Integrating Laboratory Services into Evolving Healthcare Models

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CLIAC Meeting
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Atlanta, Georgia

Outline

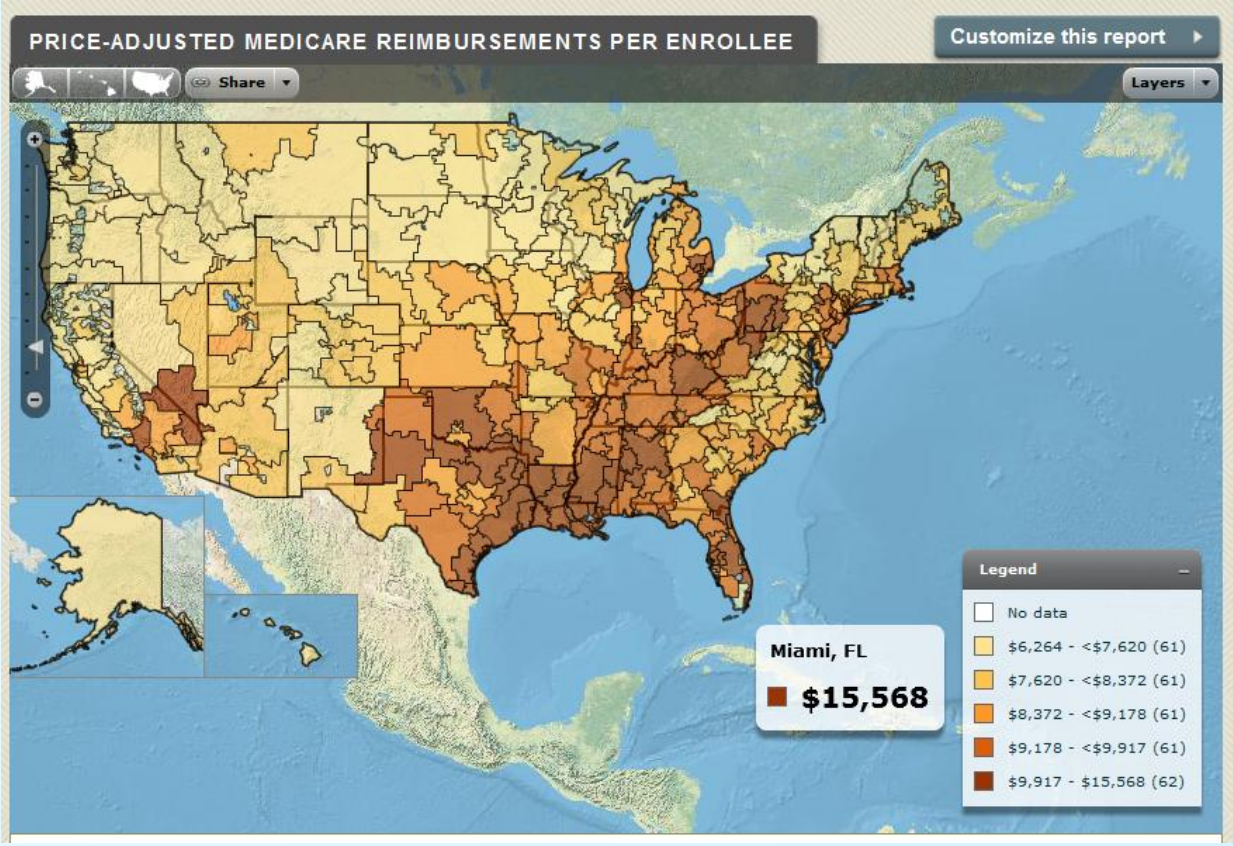
- Background
- Purpose for CLIAC Discussion
- Introduction of Speakers
- Questions for CLIAC Consideration

Background

- **CLIAC September 2011**
  - Accountable Care Organizations (ACOs) were briefly discussed
  - Opportunities to promote quality practices among patients, physicians, and laboratory professionals were identified. Examples included:
    - Developing efficient diagnostic algorithms
    - Standardizing the array of practice guidelines being developed
    - Involving laboratory professionals early in ACO development

Background (2)

- **Dartmouth Atlas Project**
  - Documents variations in the distribution of healthcare resources
  - Spending more does not necessarily result in better outcomes



Source: http://www.dartmouthatlas.org/, Retrieved January 18, 2012

Background (3)

- **Influential Papers**
  - 2009 - *Fostering accountable health care: Moving forward in Medicare*
    - Dr. Elliot Fisher, et al from Dartmouth proposed realignment of payment incentives with the healthcare provider
    - Coined the phrase "Accountable Care Organization (ACO)"
  - 2010 – *A National Strategy to Put Accountable Care Into Practice*
    - Dr. Mark McLellan, Fisher, et al outline similar core principles

Elliot Fisher et al., "Fostering accountable health care: Moving forward in Medicare," Health Affairs, 2009;28:w219-231[Published online 27 January 2009] http://content.healthaffairs.org/content/28/2/w219.full

McClellan M, McKethan AN, Lewis JL, Roski J, Fisher ES (2010). *A National Strategy to Put Accountable Care Into Practice*. 29. pp. 982=990. http://www.nber.org/public_html/confer/2010/OEf10/fisher1.pdf

Background (4)

- **Three barriers and "principles" were identified to improving the value of care**

Barriers (2009-Fisher)	Principles Brookings/Dartmouth ACO Learning Network
Lack of accountability for the overall quality and cost of care	Local accountability – Provider led organizations
Fee-for-service payment system rewards volume, growth, intensity; disincentive to coordinate care	Shared savings – Payments linked to quality improvements that reduce costs
More is better patient mentality about medical care.	Performance measurement – Publically reported quality measures on outcomes, quality and cost for educated decisions

Achieving Accountable Care

Heit, Mark. *Overview of ACOs Medicaid Health Plans of America,* November 4, 2010.
http://www.mhpa.org/_upload/Accountable%20Care%20Organizations%20(Mark%20Heit).pdf

Achieving Accountable Care

Delivery System

- Patient-Centered Care
- Coordinated Care
- Primary Care Focus
- Technology-Enabled

Payment System

- Reforms Fee-for-Service
- Eligibility tied to Quality Measures
- Financial Incentives to Reduce Overutilization

Shared Savings Through ACOs

- **Eligible organization**
  - Groups of providers, including primary care providers and suppliers of services (e.g., hospitals, physicians, and others involved in patient care)
  - Coordinate care for at least 5,000 Medicare beneficiaries
- **Patient-centered**
- **Patient choice of provider is not limited to ACO**
- **Providers receive regular fee-for-service payments**
- **Risk-adjusted spending benchmarks are set**
- **Accountability measures related to quality and coordination of care publically reported**
- **Qualify for shared savings when spending is below benchmark**

ACO Configurations May Vary

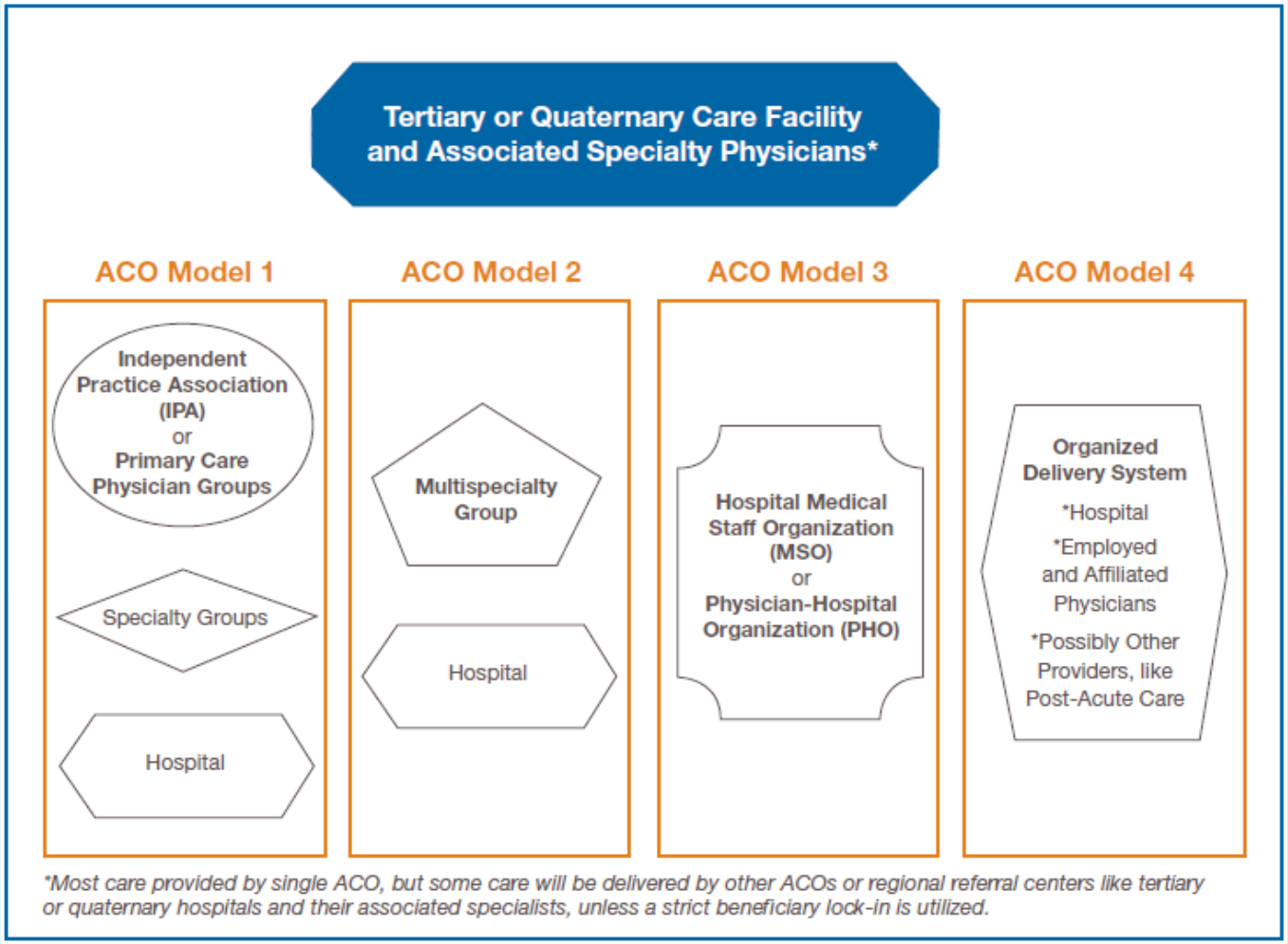


Figure used with permission of the Urban Institute.

Devers, K and Berenson, R, Can Accountable Care Organizations Improve the Value of Health Care by Solving the Cost and Quality Quandaries: Timely Analysis of Immediate Health Policy Issues. 2009 October http://www.urban.org/uploadedpdf/411975_acountable_care_orgs.pdf

Managed Care Model	Accountable Care Model
Insurance risk	Performance risk
Panel of patients	Population of patients
Scrum for share of revenue	Rational allocation of revenue
Charge based	Value based
Managed care leverage	Care coordination
Pay for quantity (covered lives)	Pay for quality
Episode of care focused	Patient-centric focused
Split control and governance	Physician leadership
Do more	Do less
Intervention	Prevention
Clinical integration to achieve antitrust compliance	Clinical integration to achieve efficiencies and quality improvement

Davis, G, Rich, J, Health Care Reform: ACOs and Developments in Coordinated Care Delivery, Shared Savings and Bundled Payments. 2010 April 14.
http://www.mwe.com/index.cfm/fuseaction/publications.nldetail/object_id/6699b22c-127a-4cf0-a80b-bab7a75767de.cfm

Patient Centered Medical Home / Primary Care Medical Home (PCMH)

- PCMH is an approach to providing comprehensive primary care for children, youth and adults. The PCMH is a health care setting that facilitates partnerships between individual patients, and their personal physicians, and when appropriate, the patient's family
- Originated in 1967 by American Academy of Pediatrics
- CMS Innovation Center will test PCMH model in Federally Qualified Health Centers (FQHC) Advanced Primary Care Practice demonstration

American Academy of Family Physicians, American Academy of Pediatrics, American College of Physicians, and American Osteopathic Association. (2007 Mar). "Joint principles of the patient-centered medical home" http://www.pcpcc.net/content/joint-principles-patient-centered-medical-home, retrieved 1/21/2012
http://innovations.cms.gov/initiatives/fqhc/index.html

Compare & Contrast ACO and PCMH Models

- **Both promote coordination of care**
  - PCMH relies on the primary care provider
  - ACO does not specify (open to innovative models)
- **Both promote utilization of enhanced resources**
- **Financial incentives to reduce costs & improve quality:**
  - Indirect savings, no explicit payments
  - Direct payments, key elements to encourage ACO participation
- **PCMH considered complementary or stepping-stone to ACO**

American Hospital Association. 2010 Committee on Research. *AHA Research Synthesis Report: Accountable Care Organization*. Chicago: American Hospital Association, 2010. http://www.aha.org/research/cor/content/ACO-Synthesis-Report.pdf

Medicare Shared Savings Program

- **Created by the Patient Protection and Affordable Care Act in March 2010**
  - ACOs may enter three year contract with Medicare by January 2012
- **Final Rule for program published in November 2011**
- **Includes 33 quality measures, some with laboratory relevance**

Medicare Shared Savings Program Overview: https://www.cms.gov/sharedsavingsprogram/
42 CFR 425 Final Rule: http://www.gpo.gov/fdsys/pkg/FR-2011-11-02/pdf/2011-27461.pdf

Quality Measures Related to Laboratory Service

- **See CMS Fact Sheet**
  - 19. Colorectal Cancer Screening
  - 22. Diabetes Composite: Hemoglobin A1c Control (<8%)
  - 23. Diabetes Composite: Low Density Lipoprotein (<100)
  - 27. Diabetes Mellitus: Hemoglobin A1c Poor Control (>9%)
  - 29. Ischemic Vascular Disease: Complete Lipid Profile and LDL Control <100 mg/dl
  - 30. Ischemic Vascular Disease: Use of aspirin or another antithrombotic
  - 32. Coronary Artery Disease: Drug therapy for lowering LDL-Cholesterol

CMS ACO Fact Sheet: https://www.cms.gov/MLNProducts/downloads/ACO_Quality_Factsheet_ICN907407.pdf

Purpose for CLIAC Discussion

- Inform CLIAC on ACO implementation and related CMS activities
- Provide examples of lessons learned from ACO implementation
- Provide opportunity for CLIAC to advise HHS on integration of laboratory services into evolving healthcare models

Questions for CLIAC Consideration

INTEGRATING LABORATORY SERVICES INTO EVOLVING HEALTHCARE MODELS

Integrating Laboratory Services into Healthcare Models Questions for CLIAC Consideration

1. ***Where have laboratory services and resources already been incorporated in evolving healthcare models, such as ACOs and PCMHs?***
2. ***Are there gaps with integration of laboratory services and resources in evolving healthcare models?***
3. ***What can HHS do to support the effective integration of laboratory services and resources into the development and implementation of evolving healthcare models?***

Introduction of Speakers

- **Ms. Elizabeth November (by teleconference)**
  - Performance Based Payment Policy Staff at CMS
  - Medicare Shared Savings Program and CMS Innovates Activities
- **Dr. Ira Sussman**
  - Vice-Chairman of Pathology and Director, Moses Laboratories at Montefiore Medical Center, Bronx, NY
  - Laboratory Integration into an Exemplary Accountable Care Organization
- **Dr. Michael Barr (by teleconference)**
  - Vice President, Practice Advocacy and Improvement for the American College of Physicians
  - Laboratory Integration and Patient Centered Care

For more information please contact Centers for Disease Control and Prevention

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