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Primary Care  
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# Welcome & Introductions Pre-Conference

DIRECT  
PRIMARY  
CARE

Summit

CHICAGO

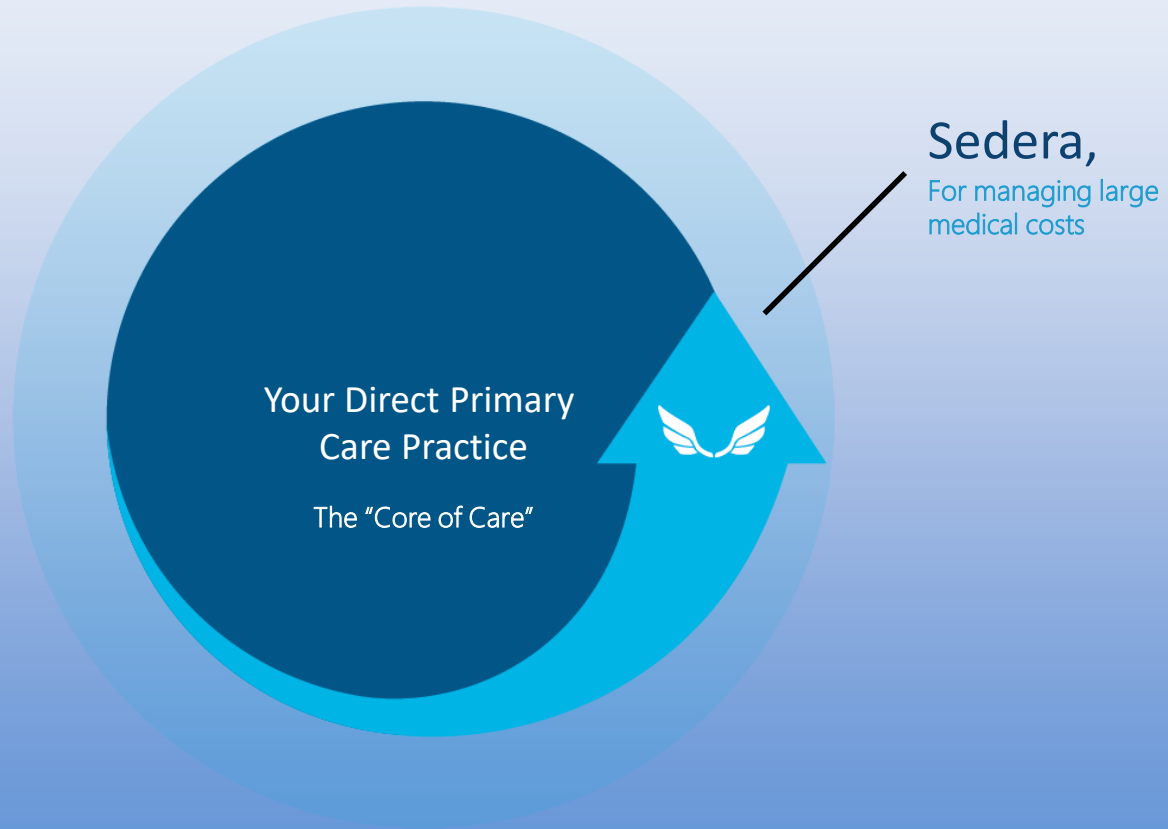


DPC +   
SederaHealth

## A Broken Healthcare System



# Peace of Mind for the Unexpected





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# What Do Employers Want/Need from Primary Care Practices?

Jed C. Constantz, Dr.B.A.

Co-Founder, PCIN

Primary Care Finance & Delivery  
Strategist

“Primary Care is an  
Investment . . .

. . . the Rest of Healthcare  
is a Payment



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# Controlled Aggregate Spending

- Ownership / Accountability
- Care That is Consistent with Patient Needs
- “Purchasing Agent”
- Healthcare Consumerism / Health Status Improvement

# REDUCING POPULATION HEALTH RISK

R-Health is dramatically reducing the Health Risk Quotient of our members.

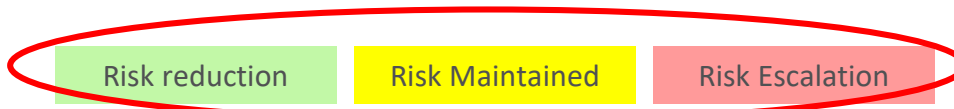
**93%** of the *Urgent Risk* members } **Reduced**  
**53%** of the *Very High Risk* members } **their Risk**

**77%** of the *population* } **Maintained or Reduced**  
**their Risk**



# REDUCING POPULATION HEALTH RISK

## R-Health Member Risk Modification: 2017 to 2018



Initial Risk Quotient	Initial % of Total Population	Final Risk Quotient				
		5 – Urgent	4 – Very High	3 – High	2 – Moderate	1 – Low
5 – Urgent	7.4%	7.0%	23.3%	23.3%	18.6%	27.9%
4 – Very High	13.1%	3.9%	43.4%	5.3%	14.5%	32.9%
3 – High	18.0%	3.8%	37.5%	3.8%	7.7%	47.1%
2 – Moderate	17.6%	1.0%	13.7%	6.9%	10.8%	67.6%
1 – Low	43.8%	1.2%	10.7%	5.1%	9.5%	73.5%
Final % of Total Population		2.4%	21.3%	6.6%	10.7%	59.0%

- R-Health partners with myCatalyst, an independent healthcare analytics company that calculates a Health Risk Quotient (HRQ) for each member
- The HRQ aggregates specific risk levels for selected key measures such as glucose, blood pressure, and BMI based on clinically supported guidelines
- The result is an aggregated health risk score that accumulates high and moderate risks into five levels and establishes the ability to study population risk modification over time

# Improved Access to Care

- Service Options
  - Consistent with Patient Needs, Expectations & Capabilities
- Health Literacy Training
- Care Team Orientation

# High Levels of Patient Satisfaction & Activation

- Satisfaction with Care, Treatment, & “Relationship”
- Focus on Driving High Level Activation
  - Observed Behaviors
  - Completed Activities
- Patient “Scorecard” Employers Can Use to Reward a “Committed Covered Individual”

# 2019 Advanced Primary Care Deep Dive Assessment

- Practice Dimensions
  - Physician Leadership
  - Staffing Model
  - Practice Level Technology
  - Ongoing Staff Training & Development
- Practice Capabilities
  - Access / Outreach
  - BH Integration
  - Referral Management / Efficiency



# Additional Thoughts / Concepts





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# Case Studies in Primary Care with Comprehensive PMPM Investment Models

Michael Tuggy, MD

Clinical Professor, UW School of Medicine  
Rural Family Physician, Confluence Health

# Swedish Community Health Clinic - Ballard

- Private insurer (400+ lives over the first 15 months of project)
- Cost reduction of \$68 PMPM in year 1.
  - (\$386 reduced to \$318 average cost per member per month: 17.6% cost reduction)
- Patient experience data – highest satisfaction scores ever recorded in the insurer's network.



# SCH – Ballard

## Medicaid ED Data – 517 lives

- ED visits per 1000 members:
  - Swedish Community Health – 18.4
  - Other Swedish Clinics – 24.8
  - 25% reduction
- Types of ED visits (Preventable vs Non-preventable)
  - Swedish Community Health – 42 % preventable
  - Other Clinics – 55% preventable
  - 27% reduction



# Q-liance Data

- 59% decrease in ER visits
- 30% decrease in number of days admitted to the hospital
- 62% decrease in specialty referrals
- 65% decrease in radiology exams
- 80% fewer surgeries
- **115% increase in primary care visits**
- —yielding a \$1,486 savings per patient per year compared to traditional fee-for-service practices.



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Savings Generated by Pa

		2015	2013
	er 1,000 Others	Savings Per Patient Per Year <sup>2</sup>	Savings Per Patient Per Year <sup>2</sup>
ER Visits			
Inpatient Days			
Specialist Visits		\$11.00	(\$5.00)
Advanced Radiology			
Primary Care Visits		\$410.00	\$417.00
Savings Per Patient		\$230.00	\$436.00
		\$77.00	\$82.00
Total savings per 1000 patients			
% Saved Per Patient		(\$40.00)	(\$251.00)
		\$688.00	\$679.00
ER Visits			
Inpatient Days			
Specialist Visits		\$688,000.00	\$679,000.00
Advanced Radiology		20.5%	\$20%
Primary Care Visits			
Savings Per Patient			
Total savings per 1000 patients			
% Saved Per Patient			

2013
Savings Per Patient Per Year <sup>2</sup>
(\$5.00)
\$417.00
\$436.00
\$82.00
(\$251.00)
\$679.00
\$679,000.00
\$20%
ounters where applicable)

<sup>1</sup>numerator (total encounters)/denominator  
<sup>2</sup>Difference between Qliance and

# Union Hospital Data (Dover, Ohio)

- Elected to create DPC option for employees
- Looked at Total Cost of Care data for all members (no exclusion for outliers) (Year 1)
  - TCC dropped from \$457 to \$381 PMPM average cost per member (16.6% reduction)
- If outliers excluded:
  - TCC dropped from \$345 to \$295 (14.5% reduction) in year 1
- Result from year 2 showed further cost reductions – approaching 25% from baseline TCC.

# Created a Capitated Package of Advanced Primary Care Services

- Primary care/acute care services (MD/DO/ARNP's)
- Health coaches
- Health navigation - RNs
- Behavioral health - LISW
- Nutritional counseling
- Medication therapy management
- Basic office labs

Union Physicians Services



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# Nextera (Colorado, Florida)

- Digital Globe, Inc. employees
- \$99 per member per month savings
- Charge \$54.31 PMPM for unrestricted access primary care services
- Net cost reductions similar to first year findings of other advanced primary care DPC models.
- Spreading to multiple states

# Paladina Health

- City of Arvada (CO) Case Study
- Reduction of 34% TCC for patients with chronic conditions
- TCC on PMPM basis reduced by 22% (2016 data)
- Now spreading to multi-state network of clinics, >100 PCP providers.

# Key Features of Success

- Comprehensive primary care payment
  - Shift focus from volume to relationship
  - Longer visits = more trust
- No-barrier access to the care team (no copay's, after hours calls, etc.)
- Team based care
- The beginnings of care management infrastructure

# So what is the formula for success?

- Sound partnership with primary care practice and large enough employee pool to impact practice culture
- Advanced access
- Longer appointments
- Engaged providers and care team
- Beginning the journey to advanced primary care – we are only seeing the beginning of this revolution





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# What Does Effective Collaboration Look Like?

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Co-Founder, PCIN

Primary Care Finance & Delivery  
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# A Balance of Interests / Needs

- Purchaser Goals
- Primary Care Physician Goals
- The “Enlightened Self Interest” Dance
- The Triple Aim Leads to the Quadruple Aim Leads to the Quintuple Aim
  - Cost
  - Quality
  - Satisfaction
  - Physician “Happiness”
  - Primary Care Sustainability

# Developing a Common Language

- Who's a Patient?
- Who's a Covered Individual?
- Who's a Payer?
- Who's a Carrier?
- What's Self-Insured?
- What's Self-Funded?
- What's a TPA?

# What's the Deal?

- What Does the Employer Need / Want to Buy?
- What Does Primary Care Want / Have to Offer (Sell)?
- What's the "Future Value" of Primary Care?
  - Preventive Care
  - Wellness
  - Disease Management
  - Care Management / Coordination

# How to Get to a Deal

- Conduct a Facilitated Assessment
  - Practice Goals
  - Employer Goals
- Establish a Work Plan
  - Back Up From Desired Implementation
  - Handle the Tuff Stuff First
- Establish an Implementation / Maintenance / Oversight Plan
- Make it Happen

# Additional Thoughts / Concepts





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# How to Move Forward From Here

Jamie Lagarde, Sedera, Health CEO

Erika Kraus, Sedera, Health Marketing & Culture

Jeffrey Gold M.D. Gold Direct Care PC

Jason Larsen, CEO, Assurance Healthcare & Counseling Center

# Facilitated Group Discussion

- Options for Employers
- Options for DPC Practices



# Summary / Wrap Up

- Comments / Questions / Thoughts?

