

CREATING CLINICAL INTEGRATION IN A PHYSICIAN NETWORK

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The Relevant Antitrust Laws

- Section 1 of the Sherman Act (15 U.S.C. § 1)
- Section 5 of the FTC Act (15 U.S.C. § 45(a)(1))
 - Both statutes prohibit agreements among private, competing businesses, such as physician practice groups or hospital systems, that unreasonably restrain competition



Competitive Restraints

- Agreements that may violate Sherman Act Section 1 and FTC Act Section 5 include:
 - Price fixing
 - Applies to sellers and purchasers
 - “Price” has broad meaning
 - Market allocation
 - Concerted refusals to deal
 - Boycotts

Antitrust Analytical Framework

- Per Se



- Automatically illegal regardless of justification

- Rule of Reason



- Balancing of anticompetitive effects and procompetitive efficiencies

- Quick Look (middle ground)

- Applies to horizontal agreements which appear facially to have plausible and cognizable efficiency justifications

Application to Health Care

- Competitor-controlled organizations
 - Independent practice associations, physician organizations, physician-hospital organizations and accountable care organizations
- Acts and understandings in these organizations are agreements that can violate Sherman Act Section 1 and Section 5 of the FTC Act

Price-Fixing Agreements



- A “naked” agreement among competitors regarding the prices they charge is considered to be *per se* illegal price-fixing
 - Plaintiff need only prove:
 - Competitors entered into agreement
 - Agreement involved prices or rates
 - Agreement not “ancillary” to an “efficiency-enhancing integration”

Price-fixing, cont'd

- Does not matter if:
 - Physicians have only a small share of the market
 - Health plan is dominant or has large market share
 - Goal is to obtain reasonable reimbursement rates or to negotiate contracts that would allow for higher quality
- Could expose participants to criminal prosecution

Don't Let Him...



Become Him



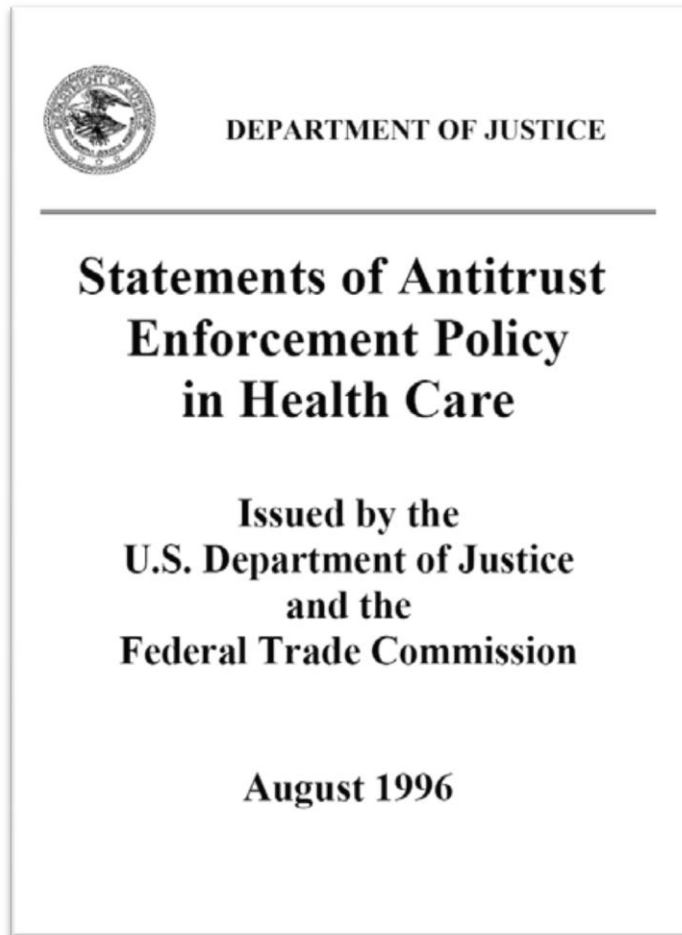
Ancillary Restraints

- Agreements that might be considered *per se* illegal are evaluated under the Rule of Reason if they are:
 - “reasonably related to, and reasonably necessary to [ancillary],
 - achieve the procompetitive benefits from an efficiency-enhancing integration of economic activity”

--DOJ/FTC *Antitrust Guidelines for Collaborations Among Competitors*

<http://www.ftc.gov/os/2000/04/ftcdojguidelines.pdf>

Clinical Integration



- An active and ongoing program to *evaluate* and *modify* the clinical practice patterns of the physician participants so as to create a high degree of interdependence and cooperation to *control costs* and *ensure quality*

Indicia of Clinical Integration

- Selection of high quality providers
- Ownership and commitment by providers
- Investment in the program
- Appropriate use of information technology
- Collaboration in the care of patients
- Quality- and cost-improvement initiatives
- Data collection/dissemination
- Accountability

High Quality Participants

- Cannot include all providers in the community
 - Monopolization (Sherman Act Section 2) and market power issues
- Written, objective criteria set by consensus of a body with broad representation
 - Focus on quality and efficiency of providers
 - Not discriminatory or violative of civil rights
- Formal decision-making body that grants due process

Ownership and Control

- Entity through which the participating providers can act and interact
 - Developed for and by the providers
 - Controlled by the providers
 - Funded, at least in part, by the physicians



Investment in the Program

- Substantial contributions of financial and “sweat” capital by participating providers
 - If it’s a physician program, then physicians must develop, implement, and operate the program



Health Information Technology

- A system, generally electronic, for the exchange of relevant medical information among participating providers
 - Electronic health records
 - Patient registry
 - Clinical data repository
 - Health information exchange (i.e., includes physicians, hospitals, pharmacies, labs, etc.)

Collaboration & Interdependence



- Organized referral process
 - Means of ensuring physician referrals stay within the clinically integrated network of providers
- Secure electronic messaging or record exchange for referrals and consultations
- Forum for communication focused on quality
- Success of the individual is tied to success of the whole

Clinical Practice Guidelines

- Collaborative development by participants
- Formal adoption by the physician leadership
- Dissemination for use by participants
- Agreement among participants to comply
- Collaborative development of quality, efficiency, and cost-saving measures and benchmarks
- Cover all specialties and high-cost patients

Evaluation and Improvement

- Formal process to collect and report performance data
- Committee review and assessment of *network and participant* performance
- Formal process for identifying individual “outliers”
- Corrective action programs for outliers
- Sanctions, including expulsion, for chronically non-compliant participants



Payer Input Is Essential

- Payers will provide the financial incentive for the physicians to improve quality and control health care costs
- Payers are more likely to buy a product that they helped to develop
- Payers are the most likely parties to complain to the antitrust enforcers

Clinical Integration Resources

- MedSouth, Inc. Advisory Opinion Letter and Follow-up Letter
<http://www.ftc.gov/bc/adops/medsouth.htm>
<http://www.ftc.gov/bc/adops/070618medsouth.pdf>
- California Pacific Medical Group, Inc. d/b/a Brown & Toland
<http://www.ftc.gov/os/adjpro/d9306/index.htm>
- Suburban Health Organization Advisory Opinion Letter
<http://www.ftc.gov/os/2006/03/SuburbanHealthOrganizationStaffAdvisoryOpinion03282006.pdf>
- Advocate Physician Partners
<http://www.ftc.gov/os/caselist/0310021/0310021.shtm>
- Greater Rochester IPA Opinion Letter
<http://www.ftc.gov/bc/adops/gripa.pdf>
- TriState Health Partners Opinion Letter
<http://www.ftc.gov/os/closings/staff/090413tristateaoletter.pdf>
- DOJ/FTC Statements of Antitrust Enforcement Policy in Health Care, Statements 8 & 9
<http://www.ftc.gov/reports/hlth3s.htm>
- Health Care Report - "Improving Health Care: A Dose of Competition," Ch. 2, pp. 36-41
<http://www.ftc.gov/reports/healthcare/040723healthcarerpt.pdf>

QUESTIONS?

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CREATING CLINICAL INTEGRATION IN A PHYSICIAN NETWORK

Kenneth Goldblum, MD, FACP

Renaissance Medical Management Company

The RMMC Model

- RMMC Overview
- How RMMC Programs Support Clinical Integration
- Future Directions as a Clinically Integrated Group

RMMC History

- Started as a collaboration between a network of private practice physicians in the Philadelphia suburbs and IBC
- Operating for over ten years
- Originally a multi-specialty network
- Now fully owned only by primary care doctors and operating as a clinically integrated group

Who We Are

- 182 family physicians and internists
- Composed of all privately owned practices ranging in size from one to thirty doctors
- Organization that we have built to support us that is composed of experienced senior managers, nurses, and IS support
- Clinical best practices, web based information tools, website, and physician committees

Why We're Together

- Improve the care we give our patients
- Improve value to those purchasing our care

What We Do

- Pay for Performance Program to improve the outpatient care of chronic illness
- Patient Service Program to do care management of chronically ill patients and case management of complex and frail patients
- Organizational support for these programs via education, physician leadership development, technology, and actionable data

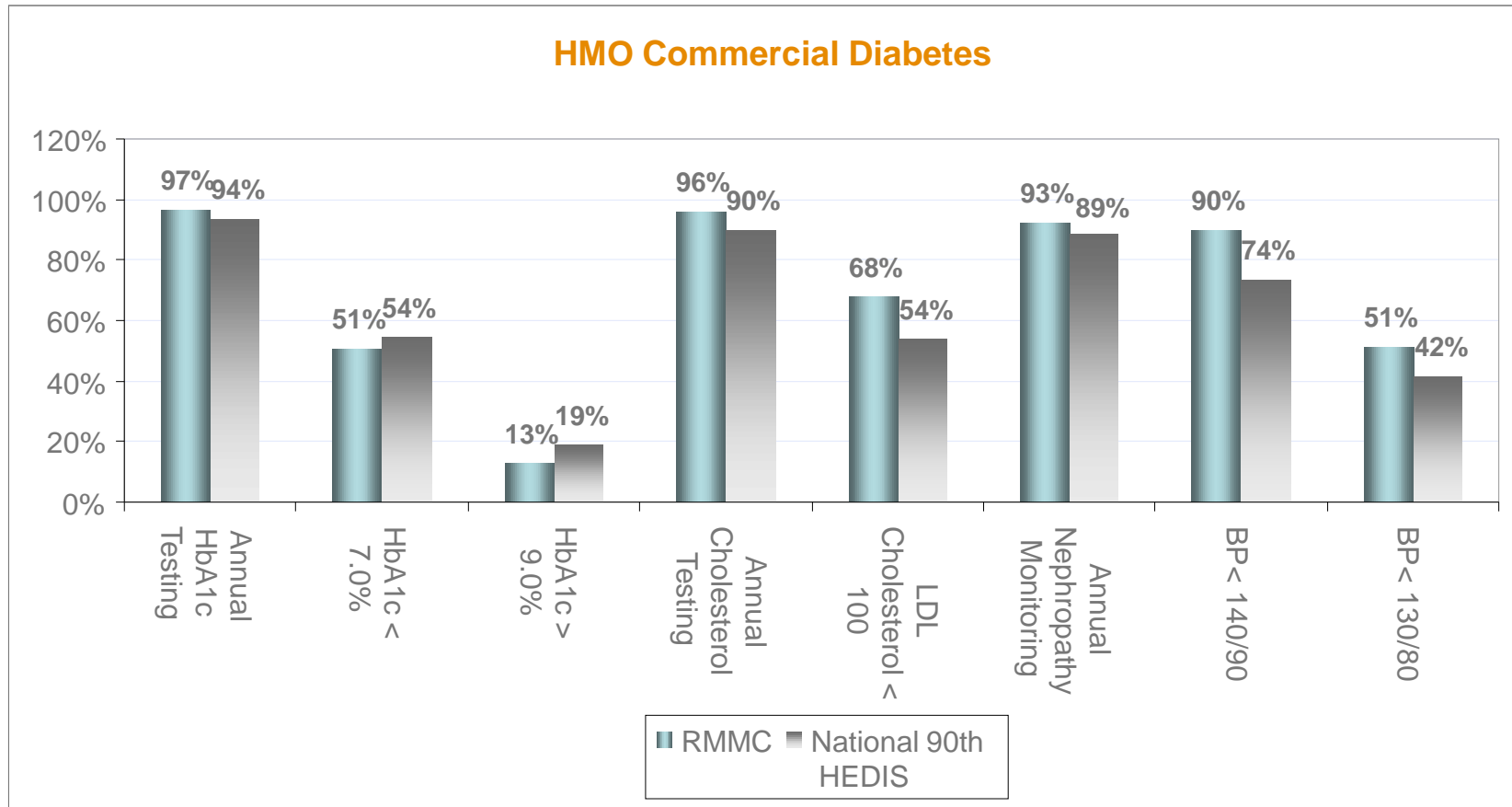
What We've Demonstrated

- With proper incentive and support, doctors can change how they practice and engage fully in quality improvement and population management
- These changes can produce significant improvements in outcomes for patients with chronic illness
- These improvements can lead to lower overall costs and have significant impact on disease severity.

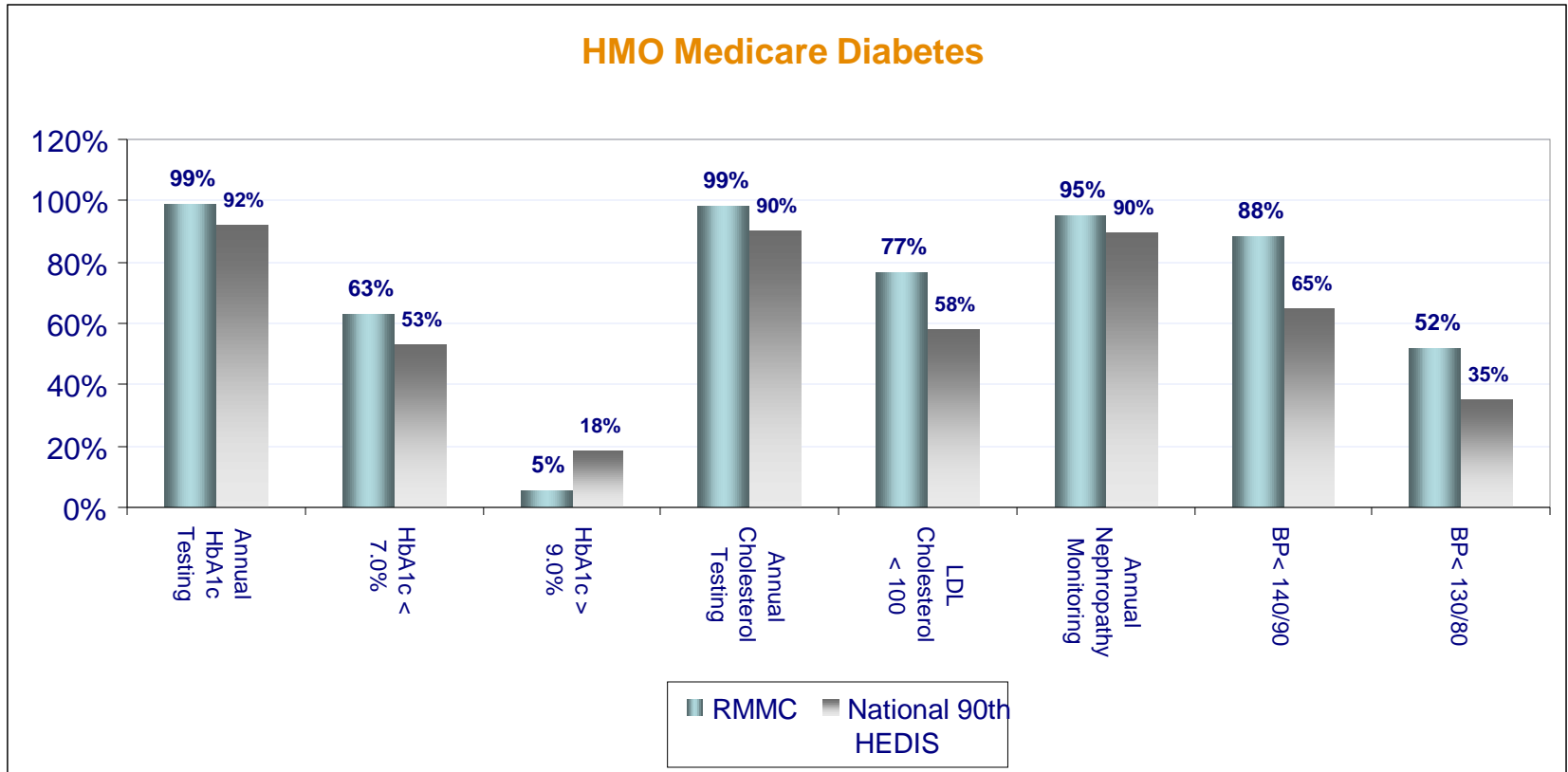
How We Do It

- Financial Support
 - Pay for Performance
 - Pay for Participation
 - Shared Savings
- Patient Support
 - Self management
- Practice Support
 - Education
 - Technology

HMO DM Commercial



HMO DM Medicare



Medical Cost Savings

Line of Business	2006	2007	2008	2009	Cumulative
Comm. Non-POS	\$5,881,918	\$5,237,061	\$4,990,848	\$6,994,637	\$23,104,464
Comm. POS	\$3,193,915	\$3,567,663	\$1,347,169	\$1,424,996	\$9,553,743
Medicare MAPD	\$3,551,194	\$1,572,367	\$4,463,047	\$8,068,123	\$17,654,734
Dual- Eligible	<u>(\$971,663)</u>	<u>(\$245,661)</u>	<u>(\$989,940)</u>	<u>\$87,013</u>	<u>(\$2,120,252)</u>
Total Gain	\$11,655,364	\$10,131,430	\$9,811,124	\$16,574,769	\$48,172,686

Analytics completed by Solutia, a third-party actuarial firm who is jointly contracted by the payer and RMMC IPA
 RMMC uses the people, processes and technologies that are marketed through RMMC
 Actuarial adjustments include geographic area factors, benefit relativities, unit costs
 Results are from the IPA's experience with 100,000 members over a four year time frame
 2010 analysis will be completed in the third quarter 2011

Commitment to Quality Improvement and Cost Reduction

- Due Diligence Process
- Participation Agreement
 - Be aligned with vision and mission
- Clinical Integration Addendum
- Earn 50% of available points

Physician Investment

- Monetary
 - Share purchase
 - Specialist buyout with gainsharing proceeds
- Sweat Equity
 - Physician board and Clinical Executive Committee
 - Physician Quality Improvement Committee
 - Medical Director meetings
 - Office based quality improvement activity
 - Learning Sessions and RPG meetings

Information Systems

- Data Warehouse
 - PMPM
 - Admission, Readmission, and ER utilization rates
 - Generic prescribing
- Population Management Tool
 - Registry functions
 - Quality improvement role
 - Enhancement program administration
- Coordinated Care Tool

Patient Management Screen

RMMC
Renaissance Medical Management Company

Jan Maister VP - Physician Services | Logout

Home \ Population Management Tool \ Patient List \ Patient Management

Practice: Marc Kress, MD

Patient Detail

Patient: [Name] Date of Birth: 10/15/1950
 Cohort(s): DM, CCI LOB: Other
 PCP: Marc Kress Last Visit Date: [Date]
 Endocrinologist: Last Visit Date: [Date]
 NP/PA: Last Visit Date: [Date]

Patient Summary:
 Preventive Care:
 - Self management goal missing
 - Flu vaccination missing
 - Eye exam missing
 - Foot exam missing

Enhancement Program Data Collection Period: 6/1/2009 to 5/31/2010 [Cancel] [Save] [Save & Exit]

Tests Medications Preventive Care

Blood Pressure (Goal: Test Value <= 130/80)

Date: [Date] Syst: [Value] Diast: [Value]
 Date: [Date] Syst: [Value] Diast: [Value]
 Date: [Date] Syst: [Value] Diast: [Value]

Previous Results:

Date	Systolic	Diastolic
10/28/2009 *	122	66
04/03/2009 *	116	68

Microalbumin Creatinine Ratio (Goal: Test Value <= 30.0 or > 30.0 and ACE/ARB)

Date: [Date] Value: [Value]
 Date: [Date] Value: [Value]

Previous Results:

Date	Value
01/14/2010 *	9.0
10/26/2009 *	6.0

HbA1c (Goal: Test Value <= 7.0)

Date: [Date] Value: [Value]
 Date: [Date] Value: [Value]

Previous Results:

Date	Value
01/14/2010 *	6.0
10/26/2009 *	6.1

LDL (Goal: Test Value <= 100)

Date: [Date] Value: [Value] TGL high. LDL N/A

Previous Results:

Date	Value	Triglycerides High
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Done

Patient Summary

- Dynamic information on missing or not at goal patient data; evidence-based protocol driven

Data Collection Modes

- Interface with claims data
- Interface with lab results data
- Connection with EMR
- Manual entry

Tabs for

- Tests
- Medications
- Preventive Care
- Flexible for additional measures

Clinical Assessments

The screenshot shows a web-based clinical assessment tool. The browser address bar indicates the URL: <http://www.rmmcdev.com:85/restricted/XTool/EditEncounter.aspx?epid=7547>. The page title is "New/Edit/View Encounter".

The interface includes a navigation menu with tabs for "Encounter", "Assessment", "Medications", "Clinical Info", "Patient Info", and "Objective Findings History". The "Assessment" tab is active, showing a patient's episode header and a list of interventions.

Patient/Episode Header:

- Name: EDWARDS, BRITA
- USI: 8004360100
- DOB: 1/22/1947
- Age: 63 Years
- Phone: (610)174-1704 (Mobile)
- Practice: Great Plains Medical Associates, PC
- Physician: Ralph Long
- V.O.:
- Episode Start Date: 1/20/2010

Interventions:

Intervention	IP to all	COMP to all	NA to all	Previous	Current	Variance
Review patient's diabetic history, challenges of disease, barriers to self-management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Evaluate for self-management deficits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Establish self-management goals with patient/caregiver	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Determine if patient has an action plan from PCP and/or Specialist for sick day management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Disease Process						
Educate on ABCs of diabetes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Educate on symptom recognition and timely reporting to PCP, including hypoglycemia and hyperglycemia	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	In Process	In Process	
Educate on disease progression and complications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	In Process	In Process	
Medications						
Educate on medications (oral insulin): doses, tolerance, side effects, adverse drug reactions or potential interactions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	In Process	In Process	
Educate on importance of medication adherence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Educate on acquisition of medications/refills and prescription assistance programs as needed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Educate on medication management system: medication list, pill box	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Evaluate for new medications or dosage changes since last patient contact	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Applicable	Not Applicable	
Diet						
Educate on appropriate diet related to diabetes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	In Process	In Process	
Educate on nutritional consult and diabetic classes in community	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Assessed to date	Not Assessed to date	
Educate on weight management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Testing & Prevention						
Educate on glucometer/blood glucose monitoring in the home and importance of keeping a log	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completed	Completed	
Educate on importance of diabetic foot care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Assessed to date	Not Assessed to date	
Educate on importance of yearly eye and dental exams	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Assessed to date	Not Assessed to date	
Educate on need to obtain follow-up tests and/or results	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Assessed to date	Not Assessed to date	

Patient Documentation

- Disease-focused, evidence-based
- Covers co-morbid situations
- Creates team consistency
- Supports patient self-management and goal setting

Templates

- Flexible and customizable

Progress and Variance

- At a glance progress reporting status
- Variations from plan documented

Collaboration

- RPG meetings
- Learning Sessions
- Practice meetings with Medical Directors
- Best Practice development

Best Practice Models

- Development Process
- Dissemination
- Agreement to comply
- Benchmark establishment
- Data collection and review

Performance Summary

	DM				CAD		CHF				CRC		MAM	
	Pts At Goal	HbA1c, LDL & ACEI/ARB	Pts At Goal	BP 130/80	Pts At Goal	LDL <= 100	Pts At Goal	ACEI/ARB & BB	Pts At Goal	BP 130/80	Pts At Goal	%	Pts At Goal	%
Enhancement Targets														
Base		30%		55%		-		75%		60%		65%		75%
Mid-level		35%				-								
High		40%		70%		-		90%		80%		75%		80%
My Practice Performance														
HMO	2 (12)	17%	3 (12)	25%	-	-	2 (2)	100%	1 (2)	50%	6 (13)	46%	-	-
PPO	3 (10)	30%	3 (10)	30%	-	-	2 (2)	100%	1 (2)	50%	-	-	-	-
Jennifer T. Cole														
HMO	0 (2)	0%	0 (2)	0%	-	-	1 (1)	100%	1 (1)	100%	1 (1)	100%	-	-
PPO	1 (3)	33%	1 (3)	33%	-	-	-	-	-	-	-	-	-	-
Michael Russell														
HMO	0 (4)	0%	0 (4)	0%	-	-	1 (1)	100%	0 (1)	0%	2 (2)	100%	-	-
PPO	0 (2)	0%	0 (2)	0%	-	-	-	-	-	-	-	-	-	-
Robert Rodd														
HMO	2 (4)	50%	2 (4)	50%	-	-	-	-	-	-	0 (1)	0%	-	-
PPO	2 (5)	40%	2 (5)	40%	-	-	2 (2)	100%	1 (2)	50%	-	-	-	-
Stephen D Jenkins														
HMO	0 (2)	0%	1 (2)	50%	-	-	-	-	-	-	1 (2)	50%	-	-
PPO	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Physician Not Assigned														
HMO	-	-	-	-	-	-	-	-	-	-	2 (7)	29%	-	-
PPO	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Practice Summary

- Direct linkage of quality initiatives to pay-for-results
- Practices know their performance against program thresholds by cohort and product

Performance Variation

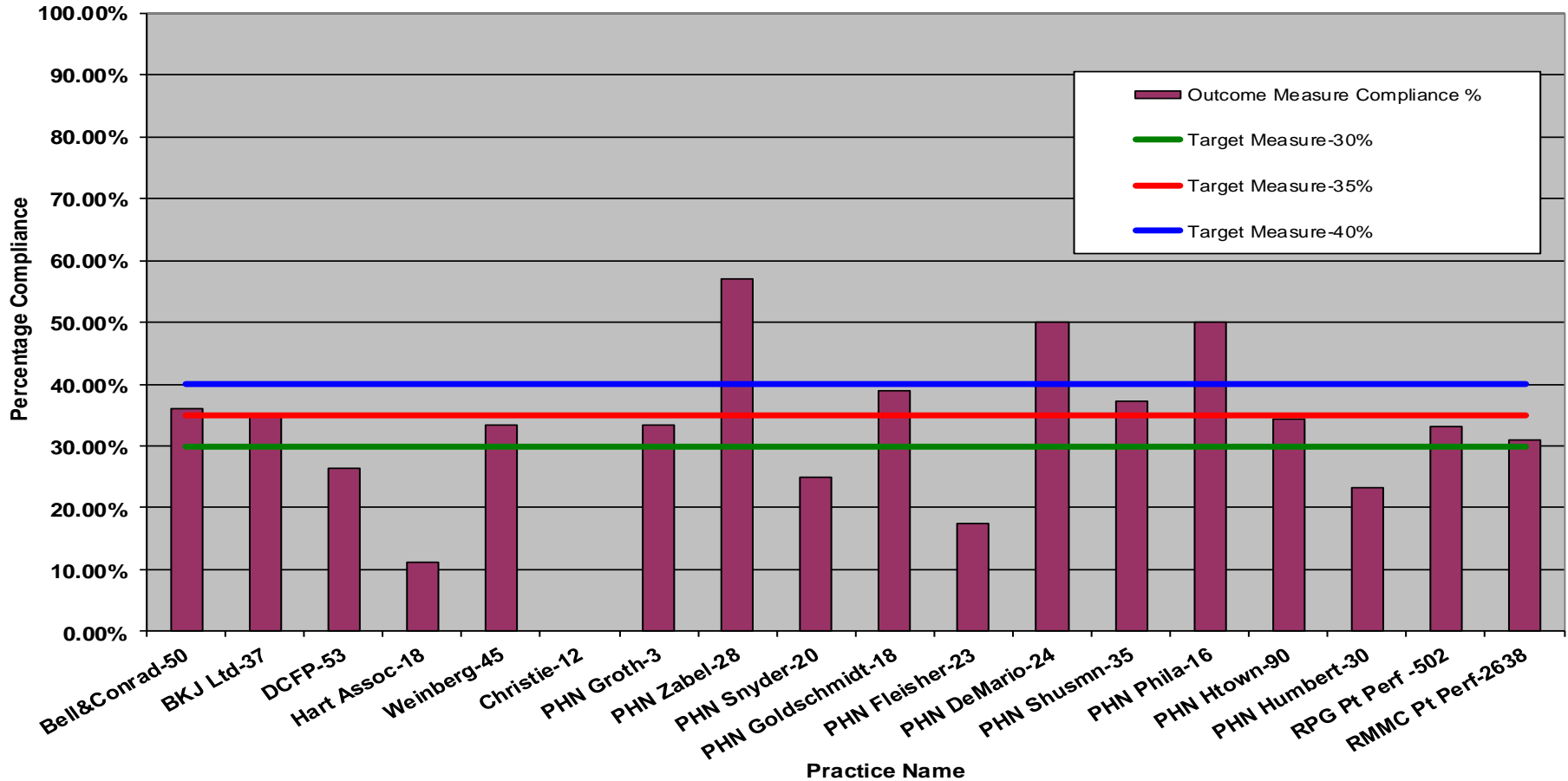
- Performance by physician shows the contribution of each provider to the total outcome
- Provides basis for practice discussion

Quality Improvement

- Data sharing
- Process sharing
- Education
- Quality Improvement Doctor
- PMT reports

Current HMO Diabetes Delco Performance Status

Delaware County Regional Physician Group
Period 2 2010-11 HMO Diabetes Performance
as of 5/4/2011



Missing and Out of Range Report

Practice Name: Michael Russell, MD					Condition:	DM			
PCP: Jennifer T. Cole					Patient Status:	Not at Goal, Incomplete, Expiring Data			
					LOB:	PPO, HMO, Other			
<u>Patient ID</u>	<u>Patient Last Name</u>	<u>Patient First Name</u>	<u>DOB</u>	<u>NP/PA</u>	<u>Conditions</u>	<u>Element Status</u>	<u>Element</u>	<u>PTS Enrollment</u>	
7007545601	Evans	John	12/28/1946		CAD/ DM	Incomplete	Blood Pressure	Inactive	
						Incomplete	Microalbumin Ratio		
						Incomplete	HbA1c		
						Incomplete	LDL		
						Incomplete	ACEI/ARB		
						Incomplete	Beta Blocker		
						Incomplete	Lipid Lowering Agent		
Not at Goal	Blood Pressure								
8007556300	Mitchell	Suzanne	7/22/1982		DM/ CCI	Incomplete	Blood Pressure	Inactive	
						Incomplete	Microalbumin Ratio		
						Incomplete	HbA1c		
						Incomplete	LDL		
						Incomplete	Self Management Goal		
						Incomplete	Eye Exam		
						Incomplete	Foot Exam		
Not at Goal	Blood Pressure								
3012200300	Murphy	Daoud	6/23/1963		DM	Expiring Data	HbA1c	Inactive	
7020821300	Scott	Antonetta	4/11/1947		DM	Incomplete	Blood Pressure	Inactive	

Remediation and Sanction

- Initial thresholds for ongoing participation
- Focused improvement
- Voluntary deselection
- Practice network termination

Program Appreciation

- Ongoing IBC relationship
- Capital Blue Cross
- More physician interest
- Patient appreciation

Future Directions

- Physician recruitment
- Accountable Care Organizations
- Physician Performance Portal
- Development of new contracts with payers that reward quality and value and that leverage our investment

Thank You



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