

# **PERSON CENTERED CARE COORDINATION:** *The SCAN Foundation Vision*

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# The SCAN Foundation Elevator Speech

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- Began its work in 2008
- Exclusively dedicated to supporting older adults so they can access health and supportive services of their choosing to meet their needs
- Working under its second Strategic Framework
- Focused on three population-based Thematic Goals:
  - Integrate Care and Financing for Medicare-Medicaid Eligible Individuals
  - Build the Business Case for Person-Centered Care Models for Medicare Beneficiaries
  - Create a viable set of Long-Term Care Financing Solutions for Working Americans

# Environmental Factors

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- Increased Lifespan - More Chronic Disease
- Role of Functional Limitations
- Cost Drivers

# Changing Times - Changing Focus

1910

1. Heart disease
2. Influenza & Pneumonia
3. Tuberculosis
4. Diarrhea/intestinal diseases
5. Stroke
6. Nephritis
7. Accidents (ex. motor vehicle)
8. Cancer
9. Premature birth
10. Senility

2010

1. Heart disease
2. Cancer
3. Chronic lung diseases
4. Stroke
5. Accidents
6. Alzheimer's Disease
7. Diabetes
8. Nephritis
9. Influenza & Pneumonia
10. Suicide

1900  
49 yrs

1935  
62 yrs

1965  
69 yrs

2009  
78 yrs

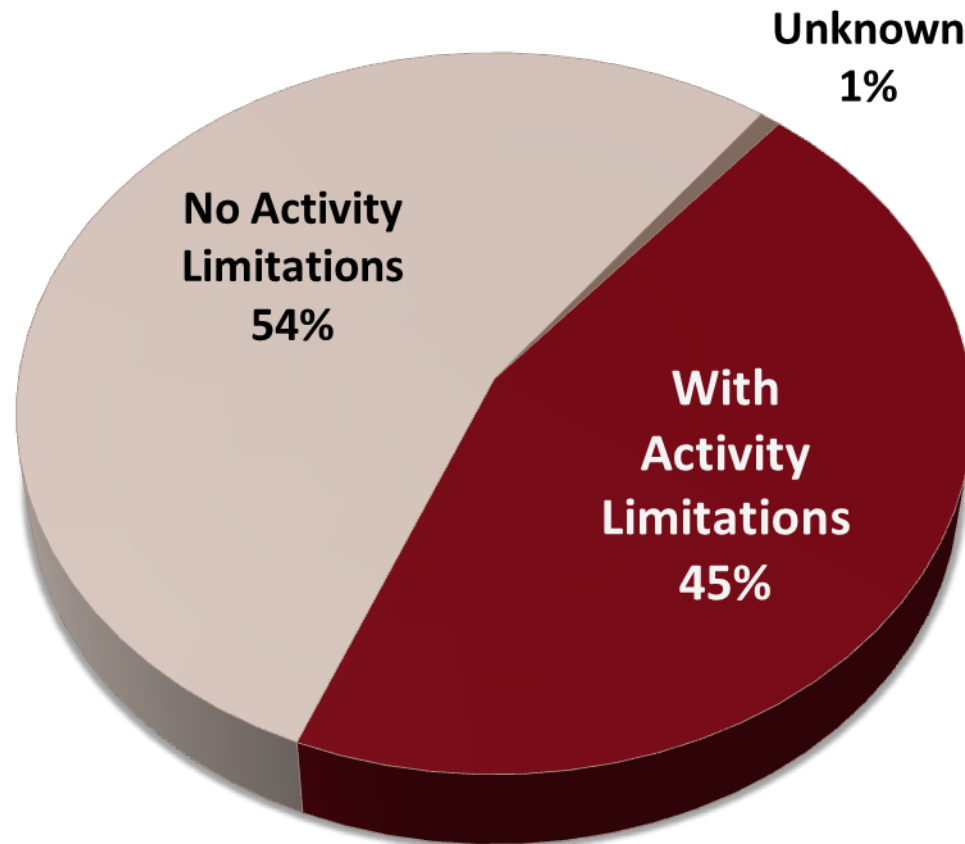
*Acute / Chronic*

[http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62\\_06.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62_06.pdf)

\*Adapted from National Center for Health Statistics-National Vital Statistics Service Reports 2010

# 97 Million Americans live with Chronic Health Conditions

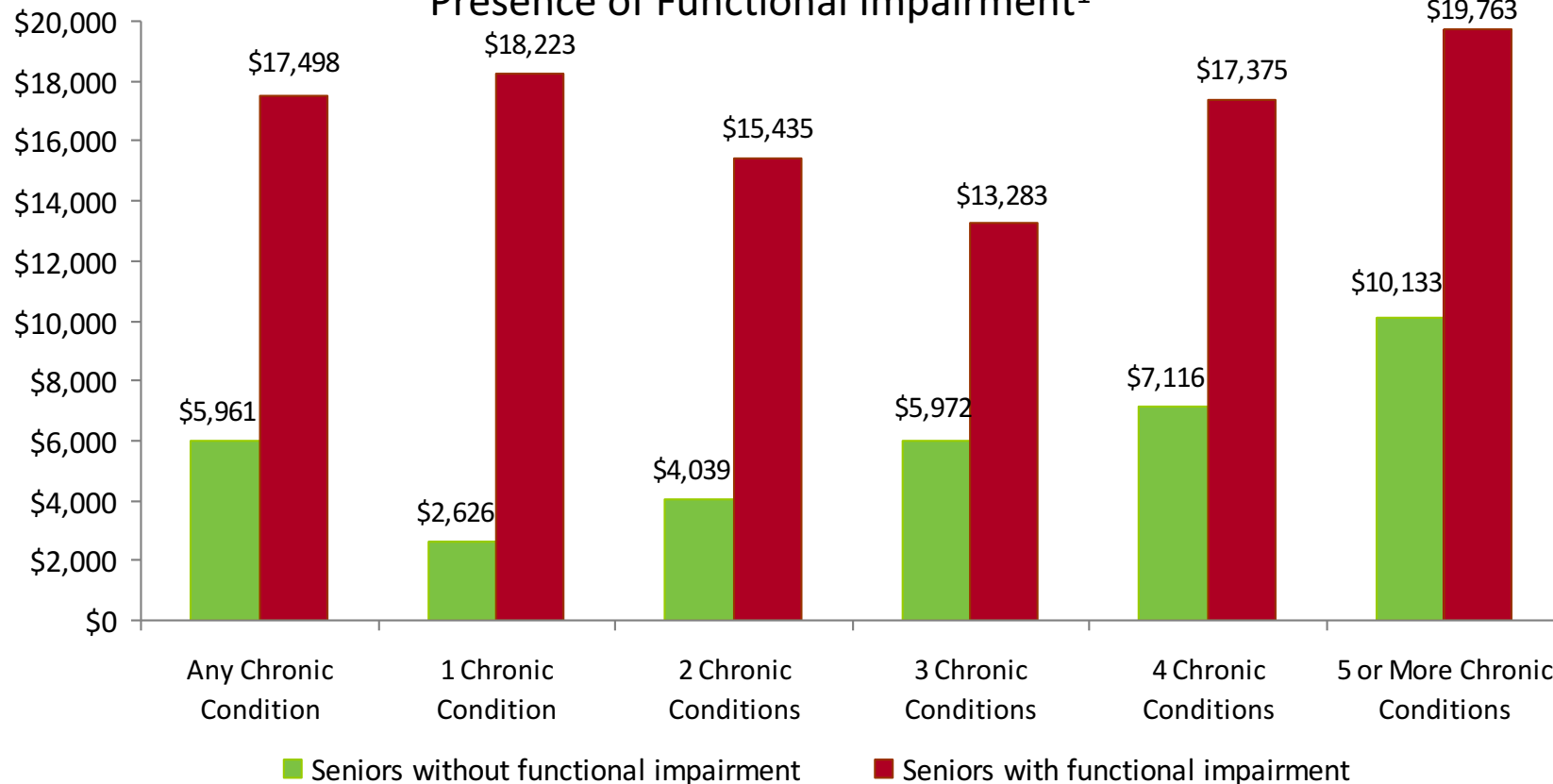
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Source: Multiple Chronic Conditions Chartbook: 2010 MEPS Data

# Hidden Medicare costs of Chronic Conditions & Functional Impairment

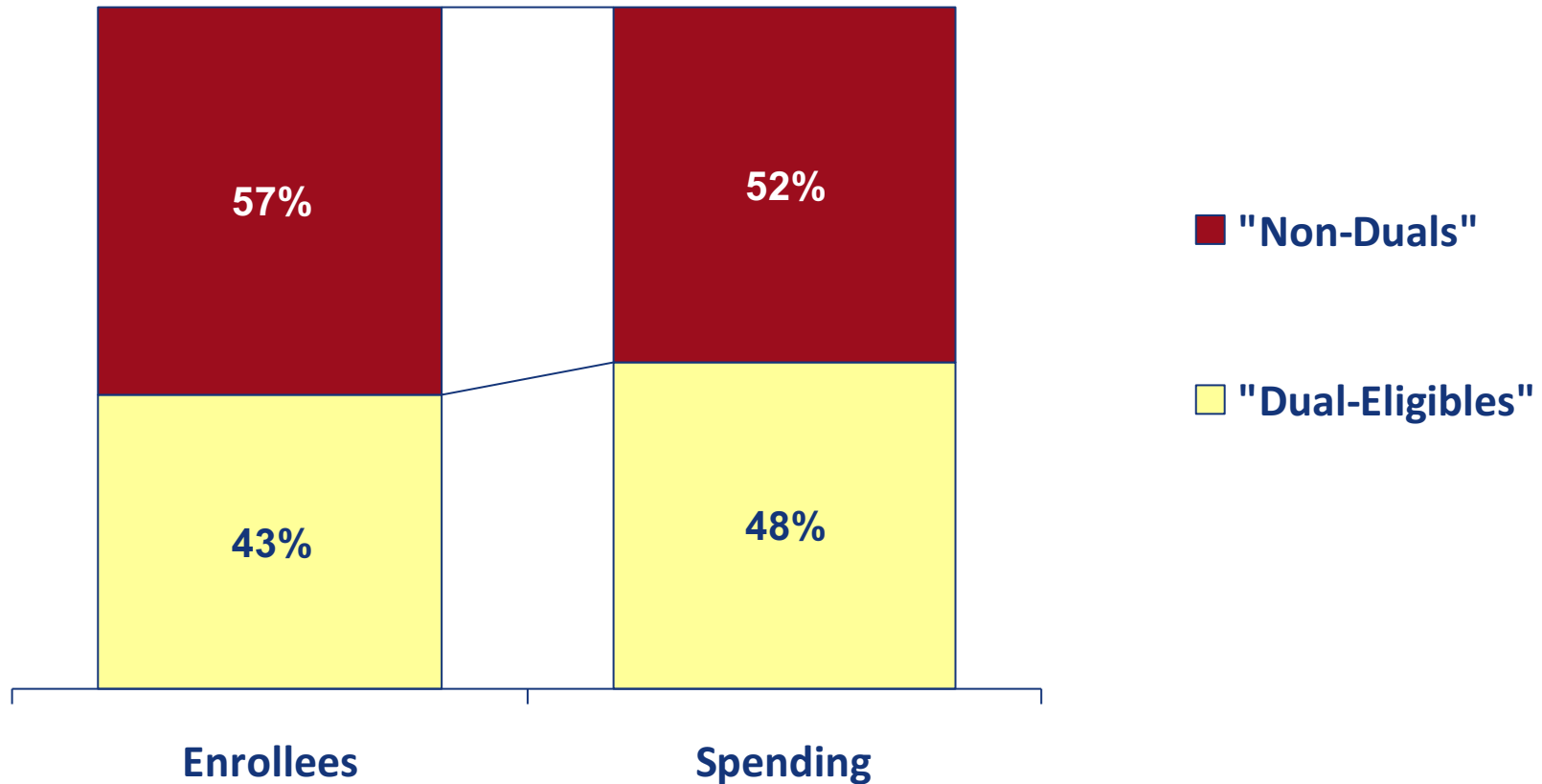
Annual Per Capita Medicare Spending in 2006, by Number of Chronic Conditions and Presence of Functional Impairment<sup>1</sup>



<sup>1</sup> N = 22,104,694 with any chronic conditions and no functional impairment, N = 3,562,347 with any chronic conditions and functional impairment. Excludes beneficiaries who died in 2006.

# Most older Medicare beneficiaries with chronic conditions & functional impairments are NOT duals

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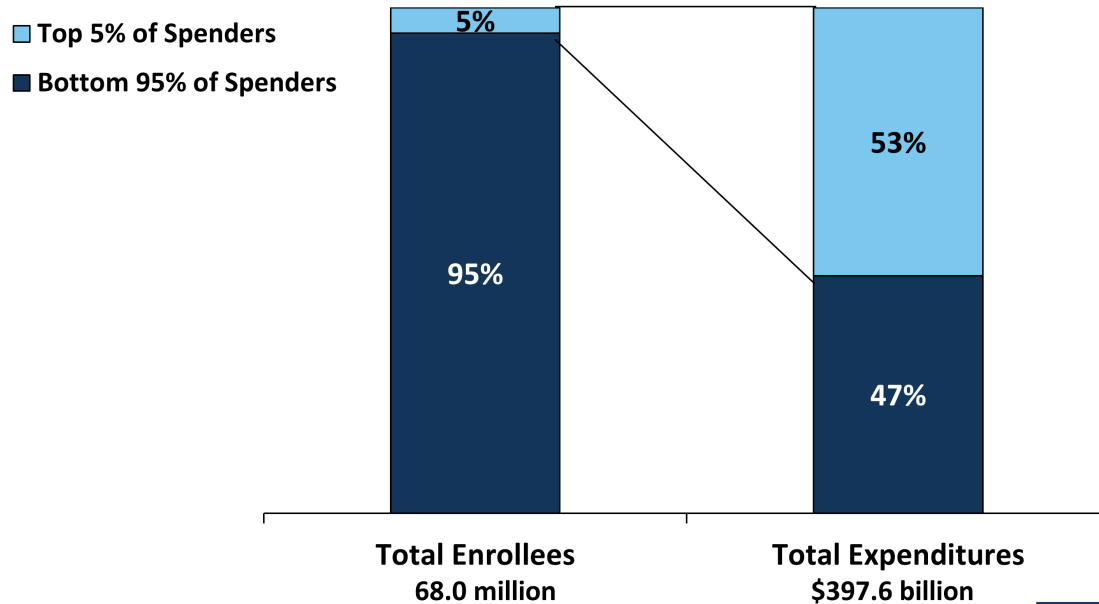


Source: H. Komisar & J. Feder, *Transforming Care for Medicare Beneficiaries with Chronic Conditions and Long-Term Care Needs: Coordinating Care Across All Services*, The SCAN Foundation, October 2011.

# A Perfect Storm

Figure 9

## Top 5% of Enrollees Accounted for More than Half of Medicaid Spending, FY 2011



SOURCE: KCMU/Urban Institute estimates based on data from FY 2011 MSIS and CMS-64. MSIS FY 2010 data were used for FL, KS, ME, MD, MT, NM, NJ, OK, TX, and UT, but adjusted to 2011 CMS-64.



These beneficiaries are typically vulnerable older adults with multiple chronic conditions and functional impairment.



# Why Person-Centered Care?

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“IT IS MORE IMPORTANT TO KNOW WHAT SORT OF PERSON HAS A DISEASE THAN TO KNOW WHAT SORT OF DISEASE A PERSON HAS.”

*HIPPOCRATES*

# And how did we get here?

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# Project Purpose

To develop a clinical case (rooted in research) for person-centered care for older adults with chronic illness and functional impairment

✓ **Agreed-upon definition**

**def·i·ni·tion** n. 1.  
The teacher gave de  
of the new words.  
of an image (pict  
-- real screen

✓ **Consensus Conference**



✓ **Essential elements**



✓ **Literature review**



✓ **Qualitative, environmental scan**



# Definition of Person-Centered Care

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“Person-centered care means that a person's values and preferences guide all aspects of health care and support realistic health and life goals”

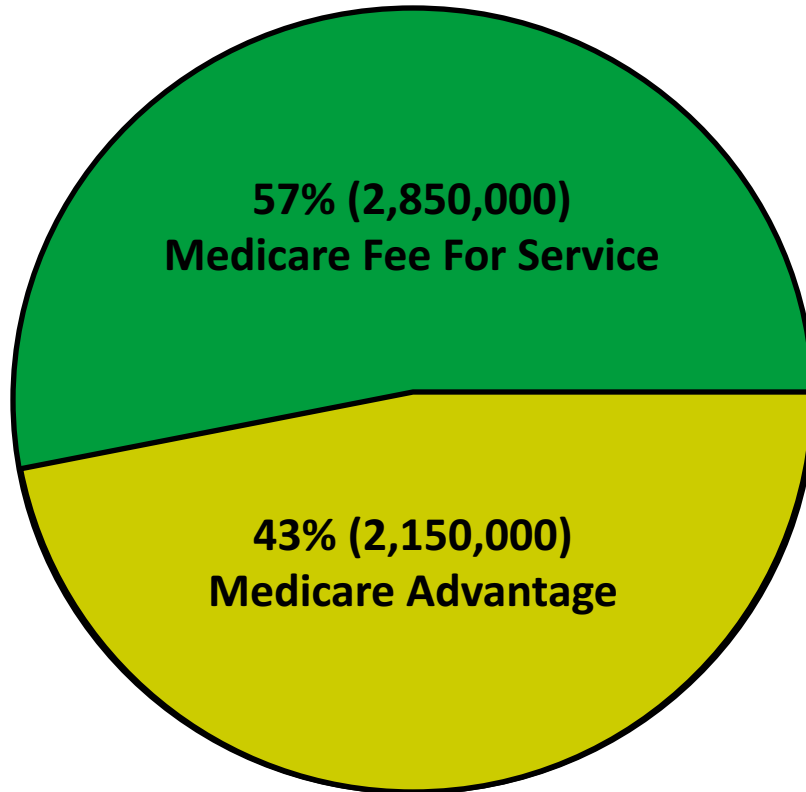


## Environmental Assessment of Person Centered Care in California

# Opportunity in California

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**5,000,000 Medicare Beneficiaries  
in California**



**15% (750,000)  
would benefit  
from Person-  
Centered Care**

**Current Capacity  
20,290**

# Why We Care about Person-Centered Care

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## Reason #1: IMPROVE QUALITY OF LIFE

Especially for vulnerable older adults with chronic conditions and functional limitations



# Why We Care about Person-Centered Care

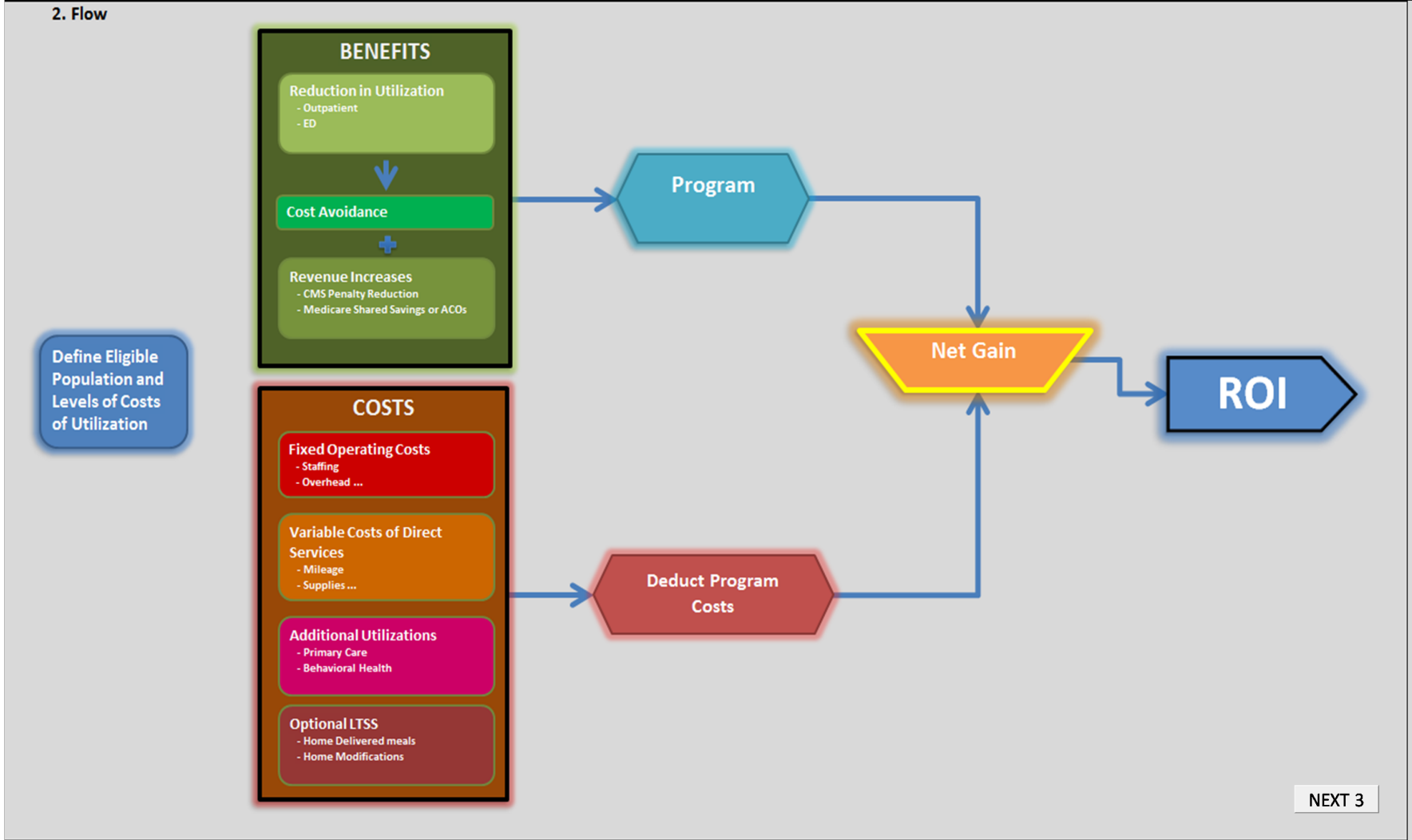
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## Reason #2: REDUCE COSTS





# The Business Case for PCC --- ROI Calculator



# Business Case: Definition

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Justifying an organization's expenditure based on the positive economic consequences to that organization



# Cost Drivers ↑↓

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## PAYMENT REFORMS ARE PLACING PROVIDERS AT-RISK FOR UTILIZATION

- Capitation
- Hospital Readmissions Reduction Act
- Value Based Purchasing
- Bundled Payments for Care Improvement Initiative
- Accountable Care Organizations



# Business Case Rationale

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Business Cases typically begin with the existence of a financial burden if no Investment is made



# Business Case Rationale

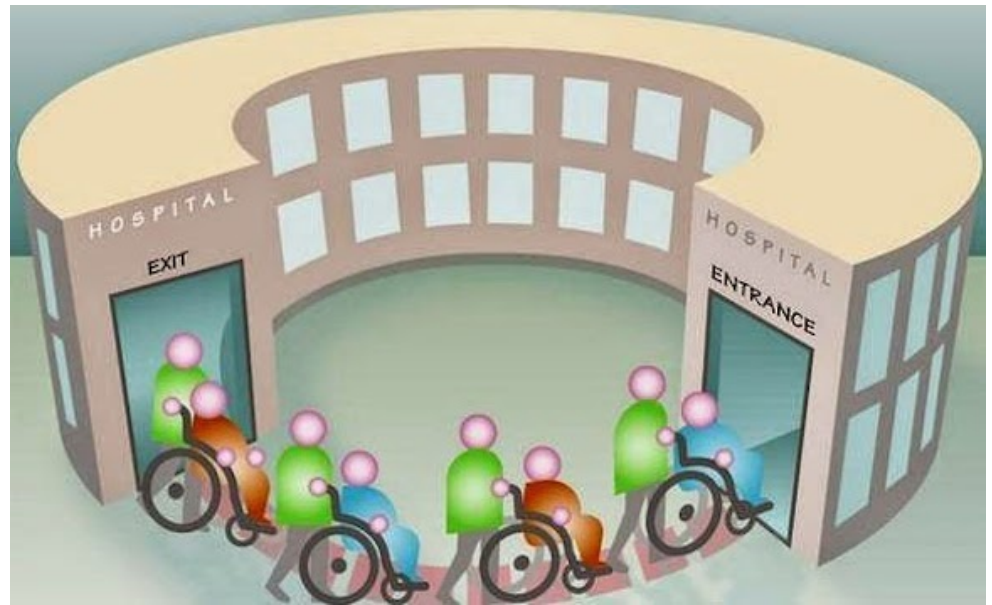
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## THE BIGGER THE BURDEN

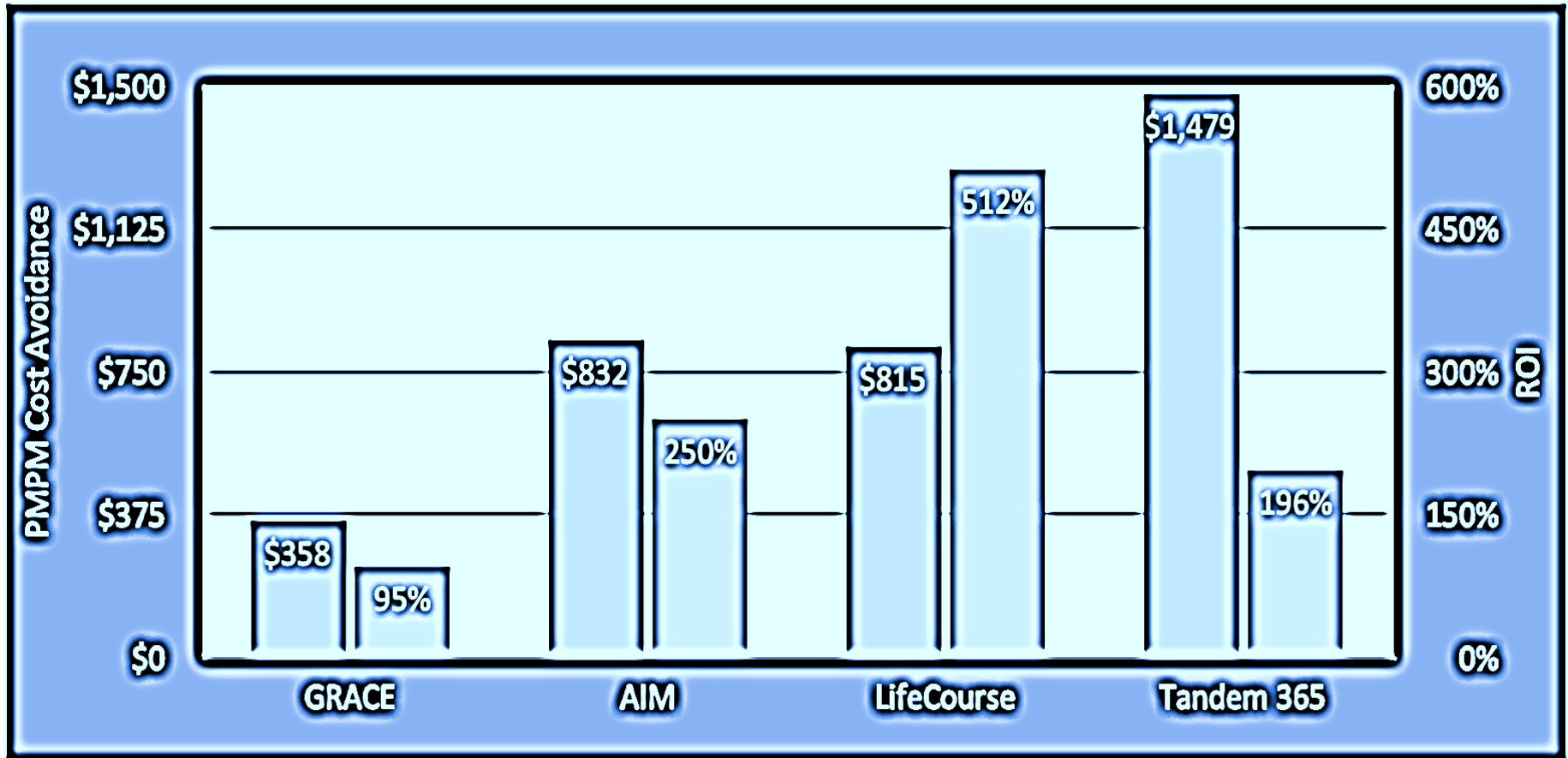
## - THE BIGGER THE OPPORTUNITY

For example: The cost to Medicare of a hospital readmission within 30 days of discharge is about \$18,000

 **Targeting is important!**



# ROI and monthly Cost Avoidance for 4 Selected PCC Programs



Source: Victor Tabbush, Alexis Coulourides Kogan, Laura Mosqueda, and Gerald F. Kominski: "Person-Centered Care: The Business Case". The SCAN Foundation. June 2016.

# National Efforts & Resources

## The Five Foundations Play Book:

- John A. Hartford Foundation
- RWJF
- The Commonwealth Fund
- The Peterson Center on HC
- The SCAN Foundation

Goal: 30% of ACOs and MA Plans Implement PCC programs

## the Playbook

### New 'Playbook' helps improve care for people with complex needs

*The Playbook: Better Care for People with Complex Needs* is a free, new curation of information and resources on promising approaches to better care for patients with complex health and social needs.

Five health care foundations —The Commonwealth Fund, The John A. Hartford Foundation, the Peterson Center on Healthcare, the Robert Wood Johnson Foundation, and The SCAN Foundation— jointly supported the Institute for Healthcare Improvement to create The Playbook.

#### Why The Playbook is needed:

When people with complex needs require medical help, they encounter a health care system that's expensive, inefficient, and poorly coordinated. Improving care for high-need, high-cost patients is increasingly a strategic focus for health systems and payers seeking to achieve better patient outcomes and lower overall costs of care. Researchers estimate that these patients account for 5 percent of the population, but 50 percent of health care spending.

#### Who should use The Playbook:

The Playbook enables health system leaders, insurers, policymakers, and others—including Accountable Care Organization leaders and Medicare Advantage managed care plans—to access key information in one place.

### What's Working

Leading U.S. health systems are already experiencing better outcomes and lower use of expensive services by adopting a new approach to care for people with complex health and social needs. These efforts recognize and elevate the role of patients and their families to truly be partners in their own care and health. Successful efforts use both medical and social approaches to meet patient needs.

### Playbook Content



Analyses of the patient population



Case studies on proven approaches



Explorations of the related business case



Information on policy and payment opportunities

Explore the Playbook at [BETTERCAREPLAYBOOK.ORG](http://BETTERCAREPLAYBOOK.ORG)



## Resources for Health System Leaders

As reimbursement shifts from fee-for-service to value-based models, there is an increasing need for health system leaders to match people with complex needs to effective care models in order to deliver quality outcomes and lower costs. This requires that leaders draw upon the evolving body of evidence and knowledge about effective program design, implementation, and evaluation. The Playbook has lessons, best practices, and evidence from the field to guide your program.

 Brief

**Models of Care for High-Need, High-Cost Patients: An Evidence Synthesis**

 Brief

**Strategies to Reduce Costs and Improve Care for High-Utilizing Medicaid Patients: Reflections on Pioneering Programs**

 Brief

**Caring for High-Need, High-Cost Patients: What Makes for a Successful Care Management Program?**



# Additional Resources

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- Issue Brief: Person-Centered Care - In Today's Health Care Environment, the Business Case is Stronger than Ever
  - <http://www.thescanfoundation.org/person-centered-care-todays-health-care-environment-business-case-stronger-ever-issue-brief>
- Business Case for Person-Centered Care
  - <http://www.thescanfoundation.org/business-case-person-centered-care>

Scroll down on this page to the:

- Return on Investment Calculator
- ROI Calculator (with example scenario)
- Instructions for the ROI Calculator: The Business Case and Person-Centered Care

### *Our Vision:*

A society where older adults can access health and supportive services of their choosing to meet their needs.

### *Our Mission:*

To advance a coordinated and easily navigated system of high-quality services for older adults that preserve dignity and independence.

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