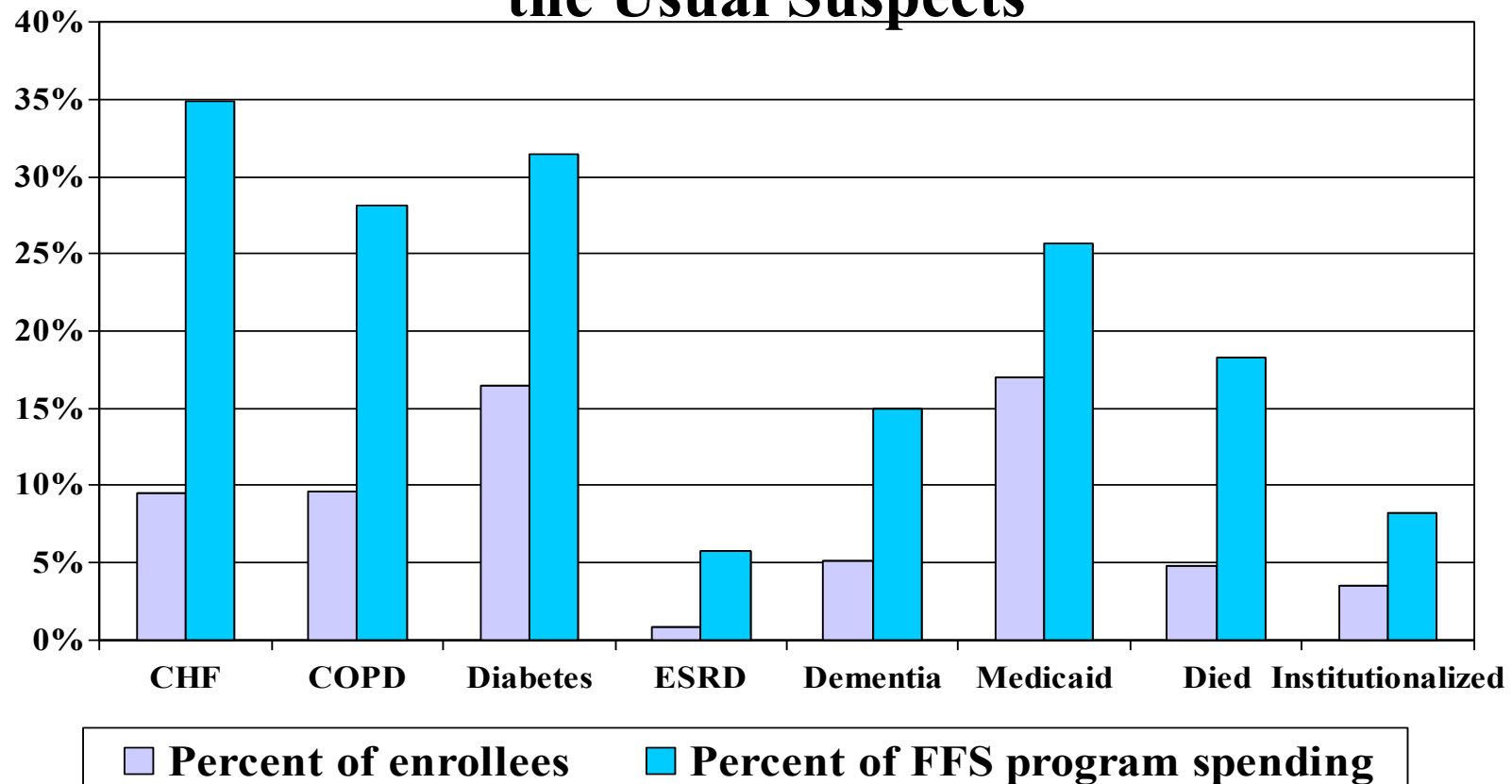


Member Selection for Care Management

Readmissions and Avoidable Admissions

Medicare Medical Management: “Round up the Usual Suspects”



Source: C. Hogan and R. Schmidt, MedPAC Public Meeting, Washington, DC, 18 March 2004. Based on a representative sample of FFS enrollees and all their claims. Beneficiaries may be in multiple categories. Spending is for all claims costs, including treatment of beneficiaries' co-morbid conditions.

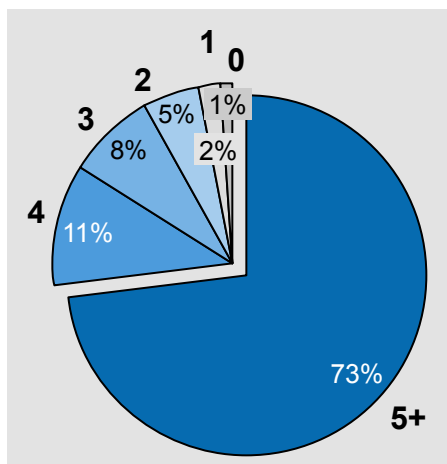
Members in Transitional Care Management

- ▶ Age = 76 (65-99)
- ▶ Chronic conditions = 7 (3-14)
- ▶ Prescribed medications = 8 (4-14)
- ▶ Average of 4.6 problems per patient
- ▶ Nurses addressed 32 different types of problems with 173 patients

Care Management Focus

73% of Medicare spending is on people with five or more concurrent chronic conditions

Medicare Cost Distribution by # of Chronic Diseases



Top Five Medicare Conditions

Heart Disease
Diabetes
Chronic Obstructive Pulmonary Disease (COPD)
Chronic Renal Failure
Dementia

Engagement Opportunity

- ▶ Engagement in chronic disease program “matures” and shows impact – a process that develop over years vs. weeks / months
- ▶ Allows for ROI on prevention (e.g., Hypertension, Osteoporosis, Blood Sugar Management)

Programs That Show Impact

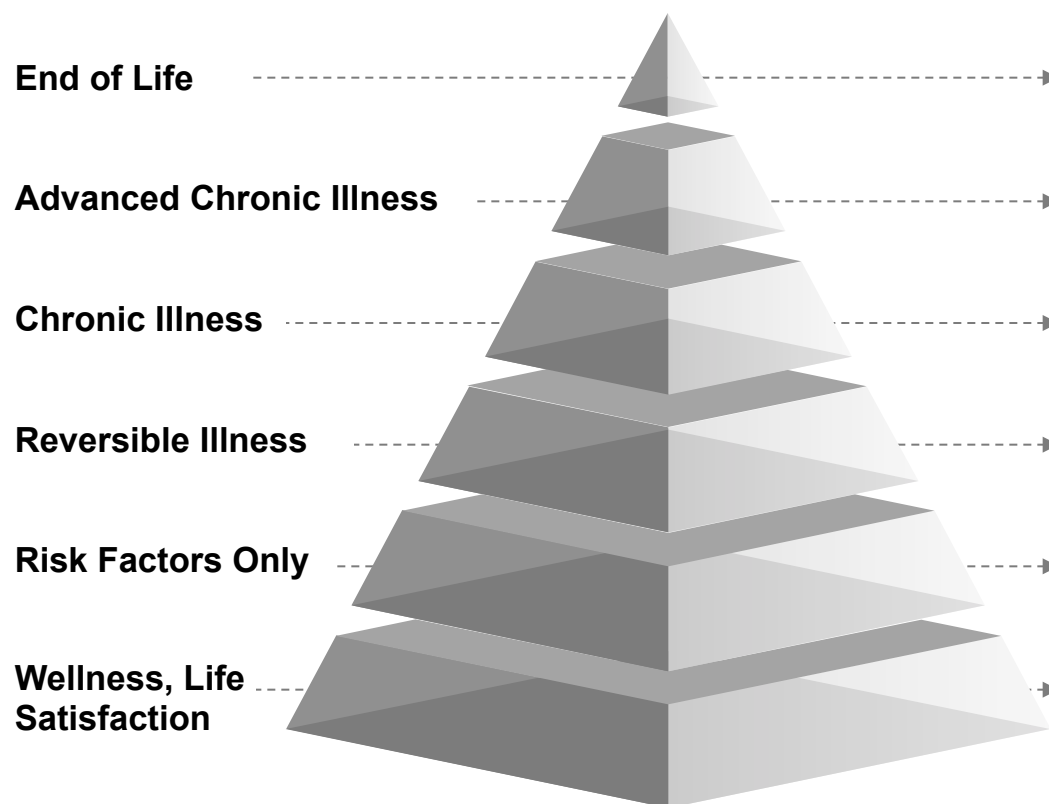
- ▶ Multiple chronic conditions
- ▶ Advanced illness
- ▶ Modifiable risk factors
- ▶ Transitional care
- ▶ Pharmacy management
- ▶ Ongoing follow up
- ▶ Ongoing risk evaluation

**Potential Impact
on Avoidable
Acute Utilization**

Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7
22%	29%	34%	-	-	-	-

Long-term Contract - A “Real” Care Management Opportunity

Illness Pyramid



Care Management Model

<i>Typical</i>	<i>Ideal</i>
<ul style="list-style-type: none"> ▪ Care management focus ▪ Short-term Impact 	<ul style="list-style-type: none"> ▪ Early engagement for advanced directives and planning ▪ More effective case identification
<ul style="list-style-type: none"> ▪ Some engagement 	<ul style="list-style-type: none"> ▪ Long term impact focus (e.g., osteoporosis) ▪ 3-5 year Potential
<ul style="list-style-type: none"> ▪ Minimal engagement ▪ Mailings 	<ul style="list-style-type: none"> ▪ Identify and engage on specific risk factors ▪ Impact potential in 3-7 years
<ul style="list-style-type: none"> ▪ Minimal engagement ▪ Impact not demonstrated 	<ul style="list-style-type: none"> ▪ Impact lifestyle through actual engagement (smoking, obesity)

How Value Will Be Created: Example of Metabolic Syndrome

John (66 yrs)



I am in a bad shape... I have -

- Hypertension
 - Obesity
 - High cholesterol
 - Borderline sugar
 - High triglycerides
- ... and this can get worse

- ✓ Multiple chronic conditions
- ✓ Terminal illness
- ✓ Modifiable risk factors
- ✓ Transitional care
- ✓ Pharmacy management
- ✓ Ongoing follow up
- ✓ Ongoing risk evaluation

Unmanaged progression → ~ 3 yrs

~ 3 yrs

~ 3 - 5 yrs

1

Pre-Diabetic

2

Diabetic

3

End Organ
Failure

4

End-of-Life

Anne



Anne's Interventions

- ▶ Define health goals
- ▶ Customize plan to modify risk factors
- ▶ Review medications
- ▶ Work with member on adherence with continuous feedback

- ▶ Onsite annual health risk assessment
- ▶ Care coordination with PCP
- ▶ Monitor Blood sugar, A' C, etc.
- ▶ Continuous feedback

- ▶ Care coordination to assure care completion
- ▶ Long term case management
- ▶ Holistic management

- ▶ Follow up, education, and support
- ▶ Choices, options, psychosocial support

John's Impact

- ▶ Progression to Diabetes is **delayed by ~ 10 years**, OR
- ▶ Diabetes **does not occur** in John's lifetime!

- ▶ Progression to organ damage is **delayed by 10 years**, OR
- ▶ Organ damage **does not occur** in John's lifetime!

- ▶ Organ damage is managed and **does not progress**
- ▶ Organ damage **does not result in Terminal Illness!**

- ▶ Long term engagement facilitates Compassionate Care
- ▶ Effective impact on Advanced Illness