The University of Michigan Clinical Reimbursement Experience

Dave Serlin, MD, FAAFP

Michigan Medicine

- 26,000 faculty, staff, students, trainees, & volunteers
- 3 hospitals with 990 beds, 45,000 stays annually
- 40 outpatient locations, 120 clinics, 1.9 million outpatient visits annually

University of Michigan DFM

- *6 Clinical sites*
- *95+ Faculty/35 clinical FTE*
- *13APPs/10.5 clinical FTE*
- *13/13/13 Residency*
- *78,000+ patients*
- *160,000+ outpatient visits*
- *$16.5 million clinical revenue*

(based on RVU payments)

Payer Program Participation with Capitation and/or Risk

- CPC+
- Applied for Primary Care First and Seriously Ill Populations (non-binding)
- BCN Premiere Care (Self insured University Population)
- POM ACO
- DFM NICE (New Innovative Care Experience)

POM ACO

- Medicare Shared Savings Program, started in 2013
- Transitioned to Pathways to Success Basic Track E in July 2019
- Over 6,000 physicians and providers across the State of Michigan
- 77,500 Medicare beneficiaries, ranking as the 13th largest MSSP
- Achieved $43.1 million in shared savings in 2018
- Achieved over $146 million in shared savings since 2013

MidMichigan Collaborative Care Organization
OSP
Michigan Medicine
Wexford/Crawford Physician Hospital Organization

BCN Premiere Care

- 71,000 University employees and dependents
- 7,500 graduate students and dependents
- Primary care professional services capitated at $13.67 PMPM + $1PMPM care management
- Exclusions include vaccinations, prenatal care, procedures, FM specialty consultations such as sports medicine
- Two sided risk sharing arrangement with a 2% corridor, $200,000 stop loss.

New Innovative Clinical Experience (NICE)

- Current state: $/RVU based from Health System to the Department and Department RVU incentives to faculty
- Future state 2025: PMPM capitated payment from the Health System to the Department, management of the patient panels incentivized to faculty

Path to the Future State

- Year 1 Oct 2019-June 2020
  - 20% given as $14 PMPM, population based on a retrospective 18 month attribution model (visit or any patient interaction) OR attributed by payer
  - 80% RVU model
- Year 2 July 2020-June 2021
  - 40% PMPM
  - 60% RVU
- Year 3 60% PMPM/40% RVU
- Year 4 80%PMPM/20% RVU
- Year 5 100% PMPM/0% RVU

How do we innovate to create a new model of care?

Freed from the hamster wheel of RVU targets and need for in-person visits with physicians, we can start to care for patients in a more efficient, satisfying way for patients and providers yet still provide high quality care with good outcomes.

-Video Visits

-E-visits

-E-consults

-Pre-visit planning

-Team based care to allow everyone to work to the top of their license

-APPs

-Group visits

-Longer visits for complex patients

What are the first steps we are taking?

1) Nurse led Medicare Annual Wellness Visits
2) Hiring more APPs to provide urgent care and triage, and potentially inbasket management
3) Pay it Forward

These efforts are all aimed at freeing up physician time/capacity to do other things. We need to figure out what those value added things are, to better care for the patient population.

How do we measure success in this new system?

- Quadruple aim (quality, cost, patient and physician satisfaction)
- Panel size, there is some pressure to increase the number of lives we manage. Goal of 3350 patients for a 1.0 physician + 1.0 APP pair
- Patient interactions?
- Downstream revenue?
- Other metrics?