

Targets for the Geisinger Transformation

- Unjustified variation
- Fragmentation of care-giving
- Perverse payment incentives
 - ↑Units of work
 - Outcome irrelevant
- Patient as passive recipient of care, not active participant

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Geisinger Transformation Initiatives*

- ProvenHealth Navigator (Advanced Medical Home)
- ProvenCare® – Chronic Disease Care Optimization and Acute Episodic Care
- Transitions of Care (TOC)
- Patient Activation/Engagement

*Achievable only through innovation

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Proven Health Navigator (Advanced Medical Home)

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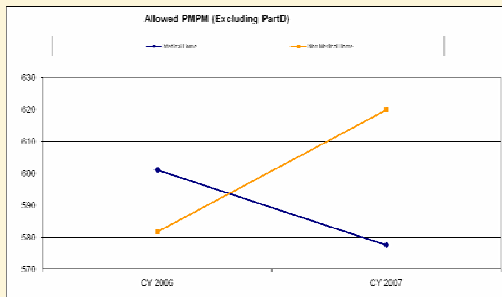
ProvenHealth Navigator (Geisinger Advanced Medical Home)

Partnership between primary care physicians (Geisinger and non-Geisinger) and GHP that provides 360-degree, 24/7 continuum of care

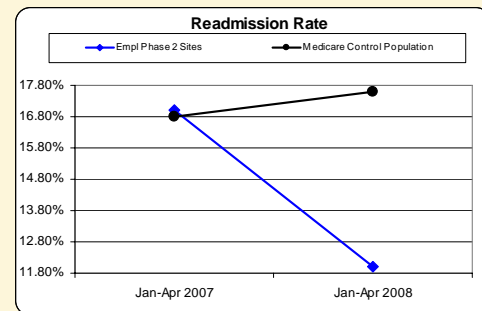
- “Embedded” nurses
- Assured easy phone access
- Follow-up calls post-discharge and post-ED visit
- Telephonic monitoring/case management
- Group visits/educational services
- Personalized tools (e.g., chronic disease report cards)

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Phase - 1 Total Medical Cost Decreased 4% for Entire Population; ROI = 250%



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	Readmission Rate		Change	Trend
	Jan-Apr 2007	Jan-Apr 2008		
Employed Phase 2	17.0%	11.8%	-5.0%	-29.4%
Medicare Control Population	16.8%	17.6%	0.8%	4.8%

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ProvenCare® Chronic Disease

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Chronic Disease Portfolio

- Diabetes
- Congestive Heart Failure
- Coronary Artery Disease
- Hypertension
- Prevention Bundle

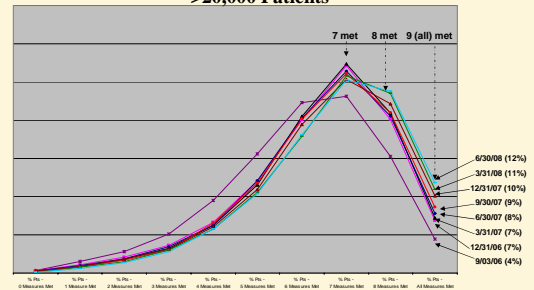
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Diabetes "Bundle"

Measures	GHS Quality Targets			CPSL FY07
	Performance Criteria	Standard		
HgbA1C measurement	Every 6 months	100%		X
HgbA1C control	< 7 7 to 9 >9	< 7.0		X
LDL measurement	Yearly	100%		X
LDL control	< 100 <130 >=130	< 100		X
Blood pressure control	< 130/80 < 140/90 >=140/90	< 130/80		X
Retinal exam	Yearly	100%		
Urine (protein) exam	Yearly	100%		X
Foot exam	Yearly	100%		
Influenza immunization	Yearly	100%		X
Pneumococcal immunization	Once*	100%		X
Smoking status	Non-smoker	100%		X
Use of ACE/ARB for microalbuminuria/DM nephropathy	Yes	100%		
Use of ACE/ARB for hypertension	Yes	100%		
Patients who receive/achieve ALL of the above	Yearly	100%		X

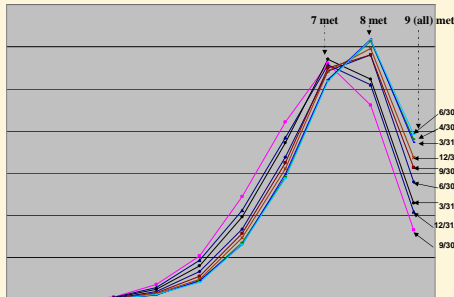
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Diabetes - Primary Care Bundle Summary >20,000 Patients



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Coronary Artery Disease Profile Report Primary Care Bundle Summary



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ProvenCare® for Acute Episodic Care (the "Warranty")

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Pay-for-Performance Acute Episodic Care

ProvenCare®

- Identify high-volume DRGs
- Determine best practice techniques
- Deliver evidence-based care
- GHP pays global fee
- No additional payment for complications

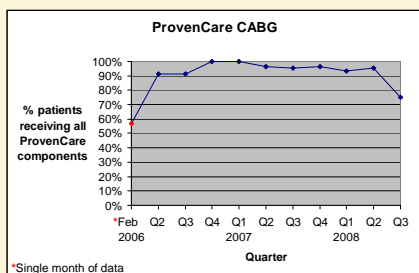
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ProvenCare® Portfolio

- ProvenCare:
 - CABG
 - Angioplasty
 - Angioplasty + AMI
 - Hip replacement
 - Cataract
 - EPO
 - Perinatal
 - Bariatric surgery

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ProvenCare® CABG: Reliability



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Quality Clinical Outcomes - (18. mos)

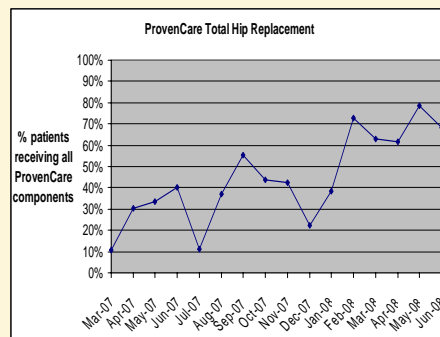
	Before ProvenCare® (n=132)	With ProvenCare® (n=181)	% Improvement/ (Reduction)
In-hospital mortality	1.5 %	0 %	
Patients with <u>any</u> complication (STS)	38 %	30 %	21 %
Patients with >1 complication	7.6 %	5.5 %	28 %
Atrial fibrillation	23 %	19 %	17 %
Neurologic complication	1.5 %	0.6 %	60 %
Any pulmonary complication	7 %	4 %	43 %
Blood products used	23 %	18 %	22 %
Re-operation for bleeding	3.8 %	1.7 %	55 %
Deep sternal wound infection	0.8 %	0.6 %	25 %
Readmission within 30 days	6.9 %	3.8 %	44 %

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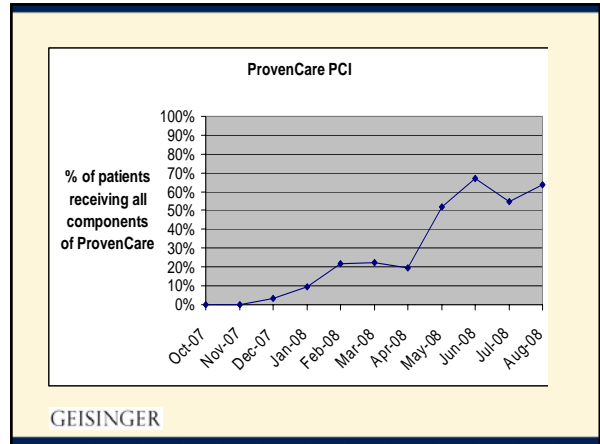
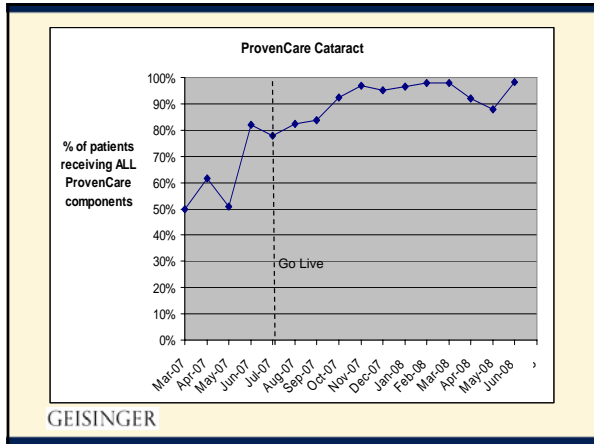
Value Financial Outcomes - (18 months)

- Average total LOS fell 0.5 days (6.2 vs. 5.7)
- Hospital net revenue grew 7.8%
- Contribution margin of index hospitalization grew 16.9%
- 30-day readmission rate fell 44%

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Not Just Surgery...

Epo CKD (n=62)	Control (n=74)
Median days to goal = 47.5 days	Median days to goal = 62.5 days
% Time in goal = 69.8%	% Time in goal = 43.9%
% Time below goal = 13.7%	% Time below goal = 39.7%
% Time above goal = 16.5%	% Time above goal = 16.4%
Avg Epo Units/week = 6,698*	Avg Epo Units/week = 12,000
Home/Clinic = 58.1%/41.9%	Home/Clinic = 39.2%/60.8%
Expanded Dose Utilization = 40%	Expanded Dose Utilization = 16%
Avg Hgb at start = 9.6 mg/dl	Avg Hgb at start = 10.0 mg/dl
Avg T-Sat at start = 18%	Avg T-Sat at start = 18%

*Savings \$3,860/pt/year @ \$0.014/unit of Epo (p<.001)

GEISINGER Bucaloiu et al. Managed Care Interface, June 2007.

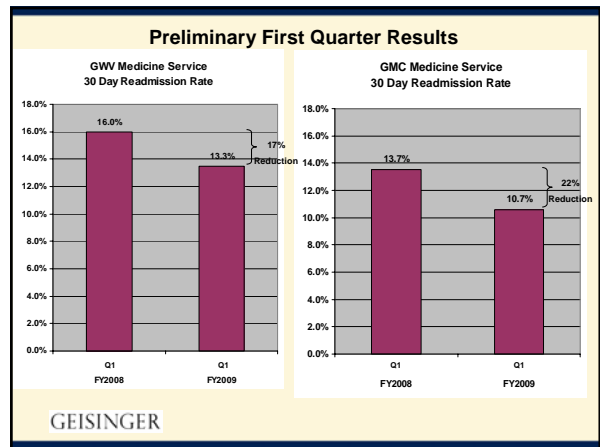
Transitions of Care

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Transitions of Care

- Began January 2008 as joint quality/efficiency initiative that complements ProvenHealth Navigator (Advanced Medical Home)
- Inpatient and outpatient interventions
 - Eliminate unnecessary admissions
 - Reduce readmissions
 - Free up capacity for more acutely-ill patients
- To-date has focused on narrow patient populations (e.g., heart failure)
- Program expansion is planned, including addressing LOS

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Lessons for National Reform

- Innovation best practices can be adopted (and adapted) within a system
- Restructure payment systems to better reward primary care physicians and encourage entry into this field
- Encourage payors to invest in case managers embedded in primary care practices (re-engineer primary care)
 - Offset costs with decreased admissions and readmissions
- Tie bundled payment to quality and cost efficiency outcome metrics

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Lessons for National Reform (cont'd)

- Specialists should be attracted to centers of excellence. A “hub and spoke” design with centrally located state-of-the-art care and primary care providers living close to their patients can be connected to specialists by shared EHRs and broadband-enabled telemedicine
- Electronic health records are vital to patient quality, assessment of care given, and innovation
- Telemedicine and scope of practice solutions can address shortage of physicians, particularly in rural areas
- The Medical Home model should be adapted and expanded with incentives that reward quality, efficiency, and decrease unnecessary admissions and readmissions

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