The Value of Evidence Based Medicine

Presented by:
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President / CEO 21st Century Edge
Saturday June 14, 2014

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Agenda
- Forces Driving A Tidal Wave of Change
- Evidence Based Medicine Surfs Up
- Catch the Next Wave
  - Value Based Care
  - Population Health
  - Patient Engagement
  - Measure Outcomes
  - Interoperable Health Care
- What Lies Ahead

Forces Driving A Tidal Wave of Change
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U.S. Healthcare Cost $2.9 Trillion
Forecast $4.9 Trillion in 2020

2019 Health Spending as Percent of GDP


WHO Ranks U.S. 37th
out of 190 Countries

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Evidence Based Medicine Surfs Up
Evidence Based Medicine

"the use of mathematical estimates of the risk of benefit and harm, derived from high-quality research on population samples to inform clinical decision-making in the diagnosis, investigation or management of individual patients."

Trisha Greenhalgh and Anna Donald
How to Read a Paper: The Basics of Evidence Based Medicine

How Are Payers Implementing Evidence Based Medicine

- Coding / Claims
- Packaging
- Bundling
- LCD’s / NCD’s
- MUE’s
- ABN’s

Coding / Claims

- What did we do?
- CPT Category I
- CPT Category III
- HCPCS Level II
- Why did we do it?
  - ICD-9
  - ICD-10 effective October 1, 2015
  - Establishes Medical Necessity
- What drugs and supplies did we use?
  - HCPCS Level II (most bundled by CMS and payers that follow CMS Guidelines)
Packaging

- Packaging - Any service or supply that is considered to be an integral part of providing the service are packaged into one payment can be done by:
  - AMA in the definition of the code e.g. includes fluoroscopic guidance
  - CMS Physicians (RBRVS) packages supplies and some devices for office based procedures
  - CMS Outpatient Hospital (OPPS) packages drugs, supplies, radiology / fluoroscopic guidance, and most devices

Bundling

- Bundling - Two distinct CPT codes that are “bundled” by CMS in the CCI's and not usually payable separately
  - NCCI or CCI edits
  - Pairs of codes that are not supposed to be billed by the same provider on the same date of service
  - When researching, look at both codes

59 Modifier and the Correct Coding Initiative

- Pairs of CPT and HCPCS Level II codes which are not reimbursable under certain circumstances
  - CCI's go into effect quarterly Jan, Apr, Jul, Oct
  - Watch out! Overuse of the 59 modifier has been on the OIG Work Plan
National Carrier Decision
Local Carrier Decision

- NCD’s – Policy rules published by CMS
- LCD’s – Policy rules published by each of the 10 Medicare Administrative Contractors (MAC’s)
  - Coverage
  - Documentation requirements
  - Clinical indications e.g. CPT / ICD-9 codes
  - Utilization frequency – # of levels per case, # of injections per year, timing between injections
  - Expected outcome e.g. 50% pain relief for at least 6 months

Many LCD’s Have Common Themes

- Diagnostic vs. Therapeutic procedures
- How long the patient must have had pain condition
- Failed conservative approaches
- Multiple different type of procedures on the same date of service

Medically Unlikely Edits (MUE’s)

- New edits based on anatomical considerations that addresses approximately 2,800 codes
- Limit to a single beneficiary on a single date of service
- CMS originally said they would not, but now has agreed to publish MUE’s; however, not all MUE’s are published
- Cannot use an ABN to override a frequency limit defined in an MUE
Advance Beneficiary Notice (ABN)

- Form to be signed by the patient prior to rendering services which informs Medicare patients that services are not covered by Medicare
- Used for non-covered services
- Cannot be used to get Medicare patients to pay for component services when Medicare is paying for a comprehensive code (e.g. to unbundle NCCI edits)
- Cannot be used if exceeding an MUE limit
- Can be used if exceeding an LCD frequency limit or diagnosis

Modification to ABN Based on ARRA

- Valid for one date of service or if indicated is valid for up to one year; must specify time period on ABN form
- Can be signed in the middle of a course of treatment e.g. provider starts a series of treatment and then realizes that it is non-covered
- Cannot be retroactively dated

Modifiers To Indicate You Don’t Expect to be Paid

- GA – Denial expected, have ABN on file
- GY – Non-covered service; use when:
  - There is a HCPCS or CPT code that describes the service, but it is not covered by Medicare
  - Exceeding frequency limits for covered services as defined in the LCD
- GZ – Denial as not reasonable and medically necessary expected and do not have ABN (automatically denied)
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Value Based Care

Value = Health Outcomes Cost of Delivering Care

Michael Porter, Professor
Harvard Business School

What is Value Based Care?

Quality Care
- Safety
- Timeliness
- Effectiveness
- Efficiency
- Equity
- Patient Centeredness

Cost of Care
Historical risk adjusted (age, gender, clinical conditions and genetics) cost per member per year

* Source: Institute of Medicine
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Population Health

Population Health Management:
• Uses integrated and aggregated clinical, financial, and administrative data to
  • Identify care gaps
  • Deploy prevention, detection and treatment
  • With the Goals of improving care and outcomes

Why Now?

• Technology including EHR’s make population health management:
  • Feasible
  • Scalable
  • Sustainable

Institute for Health Technology Transformation Framework
Identify Gaps in Care

- Define Clinical Protocols
- Preventive Care
- Vaccines and Immunizations
- Disease Specific Tests
- Use Technology to Analyze “Big Data” to find individual patients who have Gaps in Care
- Check Patient Compliance – Failed to Keep Appointment, Take Medication, Follow care Plan

Define Population

- Ongoing real-time identification of population groups
- Helps ensure that evidence based guidelines are being followed
- Acute (High Cost) Disease
- Chronic Conditions – one or more
- Level Disease is Under Control
- Clinical Input
- Functional Status
- Social Behaviors

Population Health Management

46% of healthcare spending are spent on 5% of the population
Stratify Risk

- Less than 30% of high risk or multiple condition patients were in the same category last year that they are in this year
- Risk Stratification Prioritizes Patients Into Groups According to Need
- Allows Focus to be on Patients with the Greatest or Most Urgent Care Needs
- Proactively Predicting Which Patient is Key
  - Use Clinical Data
  - Use Financial Data
  - Benchmark Data

Engage Patients

- Improved Patient Engagement
- Emphasize Health Behaviors / Lifestyle Changes
- Use Technology to Improve Communications between Patients and Providers
  - Preventive Care Outreach
  - Lab and Test Results
  - Schedule Appointments and Procedures
  - Ongoing Monitoring
- Personal and Interactive Care
  - Email, text, phone call, mobile apps, wireless biometric devices
  - Daily Monitoring of Home Devices - BP, Weight, Glucose
  - Overcome Non-Clinical Barriers
  - Incorporate Patient Values Into Care

Patient Engagement

Forbes - News & Media

Patient Engagement is the Blockbuster Drug of the Century

- The right of the year goes to *patient engagement*, a health IT strategy that is leading to improved patient outcomes. The secret is to take patient care to the next level, not just improve it.
Manage Care

- Multi-disciplinary Care Teams
- Enhance access to Primary Care
- Centralize Care Planning
- Coordinate Care
- Manage Transitions of Care / Discharge Planning
- Patients in Complex / High risk and Acute or Multiple Chronic Condition population groups might be assigned a nurse case management
- Develop personal care plan for patient

Measure Outcomes

- Monitor outcomes
- Record results
- Compare results to the past
  - Start of episode
  - Intervals During the Episode
  - At end of Episode
- Engage patients in compliance to care plan

Hawthorne Effect

That which was measured will improve.
HiMSS 3 Components of Interoperability

1. Foundational – the ability to exchange from one technology system to another and to be able to interpret the data exchanged
2. Structural – the ability to maintain the meaning of the data in a data field
3. Semantic – the ability to use the data exchanged this includes both structure and vocabulary
Steps to Take Now

- Align with insurers, networks, ACO’s
- Gather data on cost by condition
- Begin capturing structured data (EHR)
- Consider implementing interoperability
- Follow evidence based guidelines
- Measure outcomes
- Consider implementing population health tools
- Show value to insurers
- Engage patients in care and outcomes

What Lies Ahead

- Big data and business analytics tools will be used to find patterns and meaning
- Outcome data on treatment options and comparative effectiveness will be available at the point of care
- Greater Transparency patients will have access to outcome data and will become a more informed consumer of health care