

**Employers and the Primary Care
Imperative:
What Can Employers Do to Support
Comprehensive Primary Care?**

**Monthly National Briefing
March 31, 2016**



Access it here:

<https://pcpcc.org/resources/primary-care-imperative>



The Primary Care Imperative: New Evidence Shows Importance of Investment in Patient-Centered Medical Homes

Executive Summary

Primary care accounts for about 5% of health care spending, but decisions made in the primary care setting influence up to 90% of overall cost and quality through referrals, testing, invasive procedures, and hospitalizations. The fee-for-service (FFS) payment system does not adequately reward high-quality primary care care nor address patient health holistically to reduce overall costs.

The PCMH model offers an alternative paradigm designed to increase access to care, improve quality, and better care for the patient overall. The model is growing, but up until recently, data on whether the PCMH has delivered on improving health and reducing costs has been limited. This is why the Patient-Centered Primary Care Collaborative's (PCPCC) 2016 PCMH Evidence Report is so exciting. Last year, over 90% of PCMHs that evaluated cost of care or utilization of acute care services found improvements, greatly improving the case for employer investment in the model.

What Employers Can Do to Promote PCMHs:

Many employers, several of whom already pay care coordination fees to support PCMHs, have been reluctant to further engage with this delivery system reform. Given robust results from the PCMH Evidence Report, the Business Group recommends employers take the following actions:

- Ask your health plan(s) to identify opportunities for a PCMH strategy (i.e., which of your markets have a PCMH presence, how many of your employees see PCMH providers, what fees you pay) and to provide educational materials that highlight which practices provide PCMH care.
- Contract with health plans that identify PCMHs that are improving outcomes and reducing costs.
- Ask for regular health plan reports on PCMH performance in your markets.
- Reduce or eliminate cost-sharing for care delivered in a PCMH, as allowed under the plan, and communicate the benefits of selecting a PCP participating in a high-performing PCMH.
- Consider direct-contracting with PCMH providers in markets with large employee bases and providers with high quality track records, if partnering with your health plan is not possible.
- Study and consider joining multi-payer PCMH collaboratives in your markets.

This issue brief addresses common employer concerns and lays out convincing evidence that investing in PCMHs is a valid strategy for improving employee health, and reducing costs.

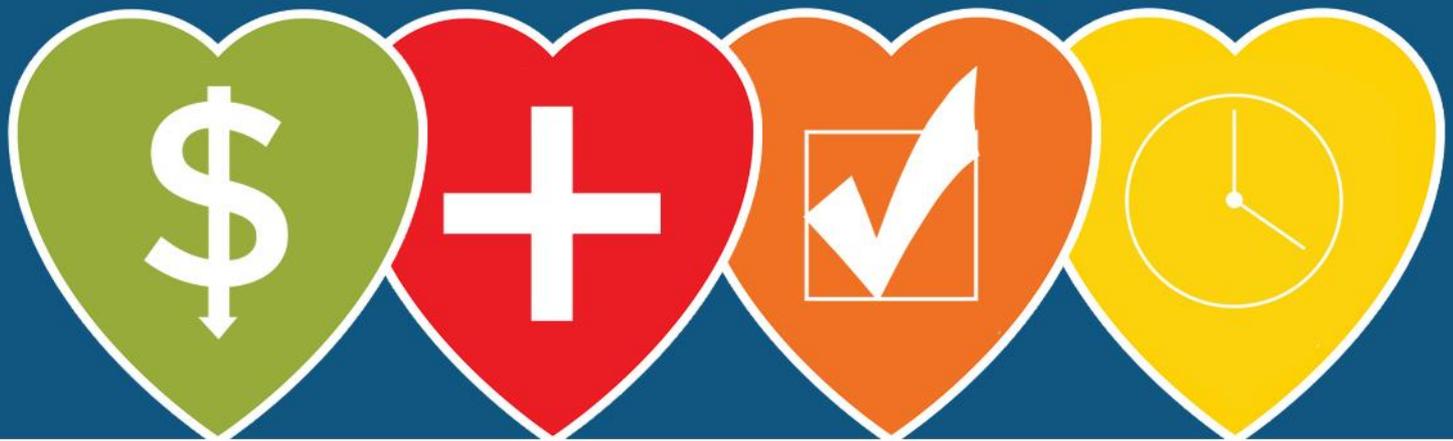


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Patient-Centered
Primary Care
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MGM Resorts

Direct Care Health Plan:

Supporting and Investing in Primary Care



MGM Resorts International

- Company Overview
 - One of the leading global hospitality companies, operating a portfolio of destination resort brands, including Bellagio, MGM Grand, Mandalay Bay, and The Mirage
 - Owns and operates 12 properties, has 50% investments in 3 others, and has a 51% interest in MGM China Holdings
- Largest private employer in the state of Nevada
 - Over 52,000 employees in Nevada
 - Roughly half are covered by union health plans and 22,000 are eligible for MGM Resorts benefits



Healthcare in Nevada

- Nevada ranks 47th in terms of healthcare quality ⁽¹⁾
- For example, below average in: ⁽²⁾
 - Cancer screening rates
 - Cancer survival rates
 - Childhood and adult immunizations
- For example, above average in: ⁽²⁾
 - Incidence of asthma
 - Incidence of diabetes in adults
 - Death rates due to heart disease

⁽¹⁾D. McCarthy, S. K. H. How, C. Schoen, J. C. Cantor, D. Belloff, [Aiming Higher Results from a State Scorecard on Health System Performance, 2009](#), The Commonwealth Fund, October 2009.

⁽²⁾The Centers for Disease Control and Prevention (CDC), National Center for Health Statistics, Division of Vital Statistics, National Vital Statistics Report Volume 60, Number 3 ;December 2011, Table 19



PCMH-Inspired Tenets

- Designated primary care providers directing a team of caregivers
- Enhanced access to care for patients
- Integrated technology to facilitate care coordination
- KPIs for quality, access, and cost that hold both patients and providers accountable
- Compensation that recognizes the value of primary care



Plan Incentives/Requirements

- Primary Care Providers
 - Enhanced reimbursement including:
 - Monthly PMPM care management fees
 - Global visit fees
 - Annual benchmark bonus
 - Peer comparison bonus
 - No prior authorization requirement for covered services
 - Enhanced access for plan members
 - Dedicated phone line for DCHP patients
 - Effectively utilize Population Health Management and Referral technology provided by the Plan
 - Access, quality, and cost KPI reporting provided monthly



Plan Incentives/Requirements (cont.)

- Plan Members
 - Lowest paycheck contributions of their 3 plan options
 - Lowest cost plan design (no deductible, low copays)
 - Guaranteed same or next day appointments for sick visits and less than a 30 minute wait time
 - Given a “Direct Care Health Plan Day” to be used like a PTO day
 - Adults must select one primary care provider
 - Employees and spouses receive participation and outcome based paycheck contribution credits related to a “Health Score”





Health Score Program

- Biometric scorecards are provided to members following a physical and lab work with their PCP
 - Scored on a 100 point scale with reductions based on BP, Lipids, Glucose, Waist/Height ratio, and Tobacco use
 - Enrollees and spouses both receive \$520 in annual credits towards paycheck deductions for participating and will receive an additional \$520 for any one of the following outcomes:
 - Maintaining a score above 70
 - Improving their score from year to year
 - Visiting with a wellness coach at least 6 times per year





Key Results

- Enrollment

DCHP Membership	1/1/2012	1/1/2013	1/1/2014	1/1/2015	1/1/2016
Enrollees	2,324	4,529	7,226	9,627	11,165
Dependents (19+)	1,265	2,445	4,175	5,586	6,326
Dependents (<19)	1,427	2,739	4,450	5,967	6,822
Total Members	5,016	9,713	15,851	21,180	24,313

Total Paneled Adult Members	3,589	6,974	11,401	15,213	17,491
Primary Care Providers	18	20	23	26	28
Paneled Members per PCP	199	349	496	585	625





Key Results (cont.)

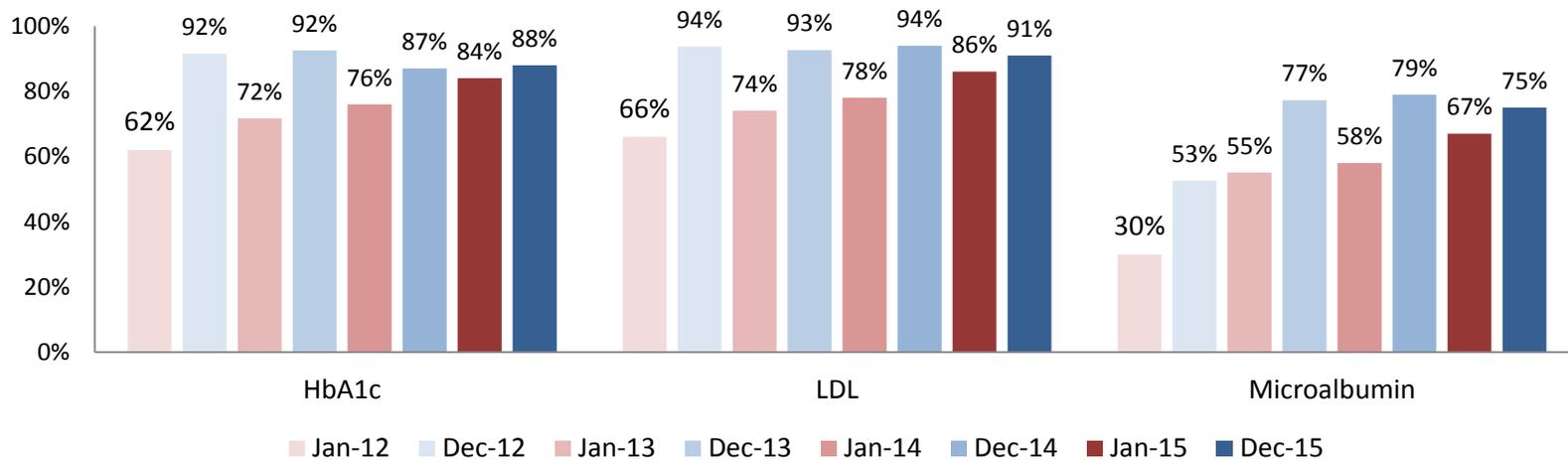
- Cost
 - Increases in outpatient spend have been more than offset by decreases in inpatient and pharmacy spend
 - 20% fewer ER visits
 - 35% fewer medical and surgical inpatient days
 - 2% greater generic dispensing rate
 - Annual cost trend has been nearly flat
- Access
 - 89% survey satisfaction rate based on wait time and service
 - 71% report waiting 15 minutes or less



Key Results (cont.)

- Diabetic Care
 - 70% have HbA1c in good control
 - 77% have blood pressure in good control

Diabetic Screening Rates

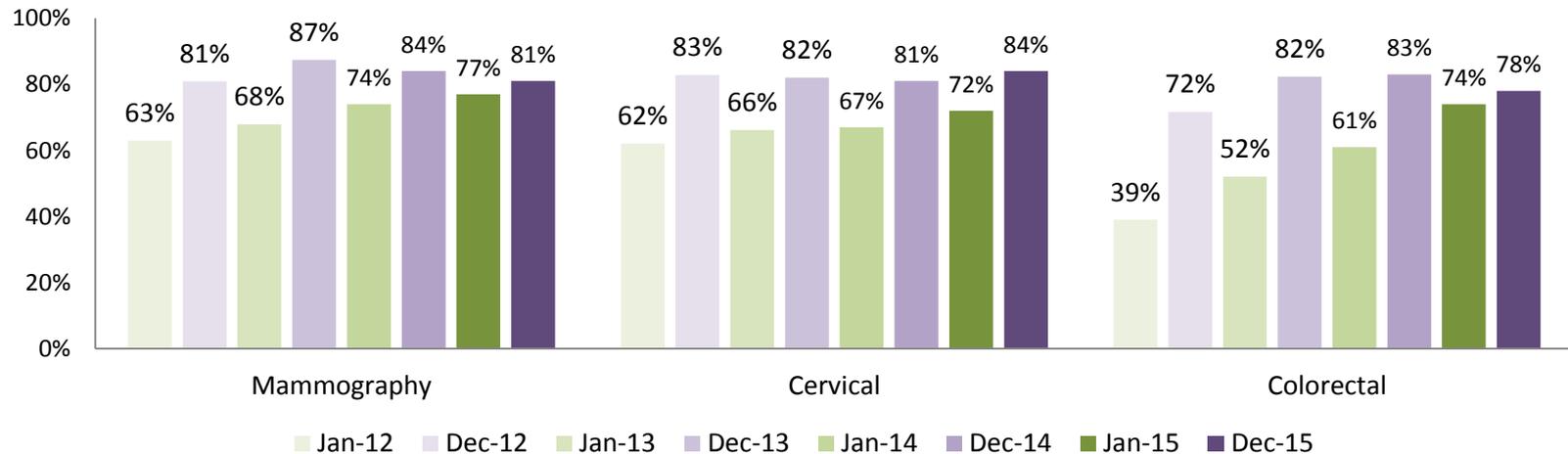




Key Results (cont.)

- Cancer Screening
 - Each exceeds NCQA's 75th percentile for commercial payers in our region

Cancer Screening Rates





THANK YOU

Patient-Centered
Primary Care
COLLABORATIVE



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Addressing Employer Concerns



- Are care coordination fees just adding extra costs to the health care system?
- Am I paying for practice transformation that mostly benefits patients outside my population?
- Are PCMHs and ACOs just “HMO-light”?
- Is my population too small in a given market to succeed? Is critical mass essential?



Recommendations & Alternative Strategies for Employers



- Work with your health plan to **identify opportunities** for a PCMHs
- Push your health plans to **get the most out of your PCMHs**
- Offer first-dollar primary care coverage or reduced cost-sharing for primary care at a PCMH, as allowed under your plan
- Promote transparency to drive members to top providers through contracting, communication, and networks
- Consider **direct-contracting** with PCMH providers in markets with large employee bases and PCMHs with high quality track records
- Consider **joining multi-payer PCMH collaboratives** in your markets



Questions?