Care Management and Coordination for High Risk Populations

PerforMED

Innovations in Care Management

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Presentation Overview

- Commercial medical management service delivery is not effective for Medicaid populations due to complex medical issues, high level of psychosocial needs, and unique barriers to care.

We will discuss the development of a model that was created out of necessity to control costs and balanced with a corporate mission of advocacy for the poor.

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Presentation Objectives

- Understanding of existing service models and the evolution to new models for today's Medicaid health care environment
- Factors driving service delivery change
- Recognizing the importance of ROI balanced with the "intangibles" of advocacy and care

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What is Care Management?

- Case Management/Disease Management
  - High Risk
  - Intensive
  - Complex
  - Catastrophic
  - Chronic
  - Intervention Services
- Care Coordination
- Health Coaching
- Shared Decision Making
- Health (Patient) Advocacy

Follow the yellow brick road…

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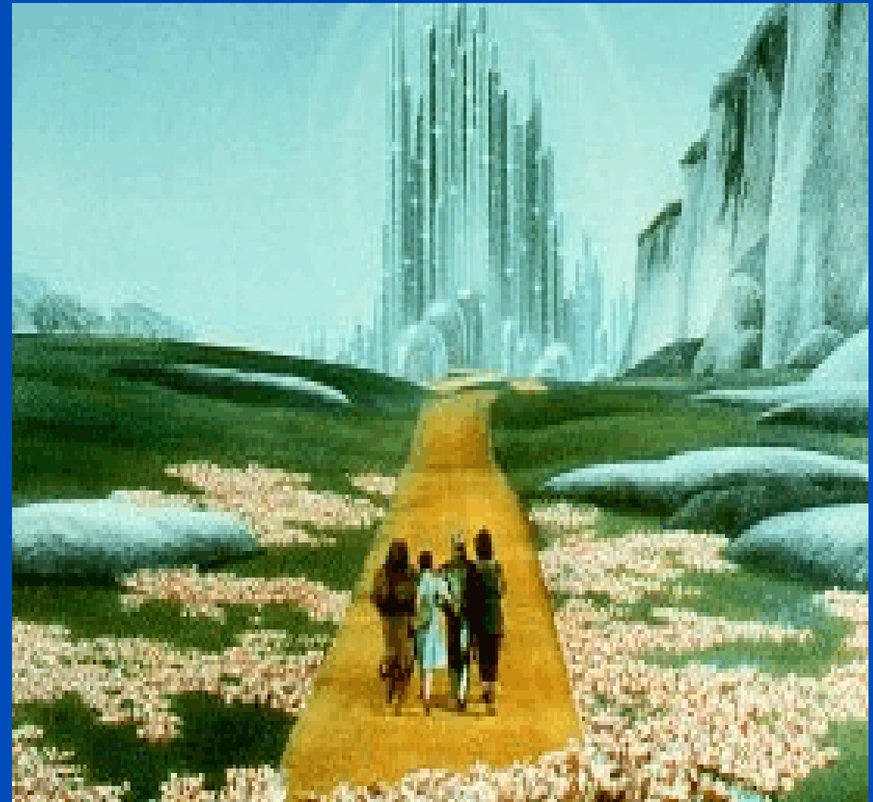
What is Care Management?

"Guiding the member through the health care system to obtain necessary high-quality services as expeditiously and efficiently as possible"



... to the Emerald city

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Case Management

Many models of case management have been developed over time, reflecting changes in the goals of specific health and social service demonstration projects and programs designed to serve chronically ill and/or older adults.

Factors Driving Service Delivery Change

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Rising Medical Costs are a Challenge

- Medicaid costs rising an average of 8.2% annually since 1995[1]
- Increasing ABD/SSI population
  - Annual rate of growth rose from 0.2% (1999) to 4.3% (2005 est.)
  - ABD/SSI now 16% of Medicaid population
- ABD/SSI members account for 43% or more of health care expenditures
- Risk bearing entities realize conventional medical management does not work and are looking for solutions

[1]Medicaid Capitation's Expansion Potential Cost Savings. The Lewin Group. April 2006

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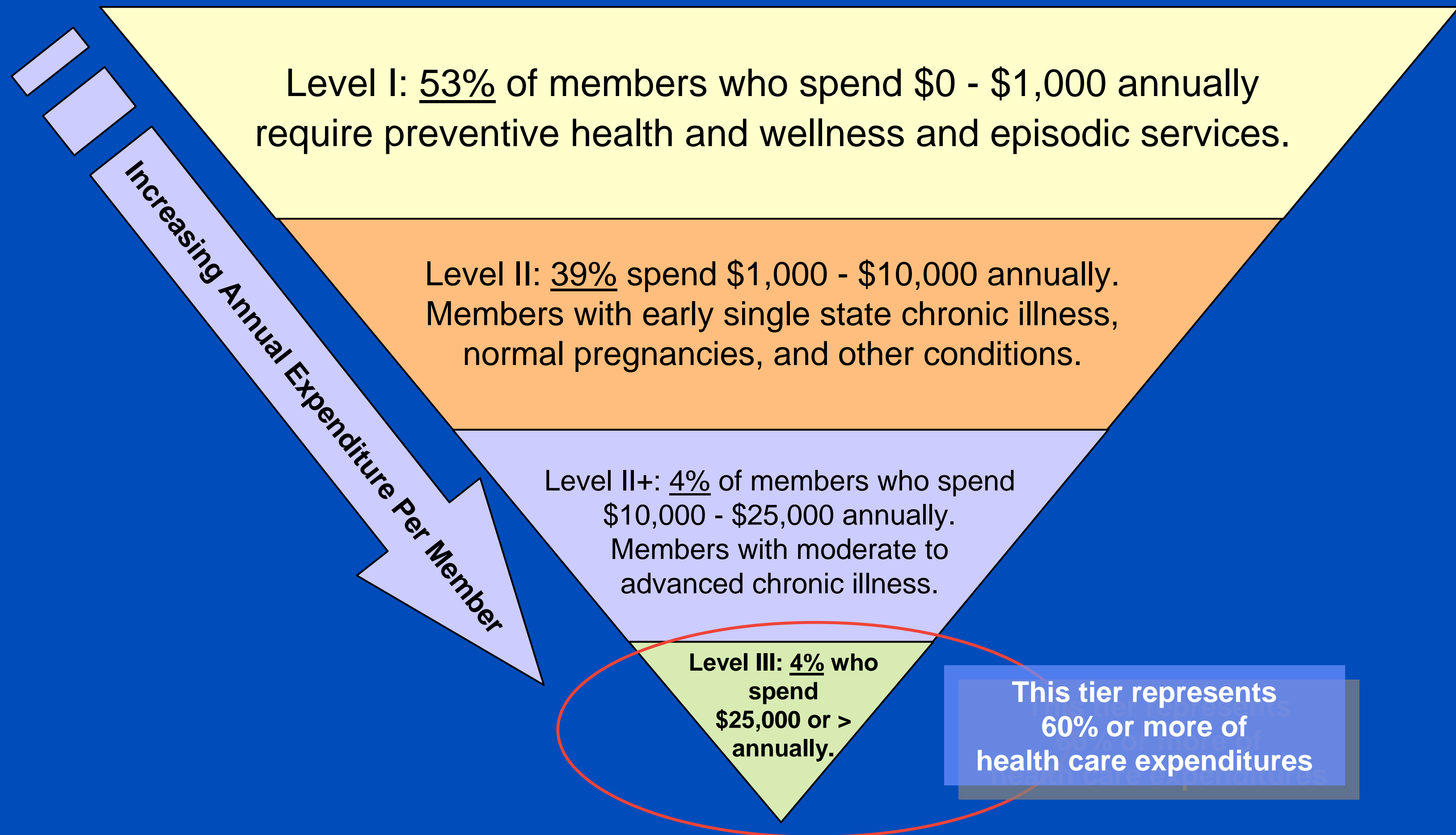
Population Management

Predictive Modeling & Stratification of Membership Into Risk Groups



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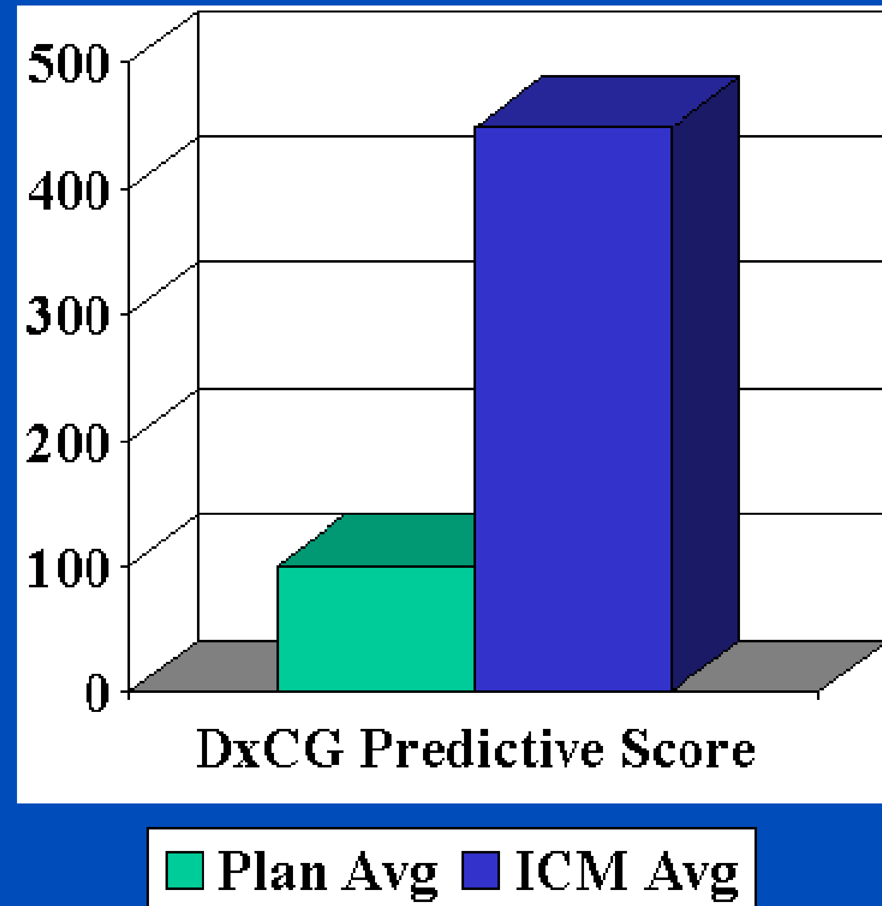
High-Risk (target) Members

- Predictive Scores 4.5 times plan average
- Utilizing all services three and four times the rate of an average plan member
- Have complex psychosocial needs
- Three or more chronic illnesses and a behavioral health diagnosis
- On five or more prescription medications (does not include prescribed OTC meds)
- Receiving care from three or more physicians



Case Management Delivery Models

Commercial

- Focus on fee negotiation and cost management
- ROI: reduced cost of services

Medicaid

- Development of care plans and interventions that are integrated with community services
- Educational campaign support services around use of ER departments
- ROI: ER and Admissions

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Case Management Delivery Models

Commercial

- Trigger for enrollment is spend down threshold or approaching spend limit on coverage

Medicaid

- Future predicted costs based on predictive modeling/risk scores
- Health Risk Assessments and screening tools

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Case Management Delivery Models

Commercial

- Plan of Care is health plan directed; based on benefit design
- Expectation of member engagement and empowerment

Medicaid

- Care Manager develops Plan of Care based on member's situation
- Primary Care Provider involvement is key
  - medical home
- Member advocacy
- Customized educational material at a 5th grade reading level

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Case Management Delivery Models

Commercial

- Component of total Medical Management Services
- Typically “stand alone” - Not integrated with other services (such as Nurseline and Disease Management)

Medicaid

- Needed a holistic model of member management with a single touch-point
  - Ability to reach the member and build rapport is key

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The “Blended” Model Was a Solution

Combines traditional elements of care, including primary care, disease education and case management

“blended”

- Focuses resources on those members predicted to have the highest future costs
- Employs purposeful interventions designed to prevent avoidable episodes of care
- Results in stabilized emergency room visit rates and reduced admissions, and increased medication compliance

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PerforMED Care Management

The PerforMED model differs from traditional case management in four ways:

- Use of predictive modeling
- Member-centric approach
- Strong community partnerships
- Emphasis on increased access to *appropriate* levels of care

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PerforMED Philosophy

The PerforMED philosophy differs from traditional case management in five ways:

- Attention to hierarchy of needs
  - Team devoted to barrier resolution
- Member “graduation” concept
- Stress the importance of “Medical Home”
- Partnership with Community Services
- Strong focus on behavioral health and pharmacy management integration

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“Blended” Model Program Components

- Rapid Response Team
- Personal Care Plan
- Member/PCP/SCP/Rx coordination
- Chronic illness management
- 24/7 informed-health line
- Outcome monitoring
- Ongoing follow-up
- Actuarially-confirmed savings

The Importance of ROI Balanced with the "Intangibles" of Advocacy and Care

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Care Plan Interventions and Outcomes

- Established contact with member
  - Barrier resolution, address urgent issues
  - Care plans based on unique member needs
  - Targeted patient education
  - Coordinated visits to PCP and Specialists
  - Home care services, if needed
  - Scheduled transportation
  - Reminder calls to patient
  - Follow through to ensure visits kept
  - Obtain changes to treatment plan post visits
  - Monitored outcome data

➡ Improved Quality of Life for patient

➡ Improved clinical outcomes

➡ Reduced admissions and/or ER visits

➡ High degree of patient satisfaction with program

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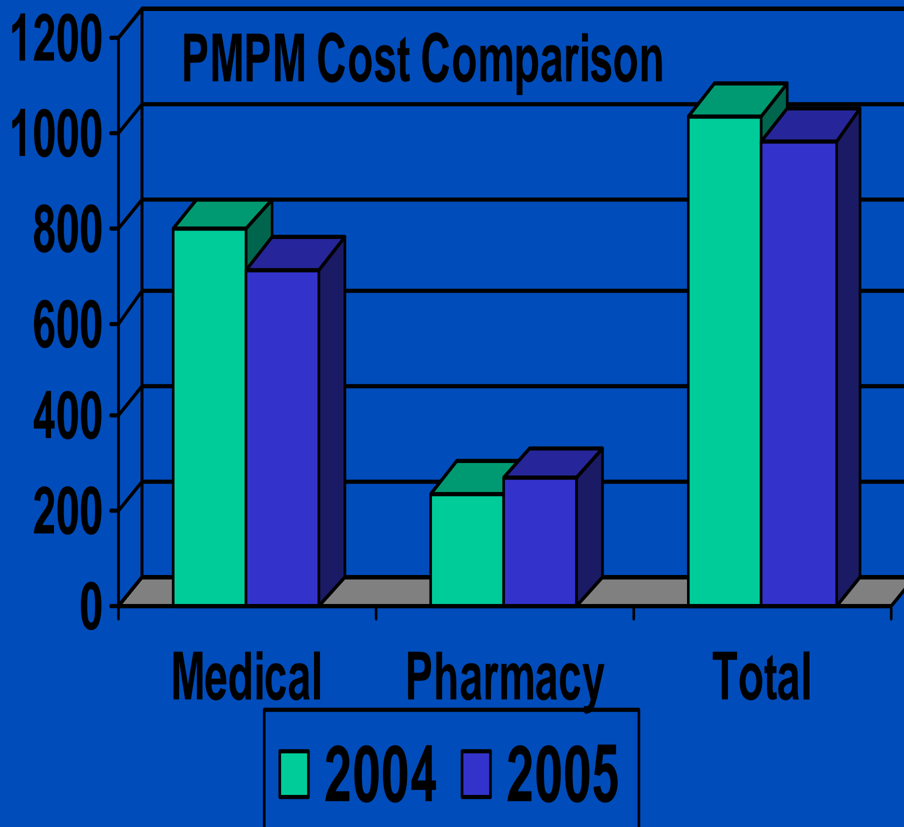
Program Outcomes

- Fewer inpatient admissions and ER visits
  - Lower overall medical costs
- Improved medication adherence
- Improvements in disease-specific measures
  - Support evidence-based guidelines
  - Improve self-management skills
  - Identify “care gaps”

Outcomes: 2004/2005



↓ 21 admissions/1,000 patients

- ↓ $83.77 medical cost
- ↑ $ 30.50 Rx cost
- ↓ $53.27 total cost

Keystone Mercy study group experience for dates of service 2004 compared to 2005.

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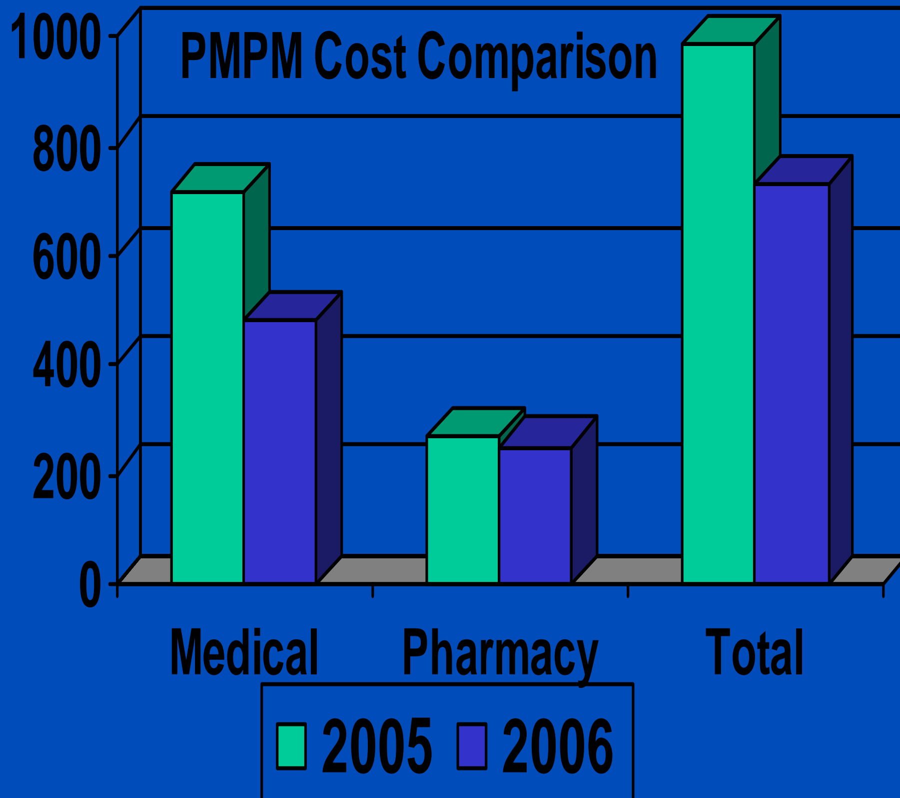
Outcomes: 2005/2006



↓ 7 admissions/1,000 patients

- ↓ $126.82 medical cost
- ↑ $ 29.62 Rx cost
- ↓ $97.19 total cost

Keystone Mercy study group experience for dates of service 2005 compared to 2006.

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Outcomes
Comparison Over Year: 2004 - 2006

	2005/2004	2006/2005
• Admissions/1000	↓ 21	↓ 7
• Medical cost PMPM	- $83.77	- $126.82
• Pharmacy cost PMPM	+ $30.50	+ $29.62
Total cost PMPM	- $53.27	- $97.19

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Excerpt from Letter from Independent Actuary

- $122 PMPM Gross Savings which equates to over 9% gross savings for twelve-month period ending June 2005
- Represents $6.1 million, or over 9%, in gross savings in the same one year time period
- Results in an ROI of 2.05 to 1 based on program costs incurred by PerforMED

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Summary: PerforMED Care Management Program

- Model incorporates best practices in intensive case management, disease management and behavioral health coordination
- Designed for health plan and government settings
- “High Touch” approach
- Actuarially approved savings measurement
- Potential annual savings for 5,000 engaged patients
  - $6 million

(based on experience at Keystone Mercy Health Plan: 2004-2005. Certified by consulting Actuary 2006.)