Clinical Integration in Health Care: A Check Up

*Private Initiatives to Improve Health Care Delivery Through Collaboration Among Health Care Providers*

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Washington, D.C.
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Overview

• Advocate Physician Partners (APP)
• Goals
• Infrastructure
• Obstacles
• Mechanisms & Incentives to Increase Compliance
• Measures of Success
• Joint Contracting/Exclusivity
Advocate Physician Partners

- Vision: To be the leading care management and managed care contracting organization in Chicagoland
- 7 physician hospital organizations and Advocate’s medical groups - financial and clinical integration
- 2,900 Physicians
- 300,000 capitated lives / 700,000 PPO
Goals

• APP’s Clinical Integration Program is a collaborative effort by over 2900 physicians and the eight Advocate hospitals to drive targeted improvements in health care quality and efficiency through our relationship with every major insurance plan offered in the Chicago metropolitan area, thus uniting payer, employer, patients, and physicians in a single program to improve outcomes.
APP Infrastructure

- 154 FTE’s
- $24 Million Admin Expenses (2007)
- Databases / Patient Registries
- Governance
APP Infrastructure Support for CI

- Medical Directors
  - Each of 7 PHOs
  - QI Committee Chair
  - Senior Medical Director
- CI Director – 1 FTE
- Analyst – 1 FTE
- Quality staff - 6 FTE
- Pharmacist - 2 FTE
APP Infrastructure Support for CI

- Provider Relations staff - 13 FTE
- Data support staff - 3.5 FTE
- Also contracting, finance and administrative support
- For CI only
  - $1.65 M/year in salaries and benefits
  - 18.5 FTE’s
Obstacles

- Incomplete Data: Health Plans
  - Technical Issues
  - HIPAA
- Disease Management “Carve Outs”
- Health Plan Disintermediation
- Antitrust Review
Mechanisms to Increase Compliance

- APP QI/Credentials Committee
- Membership Criteria
- Peer Pressure / Local Medical Director
- Mandatory Provider Education/CME
- Physician’s Office Staff Training
- Financial Incentives / Report Cards
Advocate Physician Partners Incentive Fund Design

- **PHO 1-7**
  - Group / PHO Incentives (30%)
    - Group/PHO Distribution
      - Tier 1 (50%)
      - Tier 2 (33%)
      - Tier 3 (17%)
  - Individual Incentives (70%)
    - Individual Criteria
      - Individual Tiering Based On Physician’s Individual Score

- **Dreyer Clinic**
- **AHC**

- *Residual Funds

*Residual Funds are rolled over into general CI fund (not tied to individual physician or originating PHO) to be distributed in the following year.
Measures of Success

- Clinical Outcomes
- Patient Safety
- Medical & Technological Infrastructure
- Efficiency
- Patient Satisfaction
To obtain a copy of the 2008 Value Report, go to www.advocatehealth.com/app or call 1.800.3ADVOCATE (1.800.323.8622)

The 2008 Value Report

Advocate Physician Partners

Benefits from Clinical Integration
### 2007 Results Compared to “Best State” NCQA - Commercial

<table>
<thead>
<tr>
<th>Measure</th>
<th>Overall PHO*</th>
<th>AHC</th>
<th>Dreyer</th>
<th>APP ALL</th>
<th>NCQA</th>
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<td>DB Hgbalc</td>
<td>86.7%</td>
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<td>88.1%</td>
<td>92.1%</td>
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<td>88.1%</td>
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<td>DB LDL &lt;100</td>
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<td>DB Eye Exam</td>
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</table>
Percent of Claims by EDI

--- Community performance per Managed Care Organization, 2007
Adoption of eICU - 2007

- Cardiology
- Family Practice
- Surgery
- Internal Medicine
- Orthopedics
- Pulmonology

APP
Non-APP
Joint Contracting & Non-Exclusivity

• Joint contracting is **essential** for APP to achieve its great results
  – Same measures across all payers
  – Common procedures at practice level for all contracted plans
  – Same network for all payers
  – Stable networks
  – Efficiency in credentialing
• APP is **non-exclusive**
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