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Value Partnerships: Aligning Forces with Physician Organizations

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ValuePartnerships Vision

BCBSM collaborates with and supports Physician Organizations so that together we achieve significant and measurable improvements in quality and cost of healthcare in Michigan.



BCBSM's Distinctive Philosophy Regarding Physician Incentive Programs

1. Improving systems of care for defined populations
2. Recognize and strengthen the role of “voluntary physician organizations” as change facilitators
3. Encourage expanded electronic information capabilities and fundamental improvements to care processes
4. Avoid process variation through health plan-specific interventions
5. Respect provider role as primary owners of care-relationship with patient
6. Reward improvement, not just highest performance
7. Reward performance of groups, not just individuals
8. Align physicians and hospitals through common population-based performance goals



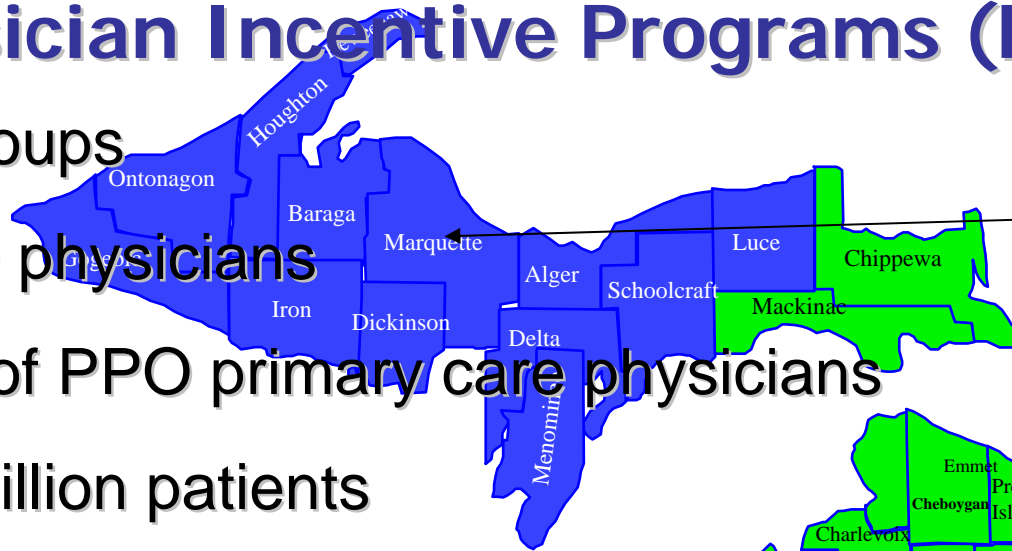
Physician Incentive Programs (PGIP & POGS)

31 groups

5,600 physicians

40% of PPO primary care physicians

1.4 million patients



Marquette County: Upper Peninsula Health Plan (PGIP only) (246)

Genesee County: Genesys Integrated Group Physicians (91), Hurley PHO (84), McLaren Medical Management (79)

Oakland County: Medical Network I (140), Oakland Physician Network Services (128), Oakland Southfield Physicians (19), St. John Medical Group (181), United Physicians (356)

St. Clair County: Mercy~Physician Community PHO (38), Physician Healthcare Network (11)

Macomb County: DMC Primary Care Physicians (119), St. John HealthPartners (201)

Wayne County: Henry Ford Medical Group (374), St. John Health Med. Resource Group (94), United Oakwood Providers (217)

Washtenaw County: Huron Valley Physicians Association (242), Integrated Health Associates (77), U-M Health System Faculty Group Practice (349) (part of PGIP; POGS Agreement pending)

Saginaw County: Primary Care Partners (49) (subject to finalizing POGS Agreement)

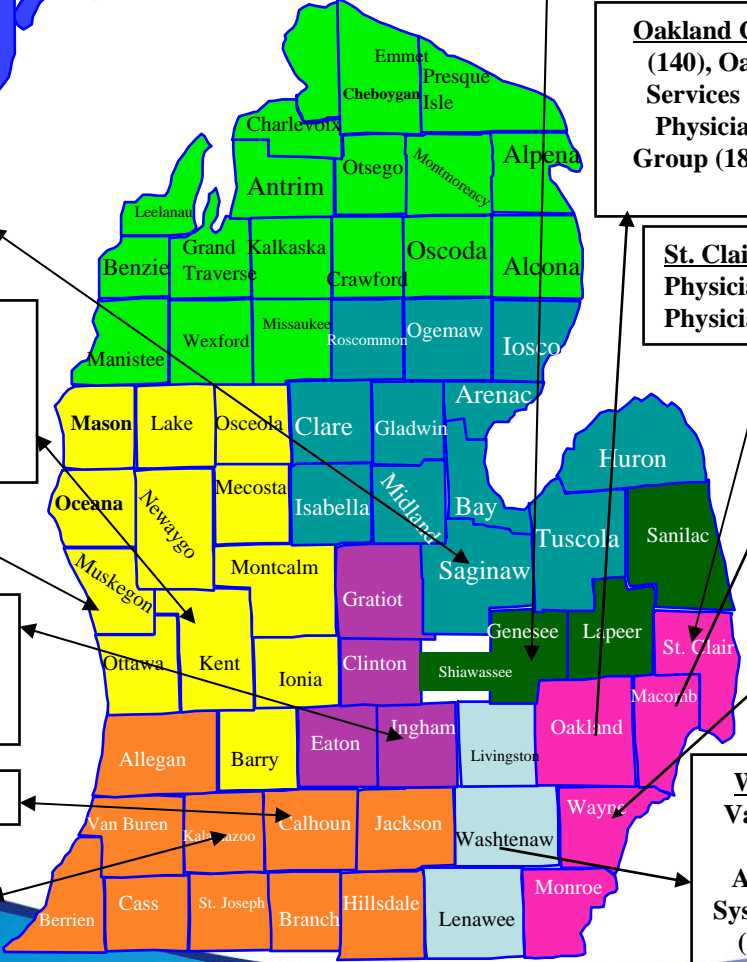
Kent County: Advantage Health Physicians (87), Michigan Medical, PC (MMPC) (101), Regional Delivery Network of West MI (106), West Michigan Physicians Network (246)

Muskegon County: Hackley PHO (60)

Ingham County: Consortium of Independent Physician Associations (442), MSU Health Team (98), Sparrow Family Medical Services (29)

Calhoun County: Integrated Health Partners (61)

Kalamazoo County: Bronson Medical Group (32) and ProMed Healthcare (65)



Physician Incentive Program Goals

Physician Group Incentive Program

- Increase generic prescribing for BCBSM members
- Improve chronic disease care
 - Diabetes
 - Asthma
 - Coronary heart disease
 - Congestive heart failure
- Increase referral to BCBCM care management services.

Physician Organization Gain-Sharing Program

- Achieve measurable savings
 - Pharmacy costs
 - Diagnostic imaging
 - In-network referrals
 - Acute care (hospitalization)

Strengthen performance improvement capabilities.

Provider Incentive Programs: Current Work

- Introducing evidence-based care measures

DIABETES

1. Control of blood sugar
2. Cholesterol screening
3. Monitor kidney damage
4. Use cholesterol drugs
5. Use “statin” drugs to protect heart
6. Use “ACE” drugs for patients with diabetes and heart failure
7. Use “ACE” drugs for patients with diabetes and kidney problems
8. Use “ACE” drugs for patients with diabetes and high blood pressure

ASTHMA

9. Appropriate medication use

HEART FAILURE

10. Cholesterol screening
11. Use “beta blocker” drugs to protect heart
12. Use “ACE” drugs

CORONARY ARTERY DISEASE

13. Cholesterol screening
14. Use “beta blocker” drugs for patients that had a heart attack
15. Use cholesterol drugs
16. Use “statin” drugs to protect heart

INFECTIONS

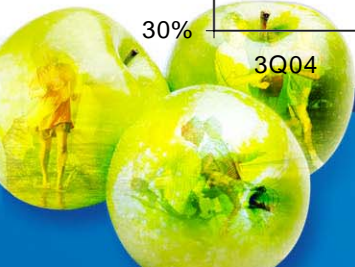
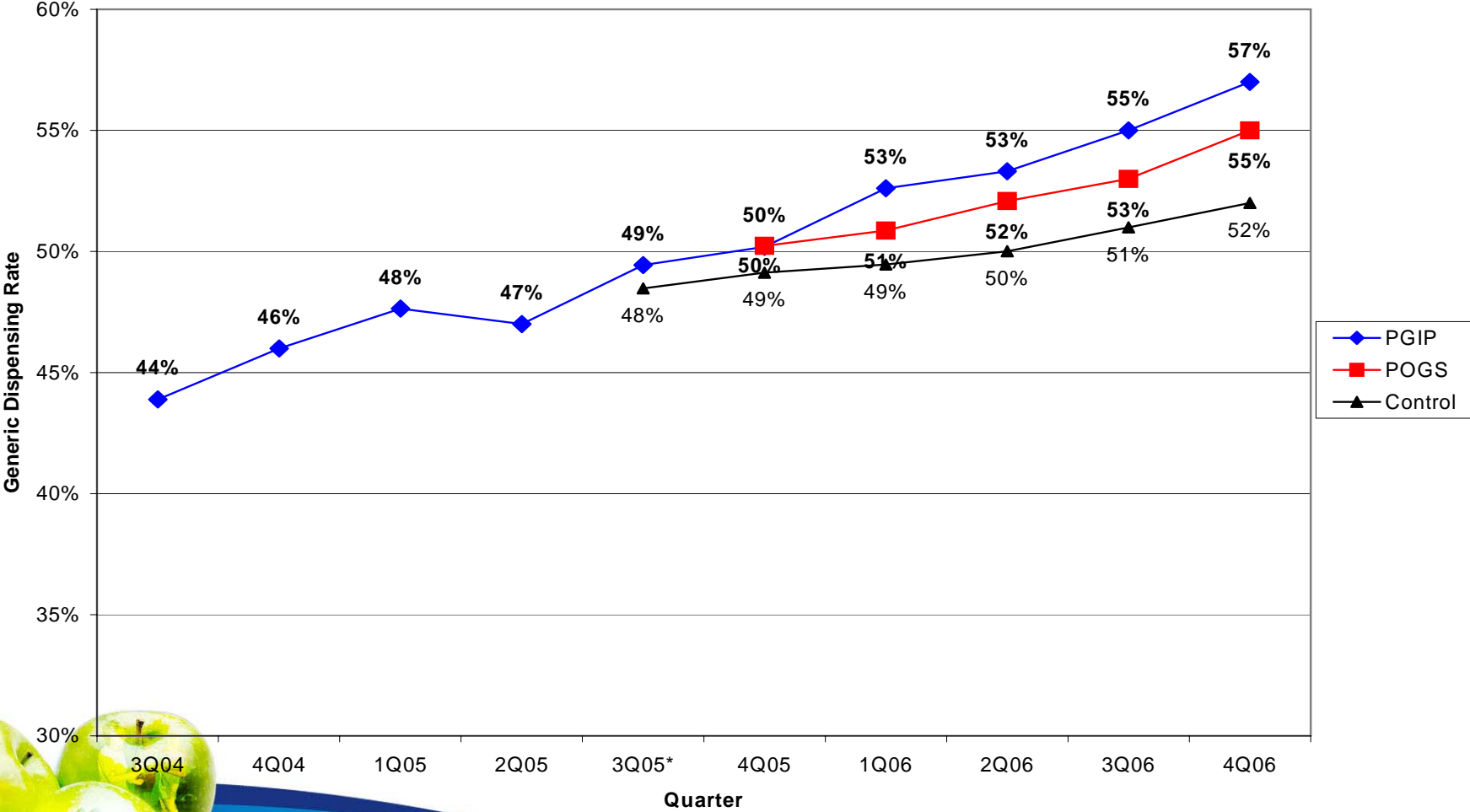
17. Appropriate use of antibiotics.

- Distributing actionable data files with patient-level “gaps in care” for use in provider-based “registries”



Physician Incentive Program Generic Dispensing Rate Improvement

PGIP and POGS Generic Dispensing Rate Improvement



Going forward

- Performance improvement is more about what physician organizations can accomplish than individual physicians.
- An increasing share of the reimbursement dollar will be directed toward population-based improvements in cost and quality.
- Additional payments for chronic condition management and coordination of care will be offered to physicians affiliated with organizations demonstrating advanced capabilities and improved performance.

