

Accountable Care Organizations: Plausible Roadmap for “Bending the Cost Curve”

Brookings-Dartmouth / Anthem / HealthCare Partners (California)

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Council of Community Clinics: May 17, 2011



HealthCare Partners' Vision

HealthCare Partners will be the role model for integrated and coordinated care, leading the transformation of the national healthcare delivery system to assure quality, access, and affordable care for all.

National Delivery System

California

- More than 500K Commercial (A&B capitated)
- 98K MAPD (A&B capitated)
- 35K Managed Medicaid (A&B capitated)

Florida

- 40K MAPD (A,B&D capitated)
- Approximately 4K Commercial (A&B capitated)

Nevada

- 36K MAPD (A&B capitated)



HealthCare Partners' Delivery System

- **Global Capitation Predominates**
- **Physician-Led, Professionally Managed**
- **Centrally Coordinated**
- **Regionally Driven**
- **Strong Medical Management Infrastructure**
- **Robust Deployment of Technology**
- **Robust MAPD Growth: Acquisitions and Organic Growth**
- **Metrics Driven**

HealthCare Partners: A Brookings-Dartmouth National ACO Pilot Site

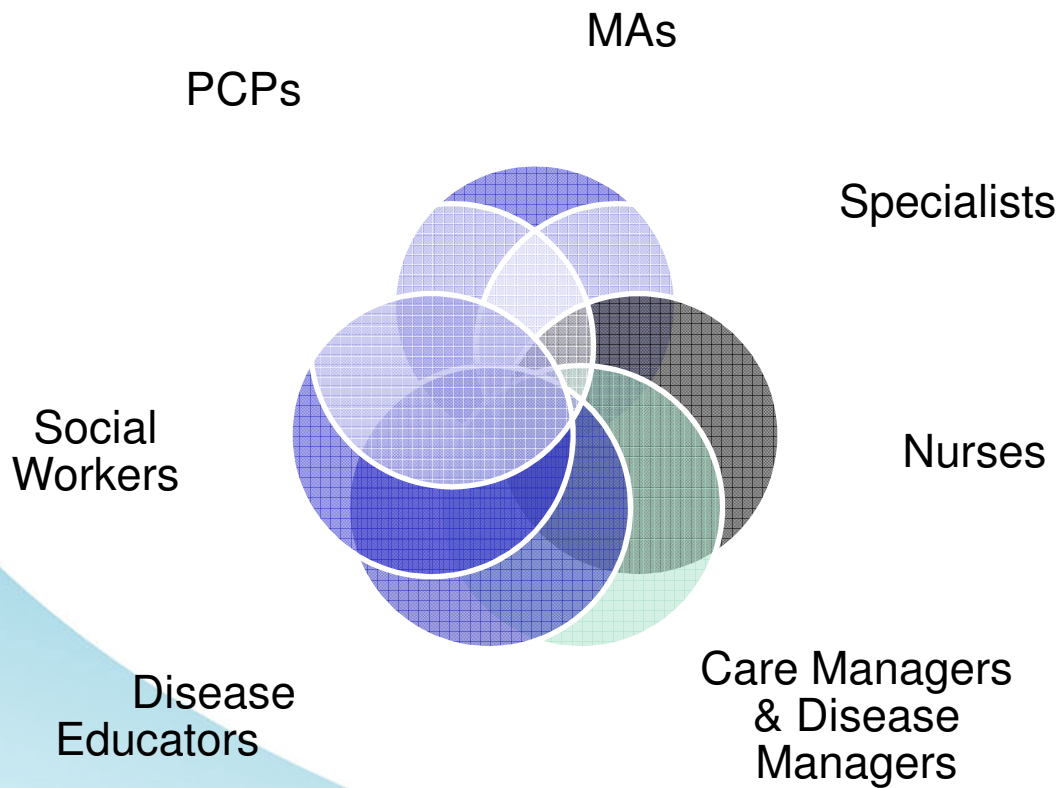
Elements of this Pilot:

- Partnership with Commercial Insurer
- Attribution Model
- Historical Trending
- Multi-year Commitment
- Quality / Service / Transparency
- Financial Model

HealthCare Partners' ACO Objectives

- **Strategic Positioning for Medicare ACO Pilots Starting in 2012**
- **Source of Future Profitable Commercial Growth**
- **IPA PCP Differentiator**
- **Contribute to Positive Healthcare Outcomes and Bend the Cost Curve**

The Care Team Approach



Interactive and collaborative teams of clinicians support HealthCare Partners clinical programs.

High Risk Programs

- HomeCare
- Comprehensive Care Center
- ESRD

Disease Management Programs

- Diabetes
- CHF
- COPD
- ESRD



HealthCare Partners
Medical Group and Affiliated Physicians

Disciplined Focus on Key Metrics Supported by Provider/Management Incentives

Key Metrics

1. Composite P4P Score
2. Medicare Growth
3. Risk-adjusted Commercial Admits
4. Risk-adjusted Medicare Admits
5. Patient Satisfaction
6. Correct Coding
7. Budget Results

These metrics drive physician and management incentives.

Electronic Health Record

Multiple Approaches

- AllScripts: Implemented in our group model sites in 2006
- NextGen: Acquired with Physician Associates in 2008
- EPIC: Acquired with Talbert Medical Group in 2010
- Physician Information Portal: Implemented in 2005

Clinical Data and Clinical Tools

Web-Based, Self-Serve, Disease Registries:

- CKD
- Depression
- Dementia

Point of Care Reminder

Example of Point-of-Care Reminder

HEALTHCARE PARTNERS

PATIENT INTERVENTION REPORT

REPORT DATE: 4/16/2010

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Region(s): [REDACTED]

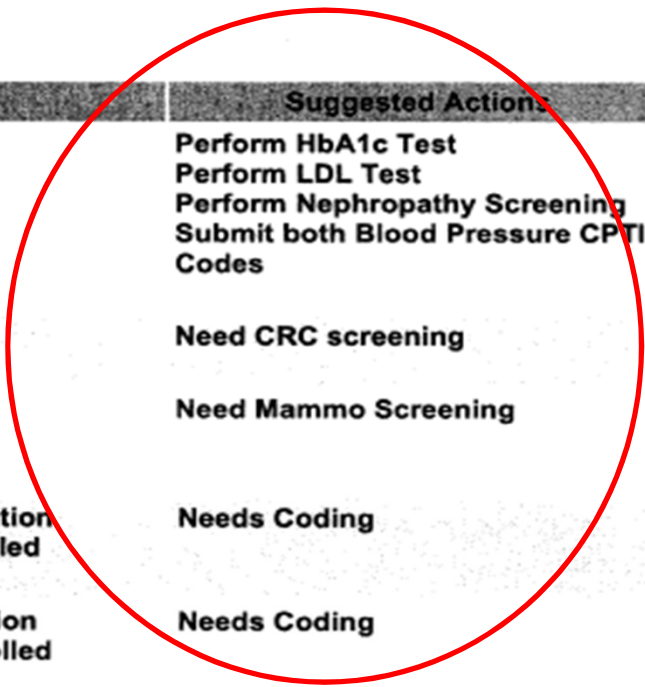
Site(s): [REDACTED]

PCP(s): [REDACTED]

Name	[REDACTED]	Telephone	[REDACTED]	Address	[REDACTED]
MRN	[REDACTED]	Enrolled	Y	City/Zip	[REDACTED]
DOB	02/21/1949	Gender	F	Next PCP Appt	

PIR Summary 2010:

Intervention Type	Description	Suggested Actions
P4P	Comprehensive Diabetes Care	Perform HbA1c Test Perform LDL Test Perform Nephropathy Screening Submit both Blood Pressure CPTII Codes
	Colorectal Cancer Screening	Need CRC screening
	Women Wellness Screening	Need Mammo Screening
HCC	15 Diabetes With Renal Or Peripheral Circulatory Manifestation 250.40 Diabetes W/renal Manif, Type II Or Unspec, Controlled	Needs Coding
	16 Diabetes With Neurologic Or Other Specified Manifestation 250.60 Diabetes W/neuro Manif, Type II Or Unspec, Controlled	Needs Coding

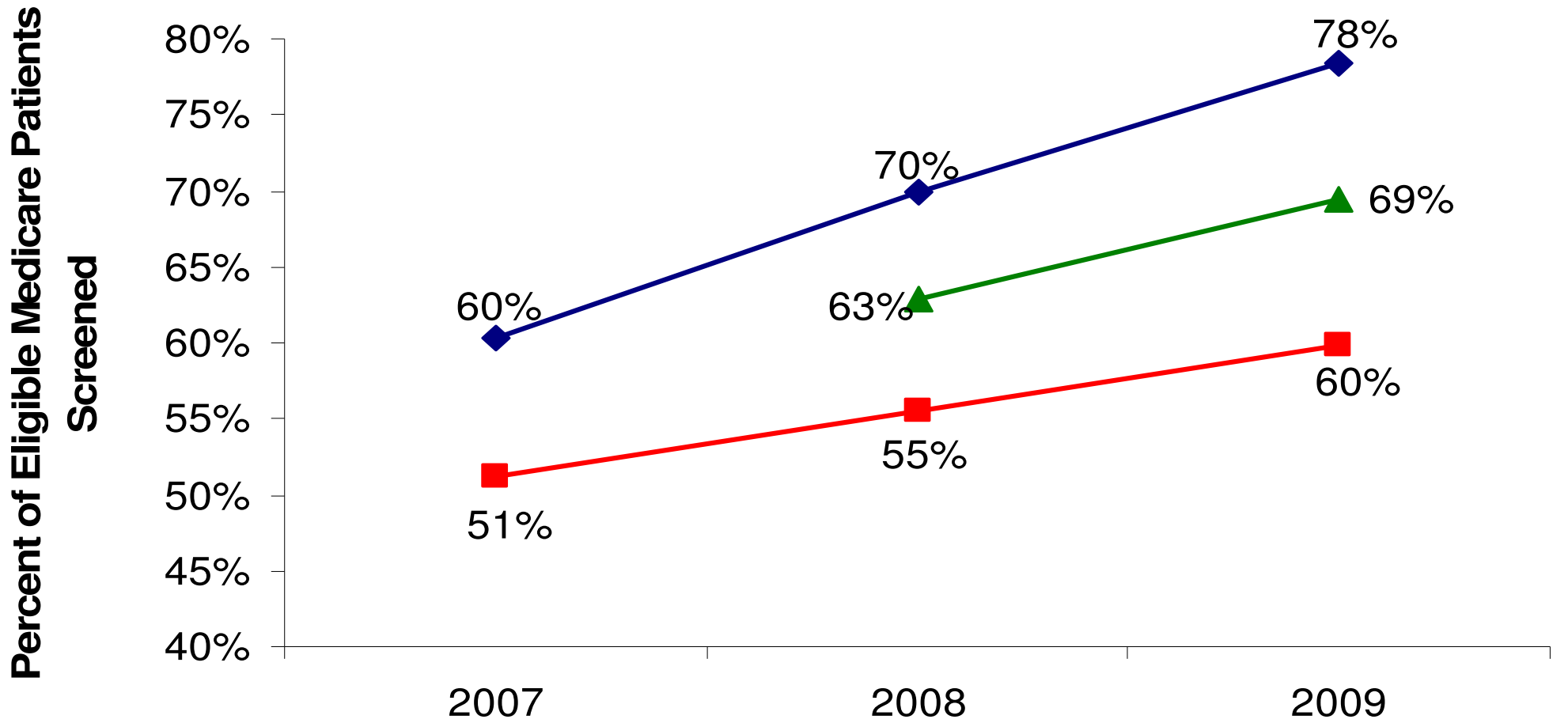


Colorectal Cancer Screening (Medicare) 2007-2009

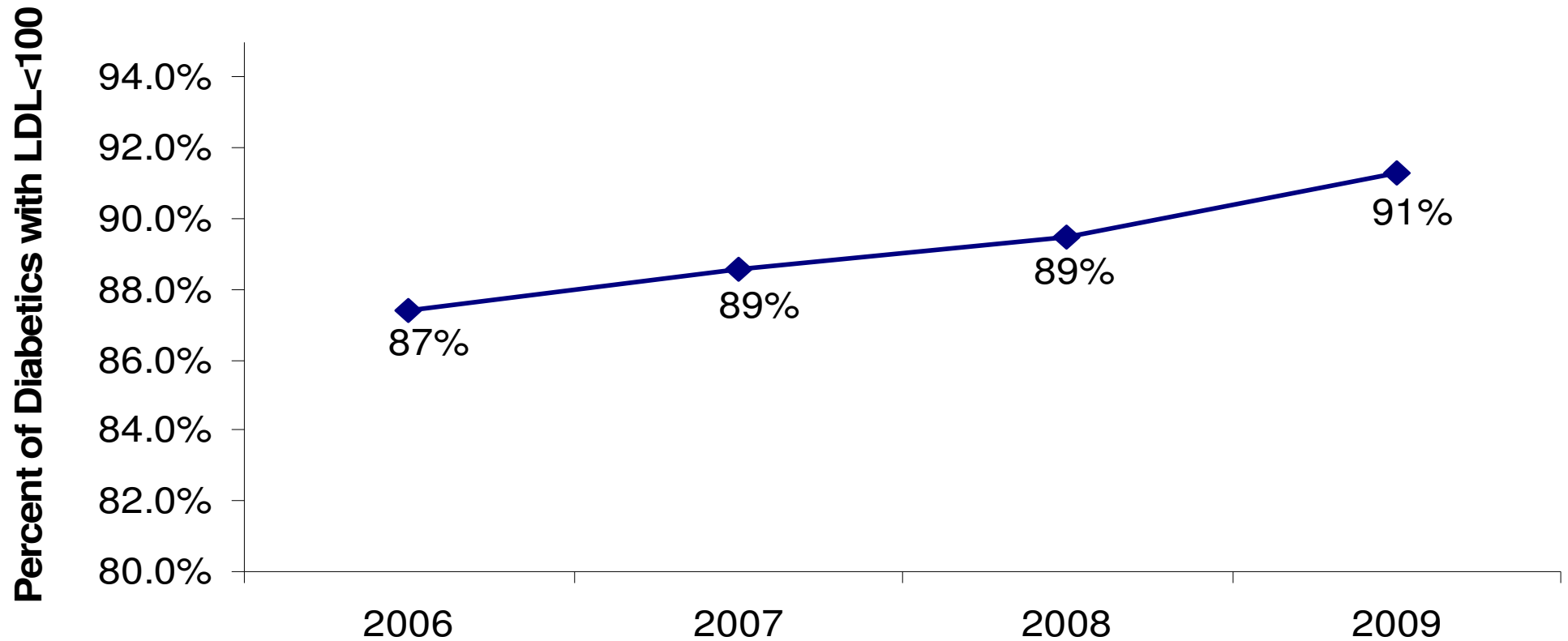
◆ HCP Group

■ IPA

▲ PA IPA

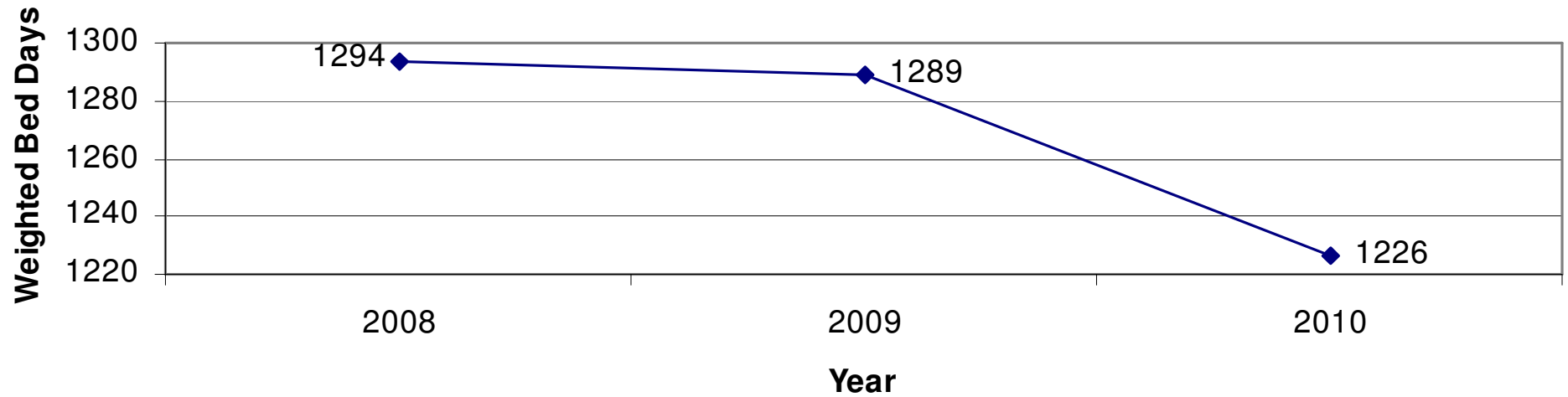


Diabetes HbA1c Test 2006-2009



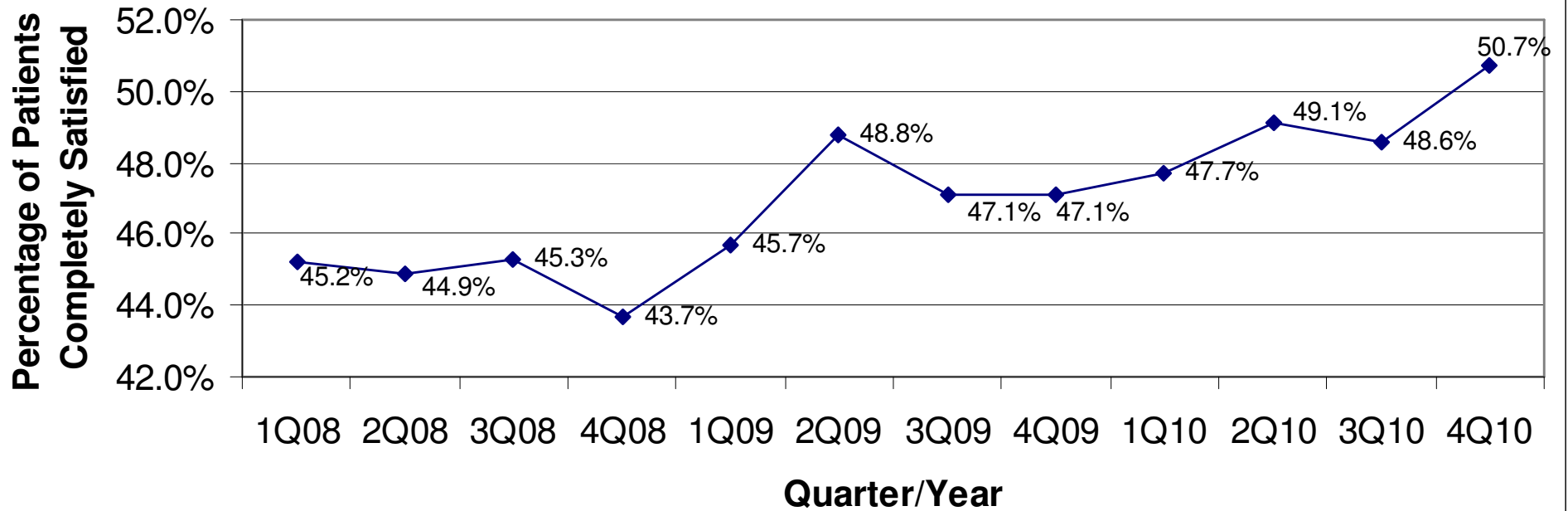
**Diabetes HbA1c Control (<8.0%) at 65% in 2008 and 2009;
consistently at the 75th percentile and above**

Total Weighted Medicare Bed Days HealthCare Partners in California



Source: HealthCare Partners National Dashboard

Patients Completely Satisfied with the Medical Group HealthCare Partners in California



Source: HealthCare Partners Decision Support

Getting There from Here?

- **Anthem / Brookings-Dartmouth 2011: ACO “Light”**
- **Anthem / Brookings-Dartmouth 2012:
Now We’re Talking!**
- **Challenges**

ACO: 2011 Program Summary

Populations Served

- 42,000 attributes members

HealthCare Partners 2011 Potential Value-Adds

- Footprint in Los Angeles County
- Care Team Approach
- Electronic Health Records
- Clinical Data and Clinical Tools
- Disciplined Focus on Key Metrics, Supported by Incentives
- 2011 Cost of Healthcare Focus
- HealthCare Partners 2011 Compensation Model
- FFS, Network Management Fee, and Shared Savings

HealthCare Partners: 2011 Cost of Healthcare Focus

- **Improving Generic Utilization**
- **Improving Utilization of Efficient Day Surgery Centers**

ACO: 2012 Program Summary

Populations Served

- 2011 Attributed Population (Dartmouth Brookings & ETG) 42,000
- Anthem ACO Product Line

2012 Additional Value Drivers

- HealthCare Partners Hospitalist Program
- Prospective Review of Part A/B Services
- Hospitals: Aligning Incentives

HCP 2015(?) Compensation Model

- Global or Partial Capitation

Hospitalist Program

1. **24/7 Availability**
2. **ER Triage**
3. **Communication to PCP**
4. **Communication with Patient**
5. **Reduce Resource Consumption**
6. **Reduce ALOS**
7. **Reduce 30-day All-cause Readmits**

Prospective Review of Part A/B Services

- **Electronic Health Record Guidelines**
- **Rule-Based Referral Management Systems**
- **ETG Provider Profiling**
- **Predictive Modeling**

Aligning Hospital Incentives

- **Modified Contracts**
- **Incremental ACO (Core) volume**
- **Hospitalist assistance with public programs**

Lessons Learned

- **2 Attributed populations make it more difficult**
- **IT Integration between providers and healthplans are always harder than expected**
- **Member/Provider communication is difficult with attribution**
- **Provider performance/incentive is difficult with attribution**
- **Population-based payment is essential (Current CMS ACO upside/downside risk is a weak first step)**
- **Legacy Health Plan / Provider relationships and contract implications can get in the way**