Tackling regional variations through Accountable Care Organizations: How the German "ACO" Gesundes Kinzigtal achieved the Triple Aim & compares to U.S. ACO

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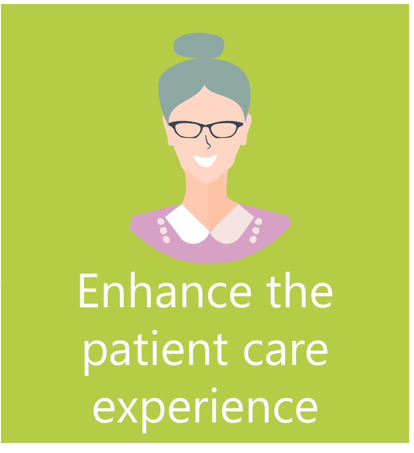
THE WENNBERG INTERNATIONAL COLLABORATIVE POLICY CONFERENCE

To tackle regional variations a reorientation towards the Triple Aim is needed

Increasing health
gain



… with an regional „Integrator" in Don Berwick's words as facilitator:

> *An "integrator" is an entity that accepts responsibility for all three components of the Triple Aim for a specified population. Importantly, by definition, an integrator cannot exclude members or subgroups of the population for which it is responsible*

* Berwick DM, Nolan TW, Whittington J. (2008), The triple aim: care, health, and cost. Health Affairs 2008 May/June;27(3): 759-69.

In the US the Affordable Care Act (ACA) directed the Centers for Medicare and Medicaid Services (CMS) to create a national voluntary program to establish such regional Integrators: Accountable Care Organizations (ACO)

Definition of an Accountable Care Organization based on descriptions by Fisher et al. (2010; 2012), Shortell et al. (2010), McClellan et al. (2010; 2014)

"An accountable care organization is an integrated union of healthcare providers which formally contracts with an insurer to improve healthcare delivery for a defined population by enhanced cooperation, whereby at least a part of the population-based payment is linked to a set of measures for quality and efficiency."

Boosted development by § 3022 ACA to create ACOs in the Medicare Shared Savings Program (42 U.S.C. § 1899) by CMS to overcome the disincentives of traditional FFS-payments

There are 405 officially announced ACOs in MSSP (01.01.2015)

Compared to that: In **Germany** there is only **one Gesundes Kinzigtal** – a lovely region with lovely people

But this one system has a high impact on the Triple Aim in the region

> Participants die 1.4 years later (78.9 vs 77.5 control)

Increasing health gain

> 5.613 Mio € surplus improvement for the two sickness funds in the Kinzigtal region in 2013 against 71 Mio € norm costs

> 98.9 % of enrollees who set an objective agreement with their physician would recommend becoming a member to their friends or relatives

How did Gesundes Kinzigtal achieve these results?

The main success factors:

Regional care company as "integrator"

Combination of evidence based population and indication based improvement initiatives

Going beyond healthcare

Relationship management and communication

Balanced payment system oriented towards achieving the Triple Aim

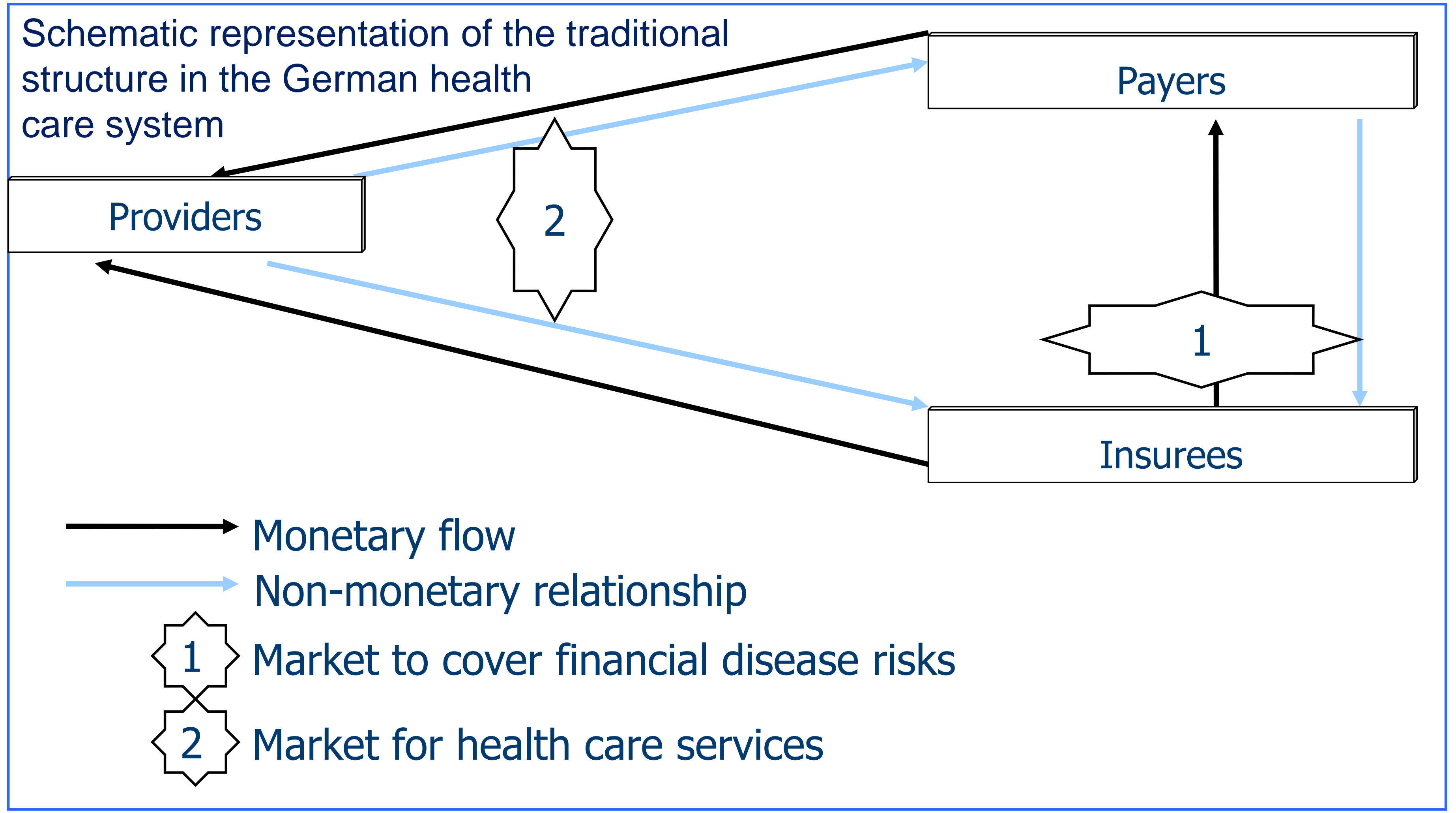
Comprehensive implementation of technology: ICT & data-driven management approach

Coopetition = cooperation and competition through transparency and benchmarking

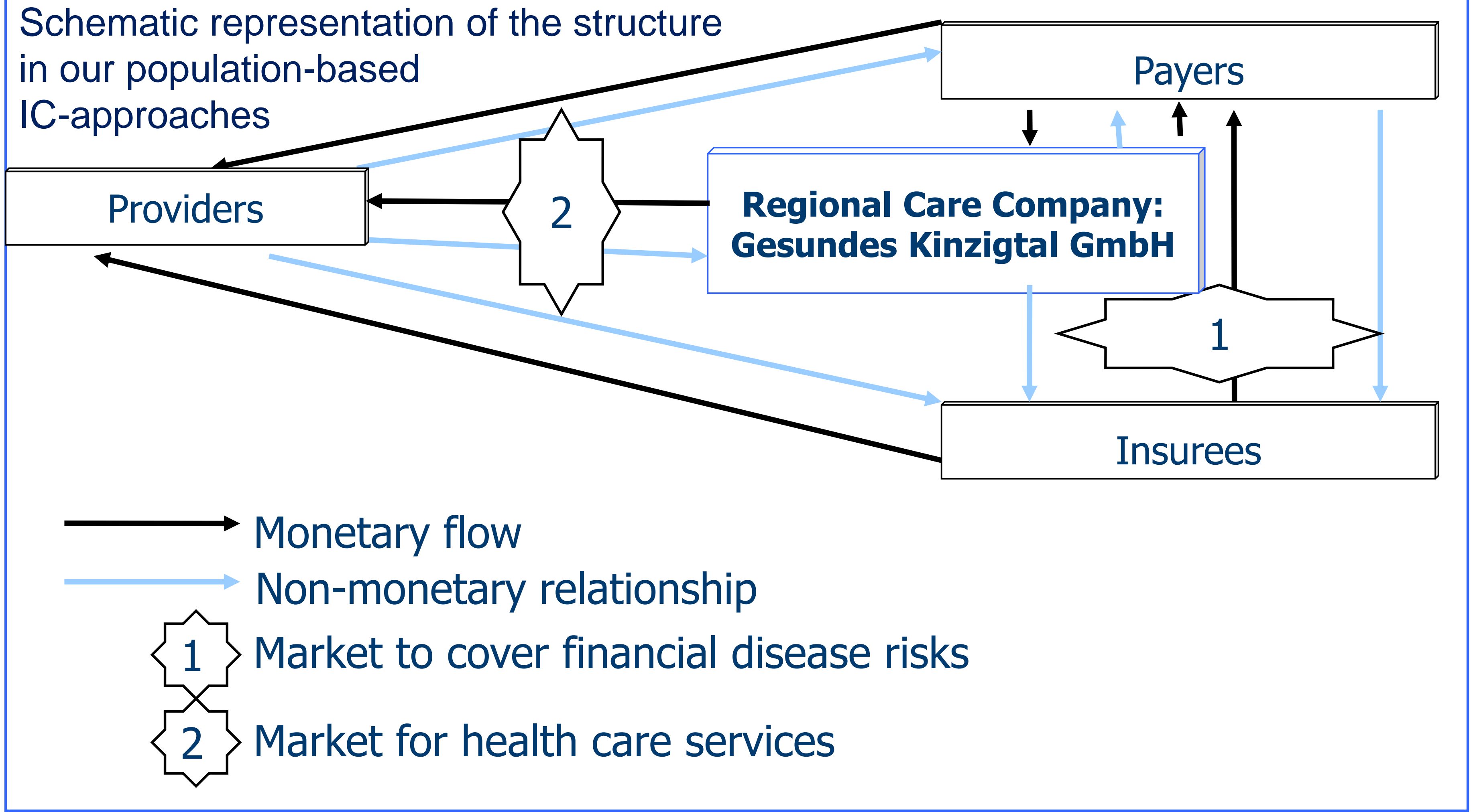
Common culture and friendly interactions

Long lasting contractual relationship

Achieving the Triple-Aim is not feasible without systemic changes : A regional integrator is needed!



Introducing a new meta-level with a Triple Aim perspective, paid by results (shared savings)



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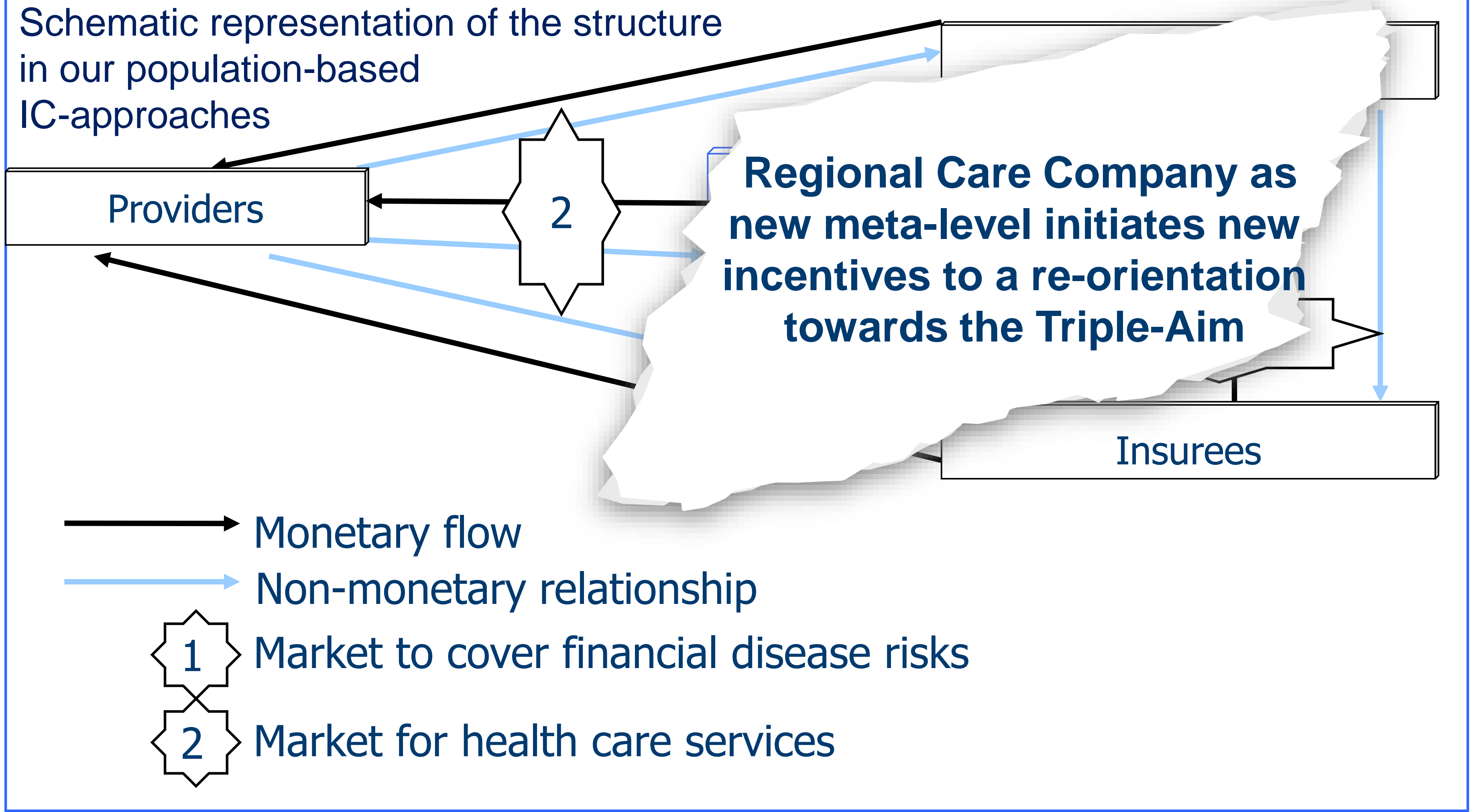

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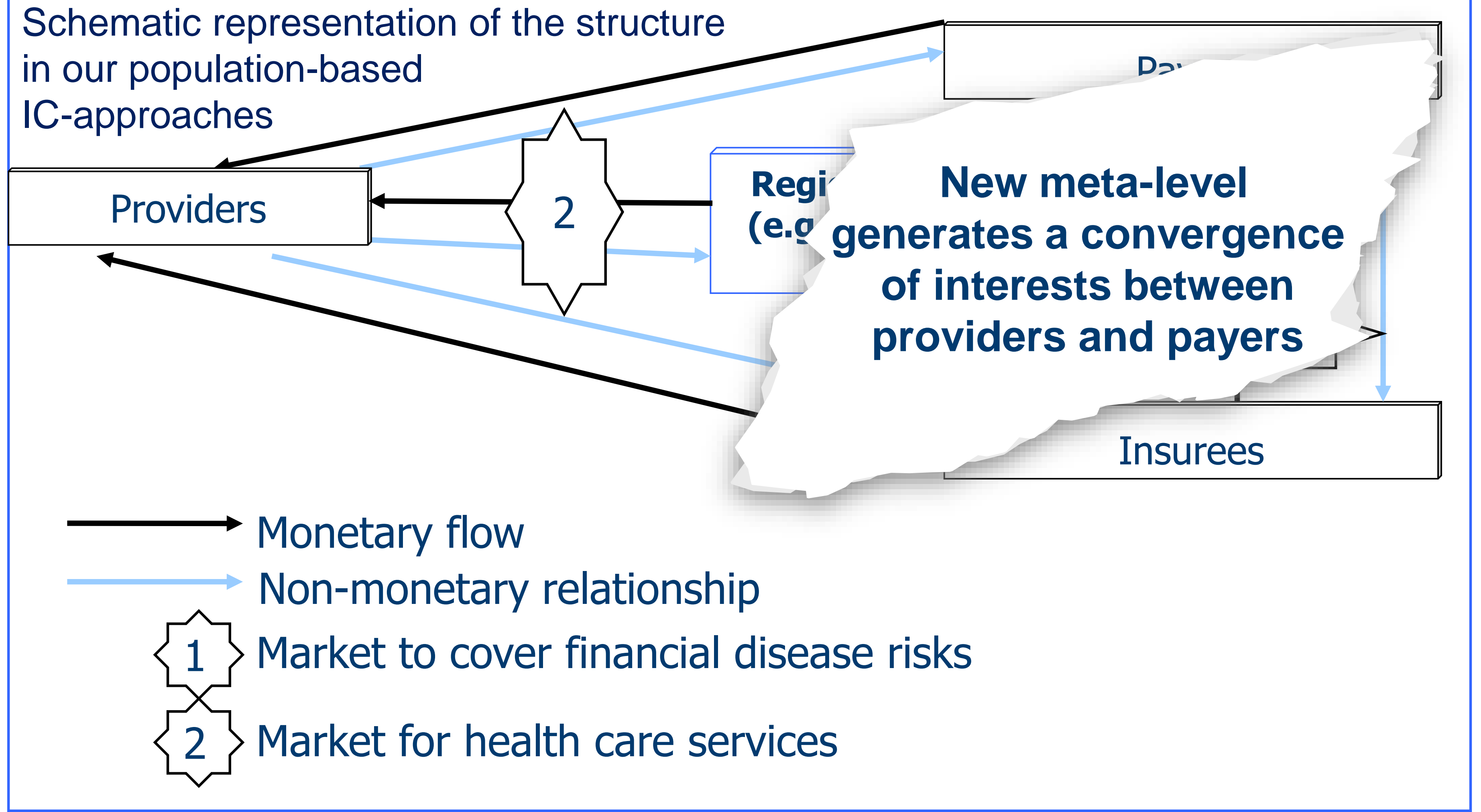

Integrated Care System *Gesundes Kinzigtal* – some facts

Start:	2006
Population (AOK & LKK):	~ 31.000
Active IC participants:	~ 9.800
Reg. cooperation partners:	~ 160 (500 pers.)
Coop. physicians:	~ 58%
Total norm-costs*:	71 Mio. €

Population-based shared-savings contract

Remuneration of cooperation partners: Normal payments by associations of statutory health insurance registered doctors and targeted extra payments (no P4P!) by *Gesundes Kinzigtal* from the earnings of the company

No restrictions for patients in their choice of doctors

*excl. dentistry

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Over 20 health, care and prevention management programs implemented so far!

Maria Roth from Zell a.H. is a 84 years old woman suffering from heart failure. Since 2010 she was admitted to hospitals eight times with severe diseases of the circulatory system because of inadequate monitoring and poor care coordination. She survived, but the prognosis is bad. Her quality of life is deteriorating and her husband fears that they will have to move to a nursing home.

From 2010 to 2014 the total costs of care for Maria were 72,261 €, resulting in a loss for the insurance of -23,204 € or about -5,800 € per year.

We can do better!
Innovating the health system to be more efficient and to produce health.

Our program: „Strong Heart“

Hanna Held from Nordrach is also a 84 years old woman suffering from heart failure. Since the diagnosis six years ago she has been participating in the health care program „Strong Heart" and she has a case manager at her GP practice. She gets supported in her self-management, her medication gets precisely adapted to her situation and she knows exactly to identify and act on signs of deterioration. Hanna´s doctor just offered her additionally to take part in an exercise program specifically tuned for heart failure patients starting next month.

In the last 4 years Hanna only went once to hospital because of an opthalmic complication. Her total costs of care summed up to 14,281.8 €, resulting in a profit for the insurance of +2,613.6 € or about +650 € per year.

The main success factors:

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How the German "ACO" Gesundes Kinzigtal achieved the Triple Aim & compares to U.S. ACO!

Analytical framework to characterize Accountable Care Organizations

Population

Attribution

Control mechanisms

Patient engagement

Performance measurement

Set of indicators

Benchmarks

Transparency

Payment system

Budgeting

Risk-sharing agreement

Connection to value

Integration

Professionalization

Level of integration

Process redesign

Discussion of the population-element in MSSP-ACOs

Attribution

All passive attribution methods lead to patients who do not count for the ACOs results (Lewis 2013)

17% of the patients that are attributed to an ACO prospectively do not see an ACO-provider in the current performance year (Lewis 2013)

20% of the patients that are attributed to an ACO retrospectively do not see an ACO-provider again in the following performance year

Incentives for risk selection (patient dumping, selection of providers)

Discussion of the population-element in MSSP-ACOs

Control mechanisms

No chance to affect „out-of-network utilization“, cost shifting

Patient engagement:

Patients are only informed, but not necessarily involved in ACO-decisions

What does Gesundes Kinzigtal do different concerning the population?

Attribution:

Passive, retrospective attribution based on regional residence in combination with enrollments in special healthcare programs

Control mechanisms:

Free choice of providers, discounted membership in gyms, patient vouchers, exclusive participation in several regional healthcare programs (e.g. “Strong Heart”)

Patient engagement:

Active enrollment, patient advisory committee, free healthcare lectures, public festivities, public relations

Various public festivities & exhibitions, magazines, reports & program information, the Patient Advisory Board ….

AOK
Landwirtschaftliche Krankenkasse Baden-Württemberg
gesundes Kinzigtal

Starke Muskeln – Feste Knochen
… so einfach können Sie teilnehmen!

Füllen Sie bei den Ärzten von Gesundes Kinzigtal den kurzen Test über Ihr Osteoporoserisiko aus. Besteht bei Ihnen dann ein erhöhtes Risiko, gehen Sie zu einem der Orthopäden im Kinzigtal und schreiben sich dort in das Programm **„Starke Muskeln – Feste Knochen"** ein.

Bei diesen Orthopäden können Sie sich in das Programm einschreiben und erhalten weitere Informationen und Beratung:

Praxis Dr. Feyrer
Am Krähenäckerle 1, 77723 Gengenbach, Tel.: 07803-2965

Praxis Dr. Edlich
Lindenstraße 5, 77716 Haslach, Tel.: 07832-4410

Physiotherapeutische Leistungspartner:

Praxis für Physiotherapie Jürgen Harter
Hauptstraße 12, 78132 Hornberg, Tel.: 07833-7550

Praxis für Physiotherapie Peter Jawinski
Hauptstraße 38, 77756 Hausach, Tel.: 07831-6562

Schmerzfrei-Bosnjak
Auf der Hausmatt 1, 77736 Zell a.H., Tel.: 07835-8033

Physiotherapiepraxis Gabriele Allgaier
Spitalstr. 11, 77736 Zell a. H., Tel.: 07835-1522

Physiotherapiepraxis Thomas Ruck
Am Krähenäckerle 1, 77723 Gengenbach, Tel.: 07803-2232

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03/2010

AOK
Landwirtschaftliche Krankenkasse Baden-Württemberg
gesundes Kinzigtal

Starke Muskeln – Feste Knochen
… ein Gesundheitsprogramm zur frühzeitigen Erkennung und Vorbeugung von Knochenschwund (Osteoporose)

Erkennen Sie frühzeitig Ihr Osteoporose-Risiko und machen Sie mit uns Ihre Knochen stark!

Immer mehr Menschen erkranken heute an Osteoporose. Fast jede 3. Frau nach den Wechseljahren und jeder 7. Mann sind von Osteoporose betroffen. Die Folge: Der Knochen verliert an Stabilität und die Gefahr der Brüche steigt dramatisch an.

Zu Beginn der Erkrankung weisen kaum Anzeichen oder Beschwerden darauf hin.

Deshalb bieten wir Ihnen mit dem Programm „Starke Muskeln – Feste Knochen" …

- Einen Test zur frühzeitigen Erkennung Ihres persönlichen Osteoporoserisikos
- Wenn ein erhöhtes Risiko besteht, wird eine Knochendichtemessung nach modernstem Standard (DXA) durchgeführt
- Regelmäßige Betreuung und Beratung zur Vorbeugung, Ernährung und richtigen Medikation bei Ihrem Orthopäden
- Exklusive Bewegungsangebote bei Physiotherapeuten und Osteoporosetrainern

Discussion the performance measurement element in MSSP-ACOs

Set of indicators

Too much variation in selection/ operationalization/ prioritization of used measures between different insurers (Higgins et al. 2013)

Benchmarks

No consideration of regional variation (McClellan et al. 2015)

No consideration of vulnerable groups or „blank spots“ (Fisher et al. 2012; Lewis et al. 2012)

Transparency

No benchmarking on the level of the individual physicians' practice, timely feedback

What does Gesundes Kinzigtal do different concerning the performance measurement?

Set of indicators

35 comparable measures used by external evaluation

28 indicators used by internal evaluation for GPs

Benchmarks

Regional benchmarks

Transparency

Results of external evaluation are published on system-level and results of internal evaluation are used for improving programs and benchmarking individual physicians

Example of a feedback report – so called **health services cockpit** – for GP practices

3. Quartal 2013
AOK/SVLFG

3. Ergebnis: Wie wirken Maßnahmen auf medizinische, versichertenbezogene & finanzielle Outcomes?

	Qualitätsindikatoren und relevante Kennzahlen	Eigene Praxis (Praxis 8)	Ø-LP-Hausärzte (n=17)	Ø-NLP-Hausärzte (n=21)	Min/ Max LP (n=17)
3.1 Finanzergebnisse (Morbi-RSA)	Zuweisungen (Morbi-RSA) pro Patient	1.021,11	914,19	834,46	1.115,86
	- Gesamtkosten pro Patient	826,54	917,89	841,14	668,74
	= Deckungsbeitrag pro Patient	194,56	-3,70	-6,68	215,30
3.2 Gesundheitsbezogene Outcomes	KH-Fälle pro 1.000 Patienten (risikoadj.)	68,01	91,39	93,99	59,41
	Vermeidbare KH-Aufenthalte (ASK) %	0,2%	0,9%	0,9%	0,2%
	Diabetiker mit KH-Aufenthalt Diabetes %	0,9%	0,8%	0,8%	0,0%
	Osteoporose-Pat. mit KH-Frakturdiagnose %	1,8%	1,3%	1,3%	0,0%
3.3 Patientenzufriedenheit Weisse Liste bzw. GeKiM 2012/13 *Ø-NLP hier = Ø-Bund	Praxiseindruck sehr gut - ausgez. %	66,7	61,0	79,9*	83,3
	Med. Behandl. sehr gut - ausgez. %	52,8	53,0	75,1*	79,2
	Weiterempfehlung best. - wahrsch. %	85,2	84,6	88,1*	95,6

2. Prozess - Worin müssen wir hervorragend sein?

	Qualitätsindikatoren und relevante Kennzahlen	Eigene Praxis (Praxis 8)	Ø-LP-Hausärzte (n=17)	Ø-NLP-Hausärzte (n=21)	Min/ Max LP (n=17)
2.1 Verbesserung der Diagnosequalität	N.n.bez. Morbi-RSA relevante Diag. %	32,8%	36,3%	53,4%	17,0%
	Verdachtsdiagnosen %	1,8%	1,4%	1,6%	0,8%
2.2 Kennzahlen zum Inanspruchnahmeverhalten	Patienten >= 35 mit KV-Check-Up %	9,1%	8,0%	7,8%	12,8%
	Diabetiker beim Augenarzt (2 Jahre) %	83,8%	62,5%	58,5%	83,8%
	Erwerbsfähige Patienten mit AU %	27,2%	25,3%	26,8%	18,1%
	AU Dauer pro erwerbsfähiger Patient	2,71	2,48	2,74	1,76
2.3 Verbesserung Arzneimittel-Management	Generikaquote	92,2%	88,5%	87,0%	92,2%
	Herzinsuff.-Pat. mit leitlinienkonf. VO %	72,7%	71,5%	68,8%	84,6%
	KHK-Patienten mit Statinen %	44,9%	47,2%	40,8%	61,4%
	Patienten mit Antibiotika-VO %	13,1%	10,7%	11,8%	4,4%
	Patienten >= 65 mit VO (PRISCUS) %	13,4%	12,8%	11,6%	7,3%
	Patienten >= 65 mit VO (FORTA D) %	10,2%	9,0%	9,9%	5,5%

1. Struktur - Wie sieht die Zielgruppe aus und wie wird diese erreicht? Welche Strukturen müssen wir leben, damit Qualität entstehen kann?

	Qualitätsindikatoren und relevante Kennzahlen	Eigene Praxis (Praxis 8)	Ø-LP-Hausärzte (n=17)	Ø-NLP-Hausärzte (n=21)	Min/ Max LP (n=17)
1.1 Patientenstruktur 1.1.1 Allgemeine Charakteristika	Ø-Anzahl Patienten pro Praxis	481,0	480,9	326,1	934,0
	Ø-Alter Patienten	57,88	55,31	52,96	54,2
	Weiblich %	57,6%	56,3%	55,7%	67,8%
	Erwerbsfähige Patienten %	53,6%	58,1%	59,2%	75,7%
	Patienten mit Pflegestufe %	8,7%	8,3%	7,7%	4,2%
1.1.2 Morbidität	Ø-Charlson-Score	2,15	1,37	1,26	0,75
	Regionaler Hausarzt Risikoscore (Ø = 1)	1,16	1,04	0,95	0,81
1.1.3 Einschreibequoten	IV-Eingeschriebene an gesamt %	86,5%	58,5%	10,7%	86,5%
	DMP Eingeschr. mit Potentialdiagn. %	71,0%	54,9%	34,4%	80,1%

Discussion of the payment system in MSSP-ACOs

Budgeting

Only 40% of the providers in ACOs believe that these models can save costs at all (Colla et al. 2014)

Different payment systems because of different insurance products

Historical benchmark creates disadvantages for networks that already perform efficient – ACOs in high cost areas have a 35% greater chance of achieving cost savings than those in low-cost areas (Heiser et al. 2015)

Risk-Sharing

Sharing Rates (50:50 or 60:40) are not large enough to incentivize change (Casalino/Shortell 2011; Cunningham 2014)

Slow movement on the risk sharing continuum (Nat. Ass. of ACOs 2014)

Value-connection

Multitasking problem of measurement

What does Gesundes Kinzigtal do different concerning the payment system?

Budgeting

Regional budget based on German risk-adjustment scheme „Morbi-RSA“ which is updated regularly and includes total cost development on a national level (Pimperl et al. 2015)

Risk-Sharing

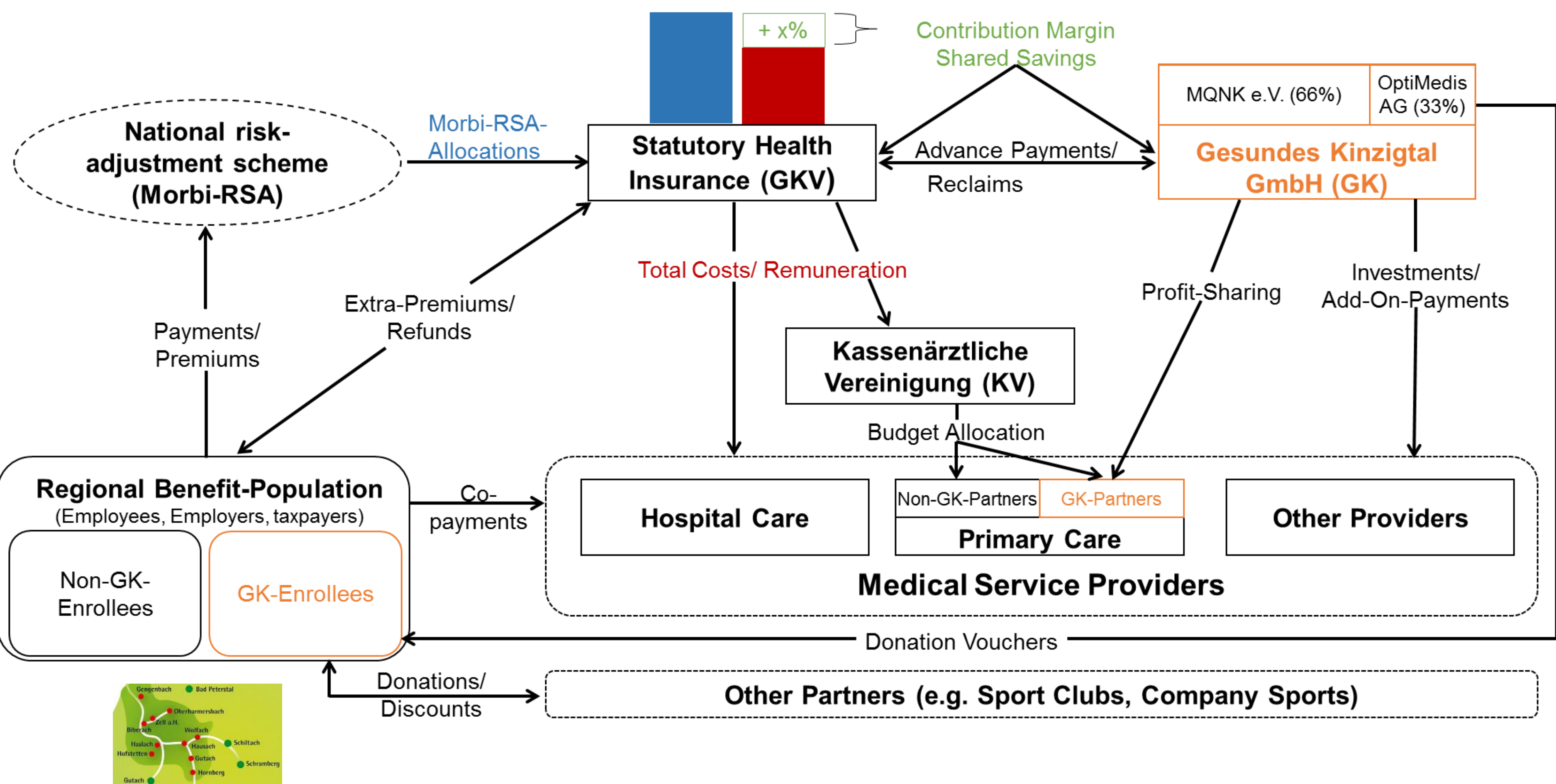
Different levels of shared savings depending on their amount

Value-connection

No P4P-incentives or value-based payments (so far) due to mixed evidence concerning potential effects

Payment Model Gesundes Kinzigtal

Schematic overview of financial flows including “Gesundes Kinzigtal”



Discussion of the integration in MSSP-ACOs

Professionalization

Regulatory rules hinder ACO formation and do not allow modifications of the contracts due to regional specifics in the MSSP (Share/Mason 2012)

Level of integration

Not enough integration across systems – only 14% of all ACOs strengthen cooperation between social/community services and primary care (Lewis et al. 2012)

Physicians do not recognize ACOs as a new form of healthcare delivery (Kreindler et al. 2012)

Process redesign

Biggest change is social – Organizational change takes time and it is unclear how it should be done (Burns/Pauly 2012)

What does Gesundes Kinzigtal do different concerning the integration?

Professionalization

Formal organization mainly owned by regional networks of physicians working in ambulatory care

Level of integration

Integration across healthcare system

Process redesign

Long-lasting contracts allows investments and time for sustainable change

Programs for primary prevention and management of diseases (besides DMPs) can be developed due to planning certainty

Gesundes Kinzigtal: More than a physician network – A local network with various cooperation partners

Around **500 people** participate as collaborators (~ 160 organizations)

September 2014	Partners	No.
Enrolled Insurees of	AOK and SVLFG	9,547
Providers with partnership contracts	GPs, specialists, psychotherapists – ~56% of those physicians working in the region Kinzigtal	63
	Staff in the provider offices	~ 190
	Hospitals – around 85% of all cases	6
	Physiotherapists	9
	Nursing homes	11
	Ambulatory nursing agencies/ psychosocial agencies	6
Further partners in cooperation	Pharmacies – around 70% of all pharmacies	16
	Self-help groups, enterprises (Network Healthy Companies in Kinzigtal), government/ administration	48
	Fitness-centers – ca. 80% in the region Kinzigtal	6
	Voluntary associations, sports clubs, social clubs	37

→ **Need for professional relationship management and communication**

The pillars of optimization and quality-
Integrated health care system Gesundes Kinzigtal

Primary prevention	Health programs	Cross-cutting issues
Health lectures	Heart failure	Incentive program
Club sports	Metabolic syndromes	Quality indicators
Course offers (e.g. aqua fitness)	Back pain	World of health®
	Psychic crises	Health management
	Depression	etc.
	Geriatric care	
	etc.	

Committed network partners

Hildebrandt H, Schulte T, Stunder B. Triple Aim in Germany: Improving population health, integrating health care and reducing costs ocare in the Kinzigtal-region – lessons for the UK? Journal of Integrated Care, Vol. 20 Iss: 4, pp.205 - 222 (2012)

Let's get in Contact

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