Is There a Business Case for Correcting Underuse?

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Anthem’s Approaches to Addressing Underuse

- Pay for Performance Programs Supported by Evidence-Based Care
- Disease and Care Management
- Evidence Based Guidelines
- Consumer Navigational Guides
- Information at the Point of Care
Healthcare Quality Defect Rates Occur at Alarming Rates

Overall Health Care in U.S. (Rand)

- Breast cancer screening (65-69)
- Post-MI β-blockers
- Outpatient ABX for colds
- Hospital acquired infections
- Hospitalized patients injured through negligence
- Airline baggage handling
- Anesthesia-related fatality rate
- Detection & treatment of depression
- Adverse drug events
- Hospital acquired infections

Defects per million

<table>
<thead>
<tr>
<th>σ level (% defects)</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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<tbody>
<tr>
<td></td>
<td>(69%)</td>
<td>(31%)</td>
<td>(7%)</td>
<td>(.6%)</td>
<td>(.002%)</td>
<td>(.00003%)</td>
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Source: modified from C. Buck, GE
Distribution of Medical Expenses

Chronic diseases include coronary artery disease, asthma/COPD, CHF and diabetes
Causes of Underuse in Health Care

- **Barriers to accessing care**
  - Lack of insurance
  - Co-payments/deductibles
  - Restricted benefits

- **Clinician knowledge deficits**
  - Rapid accumulation of medical knowledge

- **Inadequate supporting processes**
Anthem Hospital Quality Program:  
*Goal and Overview*

- The goal of Anthem’s Hospital Quality Program is to continuously improve the quality of health care delivered in Anthem network hospitals.

- A broad and comprehensive set of metrics that address quality of care, clinical outcomes, patient safety, processes of care and organizational management structure. These measures are based upon best hospital practices and are developed through an interactive process with hospitals. Reporting is for all hospital patients and based on an honor system.

- Financial incentives for clinical performance, quality care delivery and error reduction are a component of renewing contracts.
Anthem Hospital Quality Program: 
Core Indicators

- Board and Management Involvement
- JCAHO/Licensure
- Obstetrical Care
- Patient Safety
- Cardiac Care including coronary artery bypass grafts, PTCA, acute myocardial infarction and congestive heart failure
- Asthma Care
- Emergency Department Care
- Joint Replacement
- Breast Cancer Care
Myocardial Infarction (MI)

- number of patients with MI
- time to PTCA
- time to thrombolytic therapy from ER (door to drug)
- aspirin use in 24 hours
- mortality
- ß-blocker use
- critical pathway use
- number with LVEF < 40% prescribed ACE inhibitors
Patient Safety - 30%

- Meet 6 JCAHCO patient safety goals:
  - Improve the accuracy of patient identification
  - Improve the safety of using high-alert medications
  - Eliminate wrong-site, wrong-patient and wrong-procedure surgery
  - Improve the safety of using infusion pumps
  - Improve the effectiveness of clinical alarm systems
  - Improve the effectiveness of communication among caregivers

- Implement 3 patient safety initiatives
  - Computerized Physician Order Entry
  - ICU staffing standards
  - Automated pharmaceutical dispensing devices

- Report 2 patient safety indicators
  - Anesthesia complications, post-operative bleeding, etc.
Virginia Quality-In-Sights Hospital Incentive Program

- **Patient Outcomes - 55%**
  - Improve indicators of care for patients with heart disease
    - Participation in ACC cardiovascular data registry
    - Cardiac Catheterization and Percutaneous Coronary Intervention indicators
    - Acute MI or heart failure indicators
      - Administer aspirin, beta blockers at ER arrival, discharge
      - Smoking cessation
    - CABG indicators
  - Pregnancy-related or community acquired pneumonia indicators

- **Patient Satisfaction - 15%**
  - Survey of Anthem members
  - Link between improvement in care processes & outcomes and patient satisfaction
Approach:
- Preventive care: mammography, pap smear
- Patient satisfaction
- American College of Obstetrics and Gynecology’s guidelines for hysterectomy
- Generic index for pharmaceuticals

Recognition and reward:
- No precertification or concurrent review requirements
- Positive adjustment in reimbursement
Payment for Clinical Performance and Quality: Obstetrics and Gynecology Program with MaternOhio Physicians

Program Results

- **Patient Satisfaction**: 82% Pre-Program, 98% Post-Program
- **Mamography**: 81.30% Pre-Program, 86% Post-Program
- **Cervical Cancer Screening**: 100% Pre-Program, 95.50% Post-Program
- **Postpartum Care**: 73.30% Pre-Program, 100% Post-Program
- **Hysterectomy**: 54% Pre-Program, 90% Post-Program
- **Pharmacy Cost Trend**: 4.20% Pre-Program, 13.20% Post-Program

Legend: Pre-Program: t | Post-Program: b

Anthem
Disease Management: Program Components

- Population Identification processes;
- Evidence-based practice guidelines;
- Collaborative practice models that include physician and support-service providers;
- Risk identification and matching of interventions with need;
- Patient self-management education (which may include primary prevention, behavior modification programs, support groups, and compliance/surveillance);
- Process and outcomes measurement, evaluation, and management;
- Routine reporting/feedback loops (which may include communication with patient, physician, health plan and ancillary providers, in addition to practice profiling); and
- Appropriate use of information technology (which may include specialized software, data registries, automated decision support tools, and call-back systems).
Anthem Care Counselor: A Controlled Study of Disease Management

**Study 1:**

<table>
<thead>
<tr>
<th></th>
<th># of Patients</th>
<th>Average Age</th>
<th>Percent of Males/Females</th>
<th>Average Number of Comorbid Conditions</th>
<th>Cost PMPM</th>
<th>Admits/1000</th>
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<tbody>
<tr>
<td>Control Group</td>
<td>756</td>
<td>53</td>
<td>54%/46%</td>
<td>2.00</td>
<td>$2189</td>
<td>1997</td>
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<tr>
<td>Intervention Group</td>
<td>1154</td>
<td>55</td>
<td>58%/42%</td>
<td>2.04</td>
<td>$2186</td>
<td>1898</td>
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**Study 2:**
- Control Group 4,134; Intervention Group 7,797
- Diseases: Stroke, renal failure, heart failure, diabetes, coronary disease, obstructive lung disease, hypertension, chronic kidney disease, hyperlipidemia
**Percent Improvement on Select Clinical Indicators**

**Study #2**

- **Members with CAD: Had LDL checked in last year and <100**: 33%
- **Members with CAD: BP in control at 130/85 or lower**: 32%
- **Members with diabetes who obtained DRE**: 19%
- **Members with diabetes who obtained LDL screening**: 27%
- **Members with diabetes adherent with blood glucose monitoring**: 11%
- **Members with CHF who weigh self daily**: 18%

**“Pre-Intervention” Period**
11/01/2003—06/30/2003

**“During Intervention” Period**
07/01/2003—12/31/2003
Financial Outcomes: Percent Reductions in ER Visits and Inpatient Admits (Study 2)

% Change in ER Visits/1000

-64%  -49%  -27%  -15%

% Change in Inpatient Admits/1000

Study 2 Intervention Group  Study 2 Control Group
Financial Outcomes: Percent Reductions in PMPM Costs (Study 2)

- % Change in Inpatient PMPM
  - Study 2 Intervention Group: -49%
  - Study 2 Control Group: -60%

- % Change in Total Medical PMPM
  - Study 2 Intervention Group: -35%
  - Study 2 Control Group: -49%
IRIS: Top 10 Care Considerations
06/30/2003 to 06/30/2004

1. CAD not on statin
2. Diabetes and no evidence of an annual dilated eye exam
3. Diabetes and no evidence of microalbuminuria screening within the last year
4. Diabetes and no glycated hemoglobin (HbA1C) within the last 6 months
5. Female older than 50 years without TSH testing in the last 2 years
6. Multiple refills of oral antihistamines without clinical indications
7. Post menopausal woman with no evidence of initial osteoporosis evaluation within past two years
8. Diabetes without lipid profile analysis in the past two years
9. Coronary artery disease (CAD) and not on ramipril or another ACEI (HOPE Trial-CAD arm)
10. Pentazocine or propoxyphene (narcotic analgesics) in a geriatric patient
Disease Management Addresses Variations

Admissions for CABG per 1,000

- Terre Haute, IN
- Bangor, ME
- Portland, ME
- Lebanon, NH
- Youngstown, OH
- Charlottesville, VA
The Healthcare Advisor: Overview

- Focus on high cost conditions and procedures after a patient is diagnosed.
- Over 100 conditions and procedures were included.
- Online medical encyclopedia available to cover all conditions, procedures, tests and other medical information.

Data:
- All States: Medicare Data
- 21 States: All Payor (to include Medicare)

Features:
- Nationwide Data Set
- Facility Selection Capabilities
- Consumer Reputation Information
- Evidence-based Information
Bridging the Quality Chasm

Health care providers believe their clinical performance is highly capable (55% good)

Patients believe their physicians and hospitals provide exceptional care (80-90% positive)

Overuse, misuse and underuse represent at least 30% of total health expenditures

Health Plan Performance Domain
(historically viewed negatively by consumers at its intersection with delivery of care)
• coordination of care for chronic illness
• support of evidence based care
• measurement of quality and cost performance
• reimbursement methodologies that drive quality
• collaboration with health professionals

Modified from A. Milstein