

Advancing Accountable Care in North Carolina

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What is an ACO?



A provider-based organization;

That takes responsibility for healthcare needs of a defined population;

With goals of improving health, improving efficiency, and improving patient satisfaction;

That produces shared savings or other financial measures to align incentives;

And that should include primary care physicians.

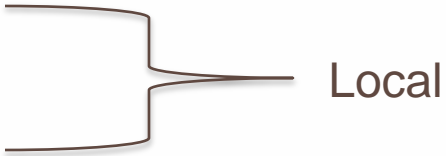
Integrating Specialists in ACOs

- **Coordination between PCPs and specialists is often inadequate**
- **Successful will promote more effective specialist care and PCP-specialist coordination and higher-value specialty care**
 - Use of Patient Registries, EHRs, etc... that provides actionable, timely data
 - Optimal/Efficient referrals
 - Internal payment models that support specialist-PCP coordination will help specialists move away from a FFS reimbursement model

Payments Within an ACO

- **Key issues are identifying evidence-based ways that specialists and hospitals can achieve savings with quality improvements**
- **May include increased payments related to fewer complications/lower costs**
- **May include steps to improve referrals from primary care**

- **Original Medicare Model by Fisher & McClellan**

- 73% of E&M
 - 64% of Hospital
 - Primary Care would coordinate
- 
- Local

Children's Healthcare Delivery - Differences

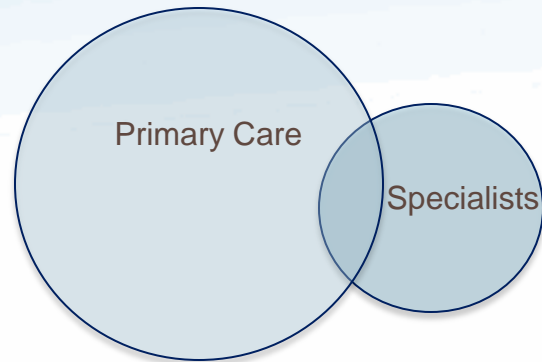


- **Specialists located in AMC**
- **In addition to normal chronic diseases of adulthood that begin in childhood:**
 - multiple complex, often rare, conditions that include defects due to prematurity, as well as genetic and embryonic factors
- **Greater mix of cognitive services and thus decreased revenue**
- **In combination, these result in access issues**

What About the Other 5%?



- **What about the other 5%?**
 - 53% of total costs
- Each Community Care enrollee is linked to a primary care provider to serve as a medical home that provides acute and preventive care, manages chronic illnesses, coordinates specialty care and referrals to social, community, and long-term care supports, provides comprehensive care management, and provides 24/7 on-call assistance. (NC SPA)



“Most dysfunction is at the junction of two functions”



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Co-Management:

How do you allocate accountability in FFS setting?

- Intensity of care at specialists
- Rarity of disease
- Distance between generalists and specialists
- Episodic or long term

Referrals/Transitions



- **IMPACT**

- Paid telephone consults
- Avoidance of:
 - 98 specialty visits
 - 35 hospital transfers
 - 14 hospital admissions
- Saved ½ million or \$39 per dollar spent

(Pediatrics:2008;e1136)

- **Access & Overuse:**

ex. GI, ID

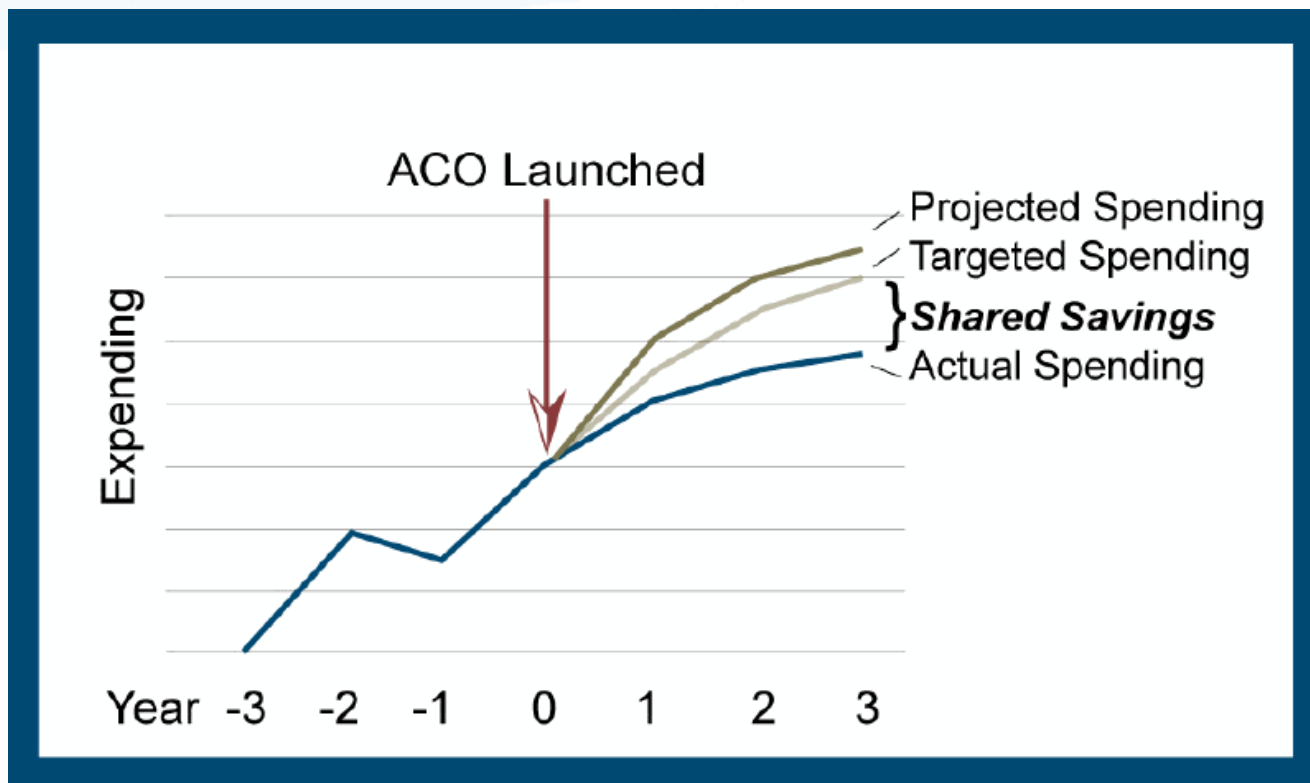
- **Continuous Innovation**

Referral guidelines:

ex. Endocrine

Shared Financial Incentives

- Three tiers of ACO financial incentives
 - “Asymmetrical” – Shared Savings



Savings Based on Spending Targets

Child Health Accountable Care Collaborative (CHACC)



- **Why Children ACC?**
- **Time Table**
- **Finance**
- **How to divide shared savings**
 - Primary care PMPM
 - Salaried specialists
 - Hospitals