



Comprehensive Medical Care for Idaho Medicaid

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What is the hospital role in managed care?

- St. Luke's believes that the focus should be on the greater delivery system. The future system of care is not hospital-centric.
- We believe that comprehensive medical care requires a clinically integrated network of providers that are financially aligned.
- Finally, the success of the new system of health care delivery must recognize the importance of physician leadership.

How can managed care improve coordination, outcomes and access?

- St. Luke's believes that the key aims should be better health, better care, and lower cost.
- Traditional managed care is unlikely to achieve all of these goals, as well as those stated in the question.
- St. Luke's believes that the answer can be found in clinical integration and a value-based payment system.

What are the negative aspects of managed care models? Do they cause barriers to care?

- Traditional managed care models, short of capitation, have emphasized utilization management and decreases in reimbursement.
- Episodic payments for personally performed services do not encourage preventative health services, team-based care, and do not effectively constrain low value or unnecessary services.

What are the benefits or pitfalls of gain/risk sharing, capitation, or Pay for Performance (PFP)?

- Gain/risk sharing – limited duration; inability of providers to repay losses; willingness to participate
- Capitation – financial reserves; infrastructure; meaningful data; patient attribution models
- PFP – structural design – often process oriented rather than outcome-based; provider alignment and attribution models; traditionally ineffective

As we transition to a managed care model, where can we most effectively focus our efforts?

- Accountable care
- Provider alignment
- Provider and patient engagement
- Medical homes are a component of accountable care, but not the solution in and of themselves.
- Promote team-based care
- Electronic health records (EHRs)
- We must find ways to better manage health, or we will undoubtedly be unable to manage the forecasted increase in the disease burden.

Where are the greatest opportunities in managed care?

- Traditional managed care:
 - Short term – decreased utilization
 - Long term – limited access
- Accountable managed care
 - Short term – chronic disease management
 - Long term – increased overall health of the population

What concerns you most?

- Insufficient time and effort will be given to engaging physicians.
- Incentives will not be aligned across all providers.
- The care model and payment model will continue to promote fragmented care.
- Health care costs will continue to rise because managed care only addresses one aspect of the cost equation (cost = price x units) by continuing to pay for volume instead of value.
- The overall health of the population will not improve as managed care does not address population health.

