

Expanding Home-Based Primary Care's Value in Illinois



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Older Adult Services Advisory Committee
February 22, 2021

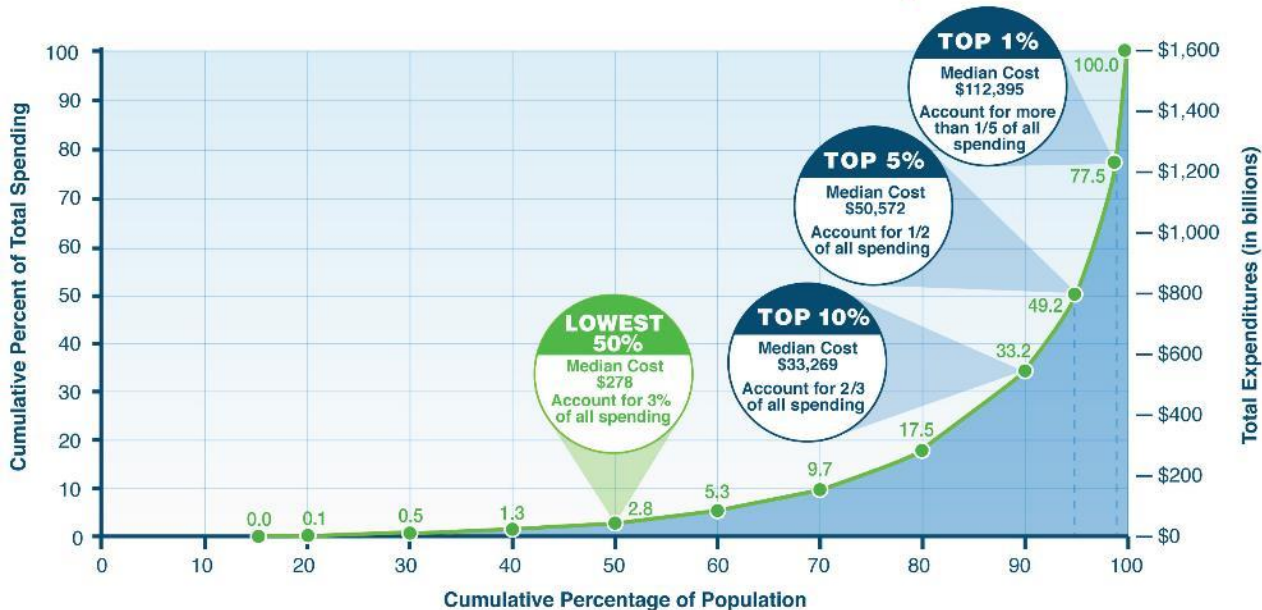


The Forces Behind the Return of the House Call

- Aging and Chronic Illness
- Technology
- Home & Community Based Services
- The Value of House Calls
- Payment Reform

Aging and Chronic Illness: Cost

Health Care Spending Is Highly Concentrated Among a Small Portion of the US Non-Institutionalized Population



Percent of Civilian Non-Institutionalized Population Ordered by Health Care Spending, 2015

Source: Agency for Healthcare Research and Quality Medical Expenditure Panel Survey, Household Component, 2015



Technology

Diagnostic

Smart Phone



X-rays



Ultrasound



Labs



Therapeutic

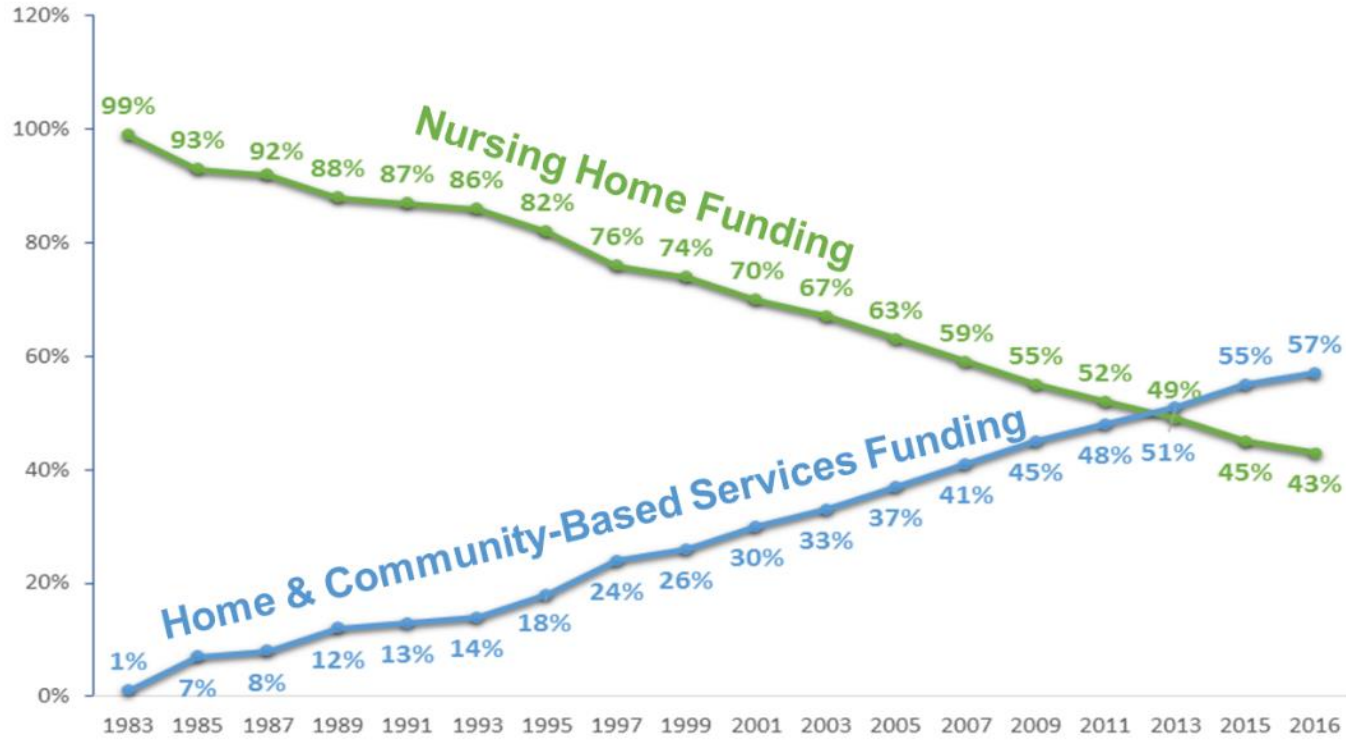
Dialysis



Smart Pump



Home & Community-Based Services



<https://www.medicaid.gov/medicaid/ltss/downloads/reports-and-evaluations/ltss expenditures2016.pdf>

Payment Reform: Fee-for-Service

Medicare House Call/Domiciliary (ALF) Payments



House Calls

CPT	1997	2021	IL Medicaid
Follow-up (99349)	\$59.37	\$128.39	\$47.50
Follow-up (99350)		\$178.65	\$68.85
New (99344)	\$101.62	\$182.14	\$70.55

Assisted Living

CPT	2005	2021	IL Medicaid
Follow-up (99336)	\$48.30	\$134.40	\$26.05
Follow-up (99337)		\$193.81	\$31.05
New (99327)	\$75.00	\$185.33	\$42.95



**Medicare payments vary by locality*

Value of Home-Based Primary Care



Elsa



COVID



Value of Home-Based Primary Care

VA Home-Based Primary Care (2002: 11,334 Patients)

Site of Care	Before HBPC	After HBPC	Change	
			(\$)	(%)
All Home Care	\$2,488	\$13,588	\$11,100	+460%
Outpatient	\$6,490	\$7,140	\$650	+10%
Nursing Home	\$10,382	\$1,382	(\$9,000)	-87%
Hospital	\$18,868	\$7,026	(\$11,842)	-63%
Total Cost VA Care	\$38,228	\$29,136	(\$9,092)	-24%

P < 0.0001

\$103,048,728



Value of Home-Based Primary Care

Independence at Home (IAH) Medicare Demo

Programs

Experienced and ≥ 200 patients

Patients

≥ 2 Chronic Conditions

≥ 2 ADL deficiencies

Emergent hospitalization and
post-acute care in past year

Payments

First 5% of savings to Medicare

Additional savings: 80% practices/20% Medicare

Results



Quality



Patient Satisfaction



Hospital/ ED



Savings

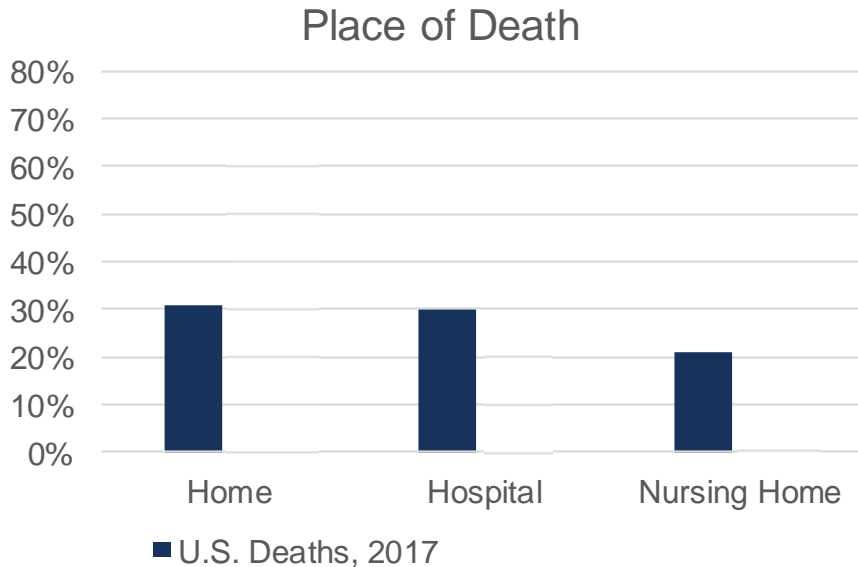
\$100M Savings (Year 1-5)

\$2,000 per beneficiary/yr



VALUE OF HBPC: END-OF-LIFE-CARE

Medicare Spend in Final Year **25%** of \$556B



U.S. Deaths
2015

65%

Hospitalization in
final 90 days of life

HCP Deaths
2017-2019

37%

29%

ICU in final 30 days

5%

Home Care Physicians (HCP)
2014-2019

50%

On Hospice

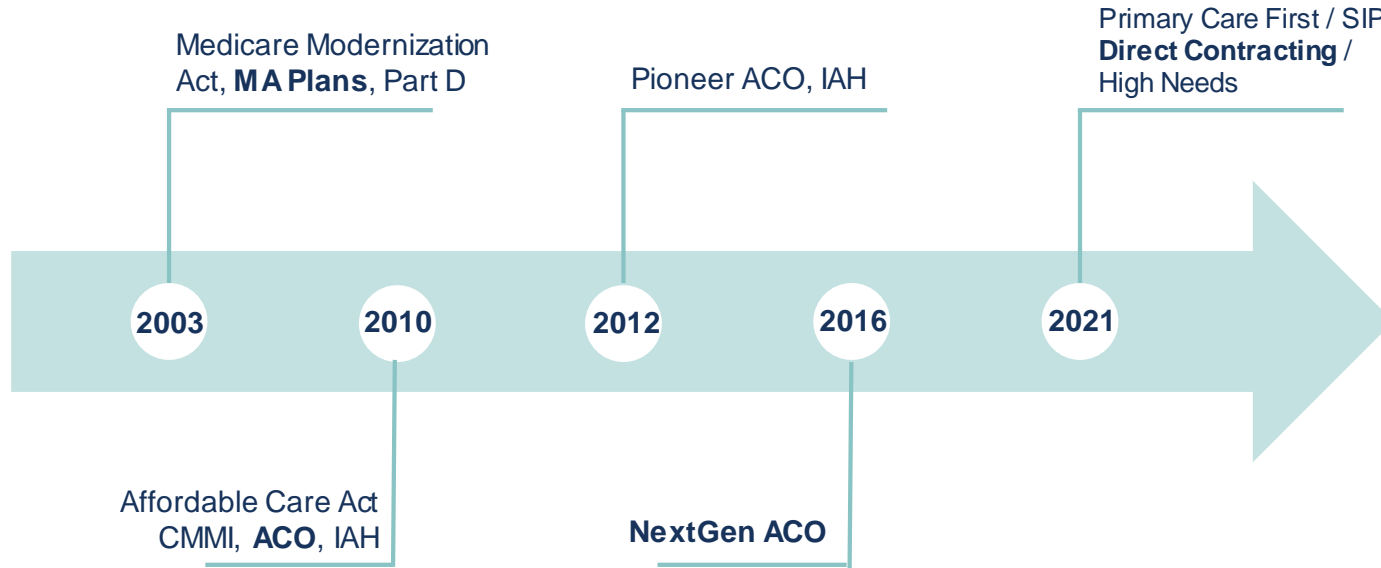
76%

Median HCP LOS

1.3
years



Medicare Payment Evolution from FFS to Value-Based Care



MA: Medicare Advantage

CMMI: Center for Medicare and Medicaid Innovation

ACOs: Accountable Care Organizations

IAH: Independence at Home

SIP: Serious Illness Population



Direct Contracting Entity (DCE) Revenue Example

DCE: 10,000 lives, 5% At Home = **500 patients**

Fee-for-Service Annual Revenue

- 10 visits/pt. avg. \$150/visit \$750,000
- CCM 90% pts. once per month \$227,000
- ACP twice a year \$84,000
- TCM (250) \$55,000
- Before/After (250) \$29,000
- Other (RPM, procedures) \$55,000

Estimated Revenue: \$1.2M

(APPs get 85% = \$1M)

Direct Contracting Annual Revenue

- CMS Financial Methodology
 1. Historical baseline
 2. Trending baseline forward
 3. Blending the baseline with regional expenditures
 4. Risk adjustment
 5. Discount, quality and retention withhold

Estimated Revenue: \$16.3M



DCE Benefit Enhancement

Current Benefit Enhancements (from NextGen)

- **3-Day SNF Rule Waiver**
- Telehealth Expansion
- Post-Discharge Home Visits by RNs and Therapists
- Care Management Home Visits by RNs and Therapists
- Chronic Disease Management Reward Program
- Cost Sharing Support for Part B Services

New Benefits Enhancements

- **Waiver of Homebound requirement for Home Health**
- **Concurrent Care for Patients that elect hospice benefit – Waives hospice requirement that beneficiaries stop curative care**
- **Beneficiary engagement incentives**



Village Medical Value-Based Care Tools: Quality



4-month program

6 OT visits + 4 RN visits + Handy Worker +
\$1,600 for home modification / adaptive equipment

Direct Contracting Beneficiary Engagement



OTC Medications



Diet and exercise programs



Transportation



Electronic alert systems, air conditioners, stair railings



Dental care



Home health aide



Venture Capital and Home-Based Primary Care



- >\$350M VC Medicare Advantage Health Plan
- Emphasis on home-based primary care
- Former Sen. Bill Frist & HHS Sec. Kathleen Sebelius BOD



- 82 clinics in eleven states, Chicago start-up 2013
- >\$100M venture capital
- Went public August 2020 raising >\$350M



- >3,000 PCPs in nine states, Chicago start-up 2013
- >\$200M VC; 7/20 Walgreens \$1 billion investment
- Dr. Zeke Emanuel on BOD



- >\$50M VC, Chicago start-up 2018
- Emphasis on home-based primary care
- Dr. Jeff Kang, CEO, former CMS CMO, CIGNA CMO, Walgreens SVP, ChenMed President



Home Centered Care Institute



Mission

- Develop the provider/practice network required to scale home-based primary care so those in need of house calls...get them.

Accomplishments

- 1623 professionals trained in 2020
- Pilot programs: UIC, U of C, Northwestern and Rush
- Florida House Call Project (Retirement Research Foundation)
- Marketing/PR campaign

2021-2022 Goals

- 2,000 professionals trained
- 50-75 Illinois-based practices engaged
- Value-based payment education



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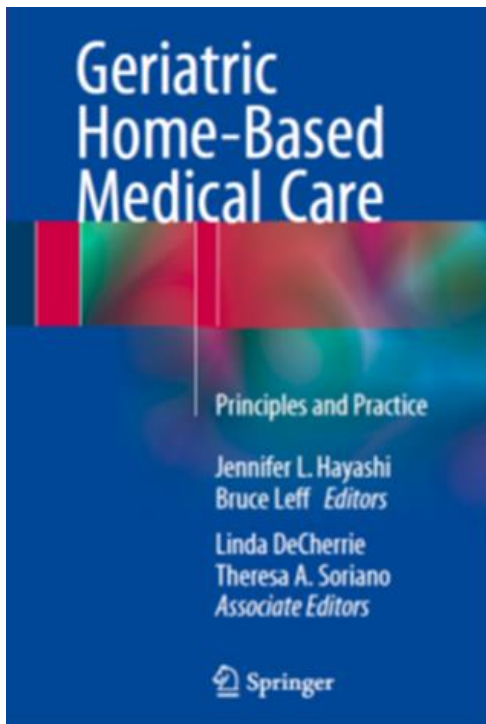


Working Together to Expand HBPC in Illinois

- Potential Savings in Illinois
 - 2019 Population 12,671,821; 16.1% $\geq 65 = 2,040,163$; 5.6% homebound = **114,249 in need**
 - **VA saved \$9,092/patient \Rightarrow \$1,038,751,908; \$9,000/patient in NH costs = \$1,028,241,000**
 - **IAH saved \$2,000/patient \Rightarrow \$228,498,000**
- Expanding physician led/nurse practitioner driven HBPC programs in Illinois
 - Nurse Practitioner Revenue Assumptions
 - Case load 150; 4.5 visits/day, 5 days/wk, 48 wk/yr; Total Visits: 1,029 (978 Established, 51 New)

Revenue Source	Revenue
Visits	\$150,481
Ancillaries*	\$37,301
Total	\$187,782
NP Revenue = 0.85 x Total	\$159,615





Chapter 3

Care Planning and Coordination of Services

Thomas Cornwell and Kara Murphy

Thank You!

Questions?