SHARP®

Sharp HealthCare ACO

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Sharp Rees-Stealy Medical Group

Institute for Quality Leadership Annual Conference
October 4, 2012

Sharp ACO Collaborations

• Commercial PPO Patients • Sharp Community Medical Group (“SCMG”)	• Commercial PPO Patients • SCMG and Sharp Rees-Stealy Medical Group (“SRSMG”)	• Pioneer ACO • Medicare Fee-for-Service Beneficiaries • Sharp HealthCare, SCMG, SRSMG

Goal of CMS ACO Program

CMS Shared Savings Program established in the Patient Protection and Affordable Care Act (“PPACA”) with the goal to provide:

Three-Part Aim

1. Better care for individuals
2. Better health for populations
3. Lower growth in Medicare expenditures

Pioneer ACO Footprint

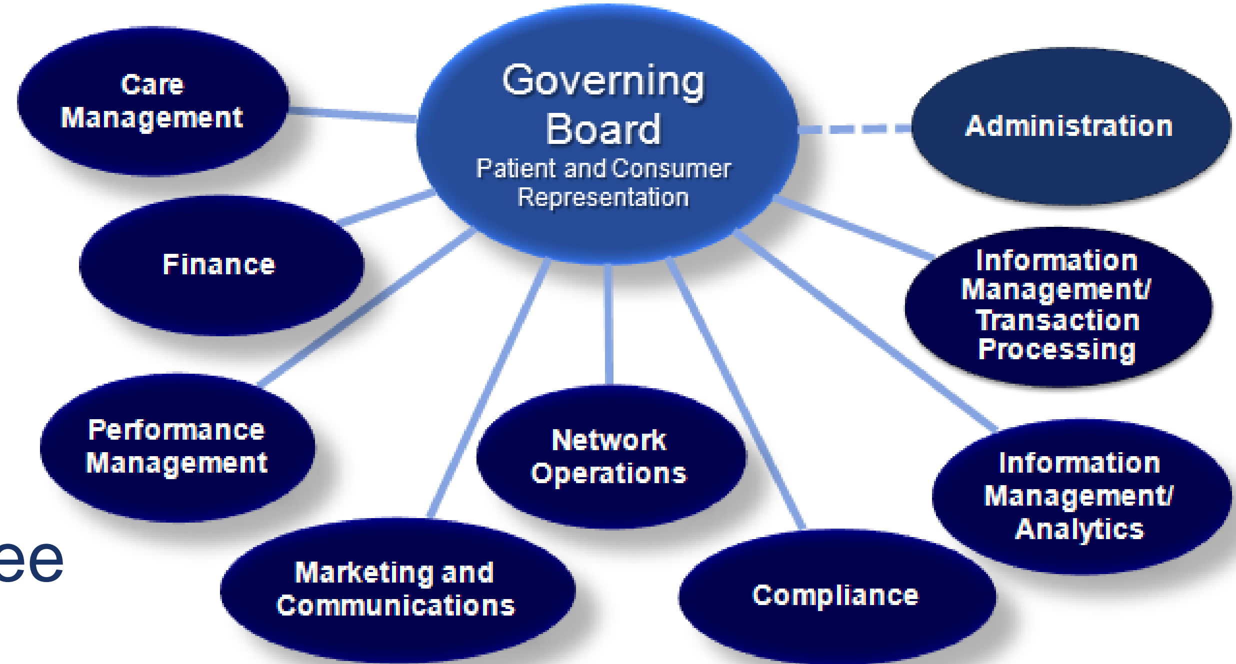
SHARP® HealthCare ACO

Sharp HealthCare ACO

- Began January 1, 2012
- Collaboration between Sharp HealthCare, SCMG and SRSMG
  - All SRSMG physicians, most SCMG physicians (includes Graybill), and all Sharp hospitals
- 32,000 aligned beneficiaries
  - 74% with SCMG
  - 26% with SRSMG

What Have We Accomplished?

- Created corporation
- Named leadership team
- Developed subcommittee structure



- Established provider and supplier network
- Formed governing body, including consumer advocate and patient representative

What Have We Accomplished?

- Published press and marketing materials and created initial beneficiary engagement tools
  - Web www.sharp.com/medicare-aco
  - ACO Hotline 858-499-2666
- Mailed notification letters and data sharing forms
  - Provided opt-out preference list to CMMI (2.6%)
- Developed 2012-2013 implementation plan
- ***Received and analyzed three years' claims data (2009 – 2011) as well as monthly claims through July 2012 for 97.4% of our aligned beneficiaries***

What Have We Learned?

- PCP Alignment (82%)
  - 69% of beneficiaries (22,326) saw a Sharp PCP in 2012 or 2011
  - 13% (4,166) saw a Sharp PCP in 2010

- Unaligned Beneficiaries (18%)
  - 12% (3,691) haven't seen a PCP in over three years
  - 2% (500) haven't seen a Sharp PCP since 2009
  - 3% (835) opted out of data sharing
  - 2% (499) saw a non-Sharp PCP *(average costs per beneficiary are 30% higher than beneficiaries aligned to a Sharp PCP)*

What Have We Learned?

- Identified Opportunities
  - 63% of 2011 inpatient costs ($78 million) originate from the ED
  - 51% of total Part A claims costs for 2011 ($123 million) are out-of-network
  - Skilled nursing bed days per 1,000 were 2,608 in 2011 compared to a 5% sample of Medicare fee-for-service beneficiaries in San Diego County of 1,842 (42% higher)
    - *Medicare Advantage patients at 1,439 (81% higher)*
  - 150 beneficiaries had 5 or more ED visits in 2011 without a corresponding admit *(one beneficiary had 53)*
  - 100 beneficiaries had 5 or more hospital admits in 2011 *(one beneficiary had 17)*
  - 3.5% of beneficiaries generate 21% of Part A paid claims

What Are We Doing About It?

- Patient Engagement
  - Outbound calls (primary care physician assignment and assistance scheduling first appointment)
  - Communication plan (health reminders, senior health resources)
  - *Sharp Nurse Connection* (after-hours nurse triage)
  - Sharp hospitals *Daily Census Reports* (utilized by hospitalists, case managers, and care teams)
  - Information Card (care coordination if admitted outside of Sharp)
- Identified Opportunities
  - Post-discharge case management
  - Launch of skilled nursing program (preferred network and addition of SNF'ist)

Aim and Primary Drivers

Best Health, Best Care, Best Experience

- Care Delivery Models
- Care Coordination
- Patient Engagement
- Information Technology and Analytics
- Alignment of Incentives

The Journey towards an ACO
The Dartmouth-Hitchcock Experience

AMGA IQL 2012 Annual Conference

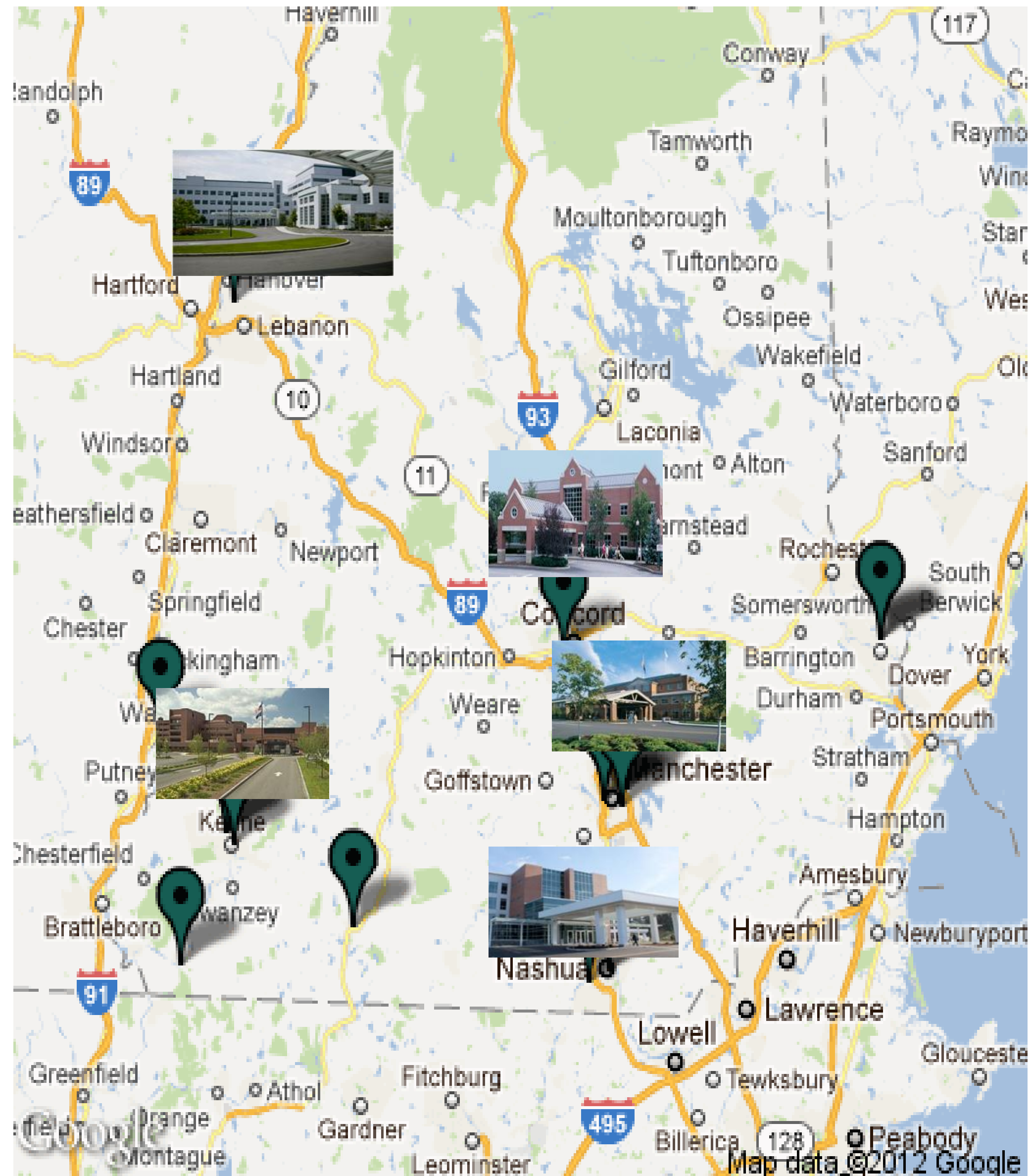
Sheila Johnson, RN, MBA

October 4, 2012

Dartmouth-Hitchcock

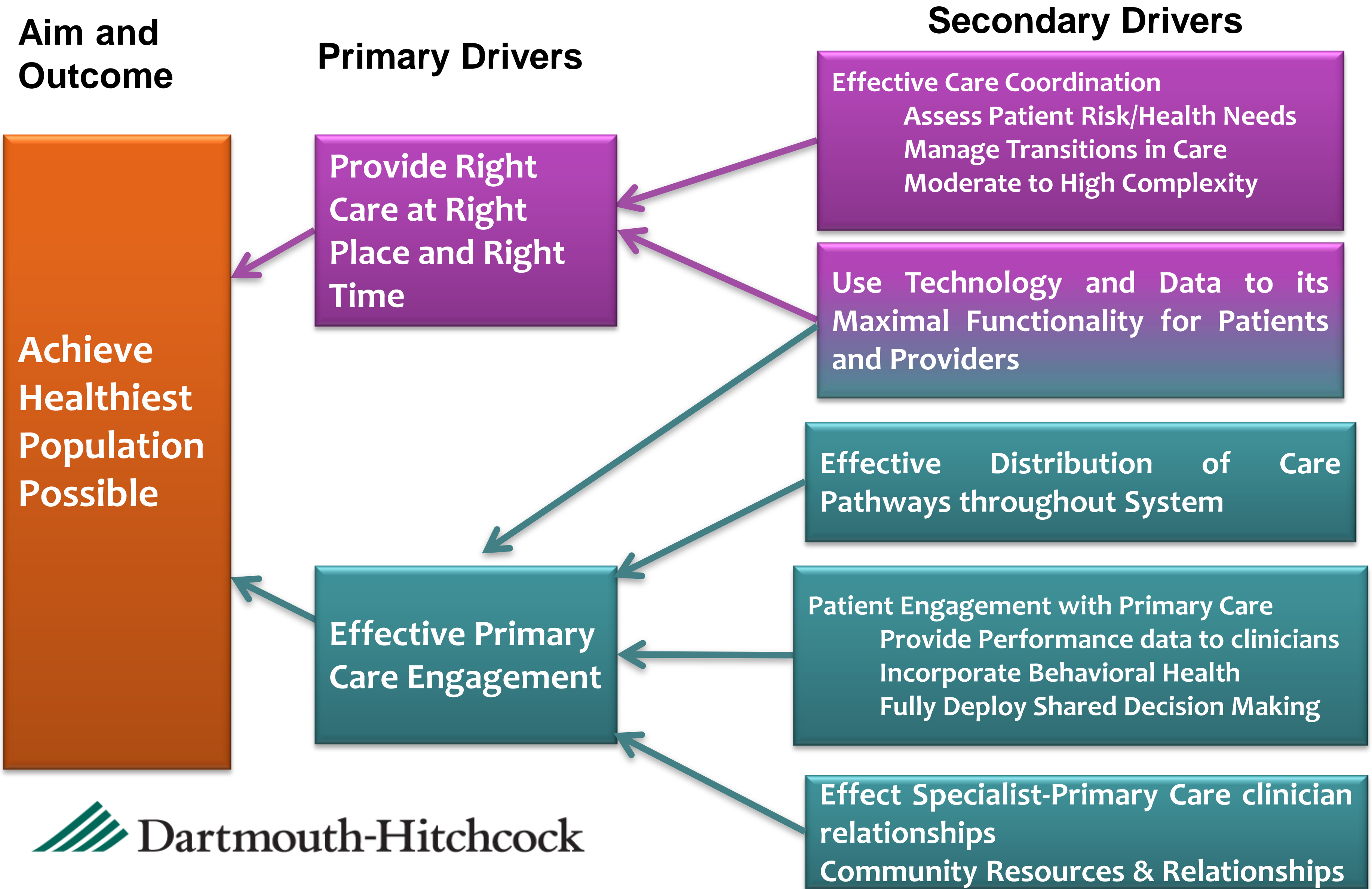
Dartmouth-Hitchcock Health

- ☑Mary Hitchcock Memorial Hospital – Lebanon, NH
- ☑Dartmouth-Hitchcock Clinic – Concord, Keene, Lebanon, Manchester, Nashua
- ★~396 beds; ~21,000 inpatient admits per year
- ★ 1000+ employed physicians
- ★ 900+ medical students, residents, & fellows
- ★ 7500 employees
- ★~1.6M office visits per year
- ★FFS Reimbursement
- ★Three different EMR systems (Epic, AllScripts, Centricity)
- ★Patient Portal & E-visit reimbursement
- ★Only Academic Teaching Hospital, NCI-designated Cancer Center, and comprehensive Children's Hospital in NH
- ★First X-Ray in the country performed at Mary Hitchcock Memorial in 1896
- ★Affiliated with Dartmouth Medical School and The Dartmouth Institute for Health Policy & Clinical Practice

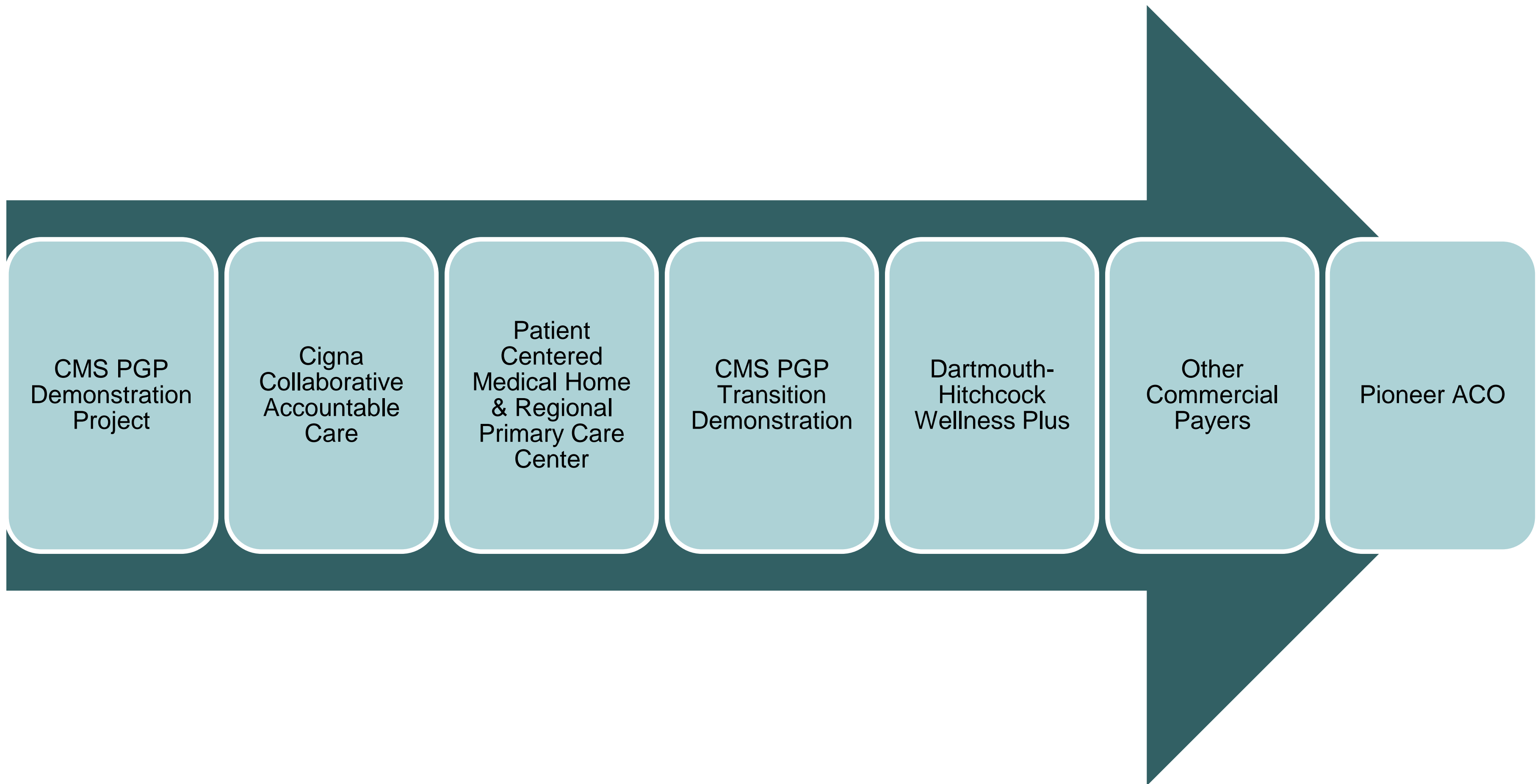


Dartmouth-Hitchcock

Drivers to Accomplish ACO Aim



The Dartmouth-Hitchcock Journey



On the Horizon

- **One Care Vermont**
- **Northern New England Collaborative Accountable Care (NNEACC)**

- Thank you for your time

- Contact Information:

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Dartmouth-Hitchcock

ACO Experience

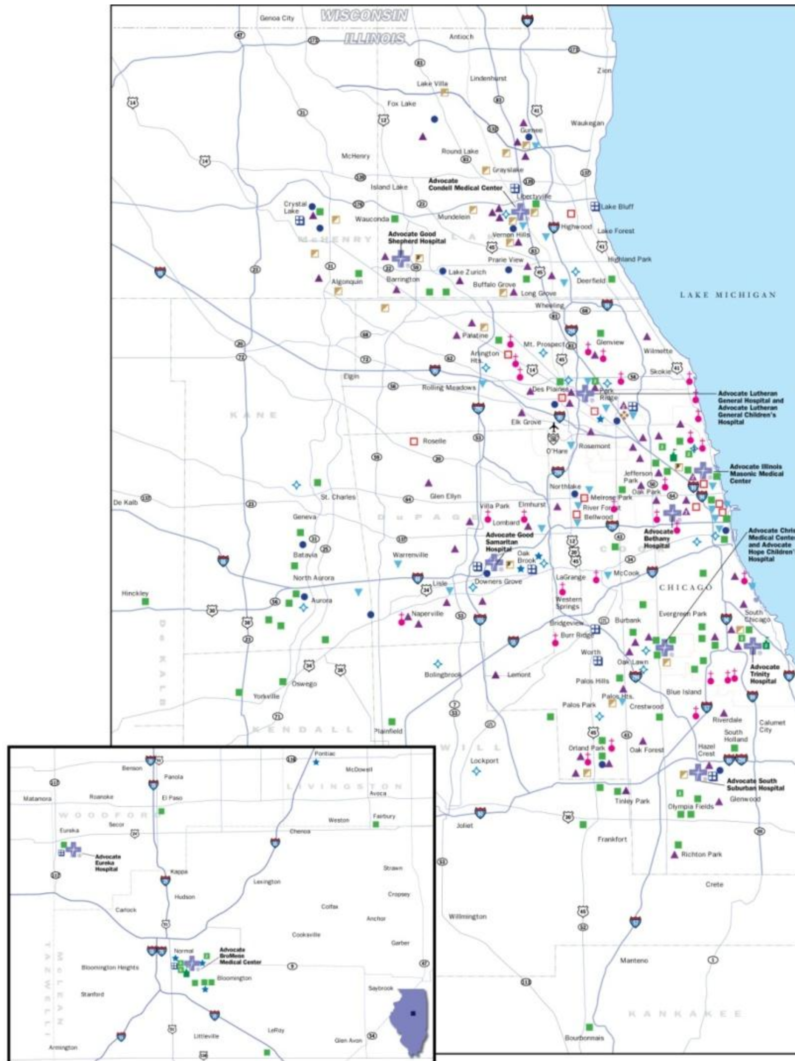
Lee Sacks, MD
EVP Chief Medical Officer, Advocate Health Care
CEO, Advocate Physician Partners

AMGA IQL

Washington, D.C.

October 4, 2012

Advocate Physician Partners



Advocate Physician Partners delivers services throughout Chicagoland. and central Illinois

- Physician Membership
  - 1,200 Primary Care Physicians
  - 2,800 Specialist Physicians
  - Total membership includes 1000 Advocate-employed Physicians
- Central verification office certified by NCQA
- 9 Physician Hospital Organizations (PHOs)
- 230,000 Capitated Lives / 700,000 PPO Lives / 245,000 Attributable Lives

Advocate Health Care

Blue Cross Contract Highlights

- Blue Advantage (BA) small network HMO added APP to network Feb. 2011
- HMOI – Risk adjusted global cost of care
- PPO - Shared Savings Model
  - Measured on attributable patients
  - Focus on trend in the total cost of care
  - Need to attain outcomes, safety, and service targets

Value Based Agreements

Contract	Lives	Total Spend
Blue Cross	380,000	$1.8 B
Medicare Advantage	32,000	$0.3 B
Advocate Employee	21,000	$0.1 B
Medicare ACO	106,000	$1.2 B
Total	539,000	$3.4 B

ACO=Accountable Care Organization

Advocate Health Care

What Results Have We Seen?

- Bent the cost curve in 2011 while maintaining or improving outcomes and satisfaction
- 2% HMO membership growth; market dropped >10%
- 11% PPO attributed patient growth
- PPO In-network use up 3.4% points
- APP physician membership growth
  - 412 new members since January 2011

BCBS PPO Data: Jan-May 2012 vs. Jan-May 2011

Utilization Metrics (PPO)		AdvocateCare	Market
Inpatient	Admit Rate (Admit Rate/1000)	(4.3%)	.5%
	Length of Stay	(2.4%)	.7%
	Days/1000	(6.7%)	1.4%
Outpatient	ED Cases/1000	4.5%	4.4%
	OP Surgery/1000	0.0%	2.5%
	OP Other/1000	2.5%	4.2%
	Advance Imaging	2.7%	3.5%
Professional	Office E&M/1000 (procedures/1000)	(2.1%)	(.8%)
Pharmacy	Prescriptions/1000	(4.0%)	(.9%)

OP = Outpatient
E&M = Evaluation & Management

Biggest Challenges Moving Forward

- Redesigning Primary Care-Advanced Medical Practice
- IT Connectivity
- In Network Care Coordination
- Discipline to create a standard approach
- Patient Experience
- Hospitals become Cost Centers

Creating New Value Together

Scott Sarran, M.D., M.M.
Chief Medical Officer, Government Programs
Health Care Services Corporation

These slides are not available for reproduction

The Prospect of Being Hanged : Focusing the Physician Mind on Care Transformation & ACOs

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IQL 2012

Crystal Run Healthcare

"A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty. I am an optimist. It does not seem too much use being anything else"

Winston Churchill

Crystal Run® Healthcare

PRESENTATION ROADMAP

- Who We Are
- What We Are Doing
- How We Are Doing
- What We Have learned
- What We Believe

Crystal Run Healthcare

WHO WE ARE

- A physician-owned for-profit multi-specialty medical group practice founded in 1996.
- 300+ providers, with 15 office locations in 2 counties with > 40 medical and surgical specialties
- Among the fastest growing practices in New York >250,000 Patients, >1 Million Visits/Year, >35,000 New Patients Annually
- Single Participant ACO; No hospital participant or provider

Crystal Run® Healthcare

WHAT WE ARE DOING

- Transforming from Volume based to Value based Care:
  - EHR 1999→NCQA Physician Practice Connections Program→Joint Commission Accreditation 2006→NCQA Level III PCMH 2009→MSSP ACO 4/2012→NCQA ACO early adopter applicant
  - Cultural Change→Infrastructure + Physician Comp Change→Behavioral Change

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WHAT WE ARE DOING (cont'd)

- Cost & Quality Metrics
- Variation Reduction Programs
- Enhanced Care Management
- Physician Education: FLOG, PCP90X
- CARETEAM
- PCMH!!!
- →Aligned Physician Comp Model (wip)
- →Risk/Outcome Contracting (wip)

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HOW WE ARE DOING

- Reduced 30 Day Readmissions
- Improvement in Quality Measures
- Success in Variation Reduction
- Decreased Length of Stay
- Increased generic prescribing rate
- “Physician Matrix”/Evolving Comp Model
- Increased physician awareness of value
- Reduced cost of care!!

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WHAT WE HAVE LEARNED

- Challenges:
  - Changing behavior when currently successful
  - Prospering with 1 foot in each of 2 canoes
  - Obtaining payor cooperation (vs Freeriding)
- Other Lessons:
  - Patient Choice vs Leakage
  - Claims Level Data essential
- Overall:
  - There *is* Low Hanging Fruit
  - We *can* lower cost and improve quality

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WHAT WE BELIEVE

- Physicians should embrace Value Based Care:

1. It's the right thing to do! (↑Quality, ↓Cost)
2. If that's not good enough, It makes economic sense!
   a) ↓ Resource Utilization (= ↓ cost) per individual + population based payments → greater "margin"
   b) Lower utilization→ greater system capacity
   c) ↑ margin plus ↑ capacity → ↑"profit"→ along with ↓ health care system costs, →system sustainability and successful physicians
3. ∴ No physician left behind!

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