HEALTH CHECK 2017

Kevin Callison, Leslie Muller, Gerry Simons, Brooke Delgoffe
Figure 1: Nonfarm Payroll Jobs Percent Change, February 2005 to June 2016

- U.S.
- Michigan
Job Growth for Health Occupations, 2005 - 2015

- Healthcare Practitioners and Technical Occupations
- Healthcare Support
- All Other Categories

Grand Rapids: Healthcare Practitioners and Technical Occupations
Michigan: All Other Categories
U.S.: Healthcare Support
Health Care Overview – Pg. 36

Figure 6: No Health Insurance

- Detroit Region
- West Michigan

Percentage of the Population

- 2005-2007
- 2006-2008
- 2007-2009
- 2008-2010
- 2011-2013
- 2012-2014
- 2013-2015

- 0
- 2
- 4
- 6
- 8
- 10
- 12
- 14
- 16
- 18
- 20
Figure 7: No Health Care Access Due to Cost

- Detroit Region
- West Michigan

Percentage of the Population

- 2005-2007
- 2006-2008
- 2007-2009
- 2008-2010
- 2011-2013
- 2012-2014
- 2013-2015
Figure 3: Hospital Admissions per 1,000 Population

- Grand Rapids
- Rochester, NY
- Louisville
- Buffalo
- Cleveland
- Milwaukee
- Portland
- Akron

Admissions per 1,000 Population

- 2003
- 2014
- 2014 U.S. Average
Figure 4: Outpatient Visits to Hospitals per 1,000 Population

Comparison of outpatient visits in various cities.

- Grand Rapids
- Rochester, NY
- Louisville
- Buffalo
- Cleveland
- Milwaukee
- Portland
- Akron

Graph shows the number of outpatient visits per 1,000 population for the years 2003, 2014, and the 2014 U.S. average.
Figure 5: Emergency Department Visits per 1,000 Population

- **Grand Rapids**
- **Rochester, NY**
- **Louisville**
- **Buffalo**
- **Cleveland**
- **Milwaukee**
- **Portland**
- **Akron**

- **2003**
- **2014**
- **2014 U.S. Average**
Benchmarking Communities – Pg. 48

Figure 10: Adjusted Medicare Expenditures per Medicare Enrollee

- Grand Rapids
- Rochester, NY
- Buffalo
- Cleveland
- Louisville
- Milwaukee
- Portland
- Akron
- U.S. Average

Dollars (2014)
Figure 9: Total Hospital Expenses per Admission

- **2003**
- **2014**
- **2014 U.S. Average**

<table>
<thead>
<tr>
<th>City</th>
<th>2003</th>
<th>2014</th>
<th>2014 U.S. Average</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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<td>Akron</td>
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</tbody>
</table>
Figure 13: Care Coordination - Discharges for Ambulatory Care-Sensitive Conditions per 1,000 Medicare FFS Beneficiaries, 2012

Discharges for ACS Conditions per 1,000 Medicare FFS Beneficiaries

- Grand Rapids
- Rochester, NY
- Louisville
- Buffalo
- Cleveland
- Milwaukee
- Portland
- Akron

2012 U.S. Average
Figure 15: End of Life Care - Percent of Medicare FFS Beneficiaries Enrolled in Hospice in the Last 6 Months of Life, 2012

2012 U.S. Average
• Online survey administered to The Employers’ Association of West Michigan members*

• Firm responses: 78 (15% response rate)

• Firm size:
  • 29% have fewer than 50 FTEs
  • 47% have 50-249 FTEs
  • 23% have 250 or more FTEs

• Approximately half in Manufacturing

*Thank you to the Employers’ Association of West Michigan for their Administration and Collaboration in this Survey
Number of Plans Offered

- Did not offer a plan: 1%
- One plan: 66%
- Two or more plans: 33%

Types of Plans Offered*

- High Deductible (HDHP): 68%
- Traditional Plans:
  - PPO 40%
  - HMO 14%
  - POS 3%

*Note: percentages do not add up to 100%, as each firm can offer more than 1 plan
Employer Survey – Pg. 58

• **High Deductible Insurance Plans**

• Figure 4: Percentage of Firms Offering HDHP Only

  - 42% Yes
  - 58% No

• **Average Annual Deductible**
  - Single: $2,500
  - Family: $4,842

*Number of observations: 77
Source: Author's calculations*
Employer Survey – Pg. 59

• Health Savings Accounts (HSAs)
  • Of those firms who offer an HDHP: 54% offer an HSA
  • Of those firms who offer an HSA: 54% contribute
  • Average annual employer contribution:
    • $665 Single
    • $1,245 Family
  • Covers one quarter of the annual deductible
Community Survey – Pg. 60

• Survey Sample:
  • Downtown Grand Rapids *Movies in the Park* (July-August 2016)
  • Sample size: 408
  • Student workers trained in random sampling techniques
  • Under-sampled Medicaid & Medicare enrollees
  • Uninsured rate: 5% (Figure 2)
Community Survey – Pg. 63

- Insurance Status of Those Uninsured in the Previous Year

2017 Health Check
- Still Uninsured: 15%
- Gained insurance from:
  - Employer 40%
  - Medicaid 21%
  - Marketplace 8%

2016 Health Check
- Still Uninsured: 24%
- Gained insurance from:
  - Employer 25%
  - Medicaid 19%
  - Marketplace 9%
Primary Care Physician Office Changes in the Last Year:

- **Time Spent in the Waiting Room**
  - Got Better: 28%
  - Got Worse: 9%
  - No Change: 63%

- **Time Spent with the Physician**
  - Got Better: 25%
  - Got Worse: 16%
  - No Change: 59%
Figure 6: Ability to Find a Primary Care Physician - Private Insurance and Medicaid

- Medicaid
- Private Insurance
- Total

Number of observations: 381
Source: Author's calculations
Figure 1: Average Expenditures per Member in KOMA, 2012-2015

- Asthma
- Coronary Artery Disease
- Depression
- Diabetes
- Hypertension
- Low Back Pain
- Healthy Members
Major Medical Costs – Pg. 69

• Figure 2: Average Expenditures per Member, 2015

- KOMA
- Detroit Region

Dollars per Member per Year

<table>
<thead>
<tr>
<th>Condition</th>
<th>KOMA</th>
<th>Detroit Region</th>
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<tr>
<td>Asthma</td>
<td>8,500</td>
<td>6,000</td>
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<tr>
<td>Coronary Artery Disease</td>
<td>26,000</td>
<td>22,000</td>
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<tr>
<td>Depression</td>
<td>12,000</td>
<td>11,000</td>
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<td>Diabetes</td>
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<td>Hyperlipidemia Low</td>
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<td>Hyperlipidemia High</td>
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<td>unhealthy Members</td>
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<tr>
<td>Healthy Members</td>
<td>1,000</td>
<td>1,000</td>
</tr>
</tbody>
</table>
Major Medical Costs – Pg. 70

- Figure 2A: 2014-2015 Percentage Change in Average Expenditures per Member

- Healthy Members
- Low Back Pain
- Hyperlipidemia
- Diabetes
- Depression
- Cornary Artery Disease
- Asthma

Percentage Change in Expenditures 2014 to 2015
Major Medical Conditions

• Percentage Change in CAD Expenditures, 2014 - 2015
Q & A
Panel Discussion

• **David Blair, MD**
  CEO and President, Mercy Health Physician Partners

• **Tina Freese-Decker, MHA, MSIE, FACHE**
  President, Spectrum Health Hospital Group

• **Nick Lyon, BA**
  Director, Michigan Department of Health and Human Services

• **Jim McDonald, BS**
  Vice President - Total Rewards - Meijer
Population Health Management: Opportunities and Challenges

David E. Blair, MD
President, MHPP-GR and Affinia Health Network

January 13, 2017
Population Health Management

Involves Specific Actions To:
1. Improve the Experience of Care
2. Improve the Health of the Population
3. Reduce per Capita Cost

(Triple Aim)
Population Health Management

• Strategy
• Provider
• Customer | Patient
Trinity Health: People Centered 2020

People-Centered Health System

- **Episodic Health Care Management for Individuals**
  - Efficient & effective episode delivery initiatives
- **Population Health Management**
  - Efficient & effective care management initiatives
- **Community Health & Well-being**
  - Serving those who are poor, other populations, and impacting the social determinants of health

Better Health • Better Care • Lower Costs
Our 22-State Diversified Network

- **93** Hospitals* in 20 Regional Health Ministries**
- **47** Home Care & Hospice Locations Serving 116 Counties
- **4** Mission Health Ministries
- **14** PACE Center Locations
- **3** National Health Ministries***
- **59** Continuing Care Facilities
- **23,900** Affiliated Physicians
- **5,300** Employed Physicians

*Owned, managed or in JDAs or JVs.

**Operations are organized into Regional Health Ministries ("RHMs"), each an operating division which maintains a governing body with managerial oversight subject to authorities.

***Includes multiple locations for Trinity Home Health Services, Trinity Senior Living Communities and PACE facilities.
True North Vision

Quality & Safety
- Adverse Events
- Readmission Rate

Financial Stewardship
- Operating Margin
- % of total operating revenue

Population Health Management
- Total Cost of Care
- Number of Lives in Value Based
- Hypertension; % Controlled Contracts

People Centered
- H-CAHPS – Overall Rate Hospital
- CG-CAHPS – Would Recommend Office

Colleagues
- Turnover
We are Mercy Health.

Mercy Health Physician Partners
Over 60 office locations
- Byron Center
- Caledonia
- Fruitport
- Grand Rapids
- Grandville
- Hart
- Holland
- Jenison
- Kentwood
- Ludington
- Muskegon
- North Muskegon
- Rockford
- Shelby
- Sparta
- Spring Lake
- Walker
- Whitehall
- Wyoming

Ludington
- Ludington

Shelby
- Lakeshore Campus

Muskegon
- General Campus
- Hackley Campus
- Mercy Campus
- Johnson Family Cancer Center

Norton Shores
- Lakes Village

Byron Center
- Southwest Campus

Grand Rapids
- Saint Mary's Campus
- Hauenstein Neuroscience Center
- Lacks Cancer Center
- Wege Institute for Mind, Body and Spirit

Map areas:
- Mason
- Oceana
- Newaygo
- Montcalm
- Clinton
MACRA: Two Paths

- Repeals the Sustainable Growth Rate Formula
  - Replaces with .5% increases on fee schedules annually through 2018

- Creates two new payment models under the Quality Payment Program (QPP)
  - MIPS: Consolidates existing quality reporting programs
  - APM: Provides incentive payments for participation in Alternative Payment Models (APMs)

The Merit-based Incentive Payment System (MIPS)  OR  Alternative Payment Models (APMs)

Source: CMS
2017

Performance Period

2018

Clinicians notified of track assignment

2019

MIPS

+- 4% (plus up to 10% bonus for elite performers)

APM

+ 5% Annually

Source: CMS
Merit Based Incentive Program (MIPS)

- Consolidates 3 independent quality driven initiatives with the intent to ease complexity and administrative burden and adds a 4th component to incentivize clinical improvement activity.

Quality  Advancing Care Information  Improvement Activities  Cost

MIPS Final Score (0-100)

Source: CMS
## Timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Schedule Updates</th>
<th>Quality</th>
<th>Resource Use</th>
<th>Clinical Practice Improvement Activities</th>
<th>Meaningful Use of Certified EHR Technology</th>
<th>PQRS, Value Modifier, EHR Incentives</th>
<th>MIPS Payment Adjustment (+/-)</th>
<th>Certain APMs</th>
<th>Qualifying APM Participant</th>
<th>5% Incentive Payment</th>
<th>Excluded from MIPS</th>
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<td>2026 and later</td>
<td>0.75</td>
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*Qualifying APM conversion factor

**Non-qualified APM conversion factor
Trinity Health Next Generation ACO utilizes Evidence-based Criteria to Stratify and Identify Population for Care Management Review

1. Sort population by Medical Spend

- **Top 1%**
  - $121,570 Average Spend
- **Top 5%**
  - $53,666 Average Spend
- **Top 10%**
  - $27,914 Average Spend
- **Top 30%**
  - $9,862 Average Spend

2. Stratify Top Spenders using Evidence-based Criteria:
   - 2 or more Inpatient Admits within 12 months OR
   - 2 or more Readmissions within 12 months OR
   - 2 or more ED visits within 12 months OR
   - 2 or more Diagnoses of Chronic Conditions (Heart Failure, Hypertension, Diabetes, CAD, COPD, Asthma or Behavioral Health)

3. Identify Beneficiaries who require further clinical review
4. Care Management begin “Detective Work”
5. Review with Accountable Clinical Team

Reference: Proactively Identifying the High Cost Population: Insights from the Health Care Transformation Task Force
Care Management Strategic Plan

- PCMH, Annual review of every patient (virtual or in person)
- Care Management for high and rising risk
- Behavioral Health
- Ambulatory Pharmacists (poly pharmacy and High risk)
- COMPASS (co-morbid Chronic disease and BH)
- GRACE model (HICM)
- Ambulatory Geriatric practice, High Acuity/High risk practice
- Primary Care at home
- PACE
- SNF Hospice
Population Health Management Summary

Better for:

• Patients
• Providers
• Society
Population Health Management

Questions?
Opportunities in 2017

Tina Freese Decker
President, Spectrum Health Hospital Group

GVSU West Michigan Healthcare Economic Forecast | 1.13.17
Spectrum Health
Mission: To improve the health of the communities we serve

$326 MILLION
FY2016 COMMUNITY BENEFIT

$5 BILLION ENTERPRISE

25,200 EMPLOYEES

Spectrum Health Hospital Group and Spectrum Health Medical Group

12 HOSPITALS
2,138 BEDS

180 AMBULATORY SITES

1,500 EMPLOYED PHYSICIANS AND APPS
(INCLUDING ABOUT 1,400 MEMBERS IN THE SPECTRUM HEALTH MEDICAL GROUP)

1,700 INDEPENDENT PHYSICIANS

342,162 ED VISITS

74,300 ADMISSIONS

2,300 ACTIVE VOLUNTEERS

Priority Health

752,000 MEMBERS

6,500 EMPLOYERS

34,000+ PROVIDERS

115 ACUTE CARE HOSPITALS

SERVES MEMBERS ACROSS THE U.S.
Telemedicine
Innovation and Quaternary Care
## Core Health Program Outcomes, Grand Rapids

<table>
<thead>
<tr>
<th>Measure</th>
<th>Before Program</th>
<th>Final During Program</th>
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<tbody>
<tr>
<td>Emergency Department Utilization</td>
<td>33.9%</td>
<td>29.2%</td>
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<tr>
<td>Hospitalization as an Inpatient</td>
<td>32.2%</td>
<td>20.6%</td>
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<tr>
<td>Reduction in Length of Stay as an Inpatient</td>
<td>19.1%</td>
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<td>HbA1c &lt; 7.0%</td>
<td>27.9%</td>
<td>32.5%</td>
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<td>Meds being taken as prescribed (mean no. days)</td>
<td>3.1</td>
<td>3.8</td>
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<td>Physical Activity: Mean Number of Days Per Week (30-min)</td>
<td>2.0</td>
<td>2.7</td>
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<td>Servings of Fruits or Vegetables Daily (mean)</td>
<td>1.1</td>
<td>1.5</td>
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<td>Blood Pressure Maintained Under 130/80</td>
<td>32.3%</td>
<td>40.0%</td>
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<tr>
<td>Inpatient Charges per Day</td>
<td>$2,152</td>
<td>$1,535</td>
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July 1, 2015 through June 30, 2016
Nick Lyon
Director, Michigan Department of Health & Human Services
Jim McDonald
Vice President - Total Rewards - Meijer
Questions?
Closing Remarks

www.gvsu.edu/vphealth/
Health Forum of West Michigan
Friday, February 3, 2017

AGING IN PLACE
Richard M. DeVos Center
Grand Valley State University
Loosemore Auditorium
401 West Fulton Street

Go to www.gvsu.edu/vphealth for updated information and to REGISTER.
Call 616-331-5876 for more information.

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