

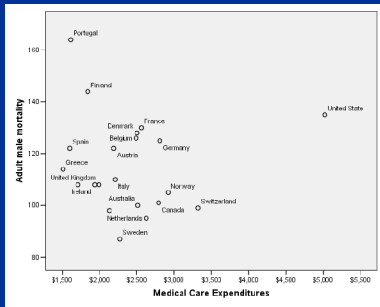
Health Reform Opportunity and Imperatives for Rural New York

John Rugge, M.D.

New York State Association for Rural Health
September 14, 2010

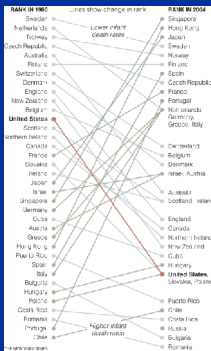


Medical Care Expenditures vs. Adult Male Mortality, Industrialized Countries, 2001-2



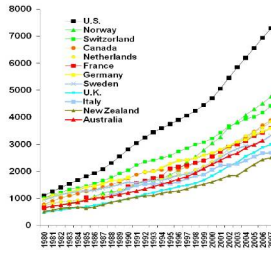
Source: Expenditures – DHHS, Health United States, Mortality – World Bank, 2004 World Development Indicators

Infant Mortality Rank



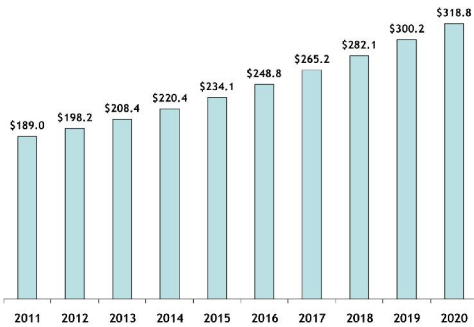
Average spending on health, per capita 1980-2007 (\$US)

Average spending on health per capita (\$US PPP)

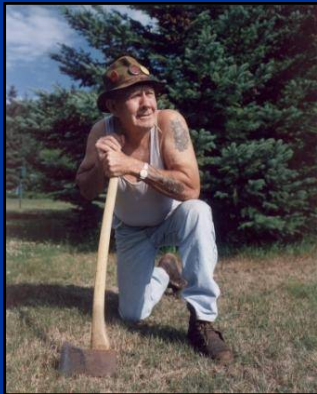


Source: OECD Health Data 2009 (June 2009).

Projected Total Health Spending in New York for 2011 through 2020



Source: Lewin Group estimates using CMS spending growth estimates.

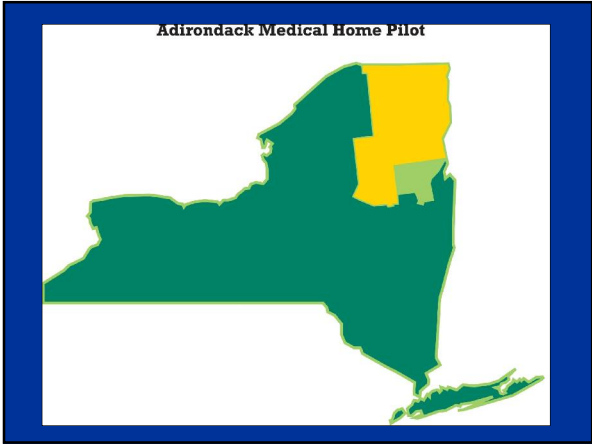


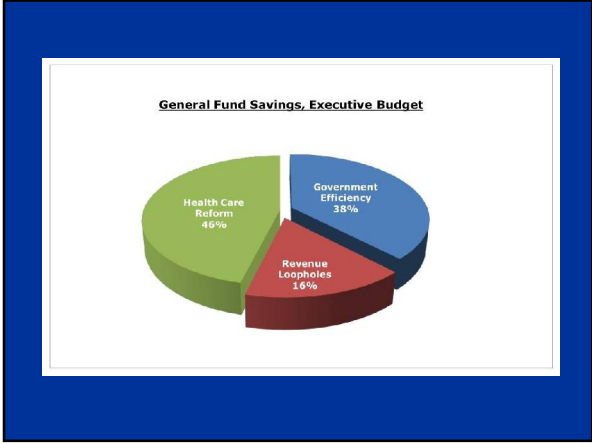






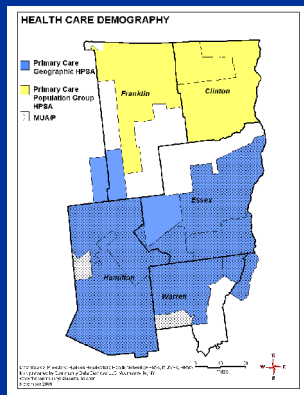


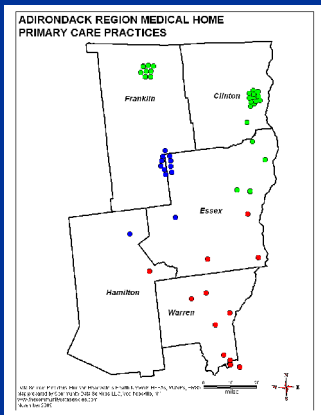




Demographics

- Population ~ 200,000
- Micropolitan (2)/Rural/Frontier
- Second to SW Florida in Age
- Unusual and Stressed Economy





The Emerging Adirondack Crisis

Departure of Primary Care Providers

Low Pay
Long Hours
Grinding Work

Destabilized Health Care System

Specialists
Hospitals

Crisis Response: The Providers

Adirondack Health Institute (AHI)

Private Practices
FQHC
FQHC Look-Alike
Hospital Clinics
MSO
PHO

Project Manager: Dennis Weaver, M.D.
EastPoint Health

Crisis Response: NY State

Rural Health Network Status

Antitrust Protection for AHI

Adirondack Medical Home Pilot

2009 NYS Budget
Antitrust Protection for AHI/Payers
Enhanced Medicaid Payment

Civil Service Commission

Crisis Response: The Payers

- Blue Shield of NENY
- CDPHP
- Empire Blue Cross
- Empire Plan (United HealthCare)
- Excellus
- Fidelis
- Medicaid
- MVP

Crisis Response: The Community

- New York State Association of Counties (NYSAC)
- Adirondack Health Summits (07 & 09)
- Local, State, Federal Officials

Pilot Goals

- Improve Clinical Outcomes
- Control Health Care Costs
- Increase Satisfaction (Patients & Providers)
- Enable Retention and Recruitment

**Principles
for
Patient-Centered Medical Homes***

- **A personal physician**
- **Physician-directed health care team**
- **Whole person orientation**
- **Care is coordinated and/or integrated**

* National Committee on Quality Assurance (NCQA)

Nine (9) Standards

- **Enhanced Access and Communication**
- **Patient Tracking and Registry**
- **Care Management**
- **Patient Self-management Support**
- **Electronic Prescribing**
- **Test Tracking (Lab and Imaging)**
- **Referral Tracking**
- **Performance Reporting and Improvement**
- **Advanced Electronic Communication**

**9 Standards
18 Elements
188 Items**

188 Items!

Spare Us

Pilot Design

Care Coordination Pods

Plattsburgh – Integrated Hospital System
Saranac - PHO
Lake George - FQHC

Pilot Terms

- Five-Year Demo: 2010-2014
- Readiness Assessment & Work Plan: 1/10
- E-Prescribing: 6/10
- Level II NCQA Recognition: 12/10
- "Crossover" Point: Year 3

Pilot Financing

Enrolled Patients

One E&M Visit in Previous 24 Months
Household Members

Continue Existing Reimbursement

Add \$7 pmpm

Establish/Operate Care Coordinating Teams
Contribute to Physician Compensation

Consider Additional Incentives in Out-Years

Pilot Data

Focus on 3 Clinical Conditions

Shared Performance Standards

Pooling of Data

Providers and Payers
RHIO
HEAL - 10

Pilot Oversight

Governance Council

NYSDOH as Voting Chair
8 Providers (Including MSSNY)
8 Payers

Non-Voting Participants

NYSAC, Legal Staff, Consumers,
Public Health, Employers, Service
Organizations, Invited Experts

Pilot Budget

Developmental Investment

\$ 500,000	HRSA	Project Development
\$3,000,000	MSSNY	Reg. Pod Capacities
\$7,000,000	HEAL 10	Electronic Connectivity
\$8,000,000	Providers	Matching Commitments

Operating Revenue/Expenses

\$45,000,000 (Estimated) Five Years

Regional "Entity"

Perceived Needs

- Pilot Oversight (for Providers)
- Data Management
- Sustainability Planning

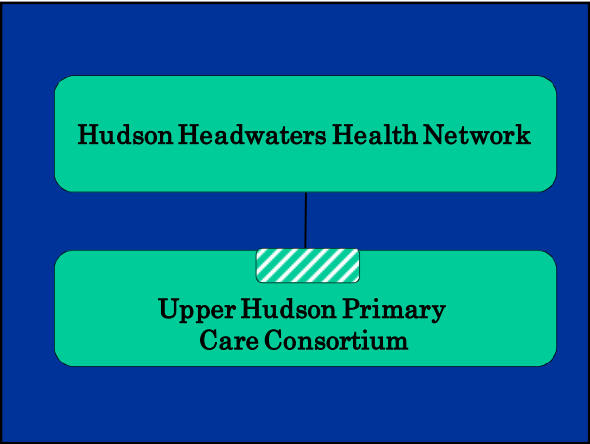
Perceived Opportunities

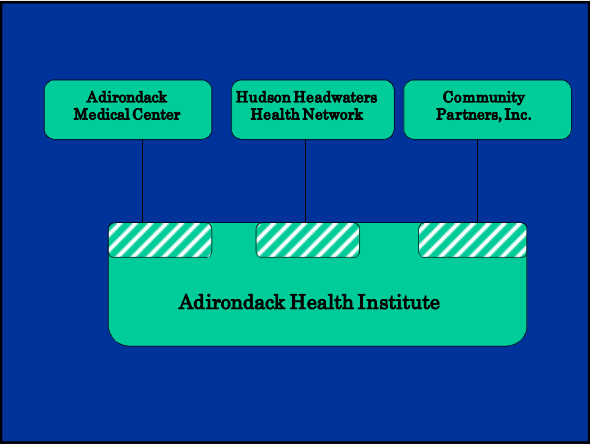
- Grant Support
- Clinical Training
- Other

Regional Entity

Desired Features

- Corporate Status
- 501 (c) (3) Not for Profit
- Geographic Reach





Adirondack Health Institute

- Expanded Board of Directors
- Article 28 Central Service Facility
- 501 (c) (3) Not for Profit
- Rural Locus

AHI Roles

- **Community Health Assessment**
- **Medical Home Pilot Coordination**
- **Information Technology**
- **Clinical Support Services**
- **Clinical Training Programs**

Pilot Outcomes