

# Journey toward an Advanced Medical Home

**The Everett Clinic**  
For the whole you.

**Harold Dash, MD - Board President**

**Mark Mantei - Chief Operating Officer**

# The Everett Clinic

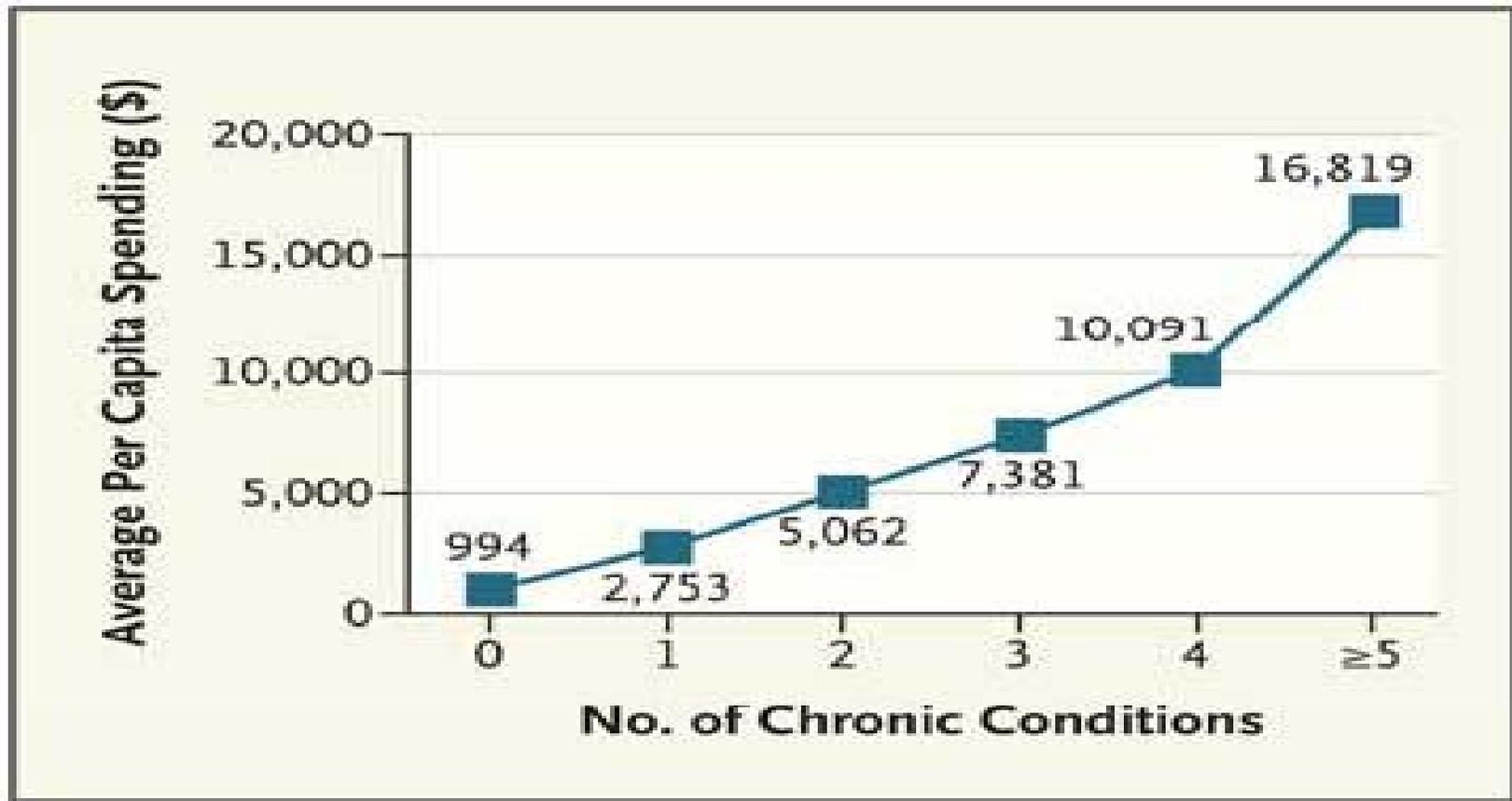
- **Largest independent physician group in WA state.**
  - **315 physicians**
  - **100 advanced care practitioners**
- **16 locations in Snohomish County**
- **290,000 active patients**
- **41,000 Medicare patients**
- **Medicare Physician Group Practice demonstration project participant.**
- **Boeing IOCP participant.**
- **L&I COHE site**
- **Everett area identified as top performing nationally on cost & quality**

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# Take Home Messages

- Focus on areas with the greatest potential return on investment (TARGET)
- Support the INFRASTRUCTURE costs
- Change the reimbursement system to reward VALUE, not volume
- Provide actionable data (INFORMATION)

# Controlling Population Expenses By Improving Care For Patients Needing Costly Services



NEJM Oct 2009 (Medicare data): T. Bodenheimer, R. Berry-Millett

# Boeing Intensive Outpatient Care Project (IOCP)

- Care model requested by Boeing in 2006
  - TEC, Virginia Mason, Valley Medical
- Top 10-20% of utilizers of care dollars
- Over serviced, under served
- Multiple medical problems
- Major underlying psychosocial issues

# Boeing IOCP – Medical Home on Steroids

- RN Case manager
- MD/RN intake visit
- Integrated behavioral health
- Electronic communications requirement
- Weekly multidisciplinary rounds
- Group visits

## The Boeing Story

- In aggregate, 20% savings realized by Boeing net of its program costs and payment of case management fee
- Most of the savings were derived from reductions in hospitalizations and ER visits
- TEC is now implementing “advanced care management” for several health plans

# The Boeing Story

Variable	Aggregate
N	276
Admits (acute)	-28.3%
Hospital Days (acute)	-104.8%
ER Visits	-13.5%
Office Visits	14.3%
Out-patient Visits	-0.5%
Lab	10.2%
Radiology	11.0%
Dental	10.1%
Home Health Visits	51.9%
Out-patient (other)	-33.5%
Prescriptions	8.1%
Prescriptions (day supply)	8.3%
Costs (standardized)	-28.6%

# The Challenges

- **Develop models of care that positively impact quality and cost (TARGET AND INFRASTRUCTURE)**
- **Develop financing mechanisms to pay for those models (VALUE)**
- **Provide actionable data to the provider group (INFORMATION)**

# Improving Quality & Saving Money There Are No Silver Bullets!



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# Key Ingredients

- **Tightly integrated delivery networks can deliver.**
  - Public policy should incentivize integration.
- **Recognize the costs and difficulty of establishing effective care coordination.**
  - TEC expenditures on IOCP were nearly \$125 per member, per month or \$300K for 200 patients.
  - Medicare demo project costs were \$.5M to \$1M per year.

## Key Ingredients (continued)

- All involved need to be aligned around VALUE.
  - Payer / Purchaser sets the incentives.
- Patients, payers, and providers must share risk and reward.
  - Example, shared savings to providers & payers who bend the cost curve. Lower costs to compliant patients.

# Goal

**Create a value based care system that  
is a win-win for :**

**Payers/Purchasers**

**Providers**

**Patients**

**QUESTIONS / COMMENTS?**

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