Designing and Implementing a Multi-Payer Payment Reform Project

---

The DIAMOND Initiative

Gary Oftedahl, MD
Chief Knowledge Officer
Institute for Clinical Systems Improvement

© 2008 Institute for Clinical Systems Improvement

ICSI

Health Care Must Be Redesigned

"The American health care system is in need of fundamental change. The current care systems cannot do the job. Trying harder will not work. Changing systems of care will."

--Crossing the Quality Chasm, 2001

DIAMOND

- The Dream
- The Process
- The Status
- The “Hard Truths”
- The Keys to the Journey

ICSI

The DIAMOND Initiative

- Depression Improvement Across Minnesota, Offering A New Direction

  - Groundbreaking approach to managing patients with depression in primary care
  - Unique in that it changes how care is delivered and paid for

ICSI

The Dream--Key Features

- Evidence-based approach to care delivery
- Removal of economic barriers to deliver medically necessary care
- Payment amounts eventually based on actual results, not just process of care
- Participation by critical mass of payers and providers

ICSI

New Care Model Components

- Care processes
  - Consistent assessment method
  - Registry/system for effective patient tracking
  - Stepped-care treatment approach based on evidence-based guideline
  - Relapse prevention plan in place
- Care roles
  - Care manager to support PCP
  - Consulting psychiatrist as liaison to care manager

ICSI

New Payment Model

- Bundled payment method
- Payment to eventually link to outcomes
- Requirements
  - Critical mass of payers
  - "Certification" of providers
  - "Collaborative" agreement on principles
  - Single billing code
  - Maximize coverage

ICSI

Changes in Payment

Usual Primary Care

- Patient charged for regular CPT code services:
  - Physician visits
  - Medication
  - Visits to behavioral health specialist

DIAMOND Model

- Patient charged for physician visit (fewer under model)
- Clinics receive monthly payment for bundle of services charged against single CPT code
  - Care manager activities
  - Registry management
  - Psychiatrist (paid for weekly review and consultation on 100+ patient caseload with care manager and physician)

ICSI

The Process

- Neutral convener (ICSI) to host dialogs
- Right people/level at the table
- Attention to anti-trust issues
- Development of single approach across plans
- Engagement of those involved
  - Early commitment and higher purpose
  - Fair process
  - Outside expert

ICSI

Why Payer Interest

- Lack of successful approaches across state--poor outcomes
- Strong evidence-based model
- Opportunity to link payment to outcomes
- ??? Social pressure
- “Trust” in ICSI as convener
- Studies showed long-term ROI

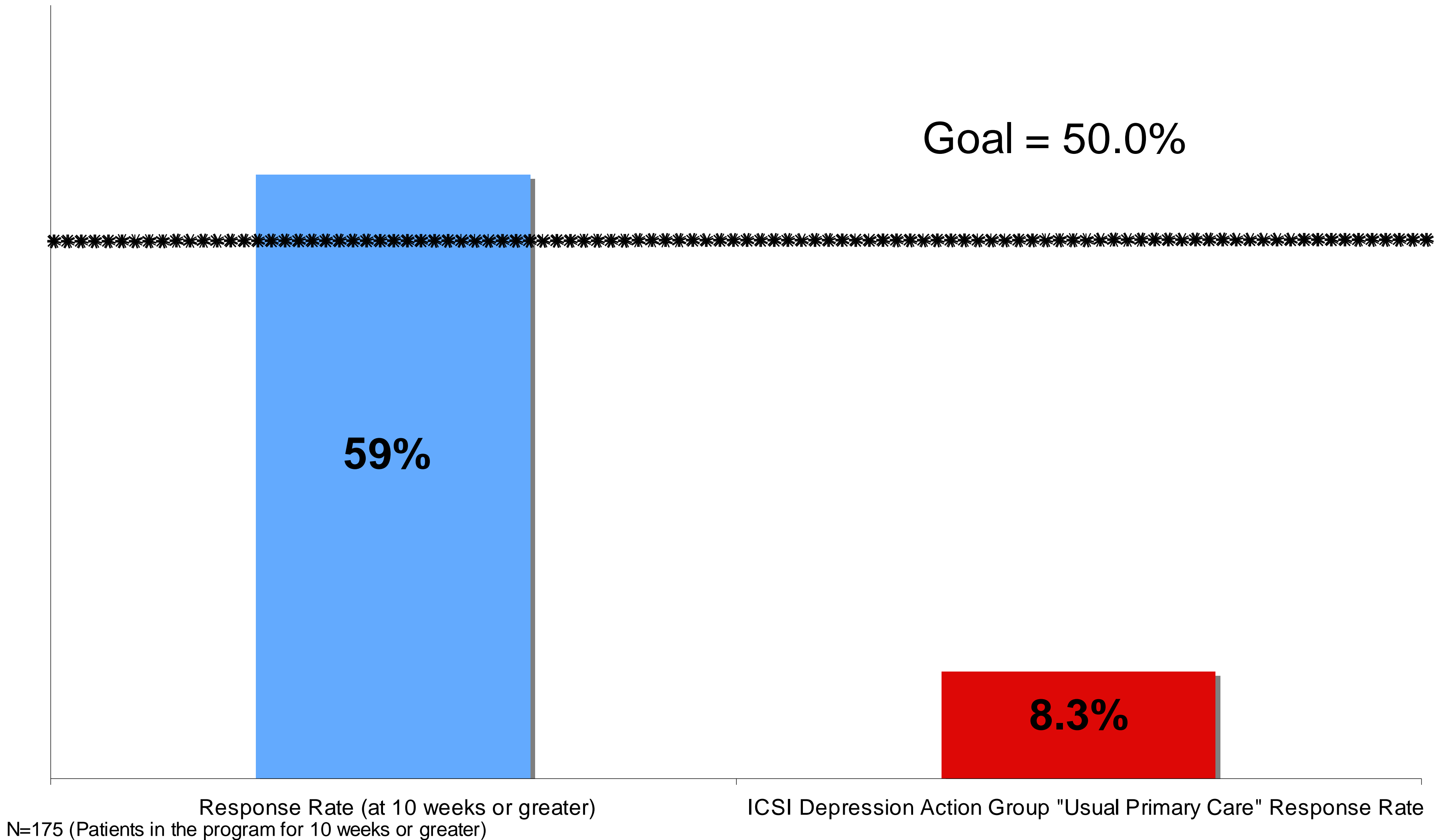
QuickTime™ and a decompressor are needed to see this picture.

ICSI

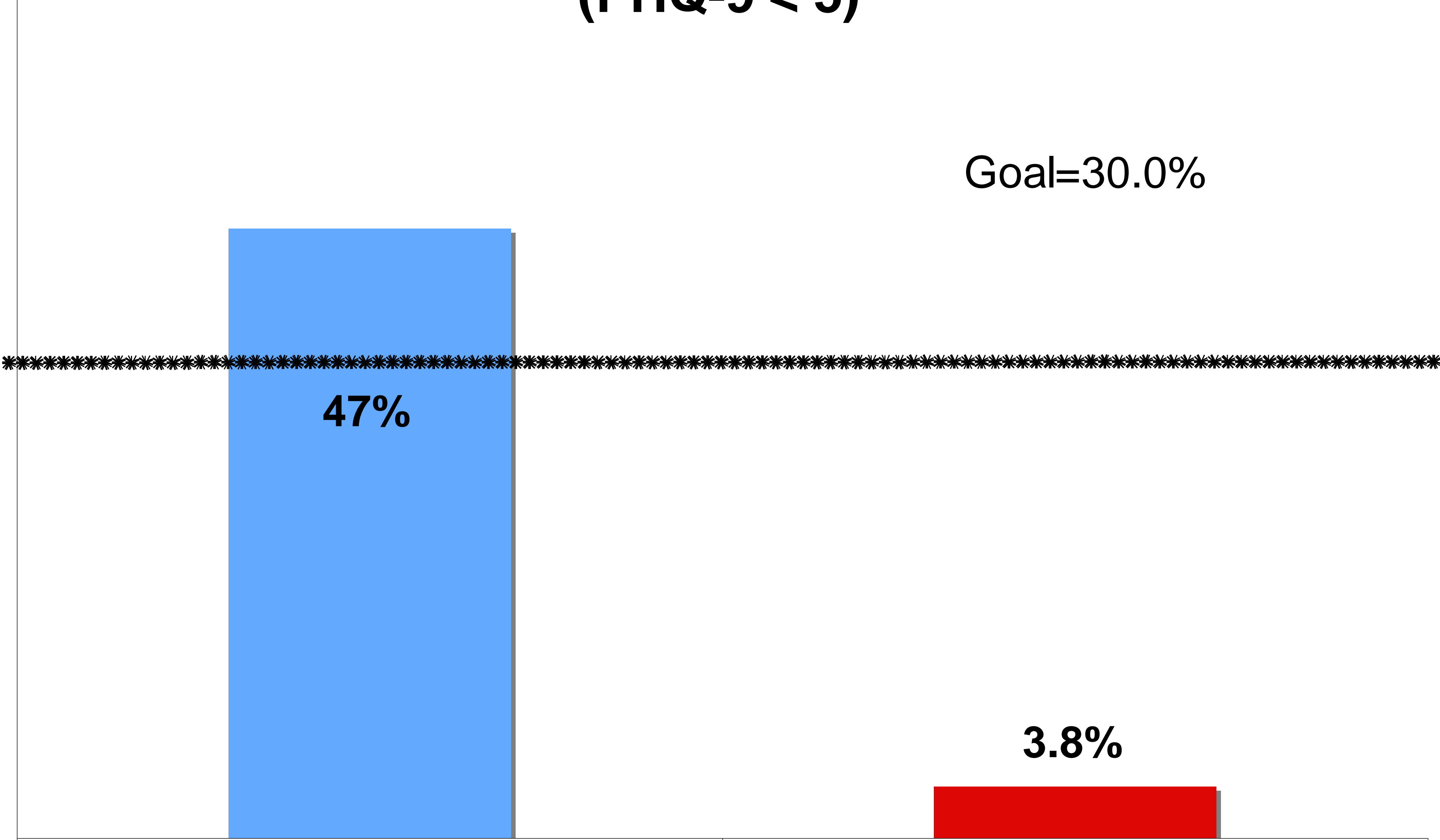
The Status

- 10 clinics with 11 months experience
- 20 new clinics began offering DIAMOND in September, 2008
- Plan to add new clinics every six months until reaching goal of 90+ sites in 2010
- >1,200 DIAMOND patients activated to date

DIAMOND Response Rates
(50% decrease in PHQ-9)



DIAMOND Remission Rate
(PHQ-9 < 5)



Remission Rate (at 10 weeks or greater)

ICSI Depression Action Group "Usual Primary Care" Remission Rate

N=175 (Patients in the program for 10 weeks or greater)

The "Hard Truths"

- Coverage issues remain
  - Coverage doesn't assure payment
  - Contractual issues: copays, deductibles, HSAs, self insured, Medicare FFS, FQHC, etc.
- Payment doesn't assure success
  - Circumspect discussions due to anti-trust
  - Lack of existing model as reference
  - Payment less than cost for providers

ICSI

The "Hard Truths"

- Excellent outcomes don't guarantee support
  - Data questioned--need more, not correct comparable group, aberrancy
  - "Midcourse" corrections are difficult
  - Economic environment impacting willingness to participate
  - Long-term gains vs. short-term costs
- Disease management centrally from plan vs. provided locally by providers--paradigm shift

ICSI

"Hard Truths"

- Collaboration--a more competitive world requires strong leadership
- All involved have a unique perspective and they all seem appropriate
- Engaging CMS is critical, but method not evident

ICSI

Keys to the Journey

- Ability to engage multiple stakeholders in productive environment
  - Key role of neutral convener
  - Creating venue for difficult conversations
- Lack of existing efforts create urgency for different approach--enhance ability to engage stakeholders
- Identification of evidence-based model, and nationally known expert--credibility issue
  - Jurgen Unutzer, MD, IMPACT trial

Keys to the Journey

- Obtain consensus among participants on elements of design before implementing
  - Use of Fair Process essential
- Phasing implementation critical vs. widespread “roll out”
- Ability to align measures--focusing on outcomes not process
- Development of “training collaborative” to support program implementation
  - “Certification” of participating groups through agreed upon process key asset