by Creating systems to support patients success and changing patient behavior

# The Triple Aim Plus...

- Higher Quality
- Better Patient Experience
- Lower Total Cost of Care
- Better Professional Experience

# Leveraging the Sweet Spot to Drive Innovation

*Aligned objectives between the health plan & clinical enterprise, with each organization contributing what it does best.*



# What is an Accountable Care Organization?

## Sg2 Definition:

A set of providers associated with a defined population of patients, accountable for the cost and quality of care delivered to that population

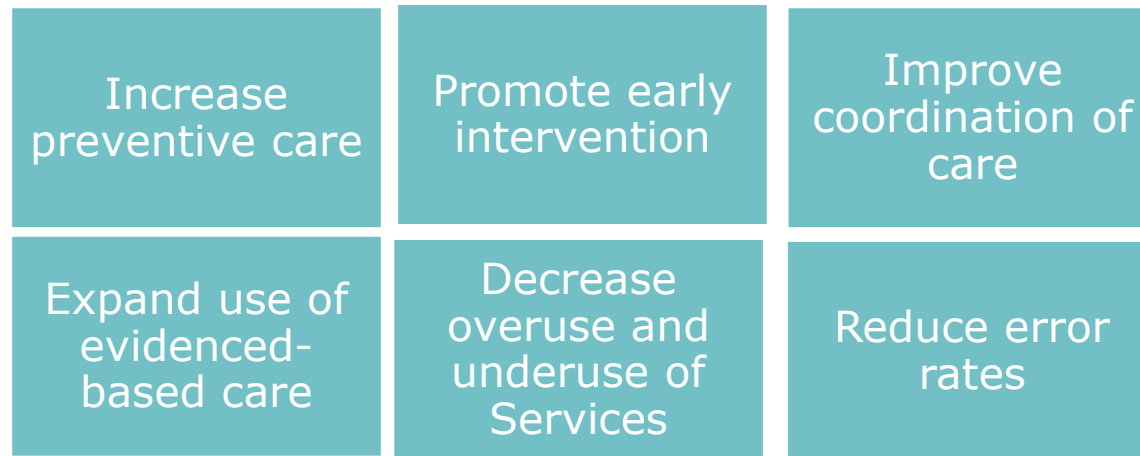
## Statutory Definition:

A physician organization or practice, hospital that employs physicians, or physician/hospital organization that:

- ☆ has defined processes to promote evidence-based medicine, report on quality and cost measures, and coordinate care
- ☆ contracts with Medicare
- ☆ has a primary care physician panel large enough to be accountable for at least 5,000 Medicare **fee-for-service** beneficiaries
- ☆ meets minimum quality and cost metrics
- ☆ meets defined criteria for “patient-centeredness”
- ☆ is eligible to receive and can distribute Medicare’s **shared savings payments** to the ACO’s



# Goals of the ACO



- Moving further upstream with prevention and early intervention services to prevent health conditions from becoming chronic
- Dramatically improving the management of chronic health conditions for the 45% of Americans with one or more such conditions whose treatment draws down 75% of total medical costs
- Reducing errors and waste in the system

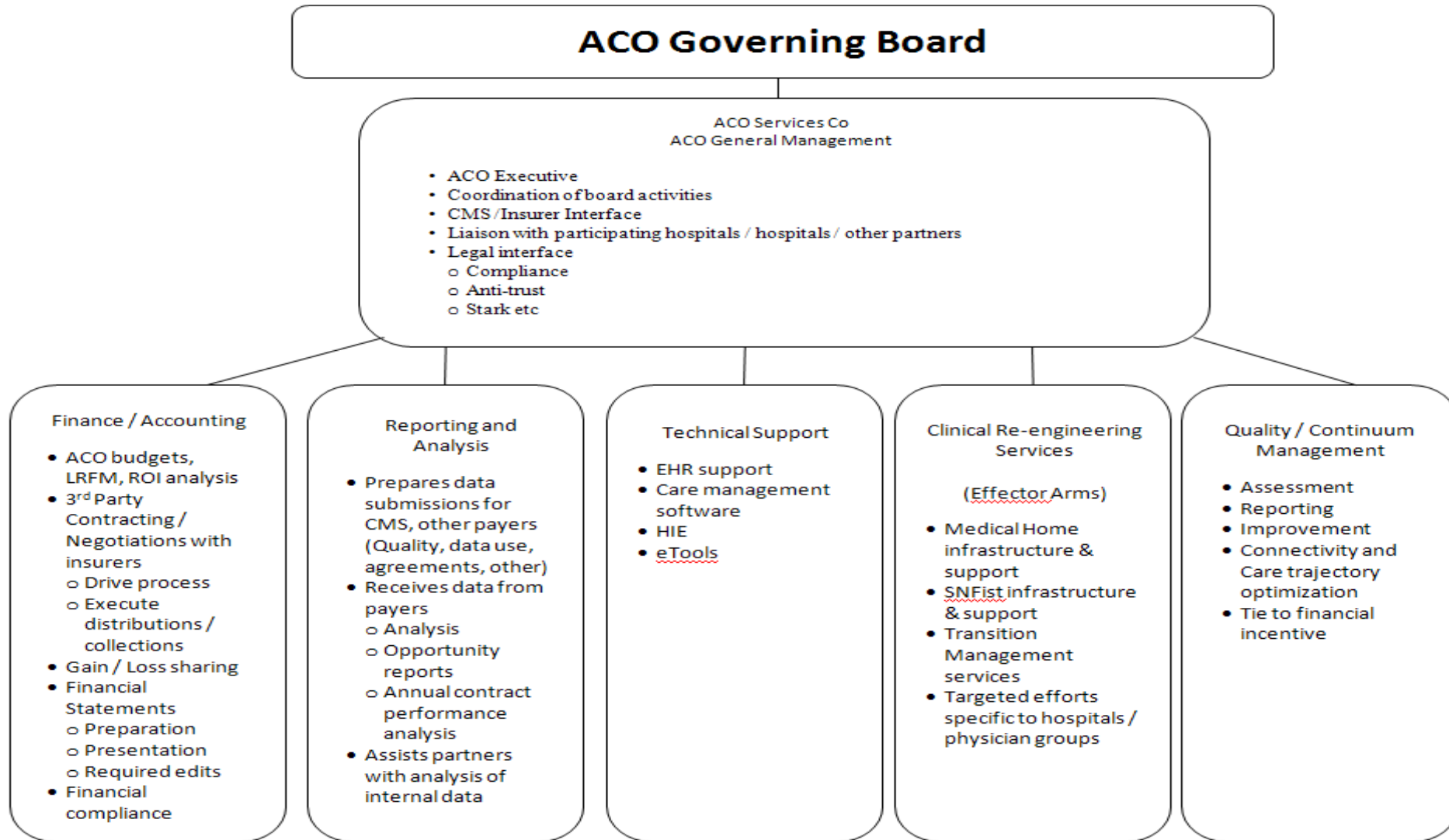
# Strategic Elements

- Culture / Alignment
- Balancing fee for service mindset with accountable care goals
  - LOS
  - Readmissions
  - Use of post acute
  - Reduced use of ancillaries





# Developing a Viable Structure

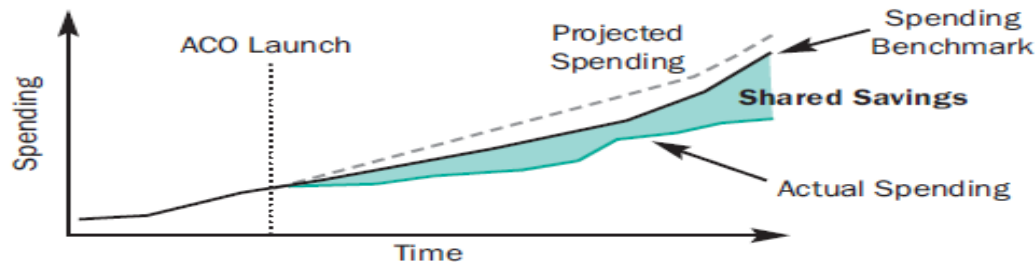


# How a Shared Savings Program Works

- ☆ A spending benchmark is established
- ☆ If quality targets are met within that spending target, shared savings from payers are then distributed to participating providers

## How Do “Shared Savings” Models Work?

Initial shared savings derived from spending below benchmarks



- ☆ The ACO does not take insurance risk: if costs go up instead of down, there is no penalty other than the amount invested to improve performance (eg., case managers, IT investments)

<sup>1</sup> Sg2 Special Report ACO, October 2

# How is success measured?

The Medicare Shared Savings Program will reward ACOs that lower their growth in health care costs while meeting performance standards on quality of care and putting patients FIRST.

ACOs will be measured by meeting 33 measures within 5 quality domains:

- Patient/Caregiver experience of care
- Care Coordination
- Patient Safety
- Preventative Health
- At-risk population/frail elderly health

# Geisinger Value Based Care

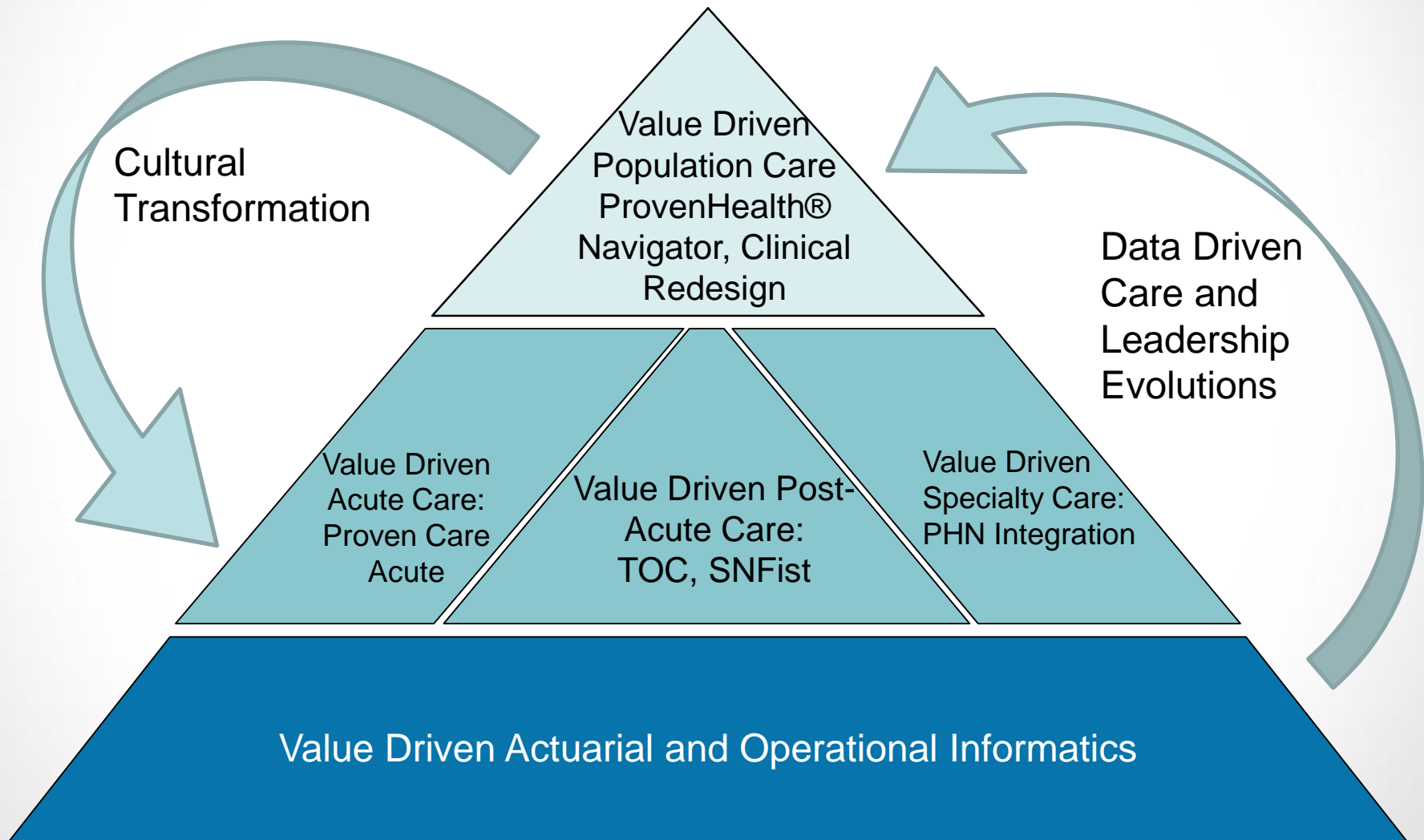
- ProvenCare<sup>®</sup> Acute
- ProvenCare<sup>®</sup> Chronic
- ProvenHealth Navigator<sup>®</sup>
- ProvenHealth Transitions
- ProvenWellness Neighborhood
- Ask/Inform-a-Doc
- Specialty Cohort Management

I argued that with the rapid advances being made by medical science it had become impossible for any one physician to master more than a relatively small segment of his art. Consequently a number of individuals had to share the responsibility once faced by the family doctor. Just as co-operative endeavor had become a requirement in arts and arms, business and science, finance and commerce, I reasoned that so had it become necessary in medicine, particularly in medicine practiced in a modern medical center such as we envisioned.




***HL Foss, MD***

# The Functional Components of Population Health





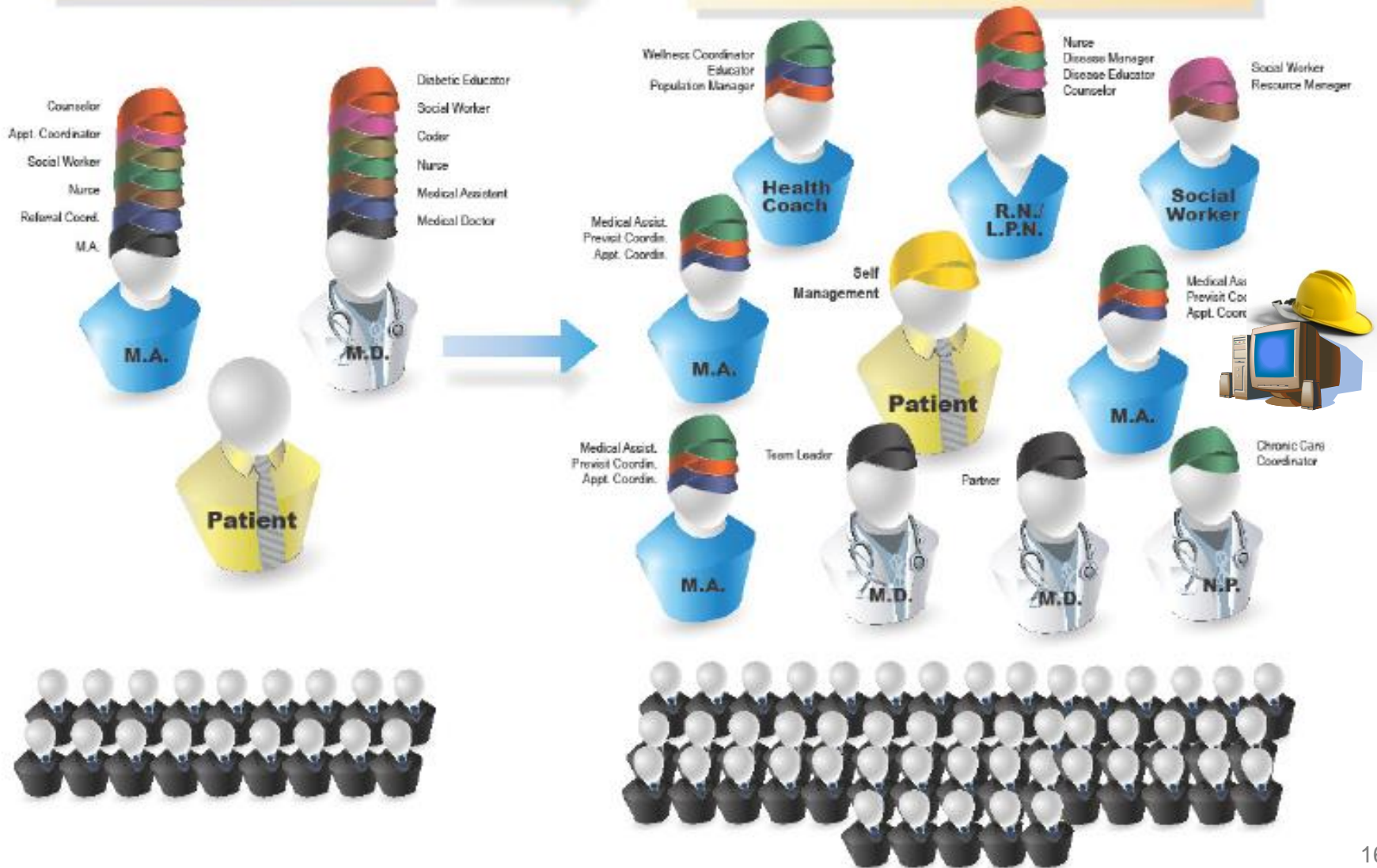
| Error Reduction Strategy            | <p>High Leverage</p>  <p>Low Leverage</p> |
|-------------------------------------|--|
| Forcing functions and constraints   |  |
| Automation and computerization      |  |
| Standardization and protocols       |  |
| Checklists and double check systems |  |
| Rules and policies                  |  |
| Education / Information             |  |

**Table 1. Rank Order of Error Reduction Strategies.<sup>3</sup> Source:**  
ISMP. Reprinted with permission.

**Five rights: not the gold standard, *Pennsylvania Patient Safety Advisory***  
**June 2005**

## ENCOUNTER-BASED CARE

## ENCOUNTER-BASED CARE + POPULATION-BASED CARE + DISEASE-BASED CARE + PREVENTIVE + WELLNESS

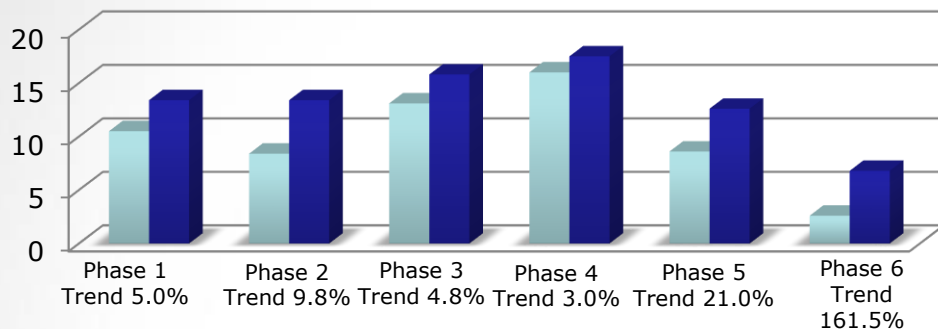


# Lessons Learned

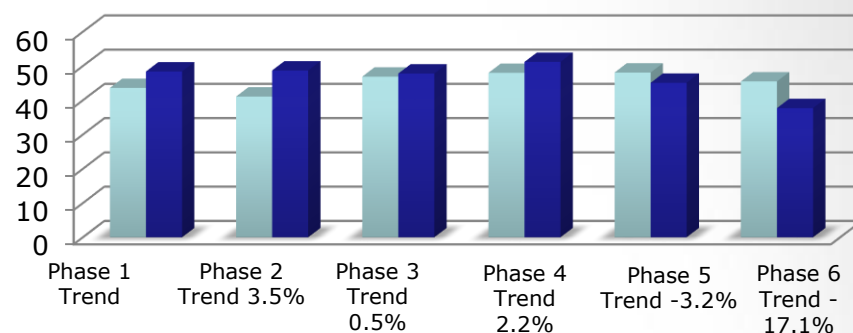
- It is not the tool created in the electronic medical record, but its implementation into a system of care that makes it successful
- Spreading the work out over a team, each with clearly defined roles improves reliability
- Measures are never perfect, but improve with time and are vital to the change process
- Compensation helps focus attention, but is not sufficient to drive change

# ProvenHealth Navigator® Quality

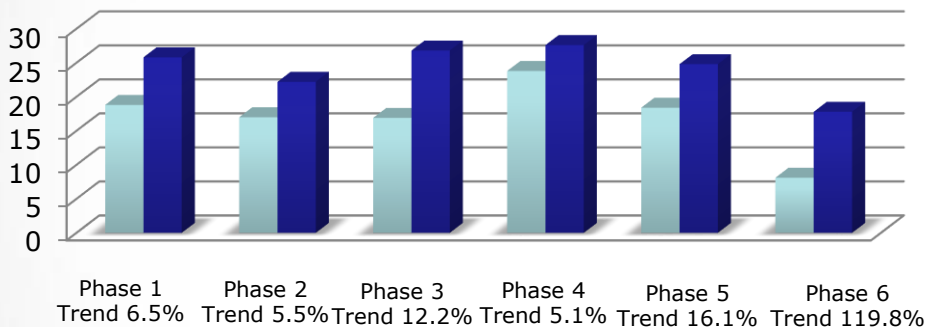
## Diabetes Bundle



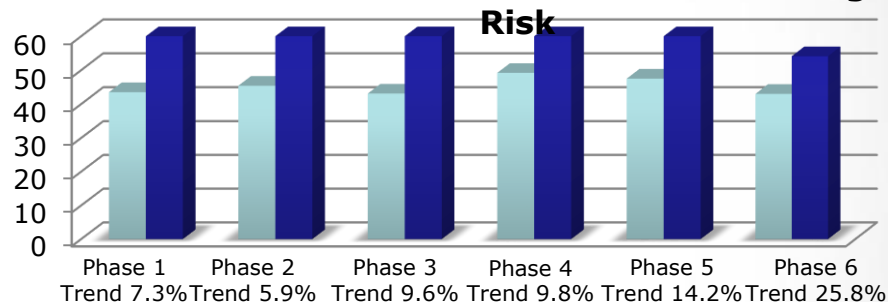
## A1C Less than 7%



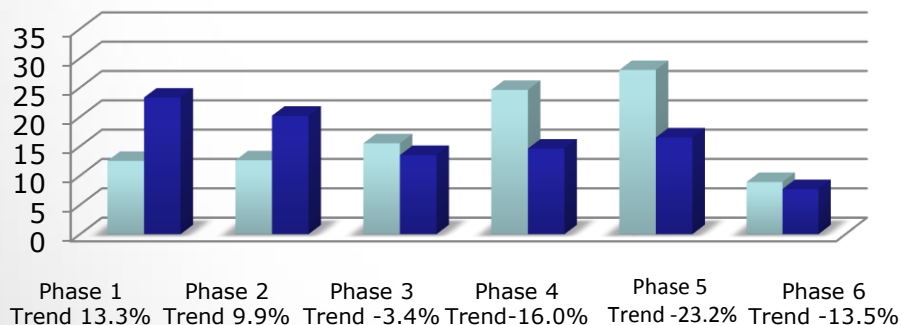
## CAD



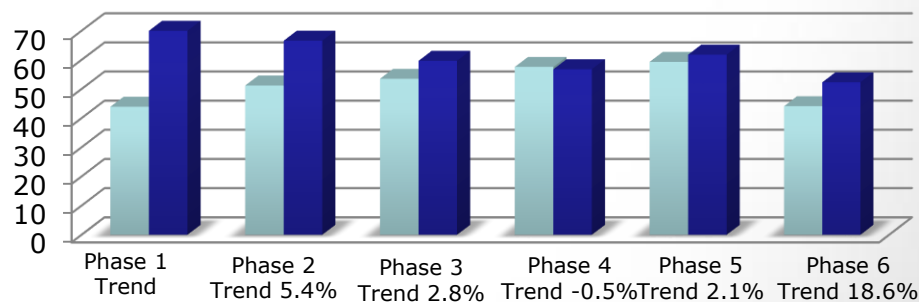
## LDL Less than 100 or Less than 70 if High Risk



## Preventive Care



## Mammogram



Phase 1 and 2 represent 2007 through 2013 – Blue = 2007 / Red = 2013

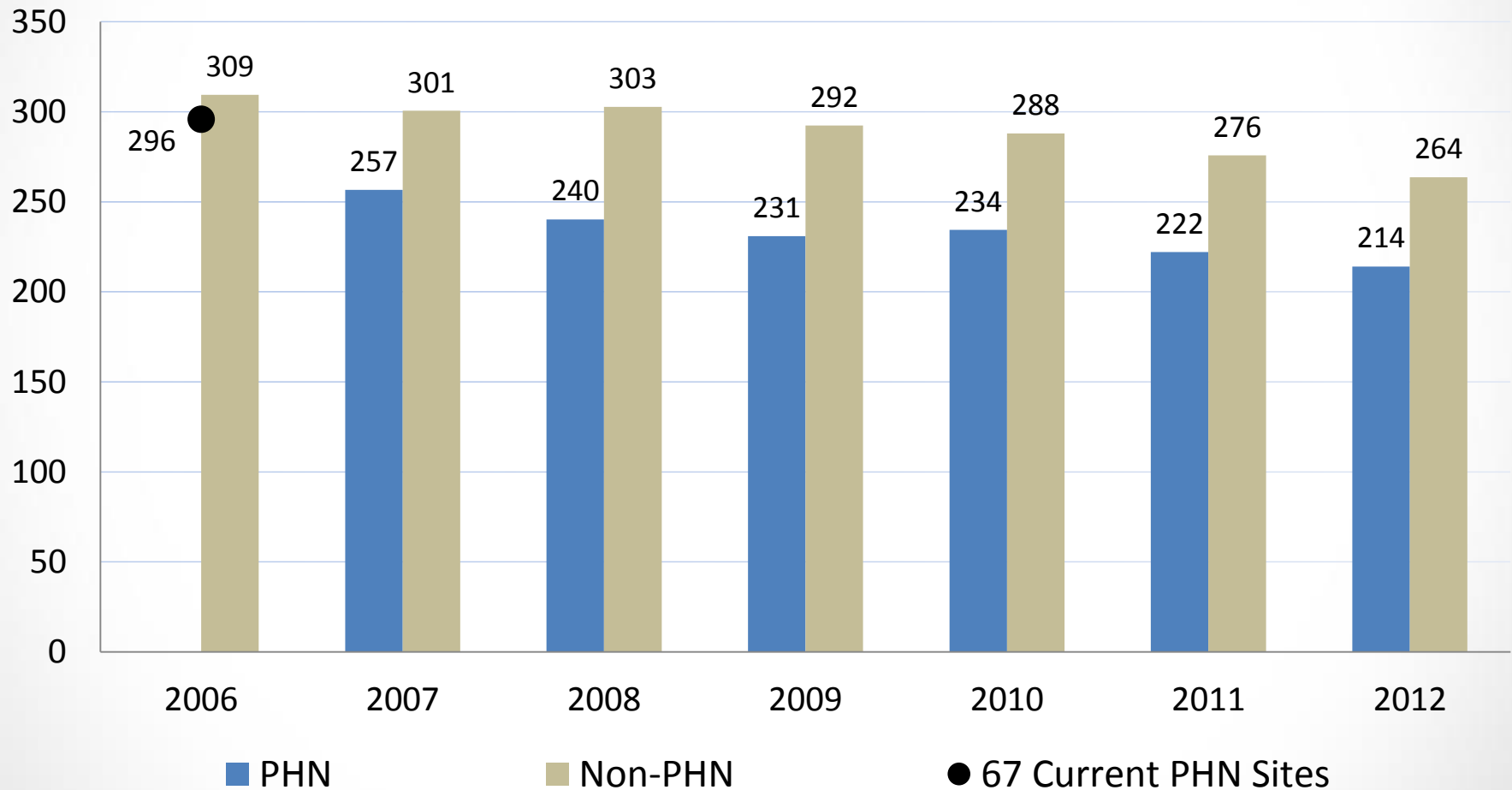
Phase 4 represents 2009 through 2013 – Blue = 2009 & Red = 2013

Phase 6 represents 2011 through 2013 – Blue Bar = 2011 & Red Bar = 2013

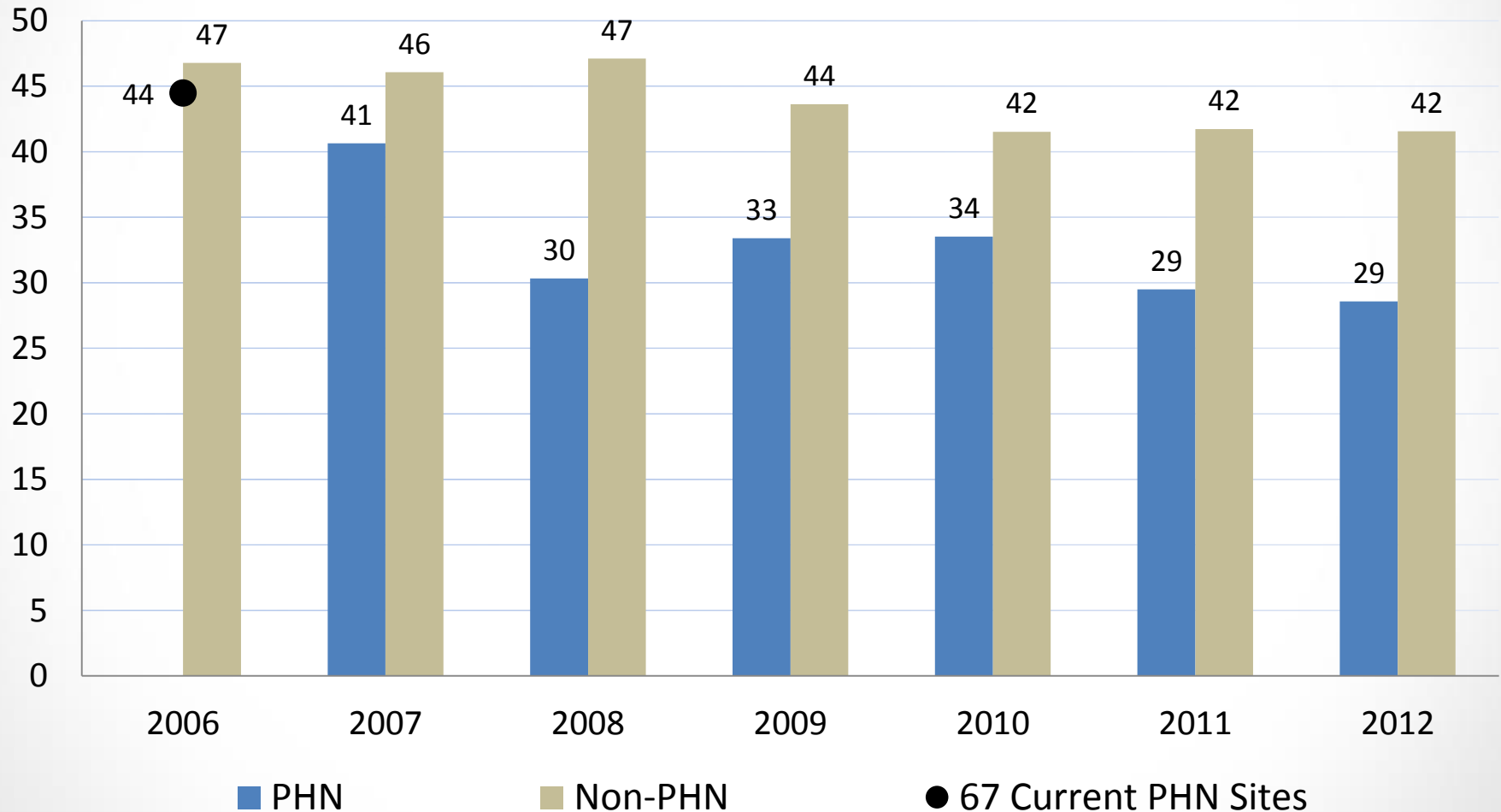
Phase 3 represent 2008 through 2013 – Blue = 2008 / Red = 2013

Phase 5 represents 2010 through 2012 trends – Blue = 2010 & Red = 2013

# Medicare Risk Adjusted Acute Admissions/1000



# Medicare Risk Adjusted Readmissions/1000





# PHN Return On Investment

■ Table 4. Estimated ROI by Year

| Year             | ROI (95% CI)                                 |   |
|------------------|--|---|
|                  | Without Rx Coverage Interaction <sup>a</sup> | With Rx Coverage Interaction <sup>b</sup> |
| 2007             | 0.7 (-0.2 to 1.6)                            | 1.1 (-0.2 to 2.4)                         |
| 2008             | 0.6 (-0.2 to 1.4)                            | 1.0 (-0.1 to 2.1)                         |
| 2009             | 1.1 (-0.1 to 2.2)                            | 1.8 (0.3-3.3)                             |
| 2010             | 1.2 (0.0-2.4)                                | 2.1 (0.6-3.5)                             |
| <b>All Years</b> | 1.0 (-0.1 to 2.0)                            | <b>1.7 (0.3-3.0)</b>                      |

CI indicates confidence interval; ROI, return on investment; Rx, prescription.

<sup>a</sup>Indicates that Rx coverage and PHN exposure variables were included as independent covariates only without the interaction effects.

<sup>b</sup>Refers to inclusion of interaction effects between these 2 variables in our regression model.



# Cardiology and Value Based Care

- The way not to get there...
- And some ideas of what could work...

# CAD Imaging Referral Process

1. Provider selects orders “CAD Imaging Referral”
2. Message sent to pool of CAD Imaging Referral nurses
3. Full chart review completed
4. Chart review applied to protocol with cardiologist input
5. Cardiologist selects and signs order for optimal test
6. Pre-cert managed by cardiology
7. Test scheduled (Cardiology scheduled if GHS test location)
8. Test completed
9. Results communicated to original provider

# Summary Impact

| Group                    | Second test in 90 days |  | Test savings in 694 consecutive patients  |
|--------------------------|------------------------|--|---|
| GHP                      | 20.1%                  |  | Baseline                                  |
| GHS-PCP                  | 14.2%                  |  | -46 tests<br>(5.9% in reduction overall)  |
| GHS PCP with CAD Imaging | 10.0%                  |  | -87 tests<br>(11.1% reduction in overall) |

\*Estimated based on gross up to second tests from CPSL population to GHP population

# CHANGE

**“Every few hundred years, throughout Western history, a sharp transformation has occurred. In a matter of decades, society altogether rearranges itself: its world view, its basic values, its social and political structures, its arts, its key institutions. Fifty years later, a new world exists, and the people born into that world cannot even imagine the world in which their grandparents lived and into which their own parents were born. Our age is such a period of transformation.”**

Peter Drucker, “Managing in a Time of Great Change”