THE KEY TO ACCOUNTABILITY: Understanding High-Need, High-Cost Patients

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Vice President, The Commonwealth Fund
Agenda

1. Why worry about high-need, high-cost patients?
2. Who are they?
3. What works?
4. What are the challenges?
5. What is the Commonwealth Fund doing?
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Why worry about high-need, high-cost patients?
Health Care Costs Concentrated in Sick Few—Sickest 5% Account for 49% of Expenses

Distribution of health expenditures for the U.S. population, by magnitude of expenditure, 2013

Population

Share of Health Spending

1% 5% 10% 22%
50% 49% 65% 97%

Source: Agency for Healthcare Research and Quality analysis of 2013 Medical Expenditure Panel Survey; MEPS Statistical Brief 480.
A high performing health system must perform for high-need, high-cost patients.
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Who Are High-Need, High-Cost Patients?
Lisa, 45

Married with two children (15, 18), has a part time job and provides financial support for her mom. Usually visits 3 times a week.

Primary caregiver for her mom with some help from her two siblings.

Elizabeth, 70

Lives alone in a low-income senior apartment, near her daughter.

On Medicaid

Heart failure

Grade 3 COPD

Needs to visit the ER several times a year for COPD attacks
John, 87

Lives at home with his wife, Beth, as his primary caregiver, with support from their daughter.

- A little forgetful
- Unnecessary neck brace (he just likes it!)
- Hypertension
- Mild arthritis
- In decent shape but recently feeling tired, anxious, and uncoordinated

Beth, 79

Lives at home with John and functions as his primary caregiver.

- Usually tired
- Generally healthier and more active than her husband
High-Need Adults Tend to be Older, Have Low Socioeconomic Status, and Have Public Insurance

Functional Limitations are a Key Predictor of High Costs

Average Annual Health Expenditures Among U.S. Adults

Data: 2009–2011 MEPS. Noninstitutionalized civilian population age 18 and older.


Total adult population
231.7 million

3+ chronic diseases, no functional limitations
79.0 million

3+ chronic diseases, with functional limitations
11.8 million

$4,845

$7,526

$21,021

11
...As Are Behavioral Health Issues

Average Annual Health Expenditures Among a Medicaid Population

Poverty and Social Isolation Are More Prevalent Among High-Need Patients

Notes: Social isolation = Reported often feeling left out, lacking companionship, or feeling isolated from others. Any material hardship = Reported worry or stress about having enough money to pay rent/mortgage, pay gas/oil/electric, or buy nutritious meals in the past year.
* Significantly different from not high-need adults at the p<0.05 level.
High-Need Patients with Good Physician Communication and Timely Access to Care Have Lower Rates of Delaying Care

Percent of high-need patients who reported delaying care in past year because of access issue

Base: High-need adults.

* Significantly different at the p<0.05 level.


Trajectory of Illness for Select High-Need Subgroups

“Dying” after short period of decline

Multiple chronic with serious exacerbation, organ failure, “advanced illness”

Long course of decline from dementia and frailty

Segments of High-Cost Patients in Medicare

Source: Ashish Jha, analysis of Medicare data.
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What Works in Caring for High-Need, High Cost Patients?
Six Principles of High Performance Health System for High-Need, High-Cost Patients

1. Identify subgroups of patients with similar needs and challenges.

2. Shift the delivery of care from institutional settings to home and community settings whenever possible.

3. Build the capacity to assess and actively manage social and behavioral health needs, in addition to medical needs.

4. Make it easier for patients, caregivers, and professionals to work in close coordination with one another.

5. Design and deliver services that meet goals set collaboratively by patients, caregivers, and providers.

6. Allocate resources based on the potential to have a positive impact on the quality of life of patients and caregivers.

M. Abrams and E. Schneider, Fostering a High-Performance Health System That Serves Our Nation’s Sickest and Frailest, The Commonwealth Fund, October 29, 2015.
Caring for high-need, high-cost patients

WHAT WORKS

1. Target the population most likely to benefit
2. Assess patients’ health-related risks and needs
3. Develop care plan centered around patients’ needs and preferences
4. Engage patients and family members in managing care
5. Connect patients to appropriate follow-up and support services after hospital discharge
6. Coordinate care and facilitate communication among all care providers
7. Monitor progress

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Commonwealth Care Alliance
Commonwealth Care Alliance

Program
- For disabled adults and frail elderly.
- Began in 2003; currently 60+ sites serving 17,000+ patients.

Key elements
- Interdisciplinary primary care team, with emphasis on nurse practitioner and social worker home visits.
- Individualized care plans, including for behavioral health needs.
- Capitated funding for total cost of care.

Results
- Reduces hospitalizations, nursing home utilization, and costs.
- Readmission rate top 99th percentile of MA plans.
CareMore

Program
• Founded in 1993; acquired by Anthem in 2011.
• HMO operating MA plans and delivery sites in 6 states.
• Care management system being piloted by health system, two Medicaid programs.

Key elements
• “Extensivists” lead care team for high-risk patients, including during hospitalization and follow-up.
• Adopt innovative technologies (e.g., partnership with Lyft).

Results
• Reduced hospital readmissions, ~50% fewer SNF days.
• Preliminary analysis shows lower costs.
Independence at Home Demonstration

Program
- CMMI demonstration began in 2012.
- ~10,000 patients enrolled at 15 provider sites.

Key elements
- Home-based primary care for Medicare beneficiaries with multiple chronic conditions and functional limitations.

Results
- $35 million in savings in first two years.
- Reduced readmissions and preventable hospitalizations/ED visits.
Program of All-Inclusive Care for the Elderly (PACE)

Program
• Help frail elderly remain in their communities.
• Began in 1971; currently 120 PACE programs, 38,000+ enrollees.

Key elements
• Structured around day care center.
• Interdisciplinary care team, with a focus on care coordination.
• Flexible funding model, including for non-medical services.

Results
• Reduces hospitalizations and mortality.
• Cost-neutral for Medicare; may increase costs for Medicaid.
• 93% of PACE participants would recommend the program.
For health system leaders, no need to reinvent the wheel.
What are the Challenges in Caring for High-Need, High-Cost Patients?
Misaligned Payment System
Moving to Value-Based Payment

Difficult and . . . Future Unclear
Culture: Team-Based Care
Need for Social Investment and Supportive Policies

Percent of GDP spent on:

- Health care
- Social care

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Policy Changes Needed to Improve Care for Patients with Complex Needs
Suggested Policy Improvements

- Promote value-based payment
- Improve value-based payment design and implementation
- Allow payments for nonmedical services
- Assist clinicians in adopting best practices
- Prioritize health information exchange
- Support ongoing experimentation

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What is the Commonwealth Fund Doing?
Caring for High-Need, High-Cost Patients — An Urgent Priority

David Blumenthal, M.D., M.P.P., Bruce Chernof, M.D., Terry Fulmer, Ph.D., R.N., John Lumpkin, M.D., M.P.H., and Jeffrey Selberg, M.H.A.
Developing a “Playbook” for Serving High-Need, High-Cost Patients

Goal
Explain challenges facing key high-need, high cost patient segments and how to select evidence-based practices and models to meet their needs.

Core Content
• Value proposition
• Segmentation framework
• Patient profiles
• Case studies of proven models
• ROI data and calculator
• Policy & payment reform opportunities

Target Audience
• Health system leaders, payers, and policymakers
The Playbook: Homepage

Welcome! Health care systems are working to improve care for people with complex needs. The Playbook aims to curate information and resources for health system leaders, payers, and policymakers who seek to learn more about high-need individuals and promising care approaches.

Five health care foundations — The Commonwealth Fund, The John A. Hartford Foundation, the Peterson Center on Healthcare, the Robert Wood Johnson Foundation, and The SCAN Foundation — have partnered with the Institute for Healthcare Improvement to develop The Playbook: Better Care for People with Complex Needs. »

Key Questions
Find curated resources about promising approaches to improving care for people with complex needs.

- **Why invest in redesigning care for people with complex needs?**
  - 15 Resources

- **Who are people with complex needs?**
  - 13 Resources

- **What care models are promising?**
  - 30 Resources

- **What are key elements to redesigning care?**
  - 8 Resources
International Working Group on High-Need, High-Cost Patients

• Scan industrialized countries for care models for high-need, high-cost patients.

• Report on most promising models to health ministers.

• Select models to be piloted in the U.S. and disseminated.
Learning From International Innovations

"Call & Check" expanded the role of postal workers.

New Roles

- Check in on frail elderly
- Pick up/deliver Rx
- Appointment reminders
Thank You

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Question and Answer