A Proven On-Site Health Center Model: A 20-Year Case Study

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QuadMed
Sussex, Wisconsin
Today’s Agenda

- **Introduction—Primary Care at Crossroads**
- **QuadMed—Quad/Graphics Case Study**
  - Integrated, comprehensive onsite PCMH clinics
  - Incentivized wellness and chronic condition management
  - Keys to onsite success
- **Emerging Technologies**
- **Planning Horizon—Where We See the Industry Heading**
- **Closing Observations**
Hard Choices

We offer three kinds of service:
GOOD - CHEAP - FAST
You can pick any two
GOOD service CHEAP won’t be FAST
GOOD service FAST won’t be CHEAP
FAST service CHEAP won’t be GOOD
• “Every system is perfectly designed to deliver the results it produces.”
  – Don Berwick
The Triple Aim—QuadMed's “Strategic Directives”

From the Institute for Healthcare Improvement (IHI)—the three Aims are to measurably improve...

1. population health
2. patient experience
3. cost per capita

In other words... Quality, Service and Value

(Good, Fast and Cheap)
Business Model Triangle

FAST

CHEAP

GOOD
Good—Fast—Cheap in 3-D
Squeezing the Balloon
Clayton Christensen’s Model of Disruptive Innovation

Source: Clayton Christensen, *The Innovators Solution*
Example
• “We figured out that in every industry where the leader had been killed, it’s not that they’re asleep at the switch, it’s that someone came into the industry with a simple, affordable product. And they then take root in undemanding applications and carry affordability and simplicity up-market to do progressively more sophisticated things.”

• Innovation depends upon “a technologic enabler embedded in a business model.”

• “Science commoditizes expertise.”

Source: Video interview on www recorded April 2010
Quad/Graphics/QuadMed Overview
Visionary Founder

Philosophy
Practice better medicine—not less medicine
This will ultimately save more money than treating healthcare as a short-term, bottom-line expenditure

Goals
- Control costs by providing a full range of healthcare services
- Focus on wellness, preventive medicine
- Offer benefits that attract, retain staff
- Maintain flexibility in benefits design
- Improve patient access with onsite and nearsite facilities

Harry V. Quadracci, Founder
Quad/Graphics and QuadMed
Patient-Centered Primary Care “Medical Home”

- **Our philosophy:**
  - To positively affect health in the manner most convenient to the patient
- **Reduce barriers to access and increase likelihood of action**
  - Provider to rehab professional
  - Pharmacist to provider
  - Provider to dietician
- **Wellness and sick care intertwined and mutually reinforcing**
- **Pre-disease identification and risk mitigation**
Our Model

The QuadMed model is an integrated service offering delivered from a worksite primary care platform

- **Enabled By:**
  - Integration
  - Effective referrals
  - Value-based benefit design
  - Technology
Our success has driven expansion
Representative Clients

“There’s only one way to avoid paying more for the healthcare system, and that’s corporations getting back into the healthcare business.”

- John Shiely
  Chief Executive
  Briggs & Stratton

“QuadMed performs significantly better than benchmarks in terms of lower rates of health care cost increase.”

- Mike Critelli
  Retired Executive Chairman
  Pitney Bowes

“We saved $490,000 in our first year of the onsite clinic. Our workers’ compensation costs are also significantly reduced.”

- Jeff Mahloch
  Vice President of Human Resources
  Briggs & Stratton
QuadMed Facilities
QuadMed Auxiliary Services

- Lab
- Radiology
Case Study Results
QuadMed Results

By improving convenient access to care and focusing on wellness, our model reduces inappropriate ER and Inpatient utilization*

*Results represent a population in a rural area that had limited access to primary care resulting in inappropriate utilization of Emergency Room and Inpatient Care.
Measuring Health Improvement

- Longitudinal change in aggregate HRA and biometric data
Patient Reported Satisfaction Levels
All Clinics

Overall visit quality
Ease of access by phone
Courtesy of staff
Wait in lobby
Wait in exam room
Time spent with provider
Adequacy of explanation
Technical skills of provider
Personal manner of provider
Convenient location

GOAL = 4.5

1 = Poor  5 = Superior

2006
2011
Our costs are consistently lower than benchmarks, when actuarially adjusted for demographics, industry, benefit design and geography.

Approach
QuadMed Approach

- QuadMed’s vision is a continuing transformation of the healthcare industry
  - Employer-sponsored solutions
  - Focus on primary care and wellness to reduce costs
  - Superior patient experience enabled by convenience and technology
  - Salaried production model
  - Integrated solutions
  - Executive commitment, attention and focus
  - History of entrepreneurship and innovation
Our Model of Integration

Patient Centered Medical Home Model of Primary Care
(platform for managing population health)

Population Care Continuum

- Good Health
- Preventive Care
- Short Term Acute
- Chronic
- Complex Catastrophic

Wellness Programming
- Health promotion/awareness/education
- HRA
- Biometric screenings
- Immunizations
- Preventative care
- Onsite programming
- Group campaigns (smoking cessation, weight/nutrition mgmt, exercise/fitness, stress mgmt)
- Incentivized wellness tracking

Disease Management
- Major event prevention (diabetes, asthma, hypertension)
- Targeted counseling services
- Compliance (testing and medication)
- Prevention of crisis stages
- Ongoing symptom management
- Mail and telephonic outreach
- Management of chronic conditions/diseases
Getting Employees Engaged

- Cultural alignment
- Effective messages
- Multi-channel
  - Email, Mail
  - Website
  - Company intranet, newsletters
  - Employee meetings
  - Table tents, posters
  - Open house
- Customization
Health Risk Assessment and Biometrics

• Features
  – Simple, non-intrusive (<30 questions)
  – Online or paper
  – Bilingual (Spanish)
  – Readiness to change questions
  – Ability to add customized questions
  – Onsite technical support during event
  – Built-in participant authorization to accepting outreach
  – Data import of lab values to avoid self-reported key measures
  – GINA and HIPAA Compliant
Lean You! Wellness Education and Programming

• A host of programs, communications and tools designed to promote:
  – Culture of health and well-being at the workplace
  – Healthy lifestyle information for employees to engage in at work or home

• Customized programming based on the needs of client population

• Incentives Drive Engagement

• Samples:
  – Building Stress Resilience
  – Mindfulness and Relaxation
  – Healthy Eating on the Go
  – Smoking Cessation
  – Bye-Bye Belly Fat
Health Coaching & Education

- **Multi-faceted approach & options for associates**
  - Web-based Health Improvement System (self-serve)
  - Personal Health Coaching with a Wellness Professional
  - Onsite Wellness Education and Programming

- Allows for individual styles and preferred method to engage
Web-Based Health Improvement System

- **Features**
  - Individual program recommendations from rule based engine
  - Course selection by participant to help them engage
  - > 50 online programs available
  - Friendly email reminders and follow up messages
  - Personal progress tracking and reporting
  - Easy to administer and access
  - Immediate access following HRA completion
Chronic Condition Management (CCM)
Disease Management—Integrated into Primary Care

- Identification via HRA/screening event, claims and physician referrals
- Physician driven with care teams: Certified Nurse Educator (CNE) and Care Coordinator (CC)
- Care provided according to Best Practice Guidelines
- Nurse educator consults provided by face-to-face, virtual and telephonic means
- Patient Portal to help facilitate enrollment forms, educational materials, and feedback on progress
- Active outreach (outbound calls, letters)
- Formal programs include:
  - Diabetes
  - Asthma
  - Hypertension
  - Hyperlipidemia
Value-Based Incentive Design (VBID)

- Value-Based Incentive Design is the explicit use of plan incentives to encourage enrollee adoption of one or more of the following:
  - appropriate use of high value services, including certain prescription drugs and preventive services
  - adoption of healthy lifestyles, such as smoking cessation or increased physical activity
  - use of high performance providers who adhere to evidence-based treatment guidelines

- Enrollee incentives can include rewards, reduced premium share, adjustments to deductible and co-pay levels, and contributions to fund-based plans, such as a Health Savings Accounts

Source: NBCH VBBD Purchaser Guide
Value-Based Incentive Design (VBID)

- Value-Based Incentive Design is an engagement tool that is part of an evidence-based approach to managing health outcomes.
  - Uses data to:
    - Drive investment in benefit designs and programs that
    - Change behaviors in interaction with the delivery system to
    - Improve quality, health, productivity, and financial outcomes (dividend)
## Supporting CCM/VBID with our EMR

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<th>Diabetes</th>
<th>Hypertension</th>
<th>Asthma</th>
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<td>Well You Visit (2)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>First provider visit (2)</td>
<td>✓</td>
<td>✓</td>
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<td>Tobacco Free or actively trying to quit</td>
<td>✓</td>
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<tr>
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<tr>
<td>Asthma self Assessment (2 x per year)</td>
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$0 Co-Pay for generic drugs  
$10 Co-Pay for name brand drugs
EMR—Customized Program Support

- **EMR—Integrated Program Support**
  - Customize forms for disease management, incentivized wellness, etc.
  - Provider can educate and motivate patients on outside programs
Processes Supported in EMR via Care Alerts/Protocols

- **EMR—Patient Care Experience**
  - Actionable data - alerts & protocols
  - Centralized, coordinated care
QuadMed Care Alert Program

- **Facilitates Outreach**
  - Send messages to individuals or groups
  - Choose letter format from customized templates

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<td>✓ Blood Sugar ≤ 125</td>
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<td>□ diabetic</td>
<td>□ LDL &lt; 130</td>
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<td>□ LY Colonoscopy</td>
<td>□ Mammogram</td>
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<td>□ Second provider visit</td>
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<td>□ VO2 Score</td>
<td>□ WYD 1st qtr Educator Visit</td>
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<td>□ WYD 4th qtr Educator Visit</td>
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<td>□ WYD Eye Exam</td>
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<td>□ WYD LDL Measured</td>
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<tr>
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<td>□ WYD Tobacco Use</td>
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QuadMed Care Alert Program

- Links to key EMR data
- Provides graphical trending views
- Can open patient chart in EMR directly from QuadMed Care Alert
Ongoing Employee Engagement
Keeping Employees Engaged

- Continuous messaging
- Ongoing programming and wellness events
- Targeted communications
- Measure effectiveness
QuadMed Patient Portal

- Personal Health Home Page for Each Patient
  - Secure and confidential
  - Engages patients to improve their health
  - Provides access to services available to the patient
  - Allows patient to update preferences
Online Scheduling

- **Patient can choose**
  - How to receive appointment confirmation
    - Secure message or text message
  - How to receive appointment reminders
    - Phone, secure message or text message
  - How visit will take place
    - In-person at onsite clinic
    - Online chat
    - Virtual ‘in-person’ via telehealth
Engaging the Distributed Population: Virtual QuadMed
Solution for Remote Sites

VIRTUAL QUADMED

Onsite Clinic

- Larger capital investment
- Highest potential savings through decreased inpatient hospitalizations, emergency room visits and redirected primary care visits

Telehealth Access to Providers

- Low capital investment
- Virtual access to primary care and some specialists

Chronic Condition Management

- Target Higher Health Spend
- Decrease inpatient hospitalizations, ER visits and excessive specialty care visits

Wellness Programming (Onsite Wellness Coordinator)

- Wellness education and health promotion
- Increase engagement
- Prevent and mitigate risks

HRA/Biometric Screening Event

- Engagement
- Population segmentation/Risk Stratification
- Employee empowerment and health knowledge
Virtual QuadMed Core Principles

• Retain patient-centered model of care
• An extension of our services
  – New Telehealth capabilities provide yet another way for a patient to access QuadMed
Reaching Distributed Populations: Onsite + Telehealth

A: Client Worksite
- Physician Access
- Nutrition Counseling
- Chronic Condition Management
- Wellness Coaching

Primary Worksite
Onsite Primary Care Clinic
- Physician Access
- Nutrition Counseling
- Chronic Condition Management
- Wellness Coaching

B: Client Worksite
- Nutrition Counseling
- Chronic Condition Management
- Wellness Coaching

C: Client Worksite
- Wellness Coaching

D: Client Worksite
- Nutrition Counseling
- Chronic Condition Management

9A-51
Virtual QuadMed: Wellness & Telehealth Center

- "Hub" for Health and Wellness at the location
  - Information and program enrollments
  - Wellness Education and Programming
- 200-500 sq. ft.
- Staffed
  - Medical Assistant
  - Nurse/Wellness Coordinator
  - PA/NP
- Virtual Access to Providers
  - MAs, PA/NPs, Physician
  - Nurse Educators (CCM)
  - Registered Dietitians
  - Wellness Coaches
- Supported by fully integrated technology platform (Patient portal & personal health record)
Virtual QuadMed Services

- **Services:**
  - Virtual Consultation (Phase 1)
    - Patient ⇔ Provider
    - Chronic Condition Management nurse educator appointments
    - Wellness & Nutrition Counseling Services
    - Base “condition” list
  - Virtual Clinic (Phase 2)
    - Patient & Nurse ⇔ Physician
    - Exam
    - Real-time data collection
    - Diagnostic devices

**Telehealth Appointments: Overview of Conditions**

Telehealth should only be used for NON-EMERGENCY medical issues.

The following are the types of conditions that telehealth can be used for. When scheduling your telehealth appointment online, you will be asked to select the one that is closest to your needs. You will also be able to include any additional information you would like to share about what you are experiencing.

Please be aware that depending upon the severity of your problem, we may still suggest you make an in-person appointment to see a provider:

- Acid reflux
- Allergies
- Cold and flu symptoms
- Constipation or Diarrhea
- Cough and asthma flare-up
- Ear infection or pain
- Eye itch or pink eye
- Headache
- Joint ache & pains
- Sinus congestion
- Skin conditions itching, flaking, sores, infection
- Urinary tract infection
- Wellness consultation
- Diabetes visit
- Asthma visit
- High blood pressure visit
- Nutrition consultation/evaluation

- Help determining if I need to see a specialist
- Help to see if I need an in-person appointment

For questions or additional information on telehealth appointments, call 1.855.717.4688

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Strategic Issues & Conclusion
Strategic Issues

• On-site Clinics—Build versus Buy
• Full Primary Care versus Convenience Care
  – Use/Oversight of Allied Health Professionals
  – Chronic Disease Management Protocols
• Other Legal and Operational Issues
  – HIPAA—Privacy/Confidentiality of Medical Records
  – Genetic Testing
• Cultural Fit
  – “What kind of employer benefits the most from on-site clinics?”
QuadMed is out front on health care issues nationally

QuadMed: Transforming Employer-Sponsored Health Care Through Workplace Primary Care and Wellness Programs

One Cure For High Health Costs: In-House Clinics at Companies

Best Practices: Innovative Healthcare Solutions

"QuadMed is fast becoming a model for companies desperate to control double-digit rises in healthcare costs."

The Wall Street Journal
Summary and Conclusions

• **20+ years of experience** rooted in worksite care
• **Proven solutions** that have delivered value for our parent company and clients
• **Our incentives align** with our sponsors:
  – No incentives to drive pharmacy volume
  – No incentives to drive hospital volume or increase unit pricing
• **At the forefront of technology and service delivery transformation**
• **Success Drivers:**
  • Integrated solutions
  • Communications
  • Benefit Design
• **Patient-centered solutions** can be successfully adapted to a variety of practice settings

"QuadMed doctors take the time to know their patients, establish a strong relationship and follow best practices in their treatment."

Jim Shearer, MillerCoors Benefits Director
Closing Observations
Questions?