

Indiana University Quality Access & Cost Containment Opportunities

Blue Ribbon Committee

June 24, 2009

**The Clarian Solution:
An Integrated Approach**

Issue Statement

Indiana University President McRobbie has charged a committee of healthcare leaders to examine health care cost containment opportunities for Indiana University appreciating:

- It is essential to supply a competitive health care package in the recruitment and retention of highly qualified personnel;
- Rising health care costs are taking resources away from IU's central missions;
- Recommendations should ensure that the health of IU employees and their families is maintained or even improved across the continuum of care;
- Leverage the services and relationships within IU's family, specifically within Clarian Health.

The Clarian Proposed Solution:

- **Clinically Integrated Network of physicians around evidence-based guidelines**
 - Restricted network of physicians with aligned incentives, “Pay-for-performance,” active accountability
 - Reduce variation, conflicts, and unnecessary / inappropriate provision of services
 - Advance technology and data analysis
- **Improve IU Employees’ Health Status**
 - Screen IU Employees
 - Operate Total Health Management Programs to optimize wellness
- **Reduce Unit Costs**
 - Pharmacy Benefit Management with improved group-purchasing
 - Better hospital unit pricing for more exclusive network
- **Increased Access**
 - On-site Clinics
 - Pharmacy “robotics”

The Clarian Solution: A Clinically-Integrated Physician Network

- **The Indiana Clinic**

- Employed multi-specialty group practice
 - Methodist Medical Group
 - Indiana University Medical Group

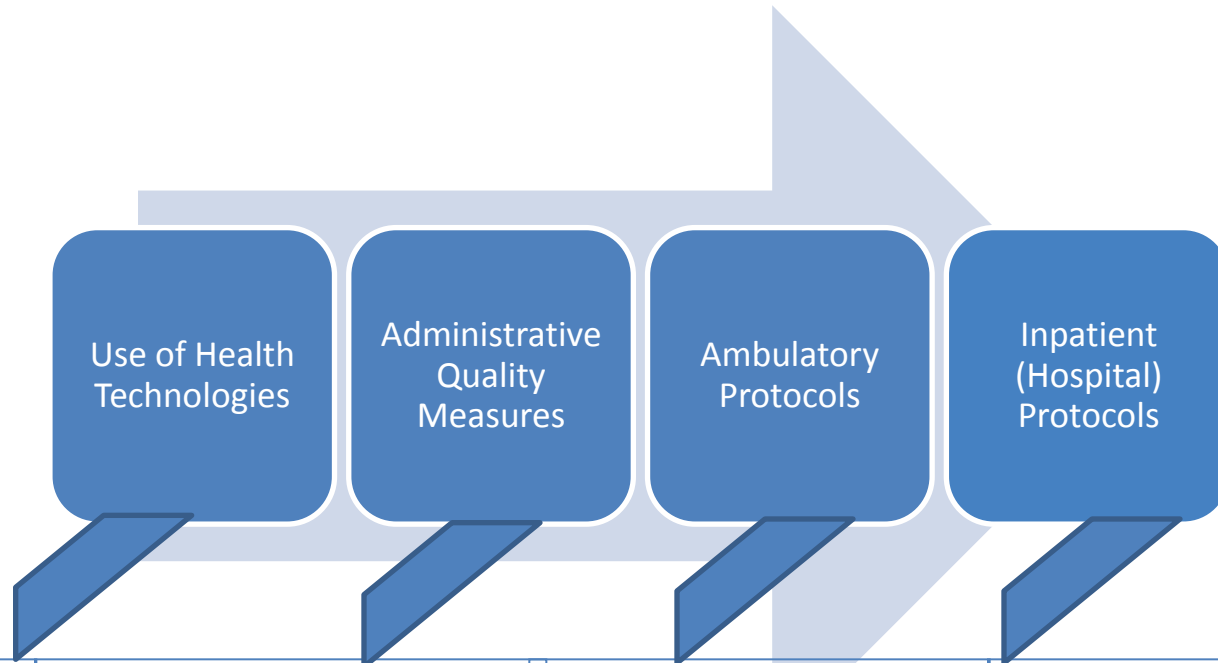
- **Clarian Quality Partners**

- Affiliated, independent community physicians throughout Indiana and among Clarian-affiliated hospitals

Physicians actively engaged in clinical quality, efficiency, and evidence-based practice.

Clinical Integration: Program Elements

Categories & Sample Initiatives Designed to Improve Quality & Reduce/Eliminate Avoidable Cost



Use of Crimson
EDI Claims Submission
EMR/HER Use

CI Educational Programs
Employee Safety Education
Generic Prescribing
Reappointment Standards

100+ Initiaves e.g..
Diabetes Management
Smoking Cessation,
Asthma, Hypertension,
Musculoskeletal, etc.

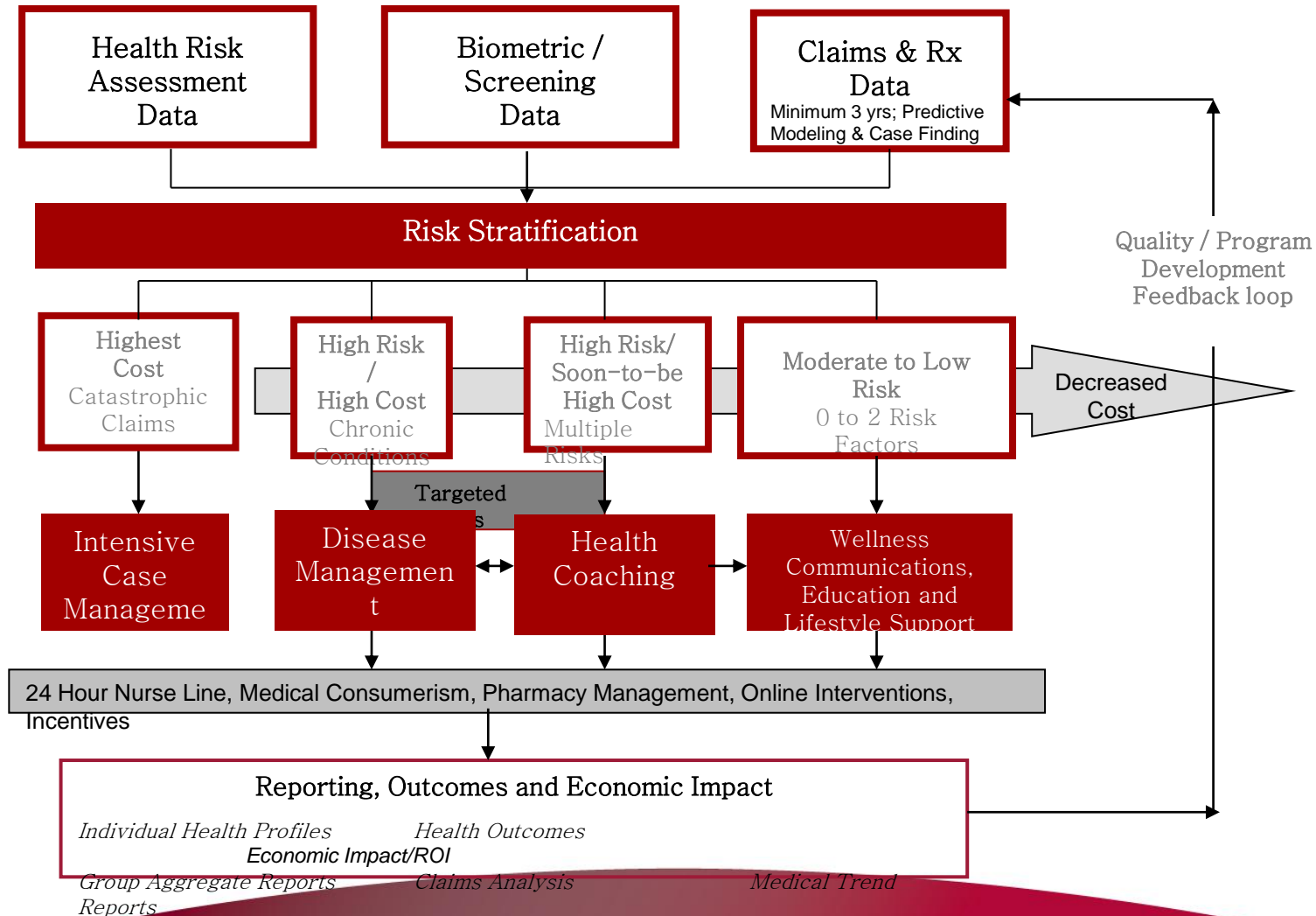
Hospital Core Measure
Compliance.
Hospital Quality
Improvement.
Reduced Length of Stay

Medical Home: Primary-Care Based Model

- **Access to Care:**
 - Same day/ next day appointments, group visits for chronic conditions
 - E-visits, online test results
- **Practice Services:**
 - Comprehensive care for acute and chronic conditions
 - Emphasis on prevention and wellness
- **Care Management:**
 - Team approach to care and coordination of services
 - Employee engagement and ongoing education & support
- **Continuity of Care:**
 - Accessing community-based resources
 - Collaborative relationships with inpatient and mental health care, maternity, specialists, pharmacy, ancillary services, and outpatient case management

Improved IU Employees' Health Status

Total Health Programs: Disease Management



Clarian Pharmacy Benefit Management

- Increase in generic utilization
- Therapeutic substitution
- Rx to OTC substitution
- Polypharmacy reductions
- Medication reconciliation and compliance monitoring
- Dosage form management
- Biotechnology management
- Reduction in drug purchasing cost
with Clarian GPO/DSH options

Increased Access

- **On-Site Clinic**
 - Staffed by nurse practitioners with physician support; Model: 2:1 NP to MD
 - Increase the likelihood of an employee seeing a health care provider for their medical needs; 40 hrs/ week staffing
 - **Reduce the health plan costs** by converting “Variable Cost” for physician and emergency room visits to “Fixed Cost.”
 - **Reduced absenteeism** associated with minor illnesses
 - **Includes** wellness, disease management and daily reporting back to primary-care physician
- **Pharmacy Access**
 - On-site pharmacies to attend to employee needs
 - Mail-order capabilities
 - Pharmacy “Robotics” Remote Dispensation