

A disproportionately large share -- about 40% -- of a typical Member's healthcare spending goes toward caring for only 15% of patients, the 'medically complex' -- those who suffer from more than one chronic condition such as diabetes, asthma and hypertension. Given the fragmented nature of the US health care system, these patients are apt to experience duplicate services, complications from the unintentional misuse of prescription medications and avoidable emergency department visits and hospital admissions.

Expenses pile up and are passed on to insurers and, indirectly, to employers.

Fortunately, IOCP is ready to cast its 'safety net' to help the patients who need it most. Through care coordinators, the program ensures seamless interactions between medically complex patients and their multiple providers. Current estimates suggest that when a Member company implements IOCP, claim costs associated with caring for these patients are reduced by up to 20%. Care coordinators also actively address behavioral and psychosocial needs, often the drivers of increased medical utilization.

How it Works: IOCP builds on efforts innovated by Dr. Arnie Milstein, PBGH's Medical Director, who, in partnership with the Boeing Company, a PBGH Member, tested the approach of assigning medically complex patients to care coordinators at Everett Clinic, WA.

The dedicated coordinator serves as the point of contact for the patient in an outpatient setting and, with backup from a care team, provides accessibility 24-hours a day via phone and email. Coordinators build important relationships with patients (and their caregivers), meeting on a one-on-one basis, acting as a liaison to primary, specialty and ancillary services -- even booking transportation to medical appointments.

Because medically complex patients can be anxious and depressed, coordinators are particularly attentive to their patients' social and psychological needs, supplying referrals for behavioral, psychosocial and community services. Coordinators also proactively provide patients with tools for effective self-management, helping them to develop action plans and to recognize signs of exacerbations of illness.

By reducing hospital and emergency room visits -- and harnessing other IOCP efficiencies -- claim costs associated with caring for these patients can be reduced by up to 20%. (The Boeing pilot reported a 28% reduction in hospital admissions alone.) Equally as important is the improved wellbeing of patients, simply because someone cares and actively engages patients in developing a path forward. (The Boeing pilot reported a 16% improvement in participants' mental health scores and a 56% reduction in missed workdays.)

Looking ahead: Following the successful testing of the IOCP model, initially with Boeing and subsequently with Members CalPERS and PG&E, PBGH applied and was one of 100 selected (among thousands) for a three-year Centers for Medicare and Medicaid Services (CMS) grant to test large-scale implementation of this program for 23,000 Medicare beneficiaries. Now in its second year of delivering success to the Medicare population,



How will IOCP benefit PBGH Members?

- ▶ Members can expect up to a 20% reduction in health care claim costs associated with their medically complex population.
- ▶ Members will realize increases in worker productivity and decreases in absences, as medically complex patients will better manage their health (or the health of their dependents) and get back to normal functioning.

How can PBGH Members get involved?

- ▶ Work with health plans or providers to identify and enroll medically complex patients who could benefit from IOCP at existing medical group sites.
- ▶ Request that health plans work with PBGH to embed IOCP care principles within their existing ACOs, which will improve the ROI of the ACO to self-funded employers.
- ▶ Encourage carrier representatives to attend IOCP leadership and care-coordinator training conferences to learn the latest best practices.

IOCP has been rolled out at 25 clinical sites in five states: CA, WA, AZ, NV, and ID.

With this network of IOCP participating Medical Groups now in place through CMS support, PBGH is ready to work with Member companies who want to enroll patients and benefit from the program.

Frequently Asked Questions (FAQs)

1. How can a Member identify patients as potentially benefiting from IOCP support?

One method is to use high prospective risk scores based on claims, including admissions, emergency department visits, outpatient visits, and prescription drug claims.

Alternatively, patients can be selected by asking health plans or providers to identify patients with ongoing or persistent health conditions or facing repeated serious events (such as an emergency room visits or hospitalizations).

2. Are there costs to a Member to implement IOCP?

For employees in a self-funded PPO, start up costs for PBGH Members will include a monthly care management fee based on the number of enrolled IOCP patients.

Important to note is that the fee is offset by reduced health care costs. For employees in an HMO, the provider pays the costs but also earns the savings. Provider savings potentially reduce costs to Members in future premium rates.

3. How were the 25 clinical sites selected and can more be added?

Specific clinical sites were selected based on their proven track record of improving quality for their patients, volume of medically complex patients currently receiving care from the sites' physicians and ability to innovate and transform patient care. Sites are listed at: www.pbgh.org/iocp; other clinical sites can implement an IOCP, but may need more time for training care coordinators and redesigning their delivery system.

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Lisa Mangiante, MPP, MPH
Director, Redesign Care Delivery
Pacific Business Group on Health
lmangiante@pbgh.org

www.pbgh.org/IOCP

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IOCP Milestones

2009

Boeing & PBGH Medical Director Dr. Arnie Milstein test the IOCP model at Everett Clinic, WA.

2011

PG&E and CalPERS create similar program at the Humboldt Del Norte Medical Foundation in CA.

2012

PBGH awarded \$19M by the Centers for Medicare and Medicaid Services (CMS) grant to implement IOCP for Medicare beneficiaries.

2013

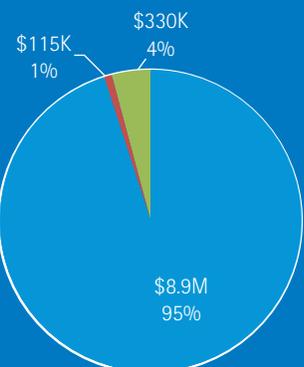
2,500 Medicare patients enrolled by year end.
Commercial expansion of IOCP continues.

2014

Commercial expansion of IOCP continues.

2014 IOCP Operations

PBGH FTE: 8.75
Revenue: \$9.23M



CMS Grants QIF Other