Behavioral Health: Employer-Provider Solutions

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- Chief Executive Officer
- MemorialCare Medical Foundation

IBI-PBGH Regional Forum
Mental Health is Bigger than Mental Health
San Francisco, CA
May 21, 2019
# MemorialCare Health System

<table>
<thead>
<tr>
<th><strong>Total Assets</strong></th>
<th><strong>$3.3 billion</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>– Annual Revenues</td>
<td>$2.2 billion</td>
</tr>
<tr>
<td>– Bond Rating</td>
<td>AA- stable</td>
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<table>
<thead>
<tr>
<th><strong>Hospitals</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>– Patient Discharges</td>
<td>67,000</td>
</tr>
<tr>
<td>– Patient Days</td>
<td>308,000</td>
</tr>
<tr>
<td>– ER Visits</td>
<td>206,000</td>
</tr>
<tr>
<td>– Babies delivered</td>
<td>10,500</td>
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<tr>
<td>– Surgeries – IP/OP</td>
<td>33,000</td>
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<table>
<thead>
<tr>
<th><strong>Ambulatory Access</strong></th>
<th></th>
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<tbody>
<tr>
<td>– “At Risk” Lives/ACOs</td>
<td>250,000</td>
</tr>
<tr>
<td>– Seaside Health Plan</td>
<td>40,300</td>
</tr>
<tr>
<td>– Medical Group Visits</td>
<td>750,000</td>
</tr>
<tr>
<td>– Ambulatory Surgeries</td>
<td>59,000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Workforce</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>– Employees</td>
<td>11,000</td>
</tr>
<tr>
<td>– Affiliated Physicians</td>
<td>2,600</td>
</tr>
<tr>
<td>– Employed Physicians</td>
<td>280</td>
</tr>
</tbody>
</table>
Our Hospitals

MemorialCare Long Beach Medical Center

MemorialCare Miller Children’s & Women’s Hospital Long Beach

MemorialCare Orange Coast Medical Center

MemorialCare Saddleback Medical Center
Our MemorialCare Medical Foundation

Providers
• 350+ Primary Care Physicians
• >2,000 Specialists

Sites of Care
• 200 Ambulatory Locations
• 8 Ambulatory Surgery Centers
• 30 Imaging Centers
• 13 Dialysis Centers
• 13 Urgent Care Centers
<table>
<thead>
<tr>
<th>ACO's &amp; Direct-to-Employer Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vivity</strong></td>
</tr>
<tr>
<td><strong>HMO, Seven Founding Health Systems</strong></td>
</tr>
<tr>
<td><strong>aetna</strong></td>
</tr>
</tbody>
</table>
| **PPO, Attributed & Product Model** | **Out-performed market trend by 5% in 2018**  
**Doubled membership between 2017-2018** |
| **Anthem** | **Blue Cross** |
| **PPO, Attributed Model Only** | **Out-performed market trend by 2.5% in 2018** |
| **Boeing, Direct-to-Employer, PPO** | **Reduced total-cost-of-care by 4% in first year (designated/full yr)** |
| **MemorialCare Health Alliance** | |
| **NextGen ACO** | |
| **Medicare FFS Advanced Alternative Payment Model 2016, 2017** | **NORC estimated we saved Medicare $12.6 M in 2016** |
Higher costs associated with behavioral health diagnoses*

Additional healthcare costs estimated at 2-4 times those without concurrent behavioral health conditions

Estimated additional healthcare costs in 2017 approximately $406 billion nationwide

Milliman 2012 study estimated 9-17% of costs could be saved through effective integration of care ($37.6-67.8 billion nationally)

Depression is rarely the only problem

- Chronic Pain: 40-60%
- Cancer: 10-20%
- Neurological Disorders: 10-20%
- Diabetes: 10-20%
- Geriatric Syndromes: 20-40%
- Heart Disease: 20-40%
Experience in our patient populations

**By the numbers**

24% of Medicare patients had behavioral health diagnoses and accounted for >50% of the costs[^1]

14% of patients had behavioral health diagnoses and accounted for >25% of costs even among commercial ACOs

>95% of those costs were spent on medical services, not behavioral health services

### 2016 Cost Data – Selected Samples

<table>
<thead>
<tr>
<th></th>
<th>ACO 1</th>
<th>ACO 2</th>
<th>NG ACO (MCR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PMPM w/ BH Dx</td>
<td>$805</td>
<td>$683</td>
<td>$2,054</td>
</tr>
<tr>
<td>PMPM w/o BH Dx</td>
<td>$388</td>
<td>$304</td>
<td>$541</td>
</tr>
</tbody>
</table>

[^1]: Nextgen ACO patients 2016
[^2]: Average of two commercial ACOs, 2016
Behavioral Health Challenges in our Patient Population

Behavioral Health Services Carved out by Health Plans
- Behavioral health intervention independent of medical treatment
- Lack of patient follow-thru on referral
- No coordinated approach to treatment
- Minimal feedback loop to PCP

Primary Care Inadequately Prepared
- Limited time in the clinic
- Medication management variation
- Complex psychosocial issues
- Screening for depression without adequate treatment options

Patients fall through the cracks or on inadequate treatment far too long
Targeted highest opportunity areas in our population

Anxiety and Depression Focus

• **50% - 67%** of managed care diagnoses for behavioral health were for depression and mood disorders

• **2/3** of behavioral health encounters were for depression and anxiety

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### 2016 All Behavioral Health Diagnoses

<table>
<thead>
<tr>
<th>All Managed Care</th>
<th>Legend</th>
<th>Medicare HMO Only</th>
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</thead>
<tbody>
<tr>
<td>30%</td>
<td>Mood Disorders(^1)</td>
<td>46%</td>
</tr>
<tr>
<td>20%</td>
<td>Anxiety and Personality Disorders</td>
<td>21%</td>
</tr>
<tr>
<td>16%</td>
<td>Addiction/Chemical Dependency</td>
<td>15%</td>
</tr>
<tr>
<td>6%</td>
<td>Dementia and Cognitive Disorders</td>
<td>9%</td>
</tr>
<tr>
<td>4%</td>
<td>Psychosis</td>
<td>7%</td>
</tr>
<tr>
<td>15%</td>
<td>Learning Disorders</td>
<td>1%</td>
</tr>
<tr>
<td>10%</td>
<td>Other(^2)</td>
<td>1%</td>
</tr>
</tbody>
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\(^1\) Depression is the single largest diagnosis within the mood disorders category.

\(^2\) Other includes autism, psychosocial, and eating disorders.
Potential Approaches to Behavioral Health Intervention for Low-Moderate Severity

- **Consultation**
  - Limited Access
  - Limited Feedback
  - Expensive
  - One time referral

- **Co-location**
  - Direct Access
  - Better Communication
  - Longer wait, limited providers
  - Limited follow through

- **Primary Care Behavioral Health**
  - Embedded in clinical practice
  - Generalist Behavioral Health
  - Rapid access to limited interventions
  - Emerging evidence base
Collaborative Care Model

Patient-centered model of care

• PCP identifies eligible patients with anxiety and/or depression.
• PCP initiates treatment and team-based model.
• Patient agrees to treatment plan and receives a warm hand-off from PCP to Behavioral Health Care Manager (BHCM).
• BHCM works collaboratively with PCP and consulting psychiatrist in weekly case review to manage treatment plan.
• Treatment focus is on working with the patient to achieve target PHQ-9 or GAD-7.
Primary Care Physician
• Primary treatment relationship
• Prescribes and manages medication
• Engages psychiatry specialists as needed
• Supports treatment plan
• Consults with collaborative care team
• Supports system change

Behavioral Health Specialist (BHS)
• Facilitates patient engagement
• Performs initial and follow-up assessments
• Systematically tracks treatment response
• Supports treatment plan with PCP
• Reviews challenging patients with psychiatric consultant weekly
• Evidence-based psychotherapy and social work interventions

Consulting Psychiatrist
• Conducts weekly case reviews with BHS
• Available to PCP to discuss treatment progress and potential interventions
• Consults on medication adjustments
• Supports overall treatment plan
• Available for referral of more complex patients
An Evidence Based Model

**IMPACT Trial**

- Randomized study, 1998-2003, 1801 older adults
- 8 health systems in 5 states (University of Washington, Duke, Kaiser California, Indiana University, University of Utah)
- Compared usual care to collaborative care for depression
- 50% greater improvement in depression treatment
- Lower costs
- Results replicated in several later studies
Results so far: 86% achieve depression remission within 90 days

Established model at 3 pilot sites – results since June 2018
Next steps

Enhancements underway

• Expanding from 3 to 7 sites
• Implementing video visits for warm handoffs and expanded access
• Establishing fee for service billing and working with payers to assure broader access
• Enhancing registry capabilities
• Deploying patient self-management tool to enhance scalability and support lower severity patients
Thank you.

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