#### Integrative Models and Performance



Companion to Jonas & Kovner's Health Care Delivery in the United States, Chapter 10, "Integrative Models and Performance"

#### **PHC 4630**

Understanding U.S. Healthcare

## **Presentation Objectives**

- Describe common models for organizing health care delivery
- Identify common attributes by which organizations achieve higher performance
- Understand ways that organized delivery systems improve care
- Discuss how payment and other policy choices influence organizations

## **Barriers to Optimal Care**

- Complex
- Fragmented

#### History of Integrated Healthcare Models

- Health spending was 4% of U.S. gross domestic product in 1929
- Committee on the Costs of Medical Care
  - "Organized as to maintain high standards"
  - "Retain the personal relations between patients and physicians"

# **Benefits of Integration**

- Better design programs to meet needs of a population
- · Multiple paths to integrating care
  - Focus on particular conditions or care episodes (e.g., diabetes, cancer, cardiac surgery
  - Owning hospitals and co-locating services in medical centers
  - Integrating inpatient and outpatient care

## Core Values of High-Performance

- Patient welfare
- Professional pride
- Shared responsibility for quality and outcomes
- · Collaborative approach to care
- Patient care on an equal footing with finance and operations
- Clear goals & strategic vision

# **Solutions to Challenges**

- Provider Models
  - Patient centered medical homes
  - Accountable Care Organizations
  - Integrated health system examples
- Care models
  - Chronic care model / Chronic condition self-care
  - Team-based medical practice
  - Health navigators
- Improved financial incentives

#### Patient-Centered Medical Homes

- 1. Patient-centered
- 2. Comprehensive care
- 3. Coordinated care
- 4. Superb access to care
- 5. Systems-based approach to quality and safety

#### Accountable Care Organizations

- Medicare
- Hospital Value-Based Purchasing program (VBP)
- · Financial incentives for:
  - Quality
  - Controlling costs

### Top Ten Integrated Delivery Systems

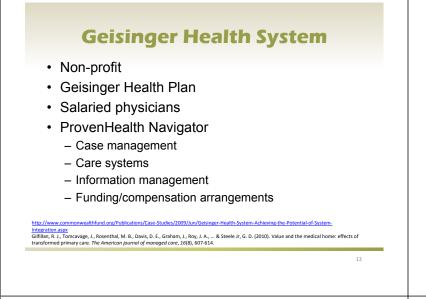
- Advocate Health Care
   Oak Brook, IL
- Cape Cod Healthcare
   Hyannis, MA
- CareGroup Healthcare
   Boston, MA
- Kettering Health Network
   Dayton, OH
- Maury Regional Healthcare
   Columbia TN
- Mayo Foundation
   Rochester, MN
- NorthShore University HealthSystem

   Evanston, IL
- OhioHealth
  - Columbus, OH
- Partners HealthCare System
   Boston, MA
- Spectrum Health
  - Grand Rapids, MI

## Attributes of an Ideal Health Care Delivery System

- 1. Easy access to appropriate care
- 2. Information continuity
- 3. Care coordination and transitions
- 4. Peer review and teamwork
- 5. Continuous innovation
- 6. System accountability





# **Mayo Clinic**

- · Oldest integrated health system
- · No health plan
- · Physician-led operations
  - Salaried physicians
  - Expert developed clinical protocols

http://www.commonwealthfund.org/~/media/Files/Publications/Case%20Study/2009/Aug/1306 McCarthy Mayo case%20Study.pdf

- Each patient assigned coordinating physician
- EHR with more than 6 million records on patients treated since 1907

# Partner HealthCare System

- · Loosely integrated delivery system
- No health plan
- Not-for-profit
- · Pay for performance
- · Regional Service Organizations
  - Care coordination
  - Share financial risk

### Community Care of North Carolina

- State public – Health and social service departments
- Networks private

   Hospitals, primary care physicians
   State provision
- Funding

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- Case Management
- Technical support for quality improvement and care provision

### **Kaiser Permanente**

- Fully integrated delivery system
- · Health plans
- Salaried multispecialty group practices provide care to plan members only
- KP HealthConnect that links its facilities nationwide
- Incentive pool with rewards quality and service goals

http://www.commonwealthfund.org/~/media/Files/Publications/Case%20Study/2009/Jun/1278 McCarthy Kaiser case study 624 update.pdf

### **Care Models**

- · Chronic care model
- Chronic condition self-care

http://www.commonwealthfund.org/Publications/Case-Studies/2009/Jun/Kaiser-Permanente.as

- Team-based medical practice
- Health navigators

Incentive Alignment	Conclusion
<ul> <li>Policy changes <ul> <li>Prospective payment</li> <li>Capitation</li> <li>Pay-for-performance</li> </ul> </li> <li>Bundled payments</li> <li>Examples <ul> <li>Patient centered medical homes</li> <li>Accountable Care Organizations</li> </ul> </li> </ul>	<ul> <li>Greater integration (less fragmentation) improves the quality and efficiency of care</li> <li>Patient-centered medical homes is a model of health care delivery where ongoing relationship with a physician who coordinates all of the patient's various forms of care</li> <li>Top performing integrated health systems exhibit many ideal attributes</li> <li>Aligning incentives improves quality and efficiency</li> </ul>