

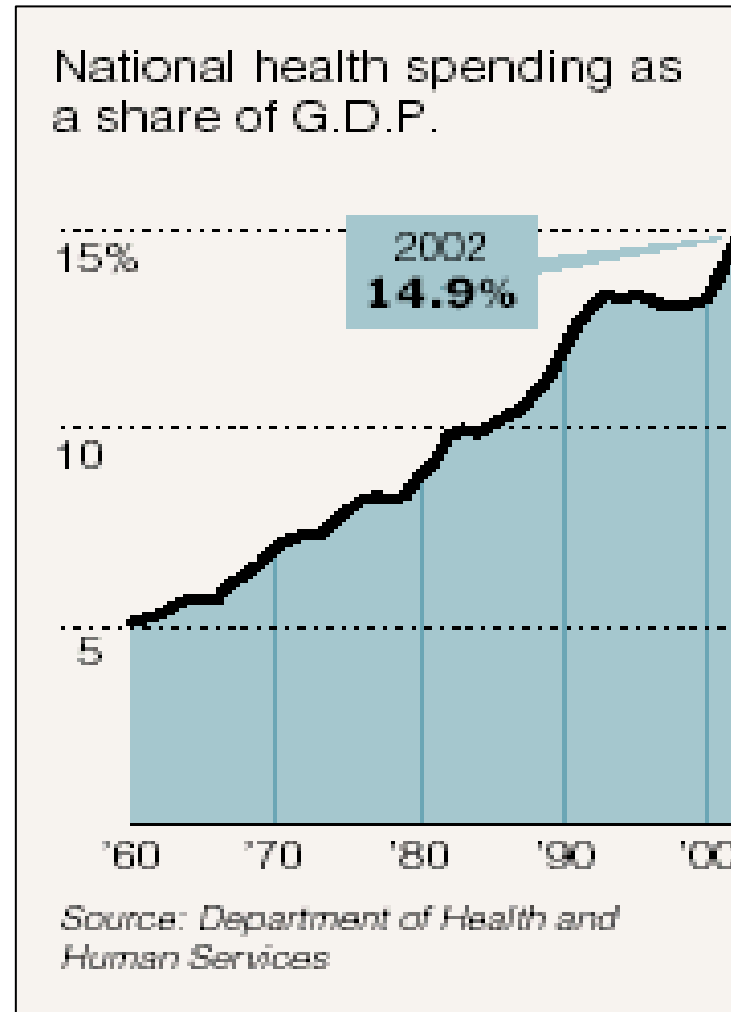


Disease Management: Containing Healthcare Costs by Improving Quality

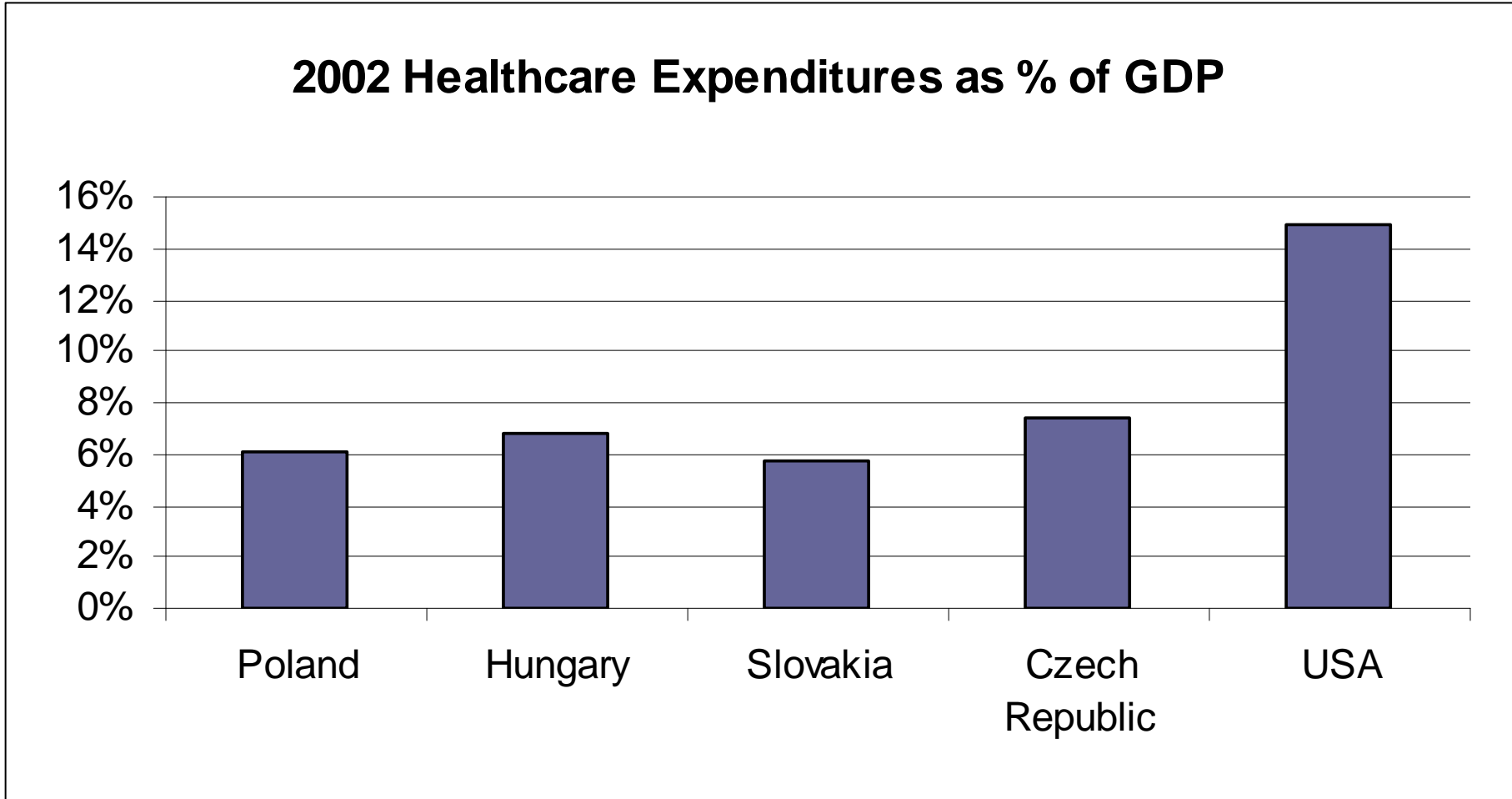
Prague Symposium
September 2004



Healthcare spending in the US continues to rise



And is much higher than in the rest of the world





But our high spending does not translate to high quality

People with Chronic Conditions only receive recommended care 56.1% of the time*

- Only 24% of people with diabetes received three or more HbA1c tests in a two year period
- Only 45% of people presenting with an MI received beta-blockers

Condition	% <u>Not</u> receiving Recommended Care
Diabetes	54.6%
Hyperlipidemia	51.4%
Asthma	46.5%
COPD (Lung Disease)	42%
Heart Failure	36.1%
Hypertension	35.3%
Coronary Artery Disease	32%

McGlynn, Asch et al, The Quality of Health Care Delivered to Adults in the US
NEJM 2003; 348:2635-48

Chronic Disease is a major health problem in the US

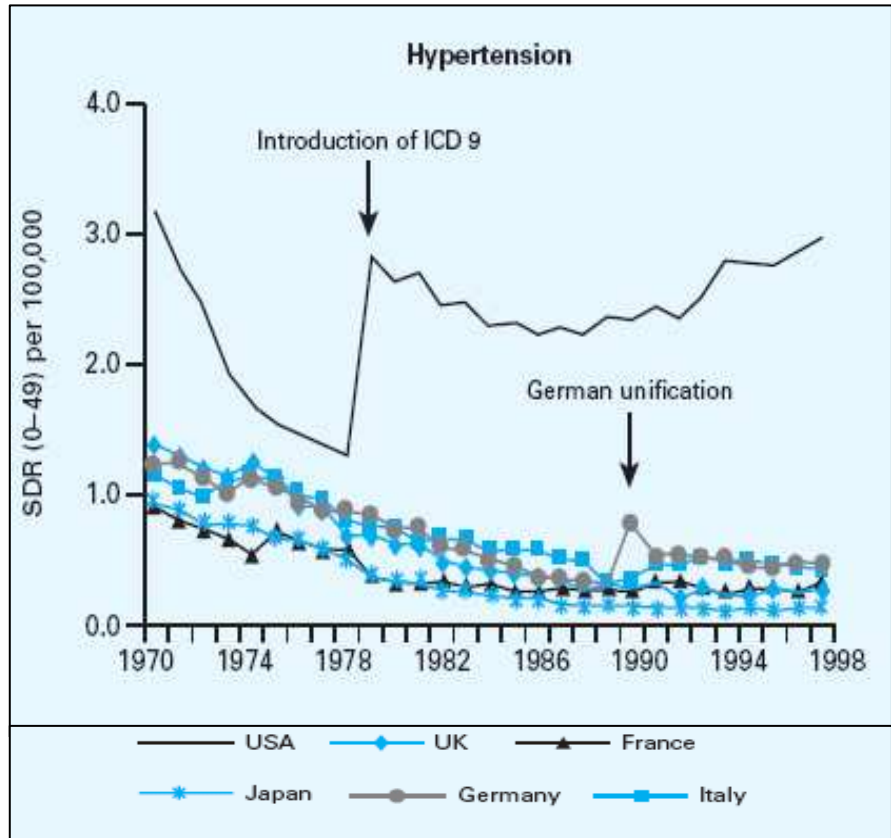


Fig 1. Age standardised death rates (SDRs) (age 0-49) from common diseases in the USA and selected industrialised countries. ICD 9 = International Classification of Diseases, Vol 9. Source: authors' calculations from WHO Mortality Data.

Martin McKee MD, Ellen Nolte MPH
Clin Med 2004;4:336-42

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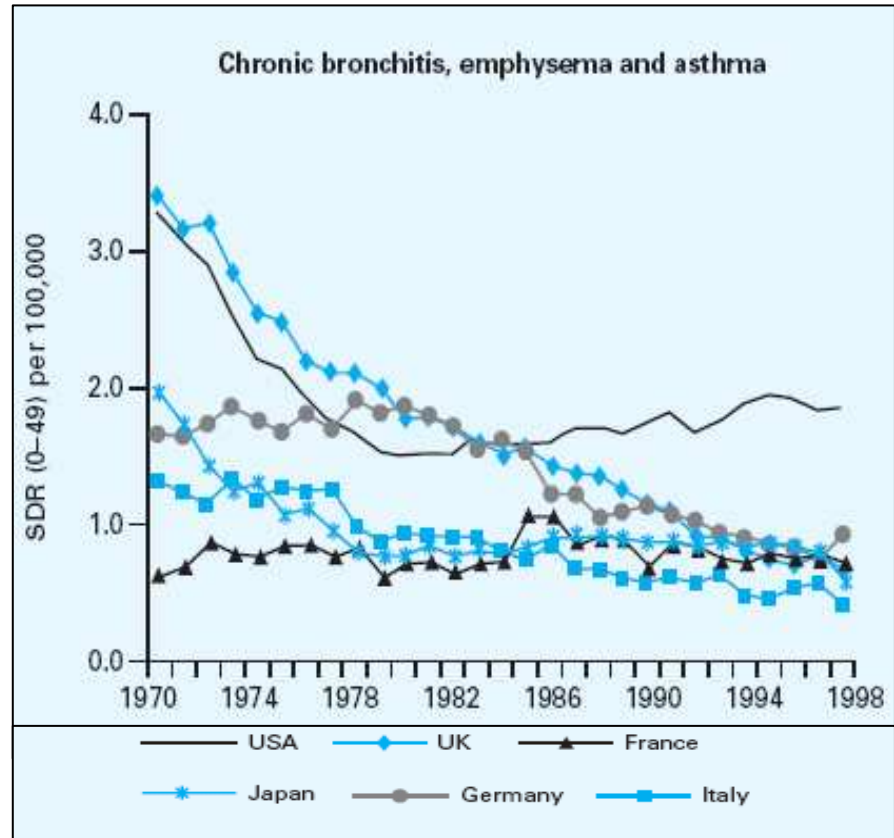


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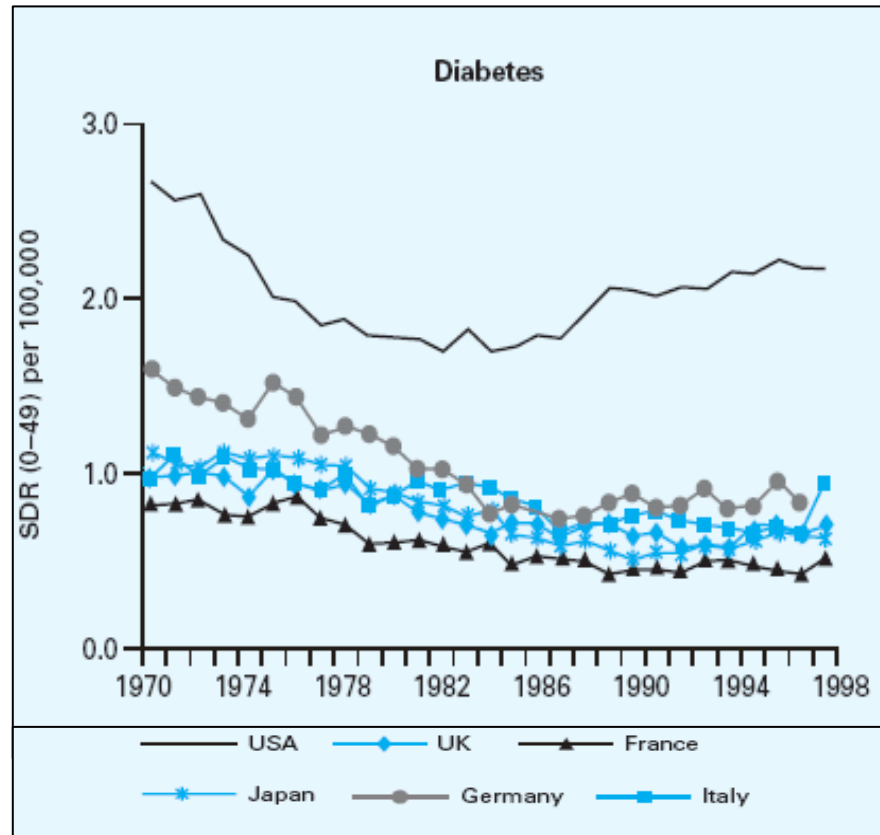
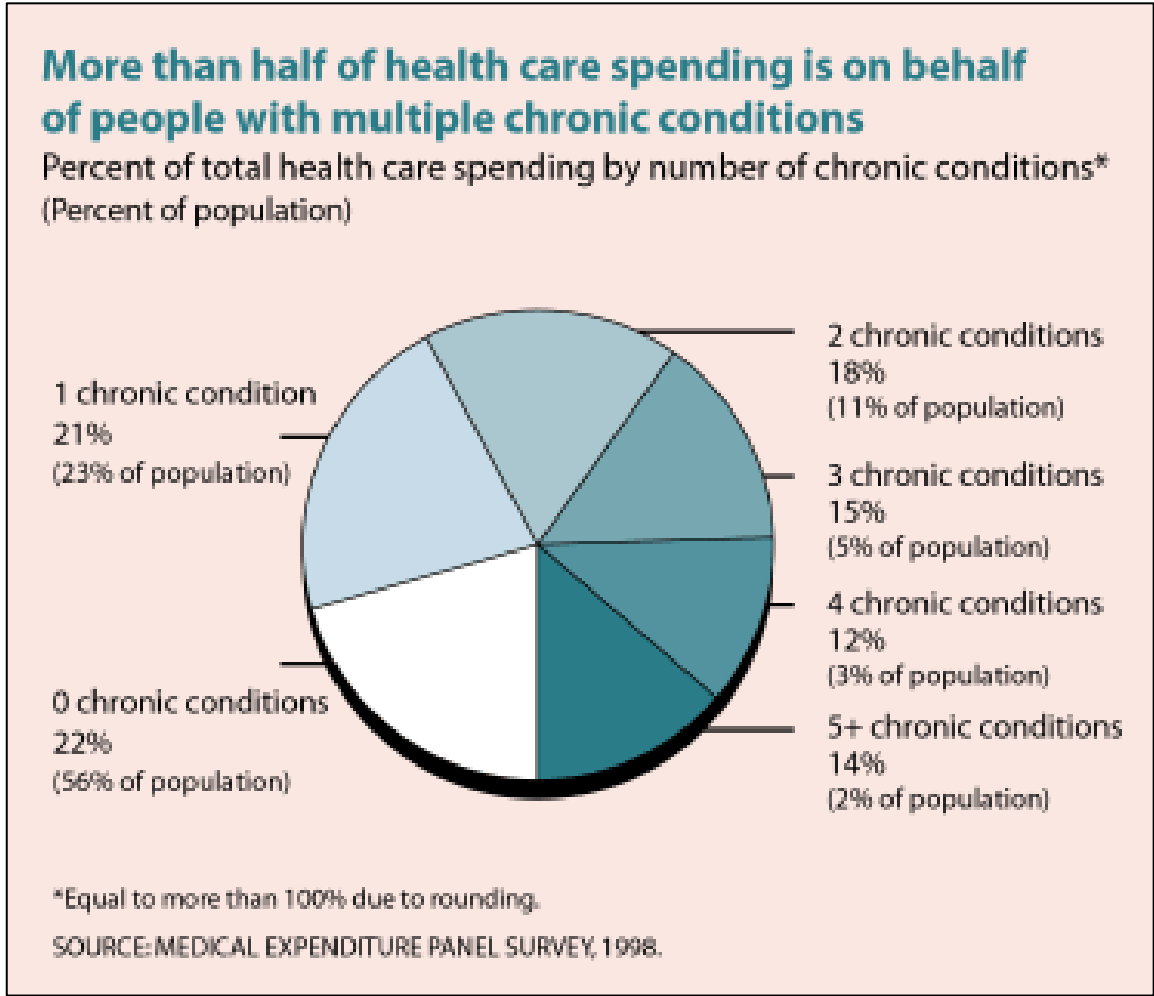


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And constitutes the majority of healthcare spending

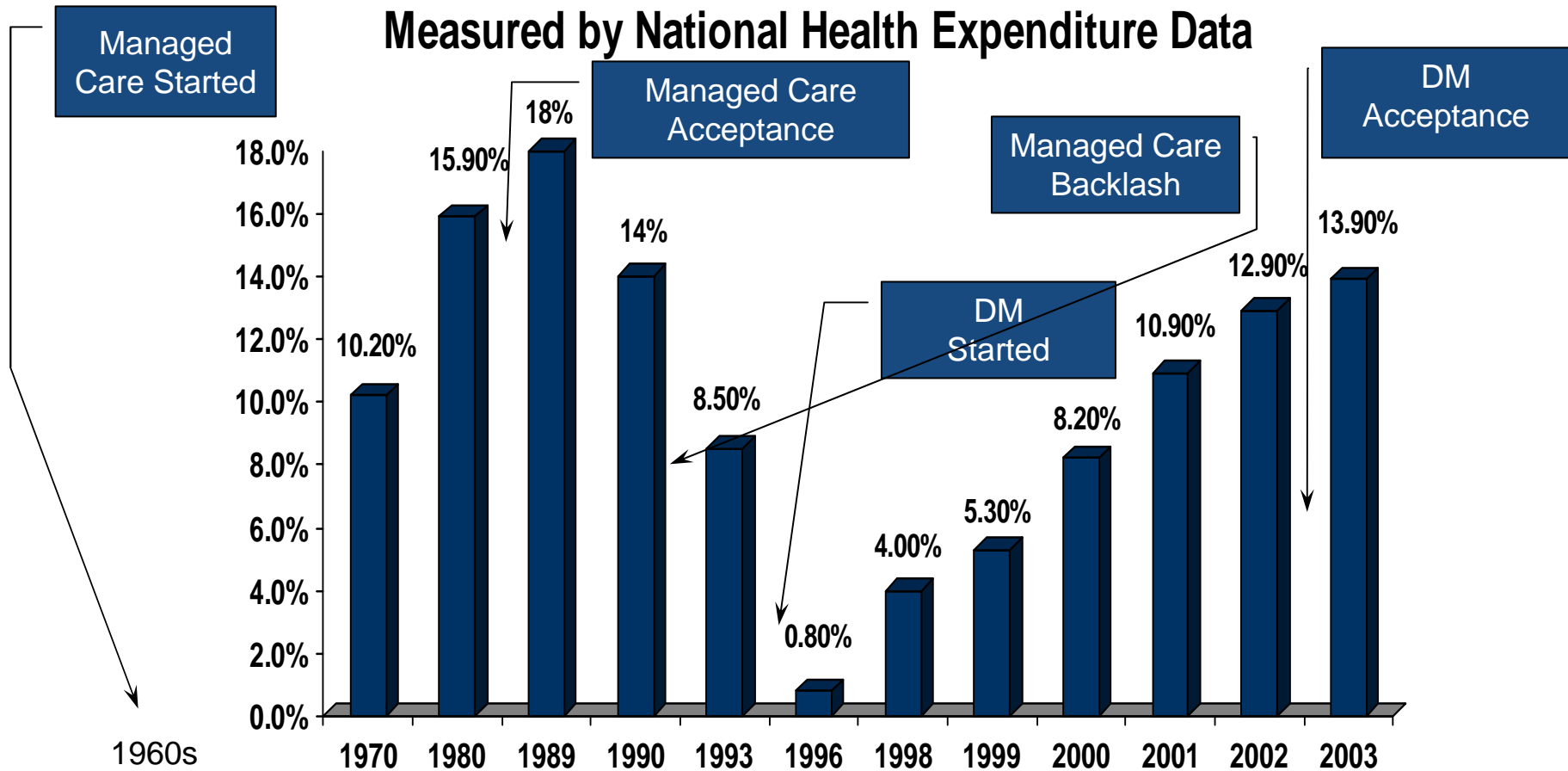


Contributors to the high cost & incidence of chronic disease

- Demographic and cultural trends are resulting in increased incidence and prevalence of chronic illness
 - Sedentary lifestyle
 - Smoking (although on the decline)
 - Diet high in fat and sugar
 - Medical advances leading to longer life expectancy
 - Mobile society causing breakdown of extended family
- A healthcare system set up for acute episodes is not equipped to deal with chronic conditions
 - Patients not receiving training and support to manage their illnesses
 - Rushed practitioners need help following evidence-based practice guidelines
 - Physicians need systems to actively follow-up to ensure the best outcomes

Healthcare cost increases have driven various health reforms

Growth in Private Health Insurance Premiums as Measured by National Health Expenditure Data



Source: Kaiser Family Foundation

Goal of Disease Management

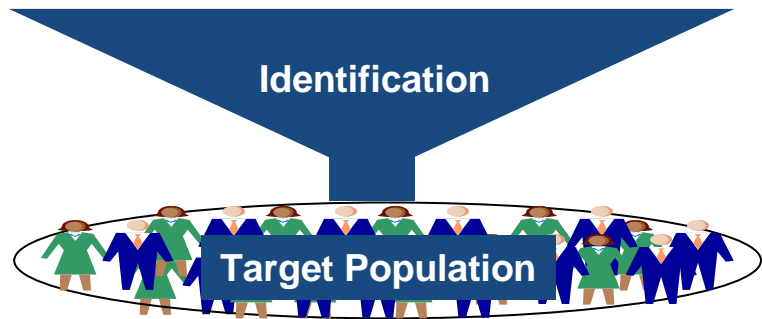
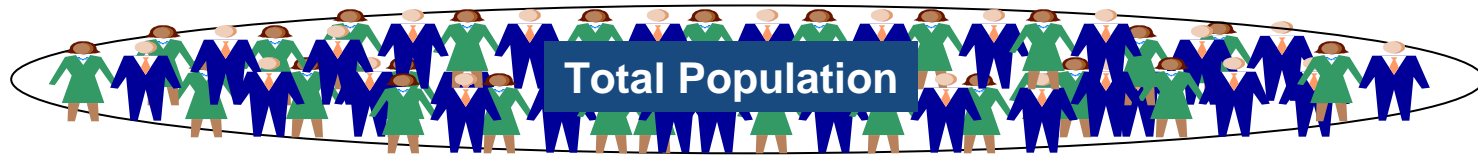
To help each individual in the patient population achieve optimal health

- Close the gaps between recommended and actual care (promoting evidence-based medicine)
- Encourage patients to adopt a healthy lifestyle (promoting self efficacy)

Disease Management components (DMAA definition)

- Population identification processes
- Evidence-based practice guidelines
- Collaborative practice models to include physician and support-service providers
- Patient self-management education (may include primary prevention, behavior modification programs, and compliance/surveillance)
- Process and outcomes measurement, evaluation, and management
- Routine reporting/feedback loop (may include communication with patient, physician, health plan and ancillary providers, and practice profiling)

How Disease Management works



Predictive Modeling, Stratification, Enrollment and Training, Health History



Individualized Evidence-Based Care Plans

Continuous Monitoring

- Self reported vital signs
- Self reported symptoms
- Medical utilization

Coaching and Support

- Nurse telephone calls
- Home visits

Educational Materials

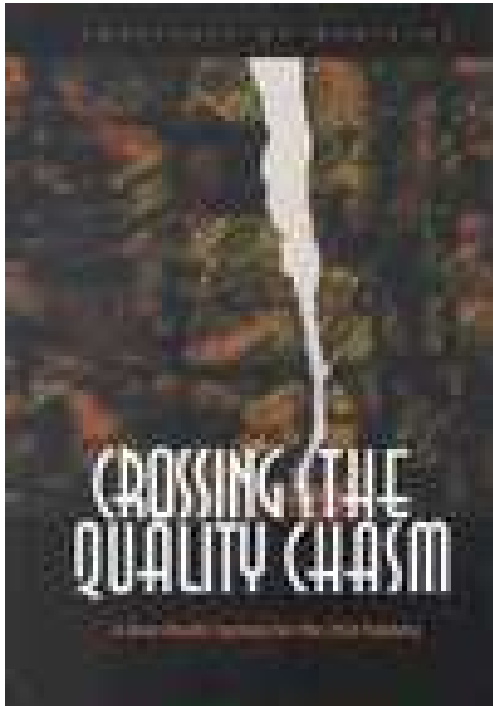
- Video tapes
- Booklets & newsletters

MD Decision Support

- Exception reports
- Evidence based guidelines



This approach is based on the recommendations of the US Institutes of Medicine

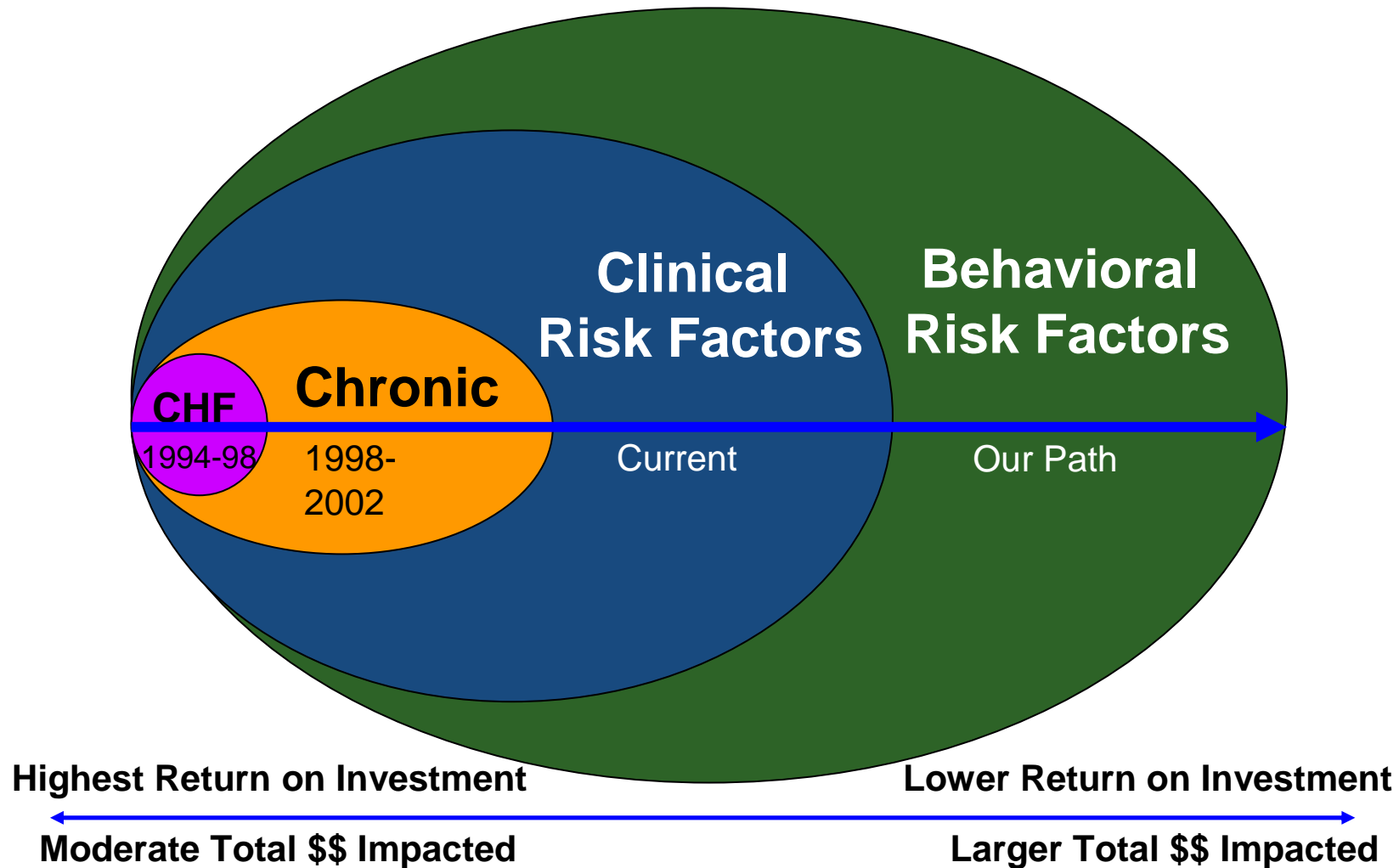


“Establish and maintain a comprehensive program aimed at making scientific evidence more useful and accessible to clinicians and patients”

“Effectively use information technologies to improve access to clinical information and support clinical decision making”

Crossing the Quality Chasm:
A New Health System for the 21st Century
National Academy Press, July 2001

Disease Management continues to evolve toward prevention





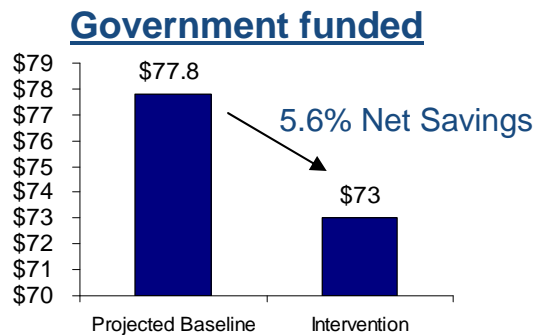
The results of Disease Management

- Patients take more responsibility for their health behaviors
- Patients develop self-care skills
- Patients adhere to clinically appropriate treatment plans
- Physicians can deliver evidence based medicine
- Patients stay healthier and out of the hospital
- Healthcare costs are reduced
- Patient and physician satisfaction and quality of life are improved

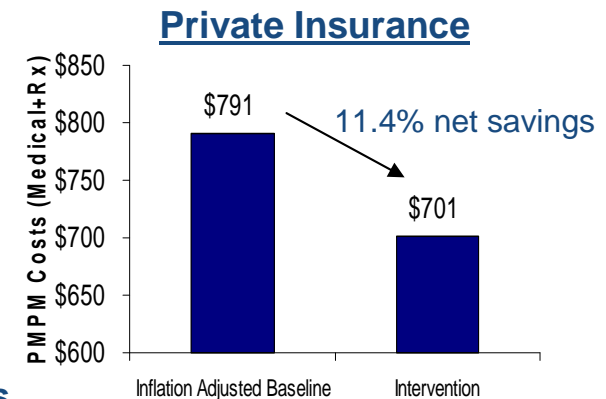


Disease Management has been proven to reduce healthcare costs

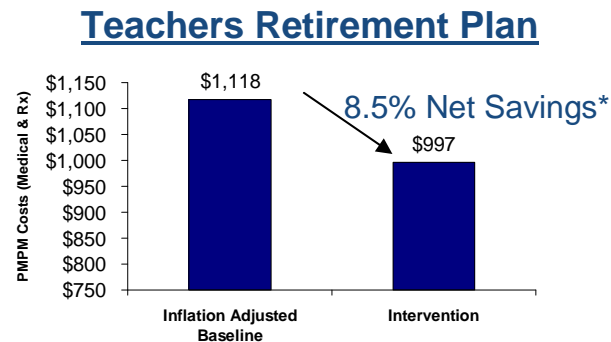
Florida AHCA* Two Year Savings (CHF + all co-morbidities)



Capital Blue Cross First Year Savings (CHF, CAD, COPD, Diabetes)



Ohio STRS* First Year Savings (CHF, COPD, CAD, Diabetes, Asthma)

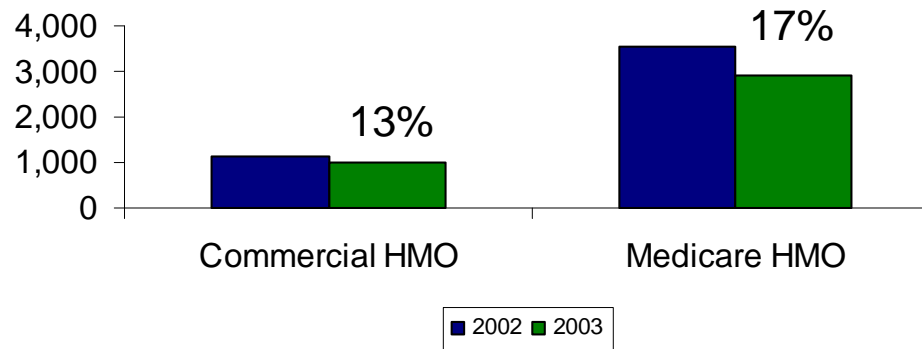


*Resulted in 3.5% reduction in total costs

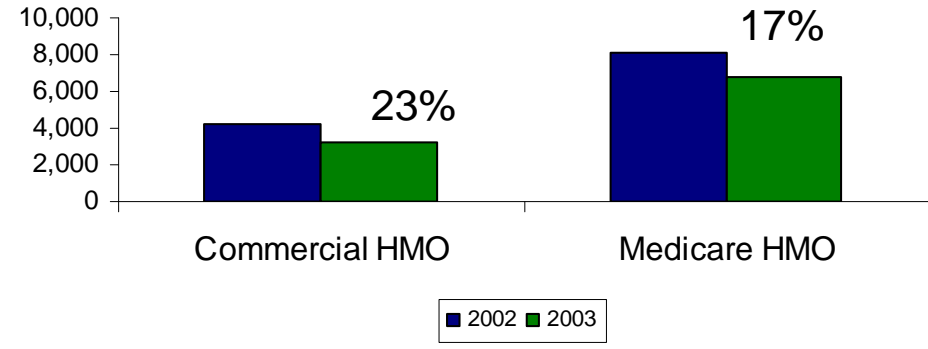


Cost reductions are the result of reduced hospital utilization

Aetna Diabetes Hospital Days per 1,000

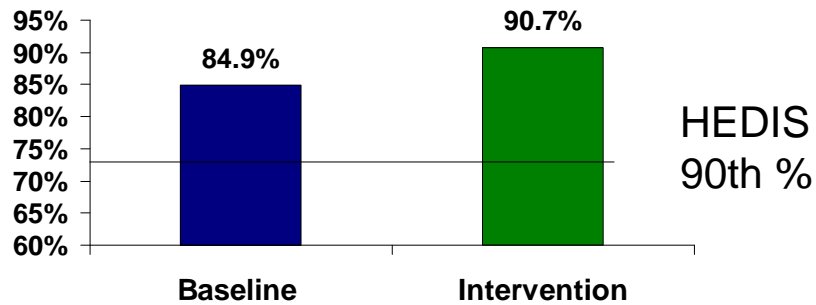


Aetna CHF Hospital Days per 1,000

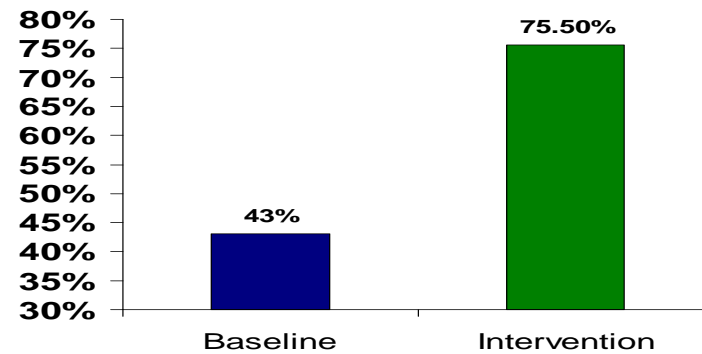


Clinical quality can be improved

**Ohio STRS First Year
Cholesterol levels <130**



**Capital Blue Cross First Year
Increase in ACE/ARB use in CHF**



Lessons learned – Suggestions for European implementation

- Combine financial reform with system reform
- Develop standardized outcomes measures and methodologies
- Involve the physician and align incentives
- Utilize information technology
- Focus efforts on the whole person not the disease