



**MOVING TOWARD  
ACCOUNTABILITY IN  
HEALTHCARE**

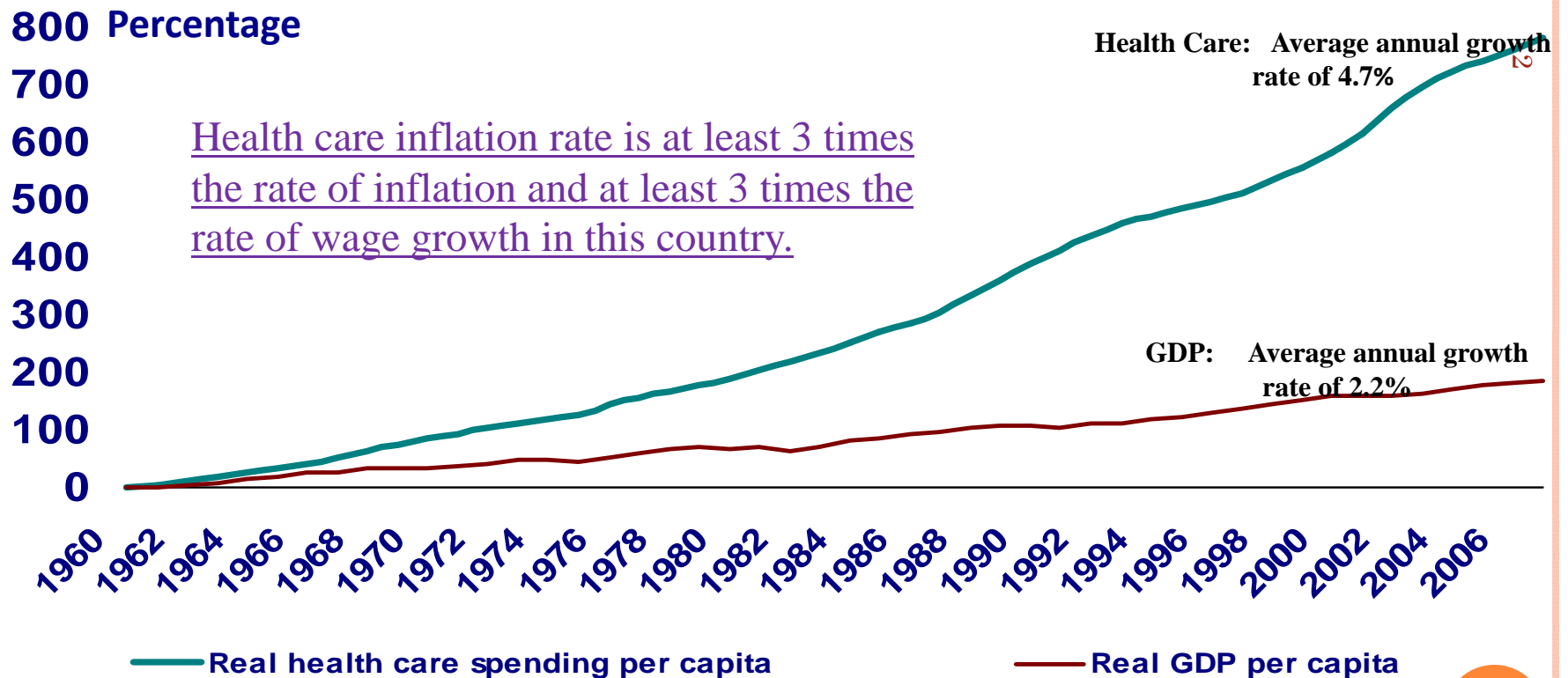
**George Mayzell, MD, MBA**



# What We Think We Know About Health Care Reform So Far

## Fiscal Concerns Remain

### Cumulative Growth in Real Health Care Spending Per Capita and Real GDP Per Capita, 1960-2007



Source: GAO analysis of data from the Centers for Medicare & Medicaid Services, Office of the Actuary, and the Bureau of Economic Analysis.

## OUR VIEW OF AN ACO :

- An ACO is a *provider-led organization* with a mission to manage the full continuum of care and be accountable for the overall costs and quality of care for a defined population.
- .
- **This may sound like what was tried in the 1990's, but the difference this time is about incentives. Instead of incentivizing more and more care, an ACO rewards the best care, the best outcomes, and the best patient experience.**
- .



# PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA): MARCH, 2010

- Several health insurance reforms (Under 26, no-PreX, no rescissions, no annual caps, no lifetime caps)
- Proposed changes in payment of providers: Section 3022 mentions “**Accountable Care Organizations**”
- CMS Center for Medicare and Medicaid Innovation (\$10B)
- ACO Regs released on 03/31/11; Comment period ends 06/06/11
- ACO became federal law with PPACA with first Medicare ACO assignment January 2012. **What is it meant to do? ...reduce variation, change payment methodology, create access, change benefit design, create transparency, physician leadership, and many, many rules yet to be written....**



## WHAT IS AN ACO?-----CMS VERSION

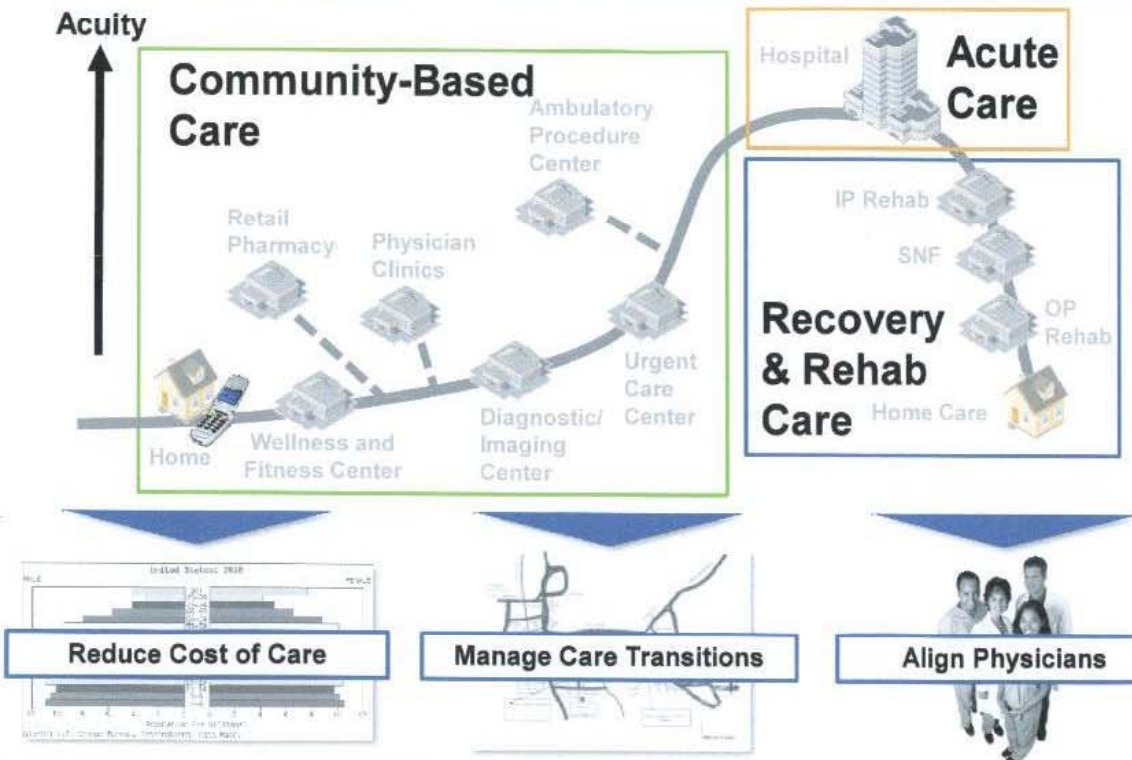
- A group of providers that are accountable for the overall quality, cost and care of a defined pool of patients
  - >5000 patients- Retrospective attribution
  - At least 3 years
  - Legal structure to receive and distribute shared savings-one or two sided risk
  - Processes to promote evidence-based measures, report on quality and cost, coordinate care through HIT, and promote patient centeredness- 65 Metrics
  - Shared governance
  - Anti-Kickback, Physician Self-Referral (Stark), and the Civil Monetary Penalty Law (prohibits payment to physicians to limit care): Mostly Waived



Accountability is a Philosophy,  
not a noun or verb



# The Future Is About Building a High-Performance System of CARE



IP = inpatient; SNF = skilled nursing facility; OP = outpatient.

# Innovation in Care Redesign

---

	Old Innovation	New Innovation
<b>What?</b>	Drugs, devices, equipment	Models of health care delivery
<b>Who?</b>	Pharmaceutical and device companies	Patients, providers and payers
<b>Why?</b>	Reduce LOS, increase survival	Improve quality, efficiency and value
<b>When?</b>	Discrete episode of care	Longitudinal
<b>Where?</b>	Specific site of care	Across the care continuum
<b>Tools</b>	Basic and materials science	Data capture and analysis, risk stratification, patient attribution

**What Has Not Changed:** Innovation in health care delivery is still evidence-based, high-tech and the basis of competition between providers.



# Seven Principles for Care Redesign

- (1) Deploy an **information technology (IT) system** across the care continuum.
- (2) Use **data and analytics** to measure and monitor performance.
- (3) Create strategic **partnerships** across the continuum.
- (4) **Enhance access and standardize care** to improve clinical integration.
- (5) Develop **capability to track patient care** and ensure follow-up.
- (6) Develop **leadership skills** to plan, organize and deliver clinically integrated care.
- (7) Accelerate the **implementation timeline** for performance initiatives.



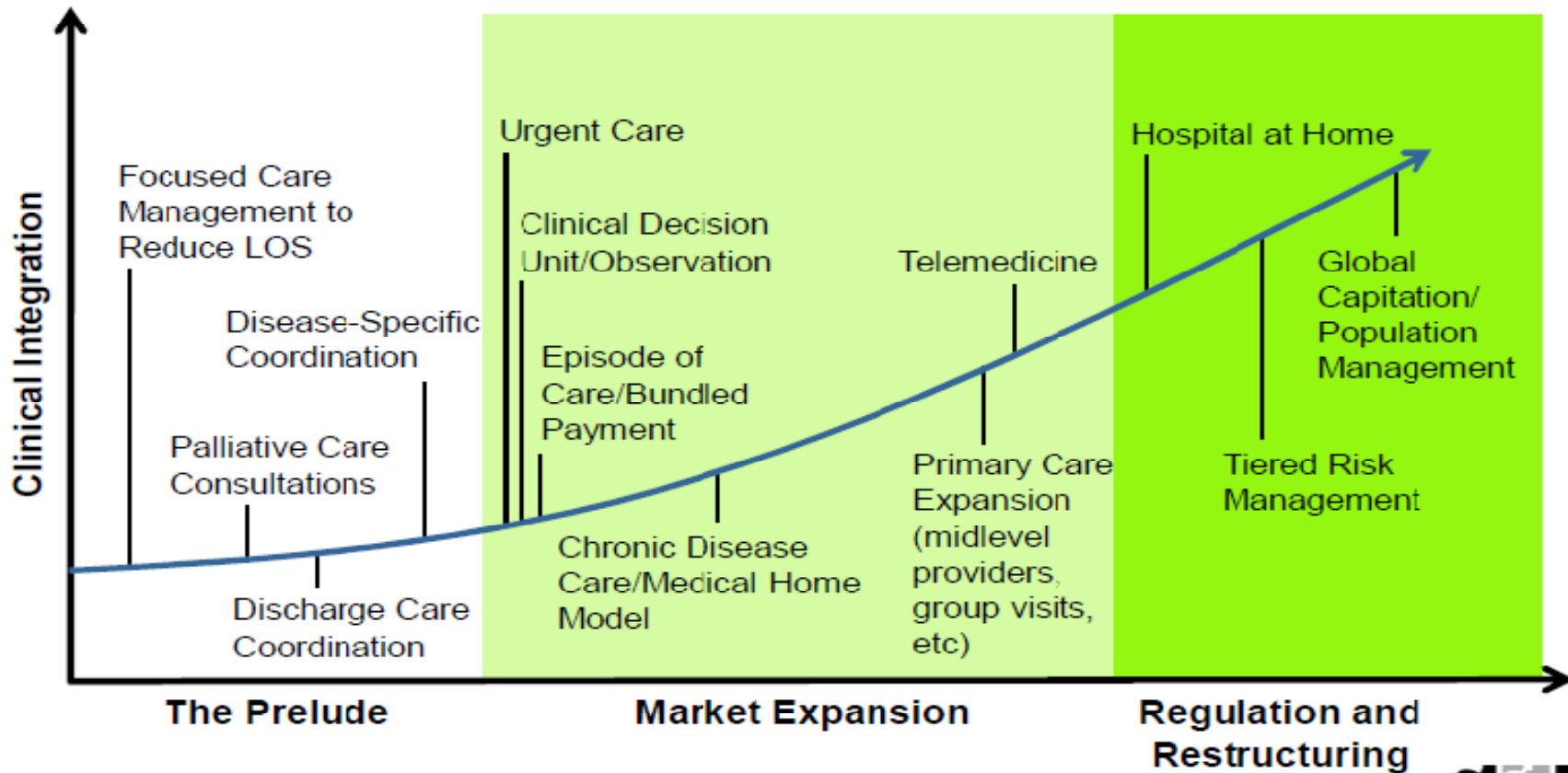
## HOW IS ALL OF THIS DIFFERENT (AND THE SAME) AS WHAT WE TRIED IN THE 1990'S?

- Technology – Information & Integration
- Capitation – Shared Savings
- Smaller networks - Taking the insurers out of it
- Visits - Outcomes



# Care Redesign Will Occur in a Stepwise Pattern

## Sample Community Hospital Timeline for Care Redesign



Confidential and Proprietary © 2010 Sg2

**Sg2**  
health care intelligence



# Joint Principles of the PCMH

The following principles were written and agreed upon by the four Primary Care Physician Organizations – the American Academy of Family Physicians, the American Academy of Pediatrics, the American College of Physicians, and the American Osteopathic Association.

## Principles:

Ongoing relationship with personal physician

Physician directed medical practice

Whole person orientation

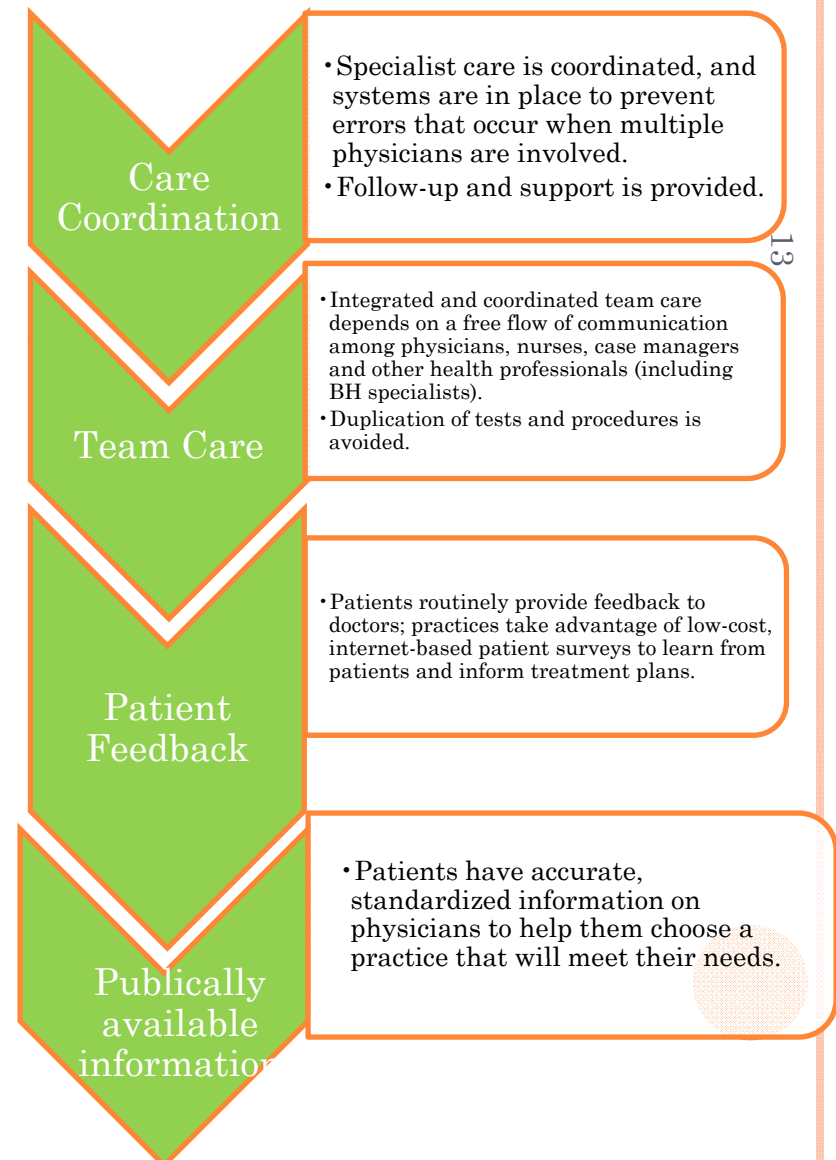
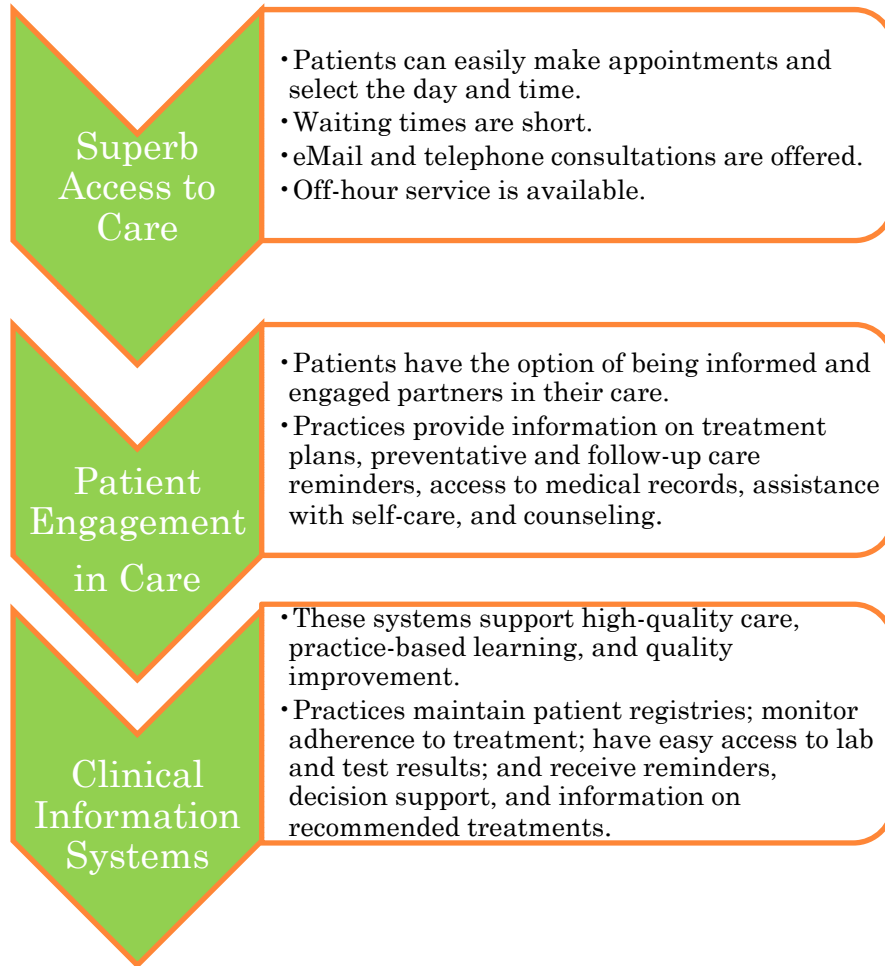
Coordinated care across the health system

✓ Quality and safety

✓ <sup>12</sup>Enhanced access to care

✓ Payment recognizes the value added

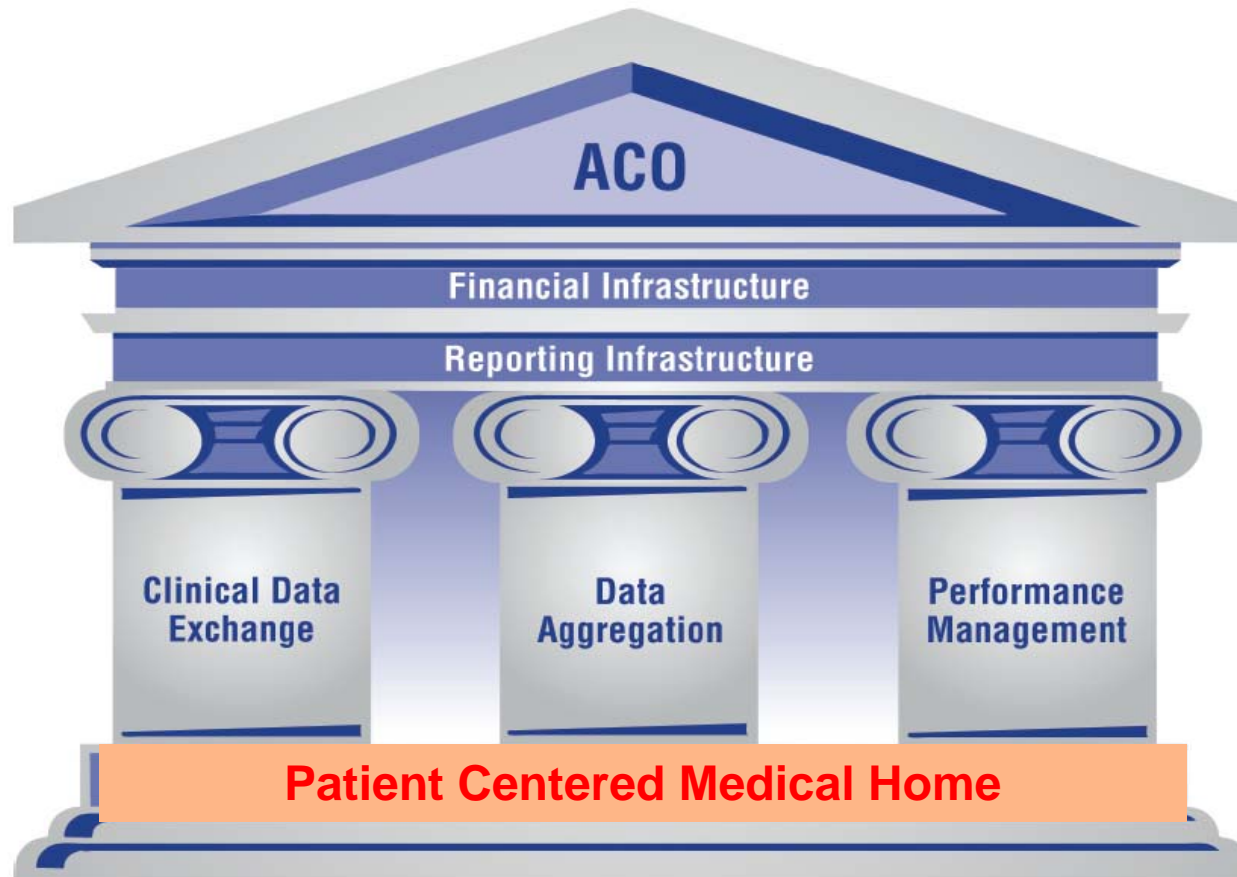
# Defining the Medical Home



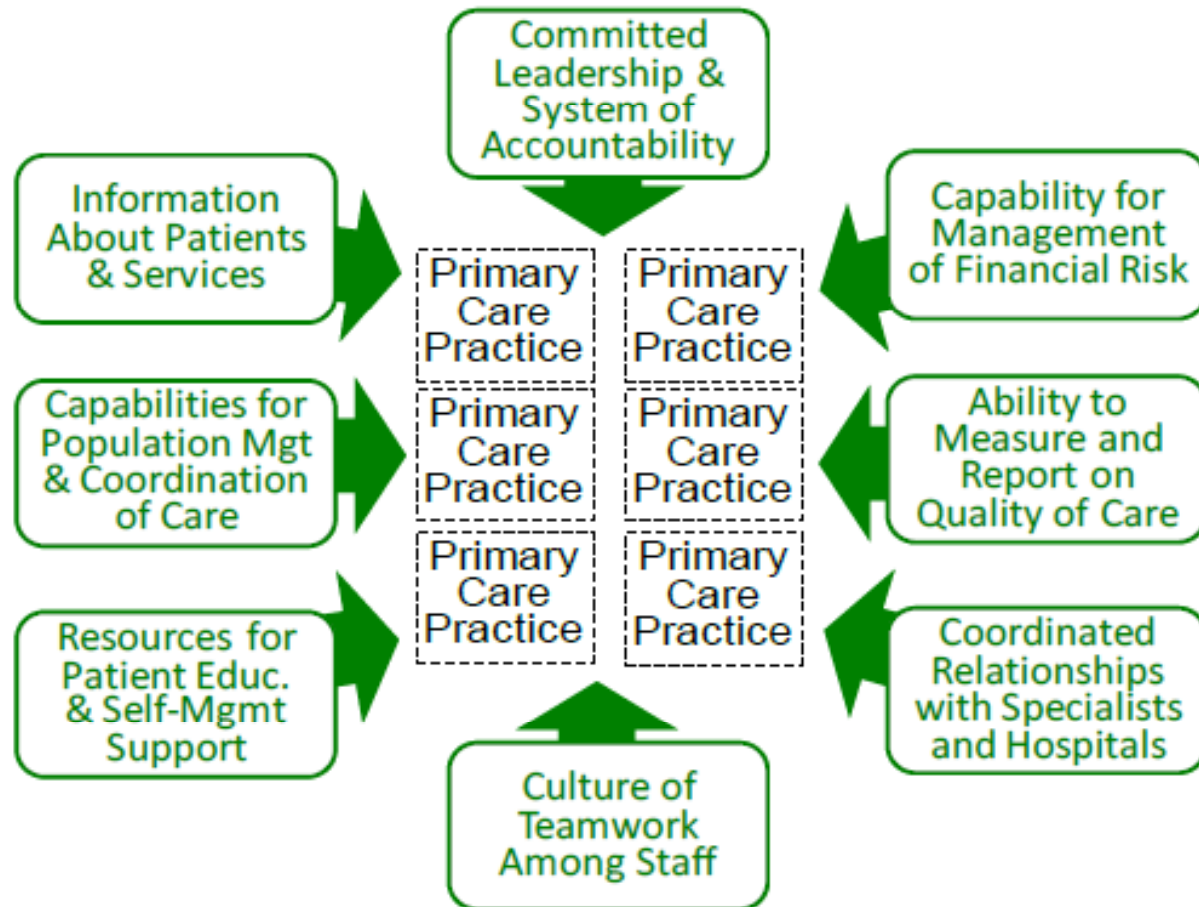
13

# Accountable Care Organizations

ACOs are defined as a group of providers that has the legal structure to receive and distribute incentive payments to participating providers.



# ACCOUNTABLE CARE ORGANIZATION



## WHAT'S HAPPENING LOCALLY...

- What is HealthChoice?
  - Joint venture between Methodist LeBonheur Healthcare and MetroCare Physicians (1400 local physicians)
  - Formed in 1985
  - Shared governance
  - Managed Care Contracting
  - All aspects of business for owners



# OUR EFFORTS

- Project: Patient Centered Medical Home
  - CIGNA as partner
  - Primary Care Physicians (28) and CIGNA members (about 18,000)
  - Goal: healthier patients, savings for the employer, happier doctors and patients
  - Attribution and shared savings based on trend
  - Extra payment for transformation



# IHI TRIPLE AIM CITY: MEMPHIS

- Institute for Healthcare Improvement
- **The Triple Aim**
  - Improved Population Health
  - Enhanced Patient Experience
  - Reduce or control per capita cost of care
- **Components:**
  - Care transitions-End of Life
  - Chronic Disease- Diabetes
  - Infant Mortality

