

22nd Annual Conference of the National Task Force
on CME Provider/Industry Collaboration

COLLABORATING TO IMPROVE
PROFESSIONAL EDUCATION
AND HEALTH OUTCOMES



**Impact of
Accountable Care
Organizations
and
Patient Centered
Medical Homes
on CME**

Disclosures

Bruce Bellande, PhD, FACME, CCMEP

Chief Education Officer

DWA Healthcare Communications Group

- No other disclosures of relevance

Mike Saxton, MEd, FACME, CCMEP

Chief Learning Officer

American Academy of Physician Assistants

- No other disclosures of relevance

Are You Ready?

January 1, 2012

Discussion Areas

- Are You Ready?
- PPACA Overview
- Implications for CE professionals

Healthcare Reform 2011

- The Patient Protection and Affordable Care Act , and
- The Health Care and Education Reconciliation Act of 2010 (“PPACA”)

Outline

- Goals of Healthcare Reform 2011
- 2011 Healthcare Reform Initiatives
- Provisions
- Impact on Physicians and Other HCPs
- Patient Expectations
- Implications for CME
- Impact on Pharma
 - Comparative Value
 - Pharma Sales
 - Pharma Forecasts

ACO, HMO, CIO They Are All About \$

- The buzzword du jour in health care is, “Accountable Care Organizations,” or ACOs
- The cynics among us might ask, “Weren’t we calling these ‘medical homes’ just a few short months ago?”
- Those with long memories in addition to that dose of cynicism hark back twenty years and say these are just **capitated** HMOs

Don Berwick, MD

- “Better Care, Improved Health and Lower Costs”
- Value=Quality/Care
- Value=Healthcare Achieved/Dollar Spent

Healthcare Reform 2011 Goals

- Reduce Costs
- Increase Patient Access and Adherence
- Improve Quality of Care

Reduce Costs

- Transforms Medicare Payment Systems From Fee-For-Service to **Value-Based Payment** (Quality Not Quantity Care)
 - Accountable Care Organizations (ACOs)
 - bundled payments
 - the patient-centered medical home
 - increased focus on wellness
- Primary Care Must Take Center Stage
 - Regional primary care (IPAs)
 - Large integrated PC practices
 - Specialists groups merging with PC practices
 - Hospitals employing PCPs

Healthcare Reform 2011

- Funding of ACP's will be prepaid (CMS)
- Hospitals are buying physician practices so physicians will be employees and the hospitals will maintain full control
- Cost savings is the only way ACOs can earn bonuses
- Cost overruns will cause the ACO to lose money

Increase Patient Access and Adherence

- Expands to other members of healthcare team
- Incorporates other communication channels and technology
 - Motivational interviewing and health behavior change
 - Compliance packaging and mobile health (mHealth)
 - Ease of opening medication with child resistant protection
 - Deliver messages such as reminders, podcasts, clinical trail locators and educational games to engage patients

Improve Quality

- Mandatory use of clinical practice guidelines
- Importance of comparative analysis data
- The right patient, the right diagnosis, treatment and referral plan, and the right outcomes
- Continuity of care (PC to SC)
- Emphasis on preventative medicine and wellness
- Shift from inpatient to home care

2011 Healthcare Reform Initiatives

- Improving Women's Health
 - Improve prevention, treatment, and research for women in health programs
- CURES Grant for Biotechnology and Pharmaceutical Companies
 - Provide grants to accelerate the development of high need cures

2011 Healthcare Reform Initiatives (cont.)

- Program for Education and Training in Pain Care
 - Evaluate the adequacy of treatment, assessments and management of acute and chronic pain
 - Identify barriers to pain care
 - Establish an agenda for public and private action to improve pain care research

2011 Healthcare Reform Initiatives (cont.)

- Funds for Patient Centered Outcomes Research
 - Establish a nonprofit Patient Centered Outcomes Research Institute (“PCORI”)
 - Identify research priorities and establish research agendas for health care treatment, including gaps in clinical outcomes

Healthcare Reform 2011 Related Provisions

- Transparency and Disclosure
- FDA Related Provisions

Transparency and Disclosure

- Payments to Physicians and Teaching Hospitals
 - Beginning January 1, 2012, affected manufacturers and GPOs are required to keep track of and report certain information regarding monetary payments or other transfers of value they make to physicians or teaching hospitals or a designee
 - Reports must be filed with HHS by March 31, 2013 for the preceding year and then each year thereafter
 - Value of less than \$10 individually and less than \$100 in the aggregate annually are exempt

Drug Manufacturers: FDA Related Provisions

- Accelerated Approval of Biosimilar or Interchangeable Products
 - The PPACA authorizes the FDA to grant accelerated approval of a product if it is “biosimilar” or “interchangeable” with a previously approved FDA product

Drug Manufacturers: FDA Related Provisions (cont.)

- Drug Manufacturers Required to Offer 50% Discount on Brand Name Medicare Part D Covered Drugs
 - Beginning January 1, 2011, drug manufacturers must give certain Medicare beneficiaries a 50% discount on brand name drugs covered by Medicare.
 - HHS will establish the Medicare Coverage Gap Discount Program (the “Discount Program”) in an attempt to close the “donut hole” created by the coverage gap under the Medicare Part D drug plan

Healthcare Reform 2011

Impact on Physicians

- Six years ago doctors owned more than two-thirds of US medical practices
- By next year, two-thirds will be salaried employees of large institutions

Healthcare Reform 2011 Impact on Physicians (cont.)

- Physicians will have to adjust to practice patterns that emphasize system quality and efficiency
- Reframing the clinical workforce
 - Physicians will be challenged to practice as part of a multidisciplinary team

Healthcare Reform 2011 Impact on Physicians (cont.)

- What role should/can physicians play in ACOs, what resources, skills and partners will be needed?
 - Expectations for ACOs beyond capabilities of most solo physician practices and small groups
 - No relief in clinical operating expenses
 - Causing some private practice physicians to consider joining larger group practices

Healthcare Reform 2011 Impact on Physicians (cont.)

- Medicare payment will decline—only hope for “upside” bundled payment, shared savings and pay for performance
- EMR—will be a requirement to have an EMR and connectivity with other providers to stay in practice

Healthcare Reform 2011 Impact on Physicians (cont.)

- Expect to be measured—Physician Compare (CMS) and HealthGrades (other payers)
- Redesigning care delivery models, implementing (e-visits), telemedicine, and empowering patients

Healthcare Reform 2011

Impact on Physicians (cont.)

- Pits Physicians Against Hospitals
 - Three areas important to hospital-physician integration:
 - Shared governance
 - Aligned compensation
 - Changing physician-practice patterns
 - Most physicians lack business management and leadership skills needed to be effective in positions of governance

Healthcare Reform 2011 Impact on Physicians (cont.)

- Physicians said that half of their compensation should be fixed salary with remainder based on meeting productivity, quality, patient satisfaction, and cost-of-care goals, with upside earning potential for performance
- Hospital executives expressed support for local guidelines
- 62% of physicians surveyed preferred that nationally accepted physician practice guidelines be used

Healthcare Reform 2011 Impact on Physicians (cont.)

- Hospitals will need to expand their roles to include better coordinated post hospitalization care encouraging hospitals to align with the best physicians in their geographic coverage areas
- Physicians and hospitals have more to work on as they explore ways to capitalize on health reform opportunities

Healthcare Reform 2011

Patient Expectations

- Newly insured will have access like anyone else
- Increase demand to communicate via text, social networking or web portal with HCPs
- Disruptive innovations will change the landscape (Google, WalMart)
- Exploding wealth of information and data will appear for the worried well, chronically ill and recently diagnosed

Implications for CME-Communications

- Greater need for interdisciplinary medical education and multidisciplinary teams
- Enhanced Interpersonal communication skill
- Need for conflict resolution and negotiation communication skills

Implication for CME-Accountability

- Escalating emphasis on adherence to clinical practice guidelines (national and ACO based)
- Requirements to attain physician performance measures (60+)

Implications for CME- Practice and Performance

- Physicians will have to adjust to practice patterns that emphasize system quality and efficiency
- Emphasis on preventative medicine and wellness
- Shift from inpatient to home care
- Continuity of care (PC to SC)
- Shift from solo to group practice
- Use of more PAs, NPs, PharmDs and NSs

Implications for CME-New Skills

- Business management and leadership skills needed to be effective in positions of governance
- Hospitals will need to expand their roles to include better coordinated post hospitalization care encouraging hospitals to align with the best physicians in their geographic coverage areas
- Physicians and hospitals have more to work on as they explore ways to capitalize on health reform opportunities

Healthcare Reform 2011 Conclusions

- Not business as usual for CME
- In addition to pressure from the ACCME, ABMS and FSMB highly effective, high quality and compliant education, CME will need to engage in comparative effectiveness of therapies and therapeutics chronic diseases over a longer period of time

Healthcare Reform 2011 Conclusions (cont.)

- The healthcare team will need to be retooled to meet the needs and demands imposed by ACOs
- Accountability is the key to survival for performance, quality and effectiveness
- Healthcare integration is a new skill to be taught and reinforced

Healthcare Reform 2011 Conclusions (cont.)

- Greater need for work site education and Point of Care CME
- Heightened prospects for establishing programs to enhance adherence and compliance (keep patients taking their medicines as prescribed)

Are ACO Success Factors the Same for CME/CPD?

- Reallocation
- Integration
- Innovation
- Letting providers control
- Mature HIT
- Care coordination

Dialog