



Good afternoon, distinguished speakers and guests, ladies and gentlemen. I want to start by acknowledging Representative Clyburn for his tireless commitment to bettering health care for all, and for his vision in driving this National Conference on Health Disparities.

I am extremely honored to be able to address you on this topic today. During this conference we've discussed various programs that have successfully addressed Healthcare Disparities. Now it's time to dissect what we've learned, to discover the best parts of each presentation, search for the commonalities, and discuss ways to repeatedly apply these actions and principles.

The American Medical Association, following the Institute of Medicine's assessments and recommendations as published in "Unequal Treatment," wrote a series of their own policies and activities dealing with the Healthcare Disparities. They include three concepts:

- 1) those which promote the consistency and equity of care through the use of evidence-based practice guidelines,
- 2) those which enhance patient-provider communication and trust, and
- 3) those which structure payment systems to ensure an adequate supply of services to minority patients.

I would like to discuss each of these in turn.

Evidence-based practice guidelines have become a mainstay of twenty-first century medical care. We use them in everything from how often to immunize a baby to when to check for breast or prostate cancer to how to treat a heart attack. In Managed Care, they are especially important because we use them to help determine appropriate care and utilization. Evidence based medicine helps establish the nationally accepted guidelines we use to determine the appropriateness of a hospital admission, and how long the admission should be. Though a Medical Director uses his or her own judgment when making a determination, it helps everyone to know that there are guidelines to follow that are based on scientifically proven facts. This assures a fair and consistent determination, not only throughout a single plan, but throughout all organizations nationally.



In Healthcare Disparities, evidence-based medicine becomes particularly important. In the past, some studies have been known to not include minorities, include them only in small numbers, or not consider them as a possibly unique population. This can cause obvious problems in a variety of areas. Is a minority patient receiving the optimum treatment plan, drug or, therapy? Should some cancer screening recommendations be changed for minority populations? When reviewing a study, one needs to know whether the past evidence in any particular guideline is relevant to a minority population with specific healthcare needs.

In Managed Care, there are unique considerations when it comes to evidence-based guidelines and minority populations. As minority populations often have more advanced disease than white populations, are different admissions criteria needed and should their length of stay be increased? Minority patients who are sicker may be penalized by shorter lengths of stay than would be warranted by the extent of their poor health. Though Managed Care in general has led the way in decreasing unnecessary healthcare costs through unnecessarily lengthy hospitalizations, it's possible that forcing the same shortened hospital stays on minority populations could lead to higher healthcare costs in the long run.

At AmeriHealth Mercy, we have looked at this issue and begun to address it. We are the largest provider of Medicaid in Pennsylvania, with 63% minority membership. In contracting with some of our providers, we have looked at their utilization patterns, taken past performance into account and, where applicable, created individualized DRGs and utilization review criteria. These allow us to accommodate hospitals with particularly challenging populations that have members with high acuity and/or complicated discharge needs that need to be addressed earlier in the hospital stay. Managed Care is in the unique position of being able to manage any specific utilization to optimize patient care. Understanding the requirements of all providers that deal with a high minority patient population is our goal.

Enhancing patient-provider communication and trust can take some extra effort when working with minority populations. This should be a particular goal for all healthcare workers concerned with Healthcare Disparities. The U.S. Department of Health and Human Services has issued standards known as CLAS, Culturally and Linguistically Appropriate Services standards, to start to address



some of these issues and barriers. Hopefully, as more of the CLAS standards are turned into laws, language and cultural problems will become less prevalent, though their disappearance will likely take many decades. We may not see it in our time, but perhaps our children will see it.

For communication and trust issues, new studies have recently shown the benefits of a medical home as it relates to minority care. According to a report by the Commonwealth Fund, medical homes can improve health, foster management of chronic medical conditions, improve preventive health care and eliminate racial and ethnic healthcare disparities. A medical home is one of the basic principles of managed care, through the use of Primary Care Providers, who are paid capitation for each member they care for. We started providing managed care to people with Medicaid 24 years ago in Pennsylvania, and today the Commonwealth of Pennsylvania's Medicaid managed care program, HealthChoices, is considered a national model.

Minority patients often have several medical problems going on, such as diabetes plus hypertension plus heart disease plus COPD. The idea of a "gatekeeper," rather than being an impediment to care, assures that at least one person is aware of the status of all the problems, is able to coordinate the care, and is also making sure that routine screening and immunizations are being done. Since this PCP is often based in the member's neighborhood and is therefore accessible, and the member may be capitated to a specific lab, the member can also be encouraged to go to the PCP's office for ancillary visits such as blood pressure checks and blood draws. In this way, the member also becomes familiar with and trustful of the office staff as well as the physician.

At AmeriHealth Mercy, we use the members' needs as our guiding principles. We have seven values: advocacy, care of the poor, compassion, competence, dignity, diversity, hospitality, and stewardship, which we use when making any decision, whether business or medical. When faced with the problem of increasing patient-provider communication and trust, we looked at it from several different points of view. First there was the problem of access. A member needed to find a PCP close by, in the neighborhood, who was willing to accept a new patient. We started an "Open Panel" incentive, offering additional money to PCP's who were willing to accept new members on an ongoing basis. Access also meant being able to see our members when they needed to be seen, so we also offered incentives for PCP's who were willing to offer extended hours in the evening and on weekends.

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Finally, we understood that people from different cultures may make unintentional mistakes in communication. Internally, we have had a required Cultural Competency program for our associates and are working on a way to offer an expanded program to our providers in the future.

Health care disparities are perpetuated by payment disparities. Payment systems to ensure an adequate supply of services to minority patients are the backbone of providing excellent care. Pay for Performance programs can help to provide this. Using HEDIS measures, a health plan can offer incentives to its physicians to increase the health of its members. Once again, Managed Care is in a unique position to achieve this. Because each member is assigned to a single PCP, that PCP is responsible for their care, and can be paid an incentive above capitation for improvement in their health status. Plans can use payments for improvements in a variety of measures such as the numbers of mammograms, Pap smears, and routine tests for all diabetics in the PCP's panel. Payments can also be used for outreach to members to do HEDIS screens such as well child visits and cancer screening.

At AmeriHealth Mercy, we've considered not only what we pay our providers but also what they don't have to pay for. We offer them additional state-of-the-art services free of charge, realizing that in the long run it will benefit everyone, especially the members. An example of this is our Patient Clinical Summary, or PCS. PCS is an electronic medical record based on claims data, made available over the internet to local Emergency Rooms. It provides information such as the member's diagnoses, previous hospitalizations and Emergency Room visits, pharmacy records, and all providers seen. This allows unfamiliar physicians to have correct information prior to making treatment, admission and discharge decisions. We plan to expand the availability of PCS to physician offices as well. When this happens, PCP's and specialists will be able to check important information such as recent visits to other doctors and pharmacy compliance.

Up till now we've discussed how various factors can affect the healthcare minority populations receive and how Managed Care is in a unique position to improve the healthcare disparities. I would like to tell you a story that illustrates how social issues can create disparities, and managed care can help. We occasionally hear sad cases about people who have fallen through the cracks of the medical system. These stories are especially sad when they concern children. A 4-month old infant was



reportedly “dropped” by his parents and experienced severe head trauma. He was brought into the Emergency Room where he was found to have several head fractures and was bleeding into his skull and behind his eyes. His mother’s boyfriend was eventually jailed under child abuse charges and the mother was then sequestered for psychiatric testing. No other relatives appeared and the child was remanded to State custody. With the transition to becoming a ward of the state, the child was at risk of being one of those slipping through the cracks, with only an overworked State Social Worker looking out for his needs. However, since the child remained a health plan member, the case was picked up by a Concurrent Review nurse, and referred back to Case Management. The Case Manager is currently working closely with the State Social Worker to obtain the best medical and social care for the infant, both in terms of short-term rehabilitation and long-term home care. He will soon be discharged to a pediatric rehabilitation hospital, and return to the hospital later for eye surgery. Without active Case Management from our health plan, it’s likely that the member would not have received such optimal treatment.

Another example of how managed care can address health care disparities is through community and health outreach programs. At AmeriHealth Mercy we have a program targeting children with asthma called Healthy Hoops which uses basketball as a platform to get children into treatment and educate them and their families on how to manage their disease. Healthy Hoops has been very successful in South Carolina, and we are expanding it statewide. We also work with area churches through our Health Ministry for Women programs that provide health education and screenings, with an emphasis on making lifestyle changes to prevent illness.

At AmeriHealth Mercy, we take pride in the care we give to all our members. However, we are especially proud of the advances we have made in fighting the healthcare disparities. Through adhering to our seven values, and by using the tools provided to us through Managed Care, we have been able to make significant increases in the health of our minority members. I’m proud of what we do and I’m grateful to the Medical University of South Carolina and South Carolina State University for sponsoring this conference and bringing us all together to address this critical topic.

Thank you.

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