




Fresenius Health Partners
Accountable Kidney Care



**Patient Centered Health Homes
And
Accountable Care Organizations**



Presented by: Peter Sauer, MEd

Our Philosophy: "Doing Well by Doing Good"



Essential Questions:

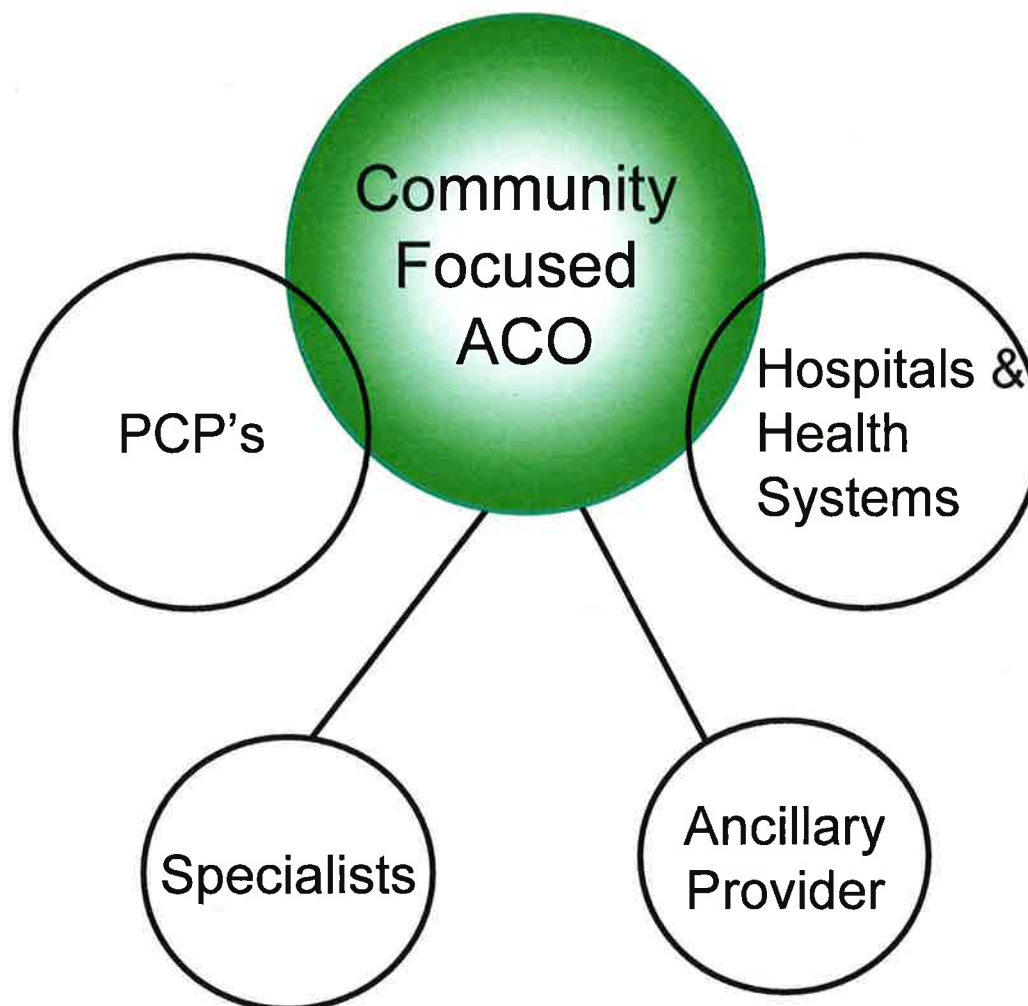
1. Are PCHH's critical to ACO's and their ultimate success?
2. Can Specialists also function as a PCHH within an ACO?

An ACO without a PCHH Model



Fresenius Health Partners
Accountable Kidney Care

- In pure form, ACO's should align incentives...but how?
- Age old tensions exist between physician providers & hospitals – whose ox is to be gored?
- Hospital systems generally have the retained earning required to assemble the complex infrastructure required to operate an ACO... but does that mean that hospitals reap the largest portion of any savings
- And how does this all relate to PCHH?

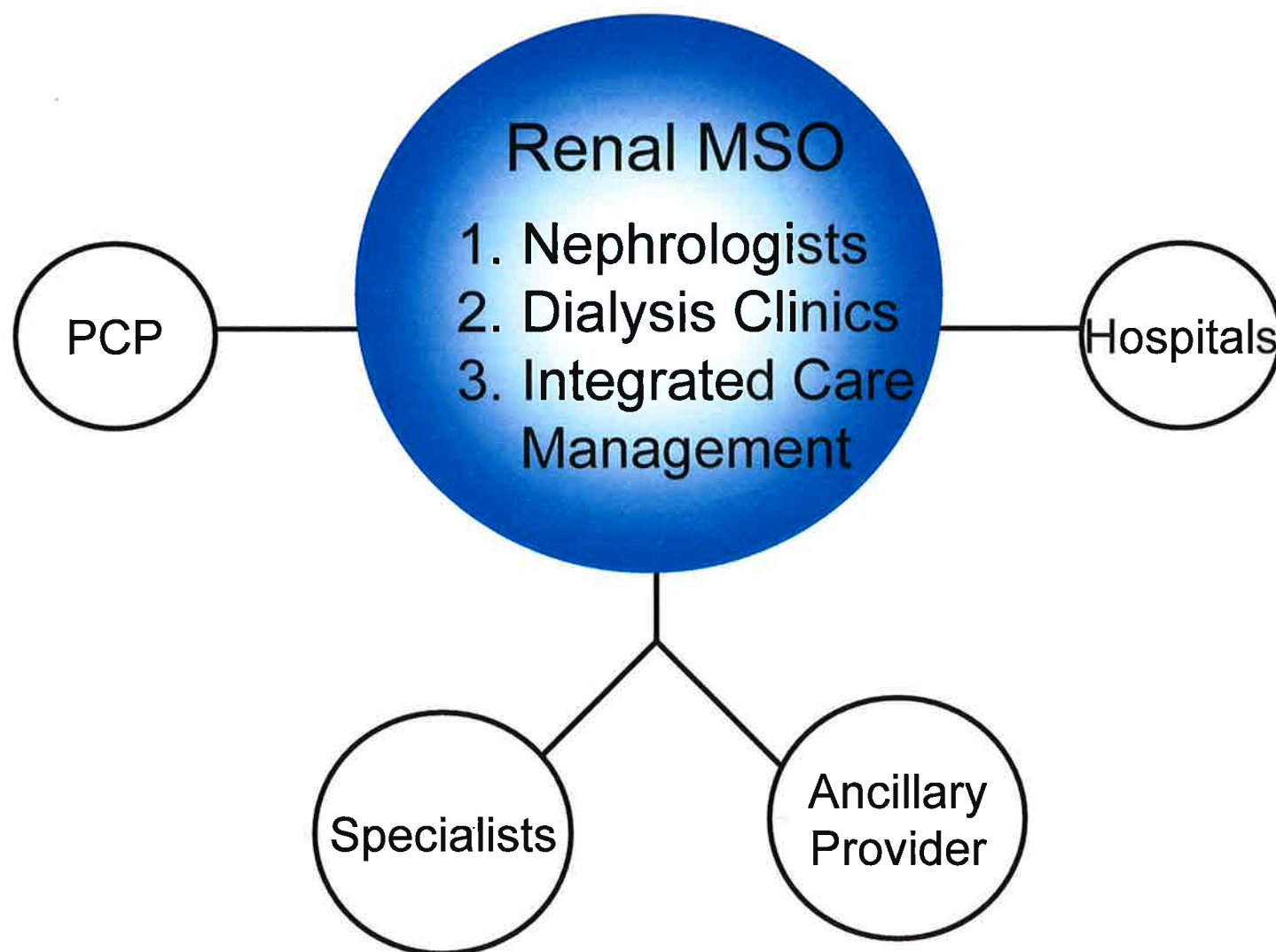


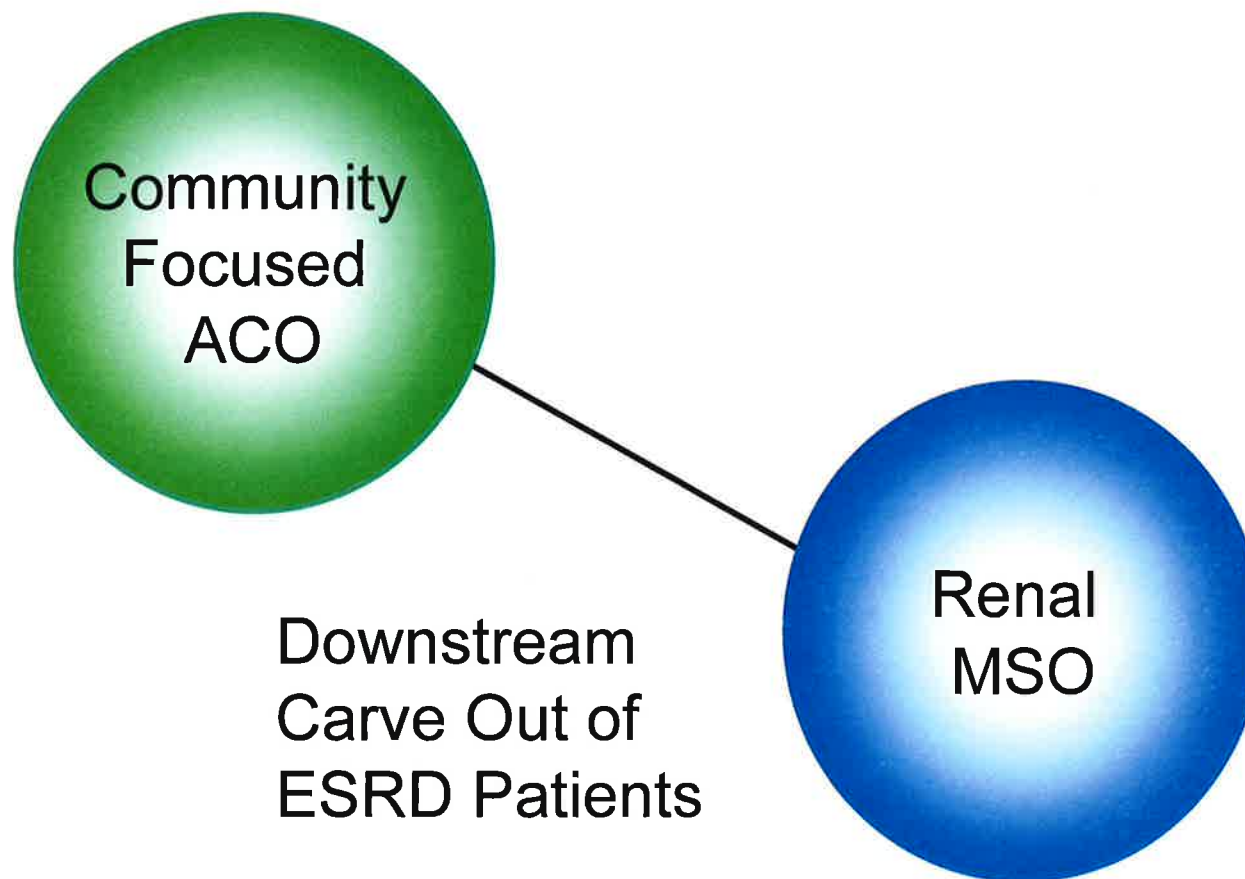
Why Do ACO's Needs PCHH's?



Fresenius Health Partners
Accountable Kidney Care

- The current system of FFS healthcare is broken
- The incentives under FFS are perverse as they reward sickness and promulgate a system of fractured and fragmented care delivery
- The 80/20 rule: 80% of healthcare expense is generated by 20% of the patient population
- The 20% are by and large those individuals with two or more chronic conditions
- The PCHH creates a sustainable platform for the comprehensive management of patients with chronic conditions





Specialists & PCHH

Thinking Outside of the Box



Fresenius Health Partners
Accountable Kidney Care

- **Question:**

Can specialists function effectively in a PCHH?
If yes, which ones are best suited for this task?

- **A reality check:**

Are there enough PCP's to meet current demand?

- ~ No, a recent study by U of Michigan Health Systems estimates the need for an additional 6,355 PCP's just to handle ½ of follow up care done by specialists for chronic conditions.

The Bias Against Specialists



Fresenius Health Partners
Accountable Kidney Care

- By training and by personal choice, specialists/consultants focus on their area of expertise
 - Care delivery by specialists/consultants is episodic, little or no long term care relationship
- Payment systems discourage ongoing care relationships
- Reform legislation does not recognize Principal Care Physicians - only Primary Care
- NEJM April 29, 2010 Specialist Physicians Practices as Patient-Centered Health Home
 - AMA House of Delegates/ACP Council of Subspecialties support specialists as Health Home providers if they are willing to take on the Joint Principles-2007

The “Traditional” Health Home



Fresenius Health Partners
Accountable Kidney Care

- Primary Care Physicians Take Lead Role
 - Family Practice, Internists, Pediatricians
- Health Home Principles (Joint Principles Statement -2007)
 - Personal Physician
 - Physician directed medical practice
 - Whole person orientation
 - Care is coordinated and /or integrated
 - Quality & Safety
 - Enhanced access to care
 - Payment appropriate to added value by providers

End Stage Renal Disease



Fresenius Health Partners
Accountable Kidney Care

- **ESRD = loss of kidney function requiring renal replacement therapy (RRT)**
 - In Center Hemo Dialysis
 - Home Based Dialysis (PD or Home Hemo)
 - Kidney Transplant
 - No RRT = death
- Majority of dialysis patients (90%+) receive In Center Hemo
- In Center Therapy, on average, is 3x week/4 hours per treatment, not counting getting to and from the clinic and wait times (a full time job staying alive)

The Current Dialysis Reality (Care)



Fresenius Health Partners
Accountable Kidney Care

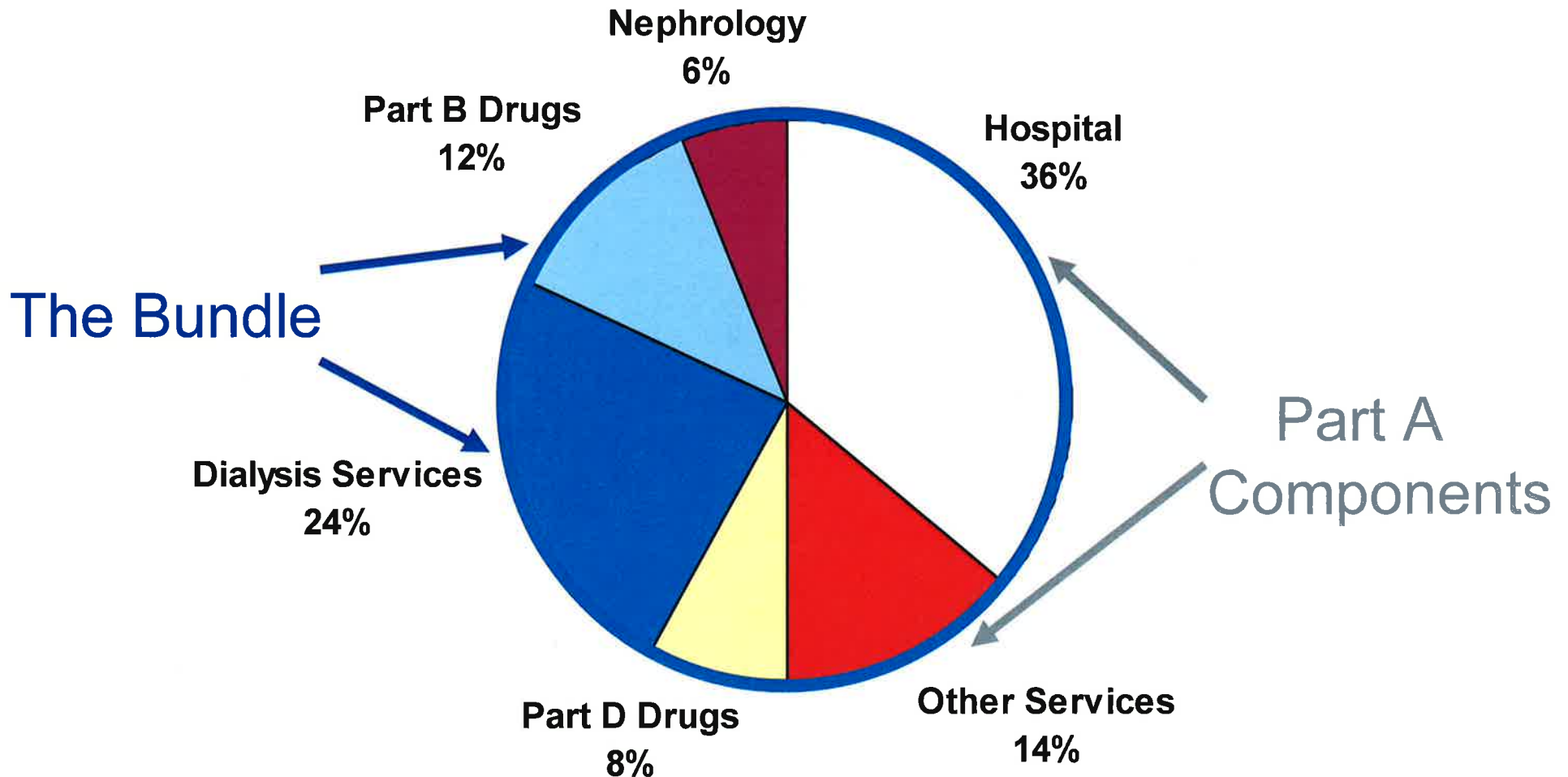
- ESRD care remains largely a FFS (Fee for Service) Environment – 80% of dialysis patients are Medicare FFS primary, 10% have commercial coverage for 33 months, balance either Medicaid or self pay (no pay)
- Care delivery therefore remains fragmented
- Mortality remains high (~ 20%)
(Despite High Quality Dialysis Service and Technology)
- High comorbidity in ESRD population
 - Cardiovascular disease
 - Diabetes
 - Vascular access complications
 - Inflammation / infection
 - Malnutrition

ESRD Patient Costs



Fresenius Health Partners
Accountable Kidney Care

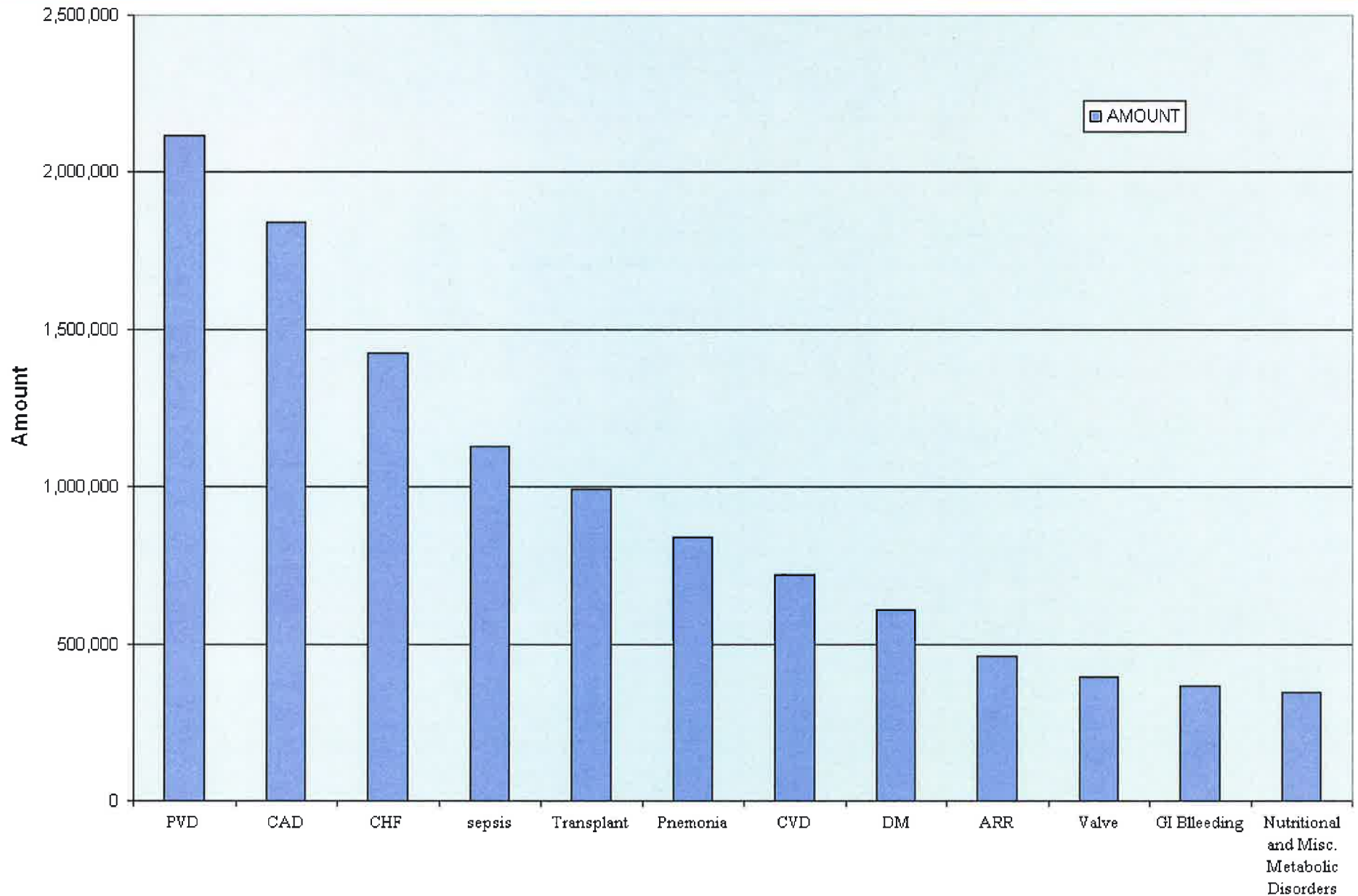
CMS Annual Costs Per ESRD Patient – \$87,400
(Secondary Payer about \$20,000 additional)



Hospitalization Cost by Category for ESRD Patients FHP Claims Cost Data



Fresenius Health Partners
Accountable Kidney Care



Integrated Care Model Focus Areas



Fresenius Health Partners
Accountable Kidney Care

- **Prevent Hospitalization from CHF**
 - Home health monitoring technology (BP/weight/symptoms)
 - Trending of Clinic BP's, Weight, Dry Weight and Home Device data
 - Additional treatment / frequency as medically needed
- **Infection**
 - Immunizations
 - Dental exams
- **Vascular Access**
 - Fistula placement
 - Reduction in catheter use for permanent VA
 - Prompt access repair / intervention
- **Nutrition**
 - Oral supplements and Vitamins (albumin level driven)
- **Diabetes Care (and Peripheral Vascular Disease)**
 - Blood sugar monitoring
 - Eye exams
 - Wound management - reduction in foot ulcers and amputation
- **Education and Empowerment of Patient (Labs, Medications, etc...)**



Nephrologists are:

- The Most Important Provider (Principal Care Provider):
 - Chronic Kidney Disease/Pre-dialysis
 - End Stage Renal Disease/Dialysis
 - End Stage Renal Disease/Transplant
- Continuous/Global Care, Not Episodic/Fragmented
- Established/Long-term relationship throughout continuum
- CKD → ESRD → Transplant → CKD → ESRD, etc

Nephrologist and ESRD



Fresenius Health Partners
Accountable Kidney Care

- **ESRD**
 - Weekly Nephrologist visit = 48 visits/yr
 - Thrice-weekly patient treatments = 156 visits/yr
 - Monthly Comprehensive Assessment
 - Coordinates ALL care: LCSW, RN, RD, Transplant, other specialists
 - Medical Directorship of Dialysis Clinics:
 - ~ CQI, Care Plans, Staff training, Global outcomes
- **Nephrologists:** FFS Medicare but on a capitated basis (MCP)
- **Dialysis clinics** are paid a bundled rate for treatment + medications

Nephrologist is the PCP



Fresenius Health Partners
Accountable Kidney Care

- Nephrologists determine major care decisions from vaccinations to foot care
- Dialysis morbidity/mortality and cost driven by:
 - Cardiovascular/Peripheral Vascular disease
 - Dialysis Adequacy
 - Infection
 - NOT: colonoscopy or PSA
- When used as the principle care giver and incentivized to deliver ESRD-oriented primary care, the Nephrologist eliminates redundancy and costs incurred with the ER, Hospitalists and PCP's.

Compare the Paradigm



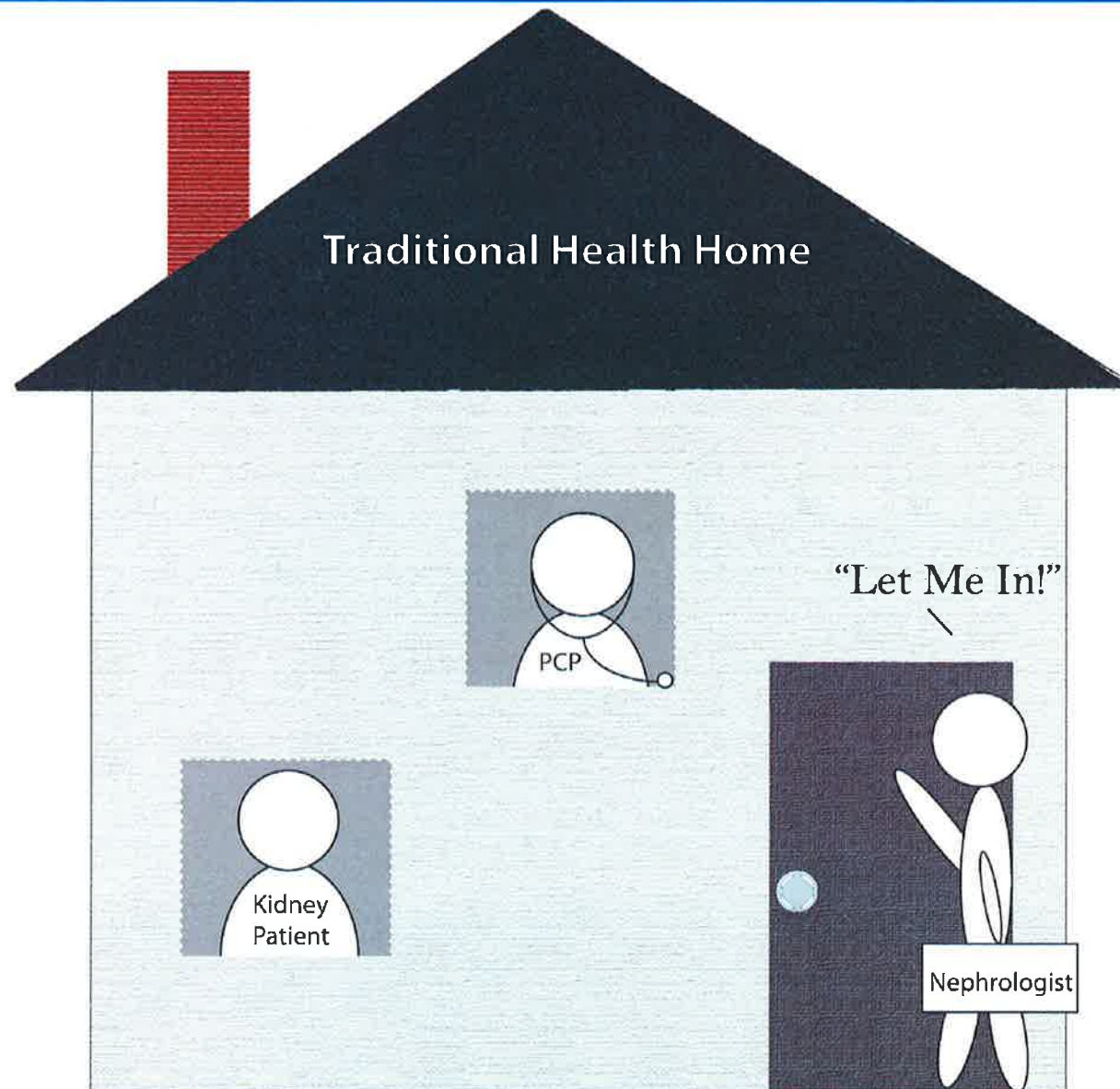
Fresenius Health Partners
Accountable Kidney Care

	Old	New
ER	<i>Absolutely</i>	<i>Why?</i> <i>Don't go there</i>
Hospitalist	<i>Call the Nephrologist</i>	<i>Why?</i> <i>Don't bother</i>
Internist	<i>Call the Nephrologist</i>	<i>Is the Nephrologist</i>
Nephrologist	<i>Specialist (Shh..also PCP)</i>	<i>Accountable PCP: directing the Health Home</i>

Traditional Health Home



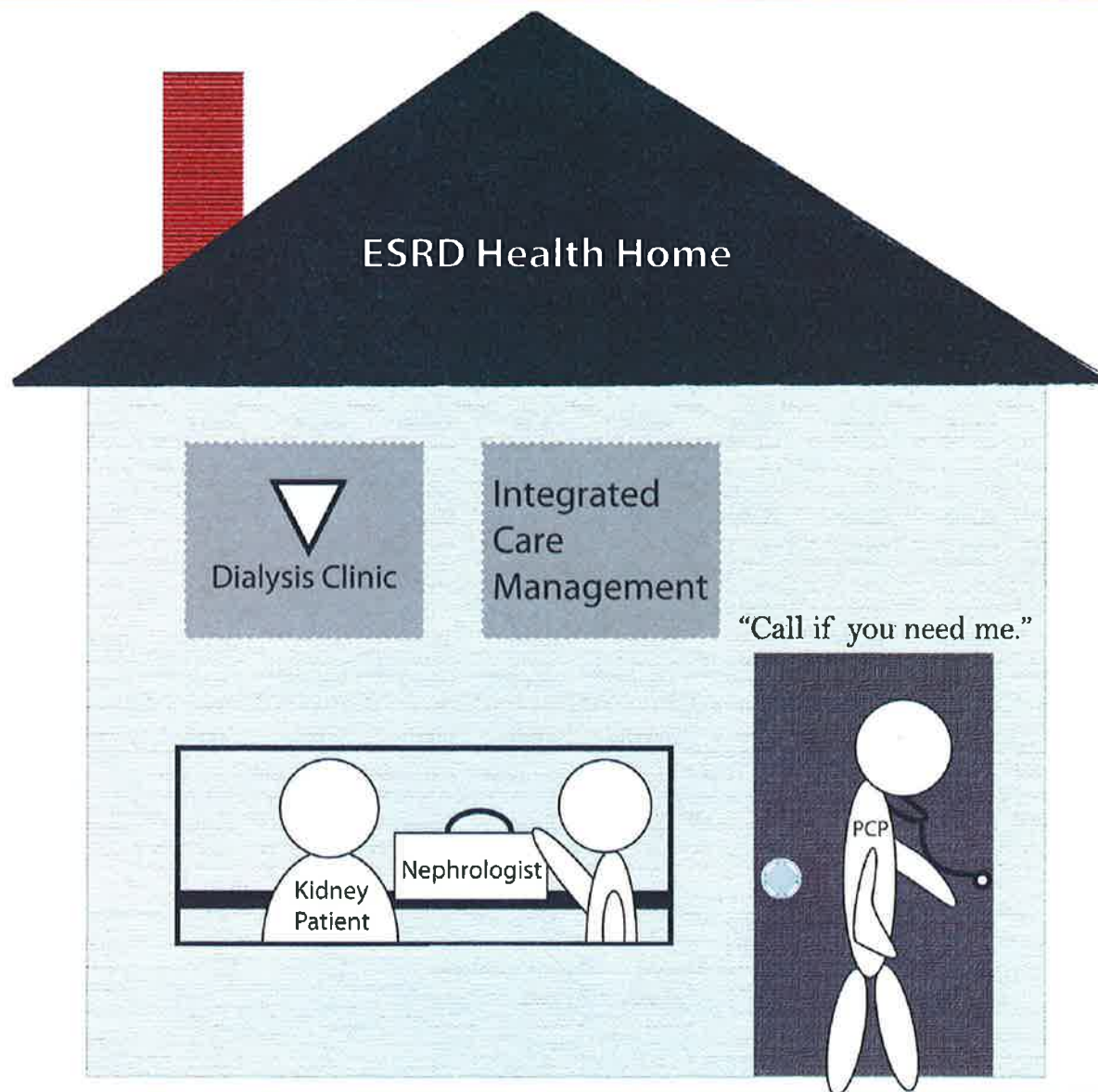
Fresenius Health Partners
Accountable Kidney Care



ESRD Health Home



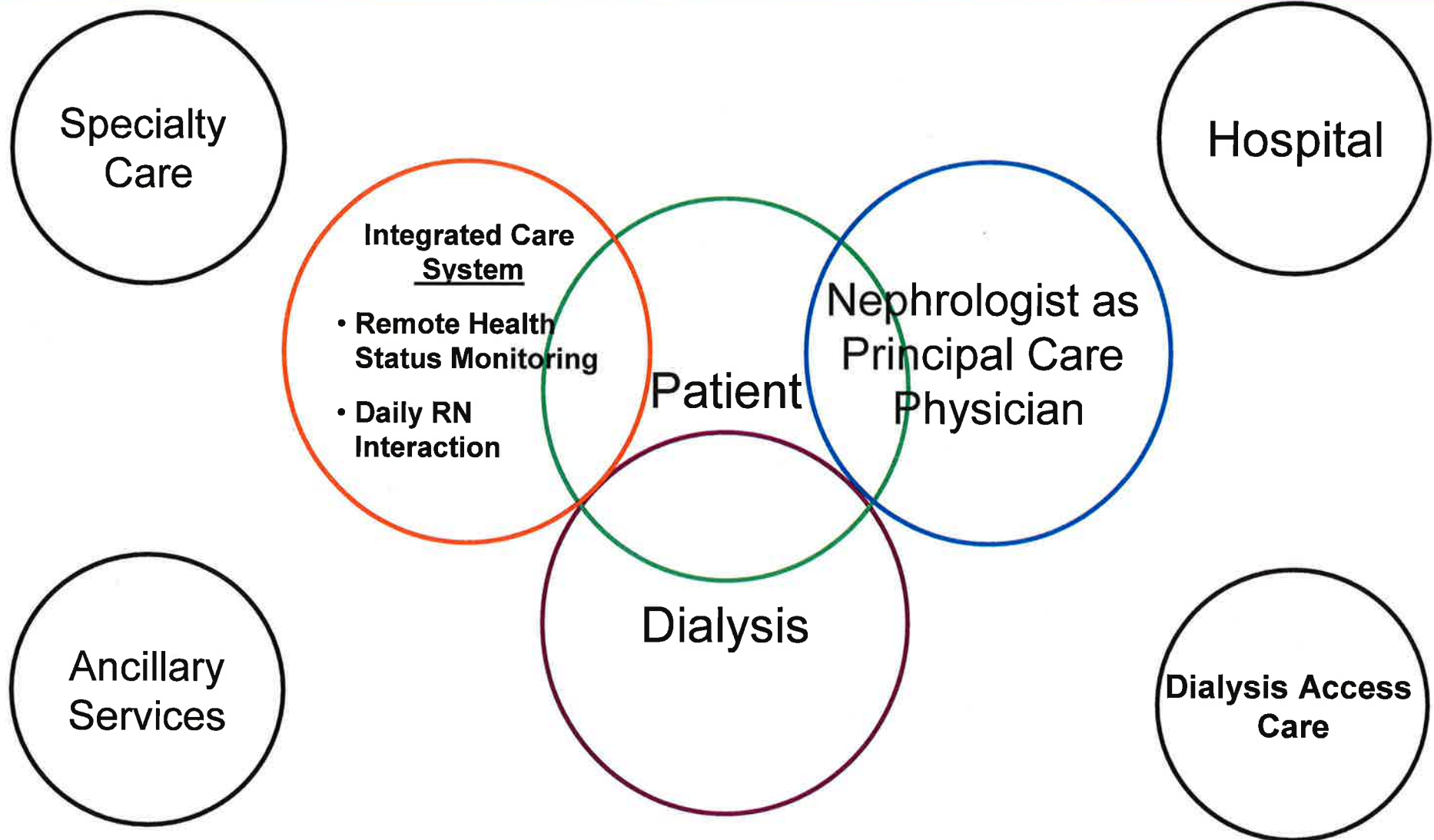
Fresenius Health Partners
Accountable Kidney Care



Renal Health Home Model



Fresenius Health Partners
Accountable Kidney Care





Yes, but . . .

- The Health Home must focus around an appropriate chronic disease condition: ESRD works!
→ Other Chronic Conditions: Heart Failure, Cancer
- The Health Home must have an integrated care focus with an instrument that provides for regular contact with members/patients.
- The Health Home must be a real partnership that follows the Joint Principles Statement
- The process needs to align incentives not just for providers & plan but also patients!