

JIM FOODY, MD

Principles and Concepts of the PCMH

WHAT IS WRONG?

- Poor access to care, especially for the uninsured
- Escalating costs & volume of services
- No link between cost and quality
- Excessive administrative costs
- Dysfunctional payment system
- United States is lagging internationally
- Impending “collapse” of primary care

Adapted from Michael Barr



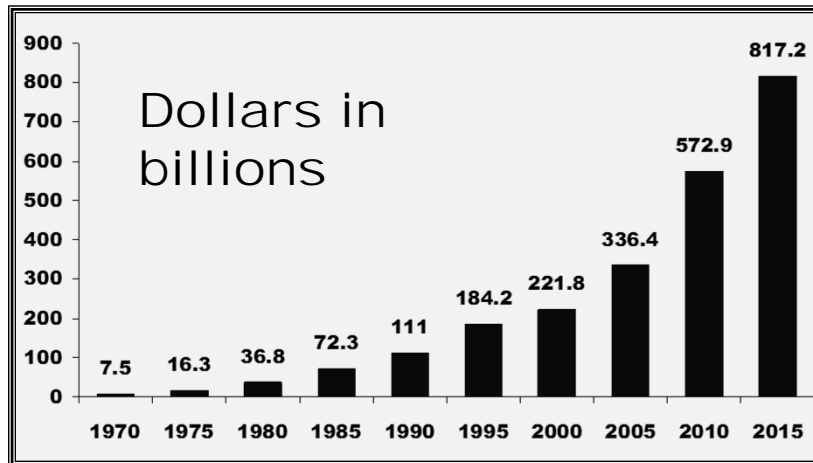
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GROWTH IN MEDICARE EXPENDITURES 1970-2015



Source: The Commonwealth Fund; Data from 2006 Medicare Trustees' Report.

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COMPARING SELECT HEALTH INDICATORS

Indicator	USA	OECD
Health care expenditures (per capita)	\$6401	\$2560
Infant mortality (per 100 live births)	6.8	5.4
Life expectancy at 65	20.0	19.5
Pharmaceutical spending (per capita)	\$752	\$363
Coronary revascularization (per 100,000)	579	245

Adapted from Emanuel, E. J. et al. JAMA 2008;299:2789-2791.

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ADMINISTRATION

- Underwriting
- Risk Adjustment
- Paperwork
- Billing and Collecting
- Claims Management and Denials
- Multiplicity of Incompatible Systems

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MEDIAN PRETAX COMPENSATION SELECTED SPECIALTIES

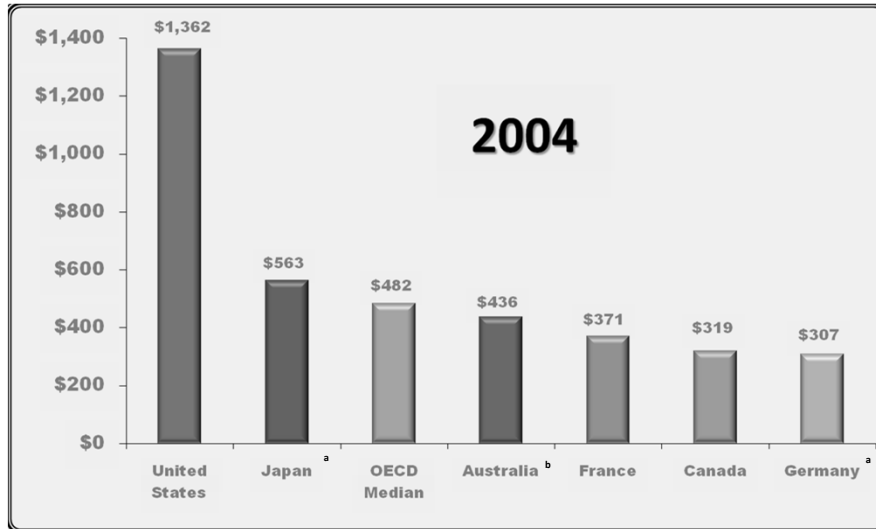
	2004	10 year change 1995-2004
GIM	\$168,551	21.0%
Invasive Cardiology	\$427,815	26.9%
GI	\$368,733	75.7%
Hematology/Oncology	\$350,920	85.8%
Dermatology	\$308,855	74.5%
Orthopedic Surgery	\$396,650	31.4%
Radiology	\$406,852	64.4%
Urology	\$335,731	57.5%

Adapted from Bodenheimer T, et al. Ann Intern Med. 2007;146:301-306.

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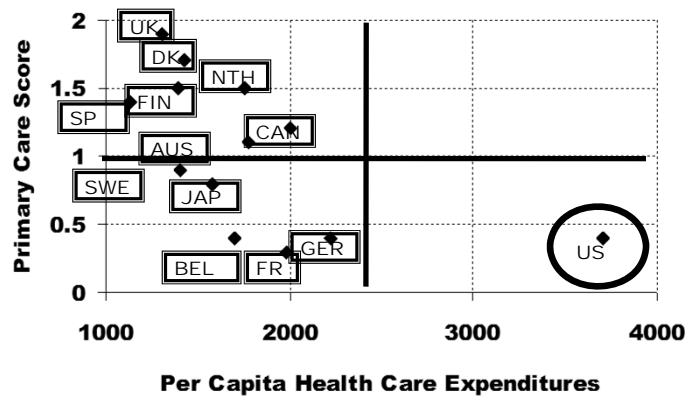
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PHYSICIAN SERVICES SPENDING PER CAPITA



Source: The Commonwealth Fund, calculated from OECD Health Data 2006.

PRIMARY CARE SCORE VS. HEALTH CARE EXPENDITURES, 1997

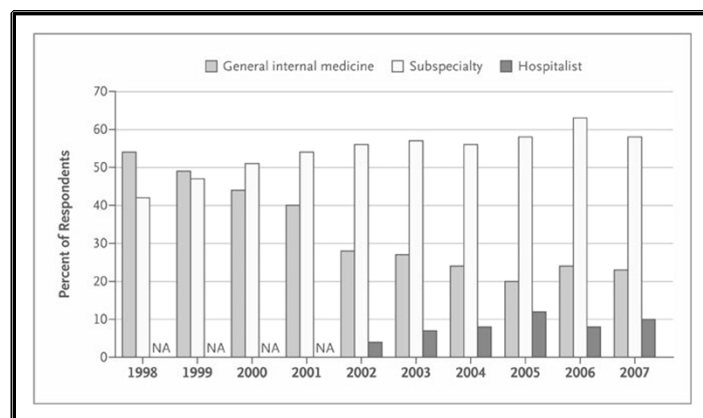


Source: The Commonwealth Fund, Data from B. Starfield, "Why More Primary Care: Better Outcomes, Lower Costs, Greater Equity," Presentation to the Primary Care Roundtable: Strengthening Adult Primary Care: Models and Policy Options, October 3, 2006.

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Proportions of Internal Medicine Residents Choosing to Work as General Internists, Subspecialists, or Hospitalists, 1998-2007



Okie S. N Engl J Med 2008;359:2305-2309

WHAT DO WE NEED?

- Superb access to care
- Patient engagement in care
- Clinical IT to support
 - High-quality care and quality improvement
 - Practice-based learning,
- Care coordination
- Integrated, comprehensive care
- Ongoing, routine patient feedback to a practice
- Publicly available information on practices

Adapted from Davis K, Shoenbaum S, Audet AM: A 2020 Vision of Patient-Centered Primary Care
JGIM 2005

WHAT HAS NOT WORKED SO FAR?

- ✓ Primary Care / Gatekeeper
- ✓ Precertification
- ✓ Event-based payment
- ✓ Relative value payment (RVU)
- ✓ Cost shifting uninsured
- ✓ Expanding / Contracting Physician Workforce

Stupidity

**doing the same thing and
expecting different results**

THE JOINT PRINCIPLES OF THE PATIENT- CENTERED MEDICAL HOME

- ✓ Personal physician
- ✓ Physician directed medical practice
- ✓ Whole person orientation
- ✓ Care is coordinated
- ✓ Quality and safety
- ✓ Enhanced access to care
- ✓ Payment to support the PCMH
 - Coordination Payment
 - Visit Fee

Team-based care:
NP/PA
RN/LPN
Medical Assistant
Office Staff
Care Coordinator
Nutritionist/Educator
Pharmacist
Behavioral Health
Case Manager
Community resources
DM companies
Others...

PCMH STANDARDS

1. Access and Communication
2. Patient Tracking and Registry
3. Care Management
4. Patient Self-Management Support
5. Electronic Prescribing
6. Test Tracking
7. Referral Tracking
8. Performance Reporting and Improvement
9. Advanced Communications

"CHANGE IS NOT MANDATORY."

"SURVIVAL IS NOT MANDATORY."

W. Edwards Deming