Centers for Medicare and Medicaid Services Physician Group Practice Demonstration Project

Marshfield Clinic Experience

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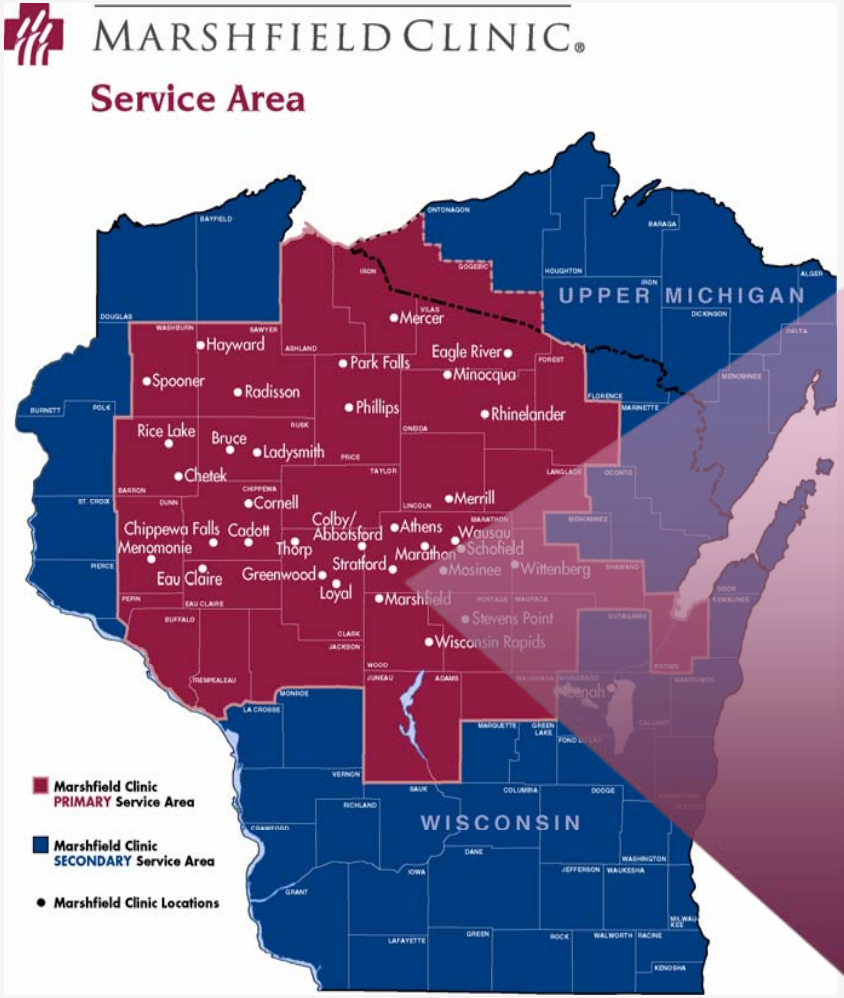
Marshfield Clinic



- **Over 40 centers throughout northern, central and western Wisconsin**
- **750+ physicians in 80 medical specialties and subspecialties**
- **361,436 patients served**
- **Patients seen from every county in WI, every state in the nation, as well as 25 foreign countries**

CMS PGP Demonstration Overview

- Section 412 of BIPA 2000 (P.L. 106-554)
- Medicare FFS Payments + Performance Payments
- Performance Payments Derived from Practice Efficiency & Enhanced Patient Management
  - Participants must first improve efficiency (decrease costs) before shared savings can occur.
  - Quality Assessed Using 32 Ambulatory Care Measures
- 10 Physician Groups Representing 5,000 Physicians & Over 200,000 Medicare FFS Beneficiaries
- Started April 1, 2005
  - Performance year 4 started 4/1/08

Marshfield Clinic Experience

- Why did Marshfield Clinic enter the CMS PGP demonstration project?
- How did we attempt to intervene?
- What were the results of PY1?
- When do we expect to hear about PY2?
- Where are we going in the future?

Marshfield Clinic

- Mission – *"to serve patients through accessible high quality health care, research, and education."*
- Long term strategy – built around the six aims of the Institute of Medicine: Care should be safe, timely, effective, efficient, equitable, and patient centric.

Why enter the CMS PGP Project?

- Consistent with the Clinic's mission.
- Marshfield Clinic's long term strategy built around the six aims of the Institute of Medicine.
- Marshfield Clinic was headed in a similar direction as the PGP demo and participation allowed us to accelerate our learning.

Goals & Objectives

- Encourage Coordination of Medicare Part A & Part B Services
- Reward Physicians for Improving Health Outcomes
- Promote Efficiency Through Investment in Administrative Structure & Process

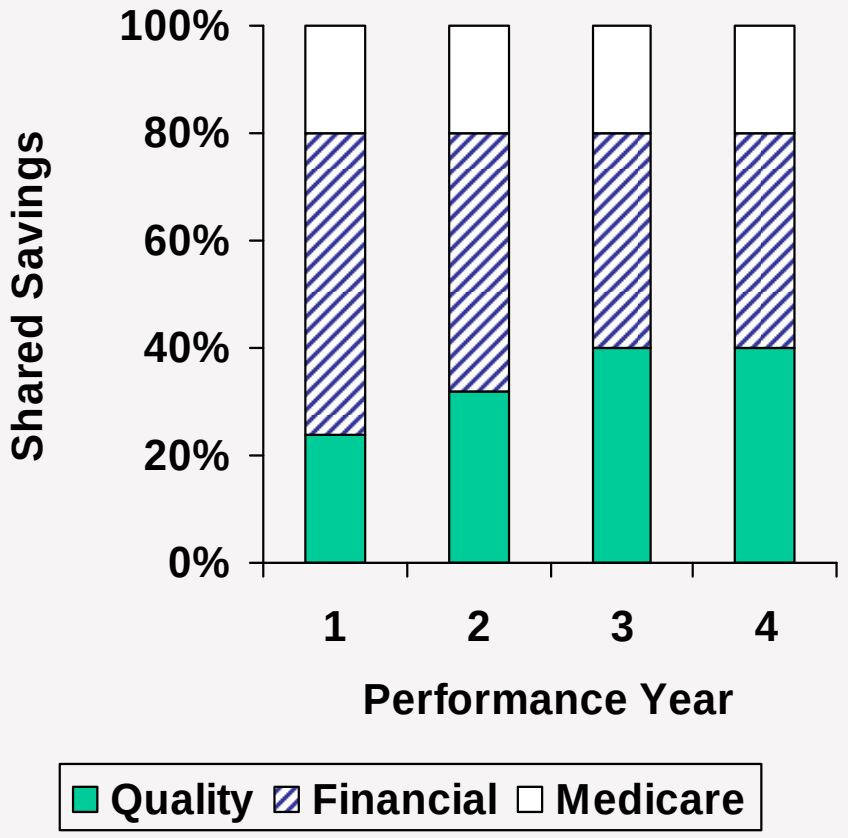
Physician Group Practices

10 Physician Groups Represent 5,000 Physicians
& Over 200,000 Assigned Medicare Fee-For-Service Patients

- Billings Clinic
  - Billings, Montana
- Dartmouth-Hitchcock Clinic
  - Bedford, New Hampshire
- The Everett Clinic
  - Everett, Washington
- Forsyth Medical Group
  - Winston-Salem, North Carolina
- Geisinger Health System
  - Danville, Pennsylvania
- Marshfield Clinic
  - Marshfield, Wisconsin
- Middlesex Health System
  - Middletown, Connecticut
- Park Nicollet Health Services
  - St. Louis Park, Minnesota
- St. John's Health System
  - Springfield, Missouri
- University of Michigan Faculty Group Practice
  - Ann Arbor, Michigan

Performance payment methodology

- Groups must save > 2% and only then share in the > 2% savings
- Medicare Retains 20%
- Groups Share up to 80%
  - Performance Payments Earned for Efficiency & Quality
  - Increasing Percentage of Performance Payments Linked to Quality
- Maximum Annual Performance Payment Capped at 5% of Medicare Part A & Part B Target



Process & Outcome Measures

Diabetes Mellitus	Congestive Heart Failure	Coronary Artery Disease	Hypertension & Cancer Screening
HbA1c Management	LVEF Assessment	Antiplatelet Therapy	Blood Pressure Screening
HbA1c Control	*LVEF Testing*	Drug Therapy for Lowering LDL Cholesterol	Blood Pressure Control
Blood Pressure Management	Weight Measurement	Blood Pressure	Blood Pressure Plan of Care
Lipid Measurement	Blood Pressure Screening	*Lipid Profile*	*Breast Cancer Screening*
LDL Cholesterol Level	Patient Education	LDL Cholesterol Level	Colorectal Cancer Screening
Urine Protein Testing	Beta-Blocker Therapy	Ace Inhibitor Therapy	
Eye Exam	Ace Inhibitor Therapy		
Foot Exam	Warfarin Therapy		
Influenza Vaccination	Influenza Vaccination		
Pneumonia Vaccination	Pneumonia Vaccination		

* Measures are cumulative over the lifetime of the project.

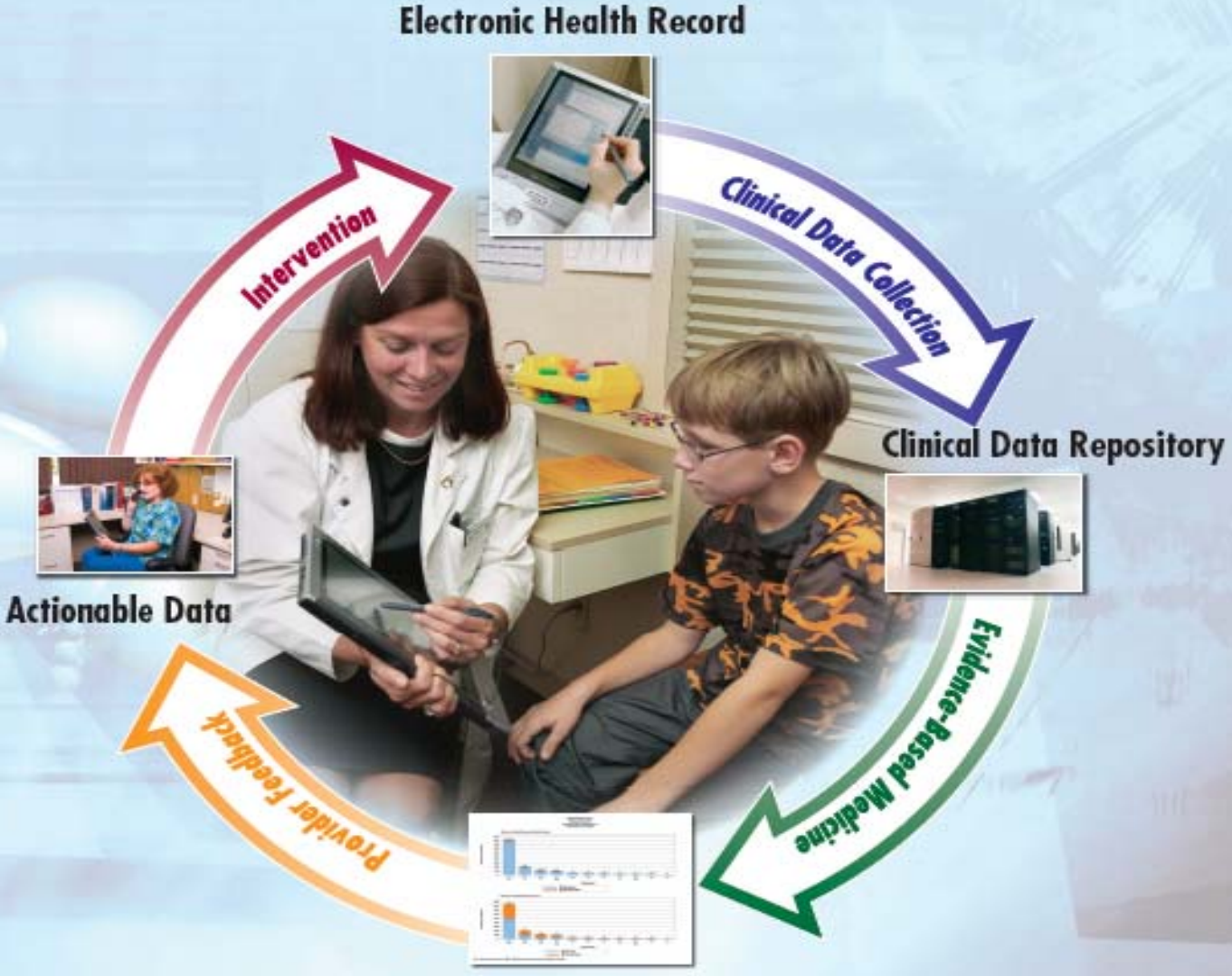
How did we intervene for the PGP project?

Multiple simultaneous interventions – applied to all Marshfield Clinic patients not just CMS beneficiaries.

- Best practice models developed for core conditions
- Computer based CME opportunities
- Care management programs
- Population based feedback to providers
- Health Information Technology
- Physician/Clinical Nurse Specialist regional teams

Chartless Environment – completed 2007

Leveraging information technology to transform health care



What were the results of PY1 of the CMS PGP demonstration?

- All groups improved quality measures over the baseline year.
- 8 of 10 groups had positive trends in savings.
- 2 of 10 groups exceeded the 2% savings threshold and were given a performance bonus.
- Savings to the CMS trust fund that were in excess of the 2 % threshold were ~$10.8 million (total savings of ~$21 million)

CMS PGP Demonstration Project Results

- PY1 –
  - $4.5 million performance bonus with savings to Medicare of $12 million
  - Achieved 9 of 10 quality metrics.
- PY2 – completed 3/31/2007. No data released to date.
- PY3 – completed 3/31/2008. No data released to date.
- PY4 – started 4/1/2008.

Challenges

- Current reimbursement models do not support
  - Practice redesign
  - Care management efforts – individual or population based
- Cultural changes required – team based approach
- Enhancing speed of data delivery for feedback (rapid cycle improvement).
- Competing definitions of quality from multiple payors
- Convincing payors to engage in sharing of cost savings for currently non-reimbursed services (nurseline, anticoagulation, etc).

Lessons Learned

- Data
  - Timeliness, accuracy of internal vs external data
- Culture issues
- EHR – necessary, but not sufficient
- Population health vs individual patient needs

Future Directions

- EHR enhancements
  - Patient activation tools
- Refinement of reporting to physicians
- Practice redesign
  - Current screening requirements for primary care providers are not possible in current models given time constraints
- Include specialists in reporting