



# **Patient Centered Medical Home 2013 Joint Study Committee on Medicaid Reform**

*October 27, 2013*

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# The Patient-Centered Medical Home

- A model of primary care delivery that is:
  - *Patient-centered*
  - *Comprehensive*
  - *Coordinated*
  - *Accessible*
  - *Continuously improved through a systems-based approach to quality and safety*
  - *Supported by health IT, workforce development, and payment reform*

**AHRQ PCMH Definition:**  
<http://www.PCMH.AHRQ.gov>



# Evidence: Medical Home, Accountable Care

- UC San Francisco and Patient Centered Primary Care Collaborative updated their evidence November, 2010

Kevin Grumbach (UCSF)

Paul Grundy (IBM)

The image shows a screenshot of the Patient-Centered Primary Care Collaborative website. The header includes the logo and navigation links like 'Contact Us' and 'Search'. A sidebar on the left contains sections for 'User login', 'Sections', and 'Topics'. A large, tilted blue and yellow graphic is overlaid on the page, containing the title of a report and the names of the authors. The report title is 'Outcomes of Implementing Patient-Centered Medical Home Interventions: A Review of the Evidence from Prospective Evaluation Studies in the United States', updated on November 16, 2010. The authors listed are Kevin Grumbach, MD, and Paul Grundy, MD, MPH. The background of the website shows some text from the report, including 'abundant r...' and 'evaluations of patient centered med... interventions have been rel... patient centered med... in our 2009...'. A blue banner at the bottom of the screenshot contains the URL: <http://www.pcpcc.net/content/pcmh-outcome-evidence-quality>

## Outcomes of Implementing Patient-Centered Medical Home Interventions: A Review of the Evidence from Prospective Evaluation Studies in the United States

UPDATED NOVEMBER 16, 2010

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<http://www.pcpcc.net/content/pcmh-outcome-evidence-quality>



# Geisinger Advanced PCMH

- patients in PHN sites were significantly more likely to report positive changes in their care experience and quality
- more likely to cite the physician's office as their usual source of care rather than the emergency room (83% vs. 68% for office; 11% vs. 23% for ER)

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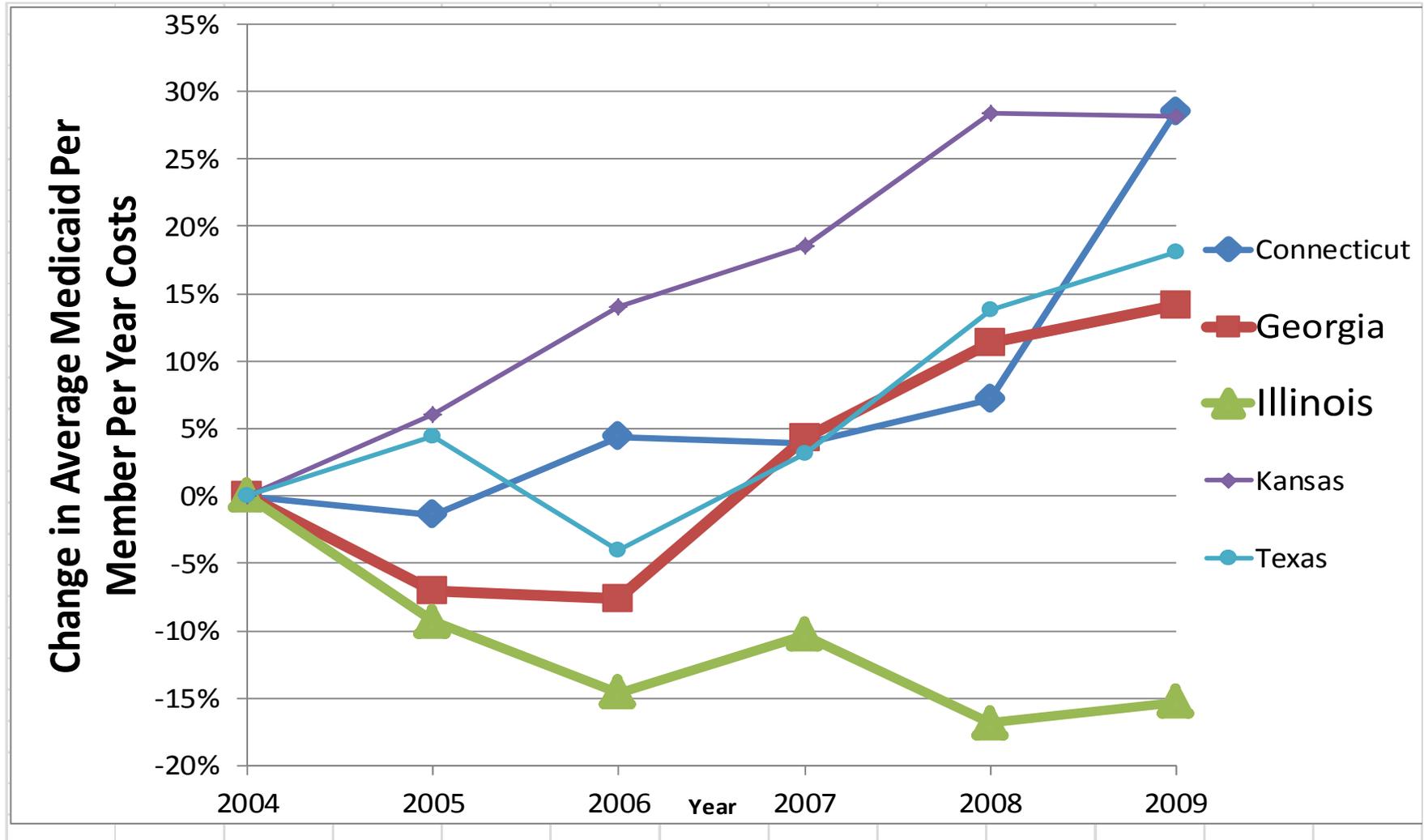
...t Experience by Transforming  
Evidence from Geisinger's  
...tered Medical Homes

Davis, MD, Janet Tomcavage, RN, MSN,  
and Kristen M. Procopio, BA

...to improve patient experience of care  
...an advanced PCMH model  
...in patient experience

Introduc... care. (Population health... the expectation #... care (eg, listeni... their perceptio... the results also... quality; moreover... patients in PHN sit... transformed to

# Georgia Vs. Illinois Medicaid Costs



# Illinois Health Connect & Your Healthcare Plus

- Evaluation of Medicaid Managed Care program with a PCMH focus
  - IHC, primary care case management PCMH
  - YHP, PCMH + intensive disease management
  - Together cover nearly 2 million patients
  - Blended Payment Model to support PCMH
- funded by the Commonwealth Fund
  - Led by Dr. Meiyang Han, economist
  - Dr. Laura Makaroff, Georgetown Health Policy Fellow
  - Dr. Winston Liaw, former Gtown Health Policy Fellow

# History of Illinois Health Connect

- Implemented in 2006; driven by desire to control costs, improve access and quality, and expand eligibility
- Primary Care Case Management Model: Hybrid model of healthcare delivery
  - primary care and management through a medical home
- Model preceded NCQA or other PCMH certification standards
- **Blended payments: 1) PMPM; 2) enhanced fee schedule; and, 3) Pay for performance**
- In 2006, **1.5** million eligible pts; in 2010, **2.0** million eligible pts
- Parallel Disease Management program: Your Healthcare Plus

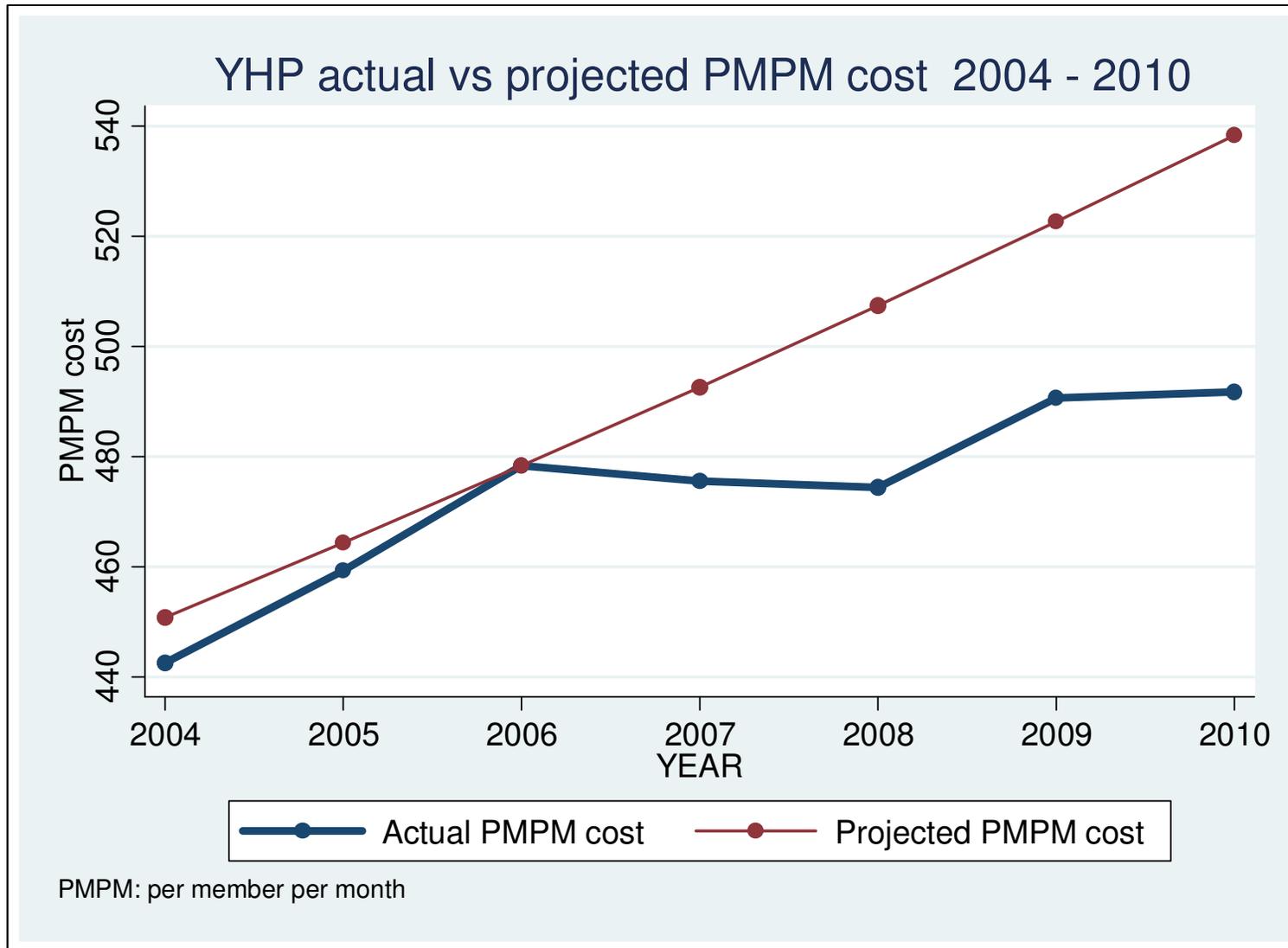
# IHC Quality Tools

- **Claims History:** Compilation of claims data available on every current Medicaid client
- **Provider Profiles:** report card on HEDIS measures
- **Panel Rosters:** registry of patients and preventive services, available online
- **Bonus Payment Program:** P4P on several measures (immunizations, mammography, etc.)

## IHC and YHP program costs (adjusted)

	Actual PMPM Costs		Predicted PMPM Costs		Cost savings	
	IHC	YHP	IHC	YHP	IHC	YHP
2006	\$121.09	\$478.25	\$121.09	\$478.25	\$0	\$0
2007	\$121.83	\$458.63	\$124.72	\$492.59	<b>(\$1,838,125)</b>	<b>(\$57,634,125)</b>
2008	\$121.10	\$439.20	\$128.46	\$507.37	<b>(\$55,081,415)</b>	<b>(\$126,088,637)</b>
2009	\$126.85	\$454.40	\$132.32	\$522.59	<b>(\$33,066,300)</b>	<b>(\$131,242,863)</b>
2010	\$124.60	\$452.43	\$136.29	\$538.27	<b>(\$147,049,605)</b>	<b>(\$202,844,218)</b>
Total					<b>(\$237,035,445)</b>	<b>(\$517,809,842)</b>

# YHP Per Member Per Month costs vs Predicted (adjusted)



## Proportion of cost savings

2010 Costs	Net Change PMPM		% Change	
	IHC	YHP	IHC	YHP
CLINIC	\$2.95	\$2.74	32%	<b>19%</b>
Inpatient	(\$9.88)	(\$65.54)	-31%	<b>-32%</b>
LAB/XRAY	\$0.15	(\$0.17)	40%	6%
Hospital Outpt	(\$0.48)	(-\$0.54)	11%	12%
Physician	(\$0.94)	(\$2.62)	64%	64%
RX	(\$1.42)	(\$9.27)	-5%	<b>-7%</b>
Total	(\$11.69)	(\$85.84)	-9%	<b>-16%</b>

**16%  
reduction,  
30-fold ROI**

# Select quality measure changes 2007 – 2010 for IHC

Quality Measure	Qualifying Patients	Number receiving service	Year	Percent appropriately treated	Percent change
Diabetes nephropathy screen	20,473	16,455	2007	80.4%	<b>8.9%</b>
	43,224	37,835	2010	87.5%	
Diabetes annual Hemoglobin A1c	19,273	12,314	2007	63.9%	<b>23.4%</b>
	41,097	32,413	2010	78.9%	
Diabetes retinal eye exam	20,473	5,328	2007	26.0%	<b>51.7%</b>
	43,224	17,064	2010	39.5%	
Any annual well child visit	164,416	133,119	2007	81.0%	<b>10.5%</b>
	173,812	155,537	2010	89.5%	
Ischemic vessel disease with annual lipid profile	3,668	1,855	2007	50.6%	<b>34.7%</b>
	8,839	6,019	2010	68.1%	
Mammogram	107,409	14,611	2007	13.6%	<b>87.4%</b>
	153,249	39,063	2010	25.5%	
Post-acute Myocardial Infarction on Beta-blocker	738	522	2007	70.7%	<b>-13.7%</b>
	2,111	1,289	2010	61.1%	
Asthma control medication	20,853	9,818	2007	47.1%	<b>6.2%</b>
	50,538	25,257	2010	50.0%	
Cervical cancer screening	370,538	48,924	2007	13.2%	<b>65.7%</b>
	503,082	110,044	2010	21.9%	
Colonoscopy	73,904	3,569	2007	4.8%	<b>77.2%</b>
	112,074	9,588	2010	8.6%	

## Takeaways

- Significant reductions in costs over 4 years:  
**\$237 million for IHC \$518 million for YHP**  
**Medicaid savings: \$1.46 billion**
- Rate of annual savings increased  
**IHC: 2.3% in 2007 → 8.6% in 2010**  
**YHC: 6.9% in 2007 → 16.0% in 2010**
- The largest savings: **Inpatient Services**  
**-26.4% in IHC and -32.0% for YHP**
- IHC hospitalization rates fell by **24.0%**,
- IHC beneficiary ED visits declined **9.1%** as of 2010

# Thank You!

Questions?

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