Innovations in Grand Junction Health Care Delivery

The following are notes for presentations on Grand Junction's Health Care Delivery system that were made at the LWVBC November 2010 units. Information about sources for the material is at the end.

Grand Junction's program is considered a success because it has lower costs and a higher quality of care.

Lower costs:

According to the Dartmouth Atlas of Health Care, in terms of cost GJ is less expensive than CO or the US.

Total Medicare Spending per Enrollee

GJ = almost $6000	Colorado = about $7500
Boulder = over $9000	Denver = slightly over $8000
Pueblo = over $6600	Fort Collins = over $6400
US = over $8000	McAllen, TX = over $14,000

McAllen, TX is held up as the most expensive per person health care, but this is complex. Comparing McAllen to GJ is controversial and may well be comparing apples and oranges.

Higher quality of care:

Medicare has a "Composite Quality of Care Index," which compares 300 cities. Minot, ND has the highest quality of care at with a score of over 95.56 out of 100. Grand Junction's score is over 91 [FYI Pueblo's is over 93, Denver's is slightly over 90, Fort Collins's is about 88. Boulder's is a little over 85, one of the lower percentages for the cities included in Colorado. McAllen, Texas is 69.5.]

What are the primary factors said to be involved in Grand Junction's success?

- All the main institutions involved are non-profit, including, Rocky Mountain Health Care, the dominant insurer, the hospitals, clinic, hospice, and the other NGOs.
- Almost all of the doctors in GJ and in Mesa County have agreed to get paid the same amount from all patients – whether Medicare, Medicaid, private; there is no incentive to cherry-pick;
- The city is small – 53,000 in GJ and 103,000 in Mesa County, which makes it easier to establish a sense of community and effective collaboration;
- The central insurer, Rocky Mountain, was started locally by GJ doctors and is more trusted by patients and the medical community than is usually the case;

- There are technological innovations (electronic records) that are networked among medical providers, allowing them to be more efficient in dispensing higher-quality care; they do so without privacy protests, so far as we know; see the Quality Health Network below.
- The collaboration among doctors includes an agreement to submit to peer reviews that reveal each other's practices. They're paid a set, smaller fee and then get 15-20% back in bonuses if their outcomes are judged to be good;
- There is a higher proportion of primary care docs to specialists in GJ, which both lowers costs and helps establish continuity of care. The emphasis can thus be on primary care, including basic prenatal care;
- The larger of the two hospitals is still relatively small; no empty beds cry out for patients, and the hospital is committed to remaining small.

What institutions are involved in Grand Junction's system?

1. The doctors
2. Rocky Mountain HMO
3. The 2 GJ hospitals
4. A clinic, Marillac Clinic
5. Several community service organizations

1.The Doctors……

***agree to incentives**

85% of the doctors in Mesa County are part of MCPIPA (Mesa County Physicians Independent Practice Association). The group has agreed to incentives, an evolving set of metrics that involve both efficiency and quality. They are paid for their services but a certain amount – up to 15 or 20% – is withheld and then awarded to them as bonuses if they meet certain criteria for care. The doctors' association tends to be run by the primary care doctors, not the specialists. MCPIPA does more and more of the incentive decision-making, and Rocky then doles out the bonus money based on MCPIPA's metrics.

***agree to be paid the same for all patients under their care, whether they are Medicaid, private, Medicare.**

The docs feel that this is the centerpiece as there is no incentive to cherry-pick, and all patients receive the same level of care.

***share data among the docs and RMHMO**

Rocky Mountain HMO and the doctor's group share data on results of care. For example, they receive info via a newsletter on whether a new

drug or device is really better than an old one. The Prudent Prescriber is a newsletter, now distributed across the country, that gives doctors information on drugs and devices that is sometimes critical of the drugs and devices.

Specialists and primary care doctors co-operate
Communication is encouraged between specialists and primary care doctors. A primary care doctor is paid and encouraged to visit his or her patient in the hospital even if the patient is under a specialist's care because better follow-up care clearly creates better post-hospitalization outcomes.

2. Rocky Mountain HMO.

- Founded in GJ by local, mostly primary care docs in the 1970's, and said to still be controlled by primary care doctors, Rocky is now more than an HMO. It is a PPO and has an HSA component. It exists statewide.
- It encourages, convenes, but does not run the physician practices reviews.
- It hosts monthly reviews of hospitalized patients' care with the doctors involved.
- It provides doctors with copies of hospital bills, lab costs, MRI, CT scan costs.
- Twice a year it gives doctors a cost report within each specialty. It is loaded with data on each doctor's cost to Rocky, fees charged, the prescribed drug costs, referral rates.
- Rocky is a non-profit managed-care organization with a 40% dominance of the markets-share (2007 figures). Other insurance companies exist in Grand Junction and are not involved in the equalization of payments for the different kinds of patients. Rocky feels that the cost efficiencies give those other insurance companies a free ride.**

3. GJ 2 Hospitals Both non-profit
Community Hospital - 78 beds, acute care, diagnostic and in-patient, does ¼ of the lab and radiology tests for the clinic;
St Mary's Hospital and Regional Medical Center 277 beds and doesn't want to grow, receives high scores for care and discharge help. It closely collaborates with Marillac Clinic. In not growing bigger than the community genuinely needs, it has no incentive to fill empty beds. St Mary's feels that the cost efficiencies that GJ institutionalizes may cost the hospital in terms of number of patients and services it provides, but on the other hand, the existence of an excellent clinic for low-income

people, along with the good primary care medicine in GJ, means that there are far fewer emergency room patients coming in with ear pain and no money to pay for services. There are some doctors on salary at St Mary's rather than being paid fees for services.

4. Marillac Clinic

- Marillac is a low-income clinic with 77 employees including 3 docs and 3 dentists.
- It is an independent community clinic located right on the campus of St Mary's.
- It is owned and sponsored by Sisters of Charity of Leavenworth, funded by CO Indigent Care, grants, and donations.
- To qualify, you must be a resident, uninsured, and low-income. Once you qualify, there is a sliding scale. In one appointment you can see an eye doctor, a therapist, a dentist, a primary care doctor and finally go to Marillac's drug dispensary.
- Marillac manages well the involvement of 150 specialists who provide services. They sign papers making commitments to a certain amount of care or a certain discount. Those specialists use the technologically advanced networked electronic records to get information; they don't rely on patients' memories. They are recognized in the clinic's newsletters for their pro bono work.

5. Community Service Organizations

There are three important ngo's that are part of the system and help keep down costs and maintain quality.

Hospice and Palliative Care of Western Colorado

It was formed in 1992 by Rocky, the hospitals and Hilltop. It handled 1400 patients in 2008. Advanced directive classes are taught by retired doctors. The result is that hospital usage is much lower in GJ for the terminally ill in the last 6 months of life. 38% fewer of the terminally ill die in a hospital in GJ than the national average. The terminally ill spend 74% more days in hospice and 40% fewer days in the hospital in the last 6 months of life.

Hilltop Community Resources

- Funded by businesses, individuals, clubs, and foundations.
- Has a mission to "foster self-sufficiency and enrich quality of life." Been in business 60 years.
- Deals with brain injuries, victims of domestic violence, assisted living for seniors.

- Serves ½ of the pregnant women in the county, particularly those who could qualify for some kind of coverage, including those who are a little too well-off for Medicaid, helping them get their costs covered, giving nutritional counseling onsite, setting up appointments with docs – all free. Prenatal is funded by many sources – Rocky, MCPIPA, the hospitals, United Way, March of Dimes.

Home Care of the Grand Valley

- Provides home care services, nursing, that is much cheaper than hospitalization.
- Credited with GJ having lower hospital readmission rates.
- Serves about 800 clients annually with 24 hr 7-day-a-week care. Night-time urgent care. Includes adult, senior, pediatric, care and is involved in rehab, physical therapy, high-tech care. It uses the Lifeline Personal Monitoring System. It does fast response, helps stroke victims, people who have had orthopedic surgeries.
- Funded by donations from Rocky, Hilltop, the hospitals.

6. Advanced Technology: Quality Health Network, Electronic Records

QHN is a system of networking – of entering and sharing medical information on patients among institutions. It is used by hospice, long-term care facilities, the doctors, hospitals, clinics, the NGO's – 1569 licensed users from 84 different organizations. It went live in 2005 and serves Western CO and Eastern Utah. Three-quarters of the funding comes from the 2 hospitals. It is seen as a community effort with the Board being leaders of the medical community. There don't seem to be privacy issues involved.

Some added points:

Some people who follow GJ innovations, including the Colorado Medical Society's new president, GJ doc, Mike Premenko, believe that Rocky can become the model for the new non-profit co-op exchanges that can come on line in 2014. He hopes that accountable care organizations, like Rocky, may then begin to spread across the country.

Rocky worries about the medical loss ratio, which means that all insurance companies must hold their administrative costs to a certain maximum percentage because some of the reform work it is doing costs them time and money. They don't want their innovations to be counted against them on the administrative side.
Medicare supplements are uniform in terms of what they pay. Rocky's cost plans are not supplements. They are in a special category.

The main source for this info is Grand Junction, Colorado: A Health Community That Works, by Nichols, Weinberg, and Barnes, New America Foundation, August, 2009. The PDF is about 17pages long and can be found at http://newamerica.net/files/GrandJunctionCOHealthCommunityWorks.pdf

For Bill Scanlon's articles http://www.cpt12.org/news/?s=bill+scanlon as well as http://www.kaiserhealthnews.org/Stories/2010/August/19/Grand-junction-health-care.aspx

A recent article in hfma (healthcare financial management association), called Seven Reasons for Grand Junction's Low Medicare Spending, essentially a summary of an Oct 10, 2010 article in the New England Journal of Medicine.

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