Supporting Integrated Patient Care by Moving Tests Out of the Core Laboratory and into the Physicians’ Office – HealthPartners Experience

Presented by:
Rick Panning, MBA, MLS (ASCP) CM
April 30, 2019
Objectives

1. Describe the concept of Total Cost of Care and how the laboratory care model contributes to the model.

2. Describe how the decentralization of key testing has contributed to improved TCOC, clinical care and physician experience.

3. Provide examples of testing moved from a centralized support model to decentralization into the ambulatory clinic environment.
HealthPartners

Health as it could be, **affordability** as it must be, **relationships** built on trust.

- **90+** clinics and hospitals
- **6** states where we offer health insurance
- **25,000** dedicated employees
- **1.2** million patients
- **1.8** million insured members
- **400+** research studies each year
HealthPartners at a glance

• Providing care when you need it
• Health plan (one of three largest in Minnesota)
• Medical, dental and pharmacy locations in Minnesota and western Wisconsin
• 55 primary care clinics, 22 urgent cares and seven hospitals
• 24 dental clinics, plus 16 pharmacies including mail order
• 55 medical and surgical specialties
• 1,800 physicians and 60 dentists
• 22,000 employees
• virtuwell, our 24/7 online clinic serves people in 13 states
Balanced approach to decision-making
Optimize the ambulatory testing process

• Focus on improvement for the “family of care” through
  • Optimizing Care Model Process
  • Optimizing Total Cost of Care
    • Don’t just focus on the cost of the lab test
  • Improving patient experience: access and turnaround time
  • Improving clinical outcomes – i.e. diabetes management, Coumadin therapy, etc.
  • Improving provider experience – efficiency and “time spent at work”
Stewardship: Utilization Management

• All utilization management or stewardship activity done in the context of Total Cost of Care.

• Laboratory process partnership with primary care, urgent care and pediatrics

• Goal for HealthPartners to perform at 5% below the median cost of care and resource utilization for the market.
  • Inpatient care
  • Ambulatory care
  • By department:
## Total Cost of Care

### Average Cost Per Patient Per Month

Minneapolis-St. Paul Health Systems

<table>
<thead>
<tr>
<th>Organization</th>
<th>Cost per Patient per Month</th>
<th>TCOC Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Org A</td>
<td>$575</td>
<td>1.275</td>
</tr>
<tr>
<td>Org B</td>
<td>$471</td>
<td>1.044</td>
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<td>Org F</td>
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<td>Org H</td>
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<tr>
<td>HealthPartners</td>
<td>$427</td>
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</tbody>
</table>

### Diagram

- **HealthPartners**
- **Total Cost of Care**

*Image: HealthPartners® - make good happen*
Total Cost of Care Model

- **TCI** – Total Cost Index (for the entire cost of care for the patient attributed to primary care physician)
  - HealthPartners Goal – 5% below market
  - Revised goal for 2019 – 10% below market
- **Lab/Path Count Index** – Utilization
- **Average ACG Score** – Adjusted Clinical Groups
  - Developed by Johns Hopkins University and allow comparisons between populations with varying illness burdens based on diagnoses, age and gender.
- **Note:** 1.000 is the Median of the market for all measures
Laboratory Focus – Ambulatory Care

• Focus on improvement for the “family of care” through
  • Optimizing Care Model Process
  • Optimizing Total Cost of Care
  • Improving patient and provider experience
Importance of Partnerships

- Laboratory: health plan and payer contracting
- Clinician partnerships
- Partnership with other laboratory system in market to jointly contract for reference laboratory testing. Additional future possibilities.
- Vendor partners: informatics
- Primary reference laboratory
  - Testing optimization
  - Test catalog
  - Utilization Management consulting
  - Outreach strategy consulting
Laboratory model standardization

• 1980s – HealthPartners moved to decentralize majority of clinic lab testing (lower laboratory testing cost)
• Park Nicollet had a decentralize lab model for 20 years
• HealthPartners and Park Nicollet merged in 2014
• System-wide laboratory organization structure started March 2015.
• System-wide standardization initiative
• Compared two diverse ambulatory care lab support models
• Fall 2015 and Fall 2017: Physician focus groups
• Ongoing meetings with primary care and specialty care administrative and medical leadership
• System-wide primary care partnership for utilization management and Total Cost of Care
2017 Physician Focus Groups

- Testing requested to be offered on-site
  - INRs
  - Baby bilirubins (< 7 days old)
  - Basic chemistries for urgent care
  - All CBCs to be performed in-house
  - INRs
  - Expand A1C testing to all locations
  - Chlamydia/Gonorrhea (denied)
  - Full-chemistry at all clinics (denied)
    - Provided chemistry at one multi-specialty / oncology location
    - May expand regionally in future
Comparison of Two Integrated Health Systems Becoming One – **2015** (tests performed in the clinic laboratories)

**Park Nicollet**
- Routine Chemistry (3 regional hubs)
- I-Stat Chemistry (Urgent Care sites)
- INRs
- D-Dimers (Urgent Care sites)
- Hematology
- ESR
- **A1C** (endocrinology locations)
- Urinalysis
- Kit testing (Strep, Flu, mono, RSV, hCG)
- BD Affirm
- EKGs

**HealthPartners**
- No chemistry (all centralized)
- POC glucose
- INRs centralized
- No D-Dimers
- Hematology: Only Stat and “waiting” CBCs performed on site.
- ESR
- **A1C** centralized
- Urinalysis
- Kit testing (strep, mono, hCG)
- Wet preps
- EKGs
## In-house testing: 2019 comparison

<table>
<thead>
<tr>
<th>Park Nicollet</th>
<th>HealthPartners</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Routine Abbott Chemistry (3 hubs)</td>
<td>• Chemistry at one specialty site</td>
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<tr>
<td>• I-Stat Urgent Care</td>
<td>• I-Stat Urgent Care</td>
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<tr>
<td>• INRs (all clinics)</td>
<td>• INRs-all clinics</td>
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<tr>
<td>• D-Dimers (Urgent Care sites)</td>
<td>• No D-Dimers</td>
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<tr>
<td>• Hematology</td>
<td>• Hematology – all CBCs</td>
</tr>
<tr>
<td>• ESR</td>
<td>• ESR</td>
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<tr>
<td>• A1C (being expanded to all locations)</td>
<td>• A1C in process to be decentralized</td>
</tr>
<tr>
<td>• Urinalysis</td>
<td>• Urinalysis</td>
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<tr>
<td>• BD Affirm</td>
<td>• BD Affirm</td>
</tr>
<tr>
<td>• Kit testing (Strep, mono, hCG)</td>
<td>• Kit testing (strep by PCR, mono, hCG)</td>
</tr>
<tr>
<td>• Flu and RSV eliminated</td>
<td>• EKGs</td>
</tr>
<tr>
<td>• EKGs</td>
<td>• Bilirubin (transcutaneous) – in process</td>
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</table>

• Bilirubin (transcutaneous) – in process
Also eliminating testing – two examples

- Influenza testing at Park Nicollet
  - February 2018 – eliminated all rapid testing
  - Standardized to HealthPartners model with PCR performed at all hospital sites
  - Follow CDC protocol
  - Treat based on presenting symptoms in clinics
  - Physician advisory council recommended
- RSV testing centralized to hospital labs
- Replace wet preps with BD Affirm
Technology changes

• Epic Beaker implemented at all lab locations March 30, 2019
  • Successful, “Big Bang!”
• Sysmex hematology implemented at all HealthPartners clinics effective March 30, 2019
• Stago coagulations analyzers at all clinics effective October 2017
• GeneXpert Strep PCR test effective February 2019 at HealthPartners Clinics
  • Had to replace another vendor’s product implemented May 2018.
    • Poor performance, high number of invalid results, inventory issues
    • Eliminated 30,000 strep back-up cultures annually)
Ambulatory Laboratory Staffing model

- 55 ambulatory clinic laboratories
  - Plus “Well-at-Work” clinics in a number of employer headquarters
- Most clinics staffed with MLTs for testing and Lab assistants for phlebotomy, EKGs and specimen processing
  - Regional supervisors and technical specialists are MLS level staff
    - Each supervisor has about 6 clinics
  - Medical Directors are members of our 29 member pathologist group
- Expansion of testing required very little expansion of MLT staffing
- Improved employee engagement with expansion of testing duties
Meeting the PAMA and Reimbursement Financial Challenge

- Balance finances across a broad geography and diverse practice environments.
- Expansion of urgent care and expanded primary care hours
  - Higher percentage of commercial insurance.
  - Spread laboratory fixed costs over more patients
- Balance financial performance between provision of care and health plan.
- PAMA – 2018 YTD
  - Hospitals: “minimal impact”
  - Most impact in ambulatory care (clinics) and independent central laboratory.
    - March 2019 YTD: Medicare reimbursement down 9.4%.
    - Overall reimbursement down 1.6%
Optimize ambulatory testing / process

• Expansion of hours: urgent care, primary care
• Current process improvement to optimize patient workflow
• Decentralize testing to support physician workflow as part of the Care Model Process.
  • INR testing decentralized in October 2017
  • Implementation of PCR based strep testing May 2, 2018
  • Implementation of BD Affirm
  • Evaluating additional testing: A1C, urgent care chemistries, baby bilirubins
• Expand STD testing through in-home self collection. Working with Virtuwell (HealthPartners Virtual Clinic)
Results

• Total Cost of Care improving and market competitive
• Improved turnaround time
• Improved patient access
• Clinical outcomes – Diabetes management, Coumadin management
• Physician efficiency and productivity improved. Able to see more patients.
• Eliminate rework to follow up with patients.
• Standardized clinic practice across the “Family of Care”
• Improved physician engagement (measured annually by AMGA - American Medical Group Association survey) - 2018
  • Quality of care you are able to provide (89% Very Satisfied)
  • Your ability to obtain tests or procedures for patients whenever you feel they are necessary (87%)
  • Time spent at work (68% - survey norm is 51%)
  • Relationship with support staff (82%)
Total Cost of Care Index

HealthPartners Medical Group

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Park Nicollet Medical Group

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<table>
<thead>
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<th>Average ACG Score</th>
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Results – Minnesota Community Measures

- Since 2005
- Physicians, hospitals, health systems, health plans, employers, consumers, state government
- Public reporting: Quality, cost and patient experience
- Uses TCOC methodology – Utilization and average cost
- Can compare overall and by service (inpatient, Primary care, pharmacy, radiology, laboratory, surgery, etc.
- 2018 comparisons – compared to market
  - HealthPartners: -9.9%
  - Park Nicollet: -7.3%
  - Other Twin City systems and hospitals: Range of -5.0% to +22%
Rick.L.Panning@HealthPartners.com
651-280-5909 (cell)