

Health Outcomes and Costs in Western Colorado

A Rocky Mountain Health Plans White Paper

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Introduction

Health care will continue to be topic of high importance in state legislatures and at the federal level throughout 2009. During these dialogues, policymakers will talk about what *should happen* to improve health care in America. Many of the programs they advocate as solutions are already in place in Western Colorado and have been successful for a long time.

Rocky Mountain Health Plans (RMHP) has been a part of a unique health care delivery system in Western Colorado, and the collaborative relationships we have developed are key to improving care and addressing costs. The formula for this success is not complicated. The community-based, community-focused approach to health care can be summarized as follows:

- Collaboration results in Access
- Access results in Quality
- Quality results in Better Health
- Better Health results in Savings

Collaboration

The Mesa County health and medical community operates with a high level of cooperation rather than the competition and adversarial positioning present in many communities elsewhere. While many organizations contribute to the success of the Mesa County health care delivery system, this overview focuses on the relationship between Rocky Mountain Health Plans and the Mesa County Physicians Independent Physician Association (MCPIPA). Together, our collaboration is ensuring citizens get the care they need and is improving quality of care and patient health, with special emphasis on those with chronic conditions. Ultimately, health care savings are achieved as a result.

Shared Guiding Principles

From the beginning of their relationship, Rocky Mountain and MCPIPA have agreed:

- There will be a collaborative (not adversarial) relationship between Rocky Mountain Health Plans and the Mesa County Physicians IPA.
- Physicians and patients have the right to make medical decisions.
- Health care professionals and organizations have an obligation to improve the health of the community, not just to provide and pay for sick care.

Collaboration Ensures Citizens Get the Care They Need

In 1974, community leaders, including physicians, established Rocky Mountain Health Maintenance Organization (now Rocky Mountain Health Plans) a not-for-profit health plan to coordinate the delivery of health care for the entire community (i.e. those with individual coverage, those covered through their employers, and those covered by government programs, Medicare and Medicaid). In the 1990s, Colorado's Child Health Plan Plus (CHP+) was added to give uninsured children access to preventive care through primary care providers.

In many communities, individuals who qualify for Medicare, Medicaid, or CHP+ have coverage for their medical care, but often it is difficult to find a primary care physician to take them on as a patient. Through RMHP and MCPIPA, Medicare, Medicaid and CHP+ beneficiaries have access to nearly

every primary care physician in the community and to more than 90 percent of specialists practicing here. For example, Mesa County has Medicare beneficiaries who have had the same plan with the same doctors for more than 30 years.

Residents who have RMHP coverage also have an unusually wide choice in physicians. It's rare for a health plan's provider panel to include almost every physician in the community, but RMHP and MCPIPA have made the commitment to be inclusive, rather than exclusive, in the provider network offered.

The key to the Mesa County model is ensuring the availability of a medical home for every person. A medical home is where a primary care physician and the patient make medical decisions and are supported by a health plan that is focused on coordinated care and innovation. Three examples of how this works:

Hospital Care: There are no pre-set limits on hospitalizations. Rather, nurses at Rocky Mountain work with Mesa County Physicians IPA members and their patients so that care coordination begins entering the hospital and continues after the patient leaves the hospital. The physician and patient make the decision on the appropriate length of stay.

Pharmacy: A similar approach applies to prescriptions. Rocky encourages the use of generic drugs and utilizes a preferred drug list because it can negotiate lower prices for its Members with drug manufacturers. However, individuals can have unique reactions to drugs, and the decision as to what drug to prescribe is left to the discretion of the doctor.

Disease Management: Today, physicians and Rocky Mountain work together to design and provide Chronic Disease Management Programs for patients with diabetes; heart disease; asthma; transplants; and cancer. Coordination is the core of these disease management programs.

Collaboration Improves Quality and Leads to Better Health

The access to a medical home provided by Rocky Mountain Health Plans and the Mesa County Physicians IPA directly results in more efficient delivery of higher quality health care, not just for those covered by RMHP but for the entire community.

In other communities, physicians may see health plan-instituted care guidelines and treatment protocols as interference in their practice of medicine by "bean counters," but RMHP's guidelines are designed and approved by physicians. MCPIPA providers not only follow them for their patients who are covered by RMHP plans but for all their patients.

A July 2007 report from the Department of Health Care Policy & Financing contrasts Rocky Mountain's Medicaid clients with those in other health plans and the Colorado Medicaid fee-for-service system (Medicaid only). Rocky Mountain Health Plans met or exceeded the Medicaid fee-for-service average on most measures for all types of care.

- Adult Medicaid clients enrolled in Rocky Mountain accessed doctors for treatment or preventive care more than those in fee-for-service (88% of RMHP Medicaid members to 40% of fee-for-service Medicaid only clients).
- Pregnant women enrolled in Rocky Mountain Medicaid receive more prenatal care than those in fee-for-service (95.5% to 54.5%).

- Children in Rocky Mountain Medicaid receive more childhood immunizations than those in fee-for-service (79.2% to 38.4%).
- Adults in Rocky Mountain Medicaid received more blood pressure monitoring and treatment than those in fee-for-service (69.3% to 49.6%).
- Adults in Rocky Mountain Medicaid are five to 10 times more likely to get comprehensive diabetes care as those in fee-for-service.

A cooperative effort between Rocky Mountain Health Plans and MCPIPA primary care physicians introduced the initiative Improving Diabetes Outcomes in Mesa County, Colorado. The program won the 2006 AHIP¹ Foundation *Innovation and Excellence Award: Chronic Care*. This program implemented a systematic approach to managing patients with diabetes in Mesa County. After two years, there is significant improvement in *all* measures for the entire RMHP diabetic population, nearly 2,000 Members. This translates into healthier patients and Members. Specifically:

- There has been a five percent improvement in the number of Members with Hemoglobin A1c of less than seven percent. This is a three-month measurement of blood sugar control.
- There has been a 13 percent improvement in the number of diabetic enrollees with LDL of less than 100. This is a measurement of bad cholesterol.
- There has been a nine percent improvement in the number of enrollees with a blood pressure of less than 130/80.
- There has also been a 26 percent improvement in the number of enrollees taking daily aspirin.

While RMHP can only collect and measure this data for RMHP enrollees, physicians in Mesa County use the same care guidelines for all patients regardless of who their insurer is.

Collaboration is Saving Health Care Dollars

Home Health Care: In the 1980s, health care providers worldwide realized that caring for patients in their homes with qualified nursing assistance is far preferable to hospitalization for most patients and far less expensive for the community. In fact, Rocky Mountain is the only Medicare Cost Contractor in the country with a fully integrated home health care program.

Pre-Natal Care: In the 1990s, Hilltop (A community non-profit organization), Rocky Mountain, and the Mesa County Physicians IPA established B-4 Babies, a community commitment that ensures every pregnant woman – regardless of income and status – receives prenatal care.

Electronic Medical Records: Four years ago, physicians, hospitals and Rocky established the Quality Health Network (QHN). This system collects, stores, and moves health care information that helps fill gaps in care, prevent expensive overlaps, and deliver care more efficiently. This is especially important in emergency situations. The QHN is far ahead of similar systems being attempted in other cities, due in large part to the collaborative character of the health care community.

In study after study, the Mesa County model has been found to save money.

¹ America's Health Insurance Plans (AHIP) is the national association of America's health insurers. AHIP represents nearly 1,300 member companies providing health insurance coverage to more than 200 million Americans.

Colorado Department of Health Care Policy and Financing: HCPF determined that Rocky Mountain Health Plans and MCPIPA Medicaid program saved the state of Colorado more than \$2,000,000 a year for fiscal years 2003-04 and 2004-05. An analysis is currently in process for 2005-2006.

Chatfield Consulting Group: In 2006, this Denver-based actuarial firm determined Rocky Mountain's Medicare program in Mesa County saved the federal government more than \$13.7 million from 2000 to 2002.

Dartmouth Atlas: In this May 2006 comprehensive study of the treatment of 12 chronic diseases, Dartmouth Medical School and the Robert Woods Johnson Foundation determined that the most cost-effective delivery of Medicare services in the country was in Mesa County, Colorado. For each beneficiary:

- Medicare spending in Mesa County over a two year period was less than \$21,000 per person (contrasted with \$60,000 in other areas)
- The average number of hospital days in Mesa County over a six month period was 6.5 days (contrasted with 19.4 days in other areas).
- These achievements are a result of the long (30+ years) history of collaboration among the Mesa County provider community. In addition to RMHP and MCPIPA, collaborative partnerships include area hospital, home health care agencies, medical supply organizations, and others.

Dartmouth concluded that if utilization patterns across the country were to mirror those in an area like Mesa County, Medicare spending would be reduced by \$34.3 billion.

About Rocky Mountain Health Plans

Rocky Mountain Health Plans is a Colorado-based, not-for-profit organization that provides medical benefit plans and services to more than 177,600 enrollees. Founded in 1974, Rocky Mountain offers a wide range of options including PPO, HMO, and Health Savings Account-eligible plans. Medical plans can be fully-insured, fully-insured with cost sharing options, or self-funded. Rocky Mountain is the first Western Slope employer to receive the Well Workplace award from the Wellness Councils of America and has a thirty-year history of serving individuals and families, Medicare and Medicaid-eligible persons, and children who receive care under the Child Health Plan Plus program. For more information, contact Rocky Mountain Health Plans at 800-843-0719 or visit www.rmhp.org.