Regence

Practice Innovations:

Boeing Intensive Outpatient Care Program

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Regence

Medical Home Practice Innovations

- Fee-for-service payment → fragmented, uncoordinated, excessive care: bad.
- Coordinated, primary care-based, cost-effective care: good.
- Innovative models of payment, care delivery, and patient engagement are needed

Jargon Watch

- Primary care medical home (PCMH)
- Patient-centered medical home
- Complex care medical home
- Ambulatory Intensive Care Unit (AICU)
- Intensive outpatient care program (IOCP)
- Coordinated care model
- Chronic care model
- Accountable care organizations (ACOs)

Medical Homes

- Supplemental payment for primary care
- Additional services – which?
  - Longer MD visits, RN care management, EMR, expanded hours & prompt access, expanded list of services
- Belief that downstream savings will cover the upfront additional payments
- Often a stated belief that primary care is threatened species

Controversies

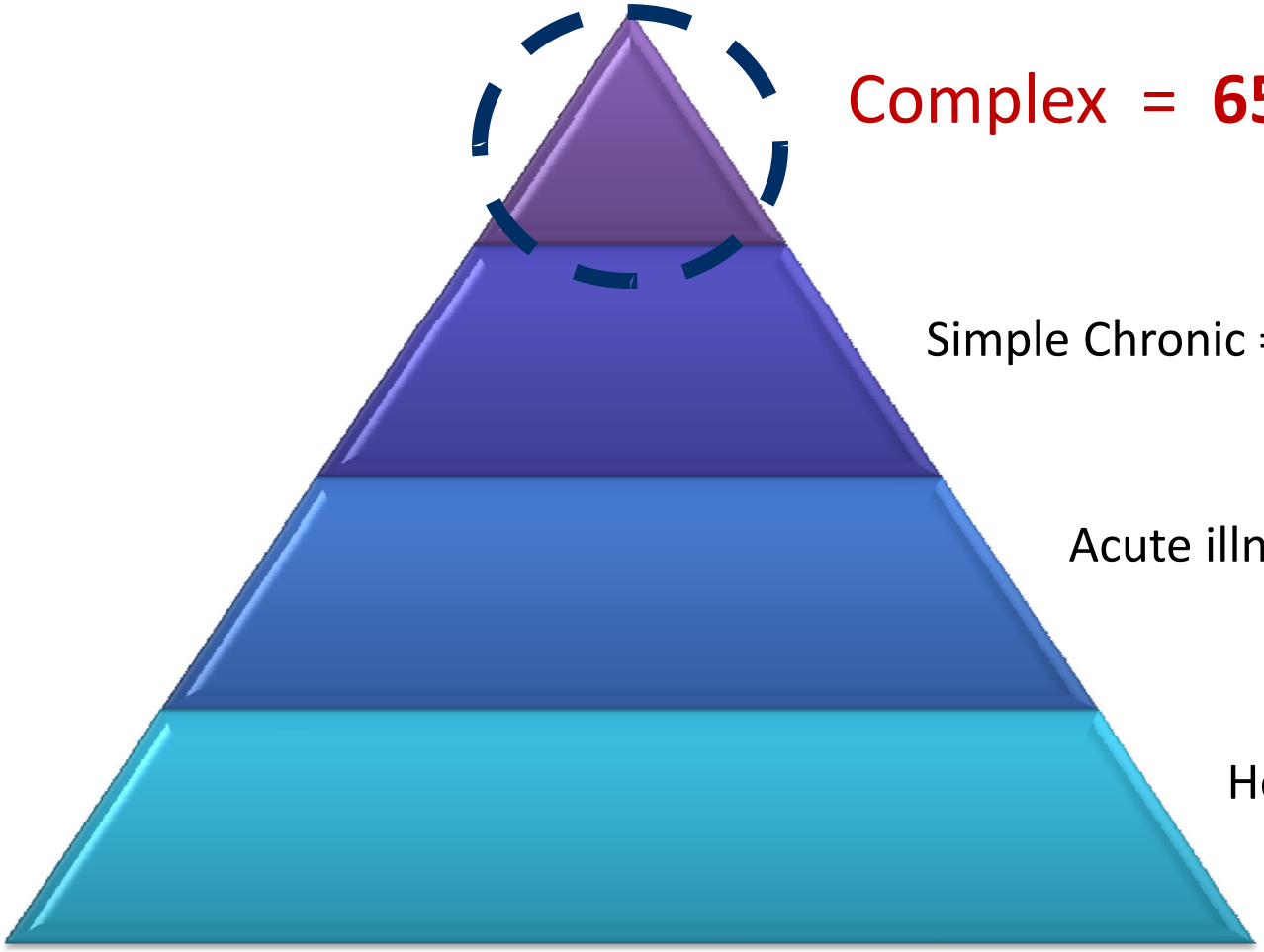
Acuity controversy:

- PCMH for all patients, driven by an expanded relationship with a primary care MD for all people
- PCMH for the sickest patients, the “complex ill”, with lighter-weight solutions for the less sick

Funding controversy:

- How much new money, if any, to put in the system, with what assurance of downstream payback

Medical Home for the "Sickest" Members



Complex = **65% costs**

Simple Chronic = **15% costs**

Acute illnesses = **15% costs**

Healthy = **5% costs**

Source: Large West-coast self-insured employer PPO data, 2005. n=147K

Boeing Intensive Outpatient Care Program

- Focused on Puget Sound/Seattle area market
- Two major manufacturing plants for commercial airplanes, many other sites; total of >150K lives
- V1.0 partnered with three clinics to build “Ambulatory ICU” model for 700 predicted high cost Boeing employees and dependents
- AICU framed as a specialty practice, patients were not asked to give up their current primary care physician
- V 1.0 started 2007, now implementing V 2.0

IOCP Concept

1. Create new ambulatory intensivist practice for predicted highest-cost 10% of members
2. Practices are staffed by care management RN, pharmacist, social worker, and other support
3. Shared care plans, increased access, proactively manage care
4. Behavioral health integration
5. Sites are paid a monthly case rate to cover non-traditional services, but standard FFS payments continue
6. V2.0 offers gain-sharing to clinics

Less ER and inpatient (admit and re-admit)

+

Improved productivity, satisfaction, functioning

=

Avoided claims costs

Critical Elements

Nurse Care Manager

- *Experience as RN in clinic, ER, ICU*
- *Motivational interviewing, social service skills*
- *Behavior change management*

Multidisciplinary team review

- *MD + RN Case Manager + Clinical Pharmacist*
- *Further benefit from adding behavioral health, dietitian, and physical therapy*

Shared Care Plan

- *A written, living document agreed to by both doctor and patient setting priorities, plans, and clear goals*

IOCP Results

- IOCP program showed improvement over prior care in all three dimensions:
  - Quality of care
  - Cost of Care
  - Patient Satisfaction
- Significantly increased workup costs (radiology, outpatient facility, other MD costs) seen in some sites, consistent with similar pilots elsewhere; paid off over time

IOCP Published Results

Directionally Positive

Boeing IOCP pilot, ran from January 2007 through July 2009.

IOCP Boeing Pilot results as published on Health Affairs blog 2009.10.20:

Measure compared to baseline	Result
Health care costs of pilot participants versus control group	- 20.0%
Hospital admissions	- 28%
Improvement in mental functioning of pilot participants	+ 16.1%
Participants feeling that care was “received as soon as needed”	+ 17.6%
Average number of patient-reported workdays missed, 6 months	- 56.5%

IOCP Version 2.0

- Regence initiates AICU
- Broad rollout over multiple Puget Sound clinics
- Includes gain sharing arrangement: clinics share in savings
- “RN university” to share learnings from V1.0 IOCP

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- Enrolling patients in two locations
- Finalizing Contract with four others
- Discussion/Implementation for AICU used as springboard for broader discussion on reimbursement transformation

Inputs to the Accountable Care Model

- Population Management Programs
  - Intensive Outpatient Care Program (IOCP)
  - Team Based Primary Care
  - NICU Management
  - Rehab Management
- Convenient Care Access
- Bundled/Episodic Payments
  - Acute Episodes (Transplant, Orthopedic, Bariatric)
  - Primary Care (Pediatric Bundles, Wellness, Diabetic)
- Medical Neighborhoods
  - Using strong analytics to define referral network(s)
- Consumer Engagement
  - Benefit Design
  - Transparency
- Other Complementary Programs
  - Radiology Benefit Management
- Other