

National Palliative Care Chains and Local Responses

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May 4, 2017

Join us for upcoming CAPC events

→ Webinars:

- **Lessons Learned During a 3-Year Home-Based Palliative Care Program That Ultimately Closed:**
Wednesday, May 17, 2017 | 1:30 PM ET
- **Palliative Care and the Health Policy Landscape (Open to Public):** Wednesday, May 24, 2017 | 12:00 PM ET

→ Virtual Office Hours:

- **Billing for Community-Based Palliative Care with Anne Monroe, MHA**
 - Monday, May 8, 2017 at 12:00 pm ET
- **How to Use CAPC Membership with Maddy Jacobs**
 - Monday, May 8, 2017 at 3:00 pm ET
- **Planning for Community-Based Care with Jeanne Sheils Twohig, MPA**
 - Tuesday, May 9, 2017 at 11:00 am ET
- **Ask a Program Leader: Open Topics (30 Min Express Session) with Andrew Esch, MD, MBA**
 - Wednesday, May 10, 2017 at 2:00 pm ET
- **Making the Case: Using Cost Savings Data and Ways to Demonstrate Value with Lynn Hill Spragens, MBA**
 - Thursday, May 11, 2017 at 11:00 am ET

→ **CAPC Payment Accelerator: Supporting Palliative Care Programs in Value-Based Payment and Contracting**

- To learn more about this opportunity please visit <https://www.capc.org/topics/payment/> or contact the Accelerator Coordinator with any questions at seema.satia@mssm.edu

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National Palliative Care Chains: Industry Landscape

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Introduction

Healthcare startups and private equity investors have recognized an opportunity: palliative care produces high quality patient outcomes at reduced cost for health plans' sickest and most complex patients.

The combined market for hospice and palliative care is around \$36bn in the US and growing at more than 4% per year. (Estimate from industry research firm IBIS World)

Review of three industry competitors:

- Aspire Health
- Landmark Health
- Turn-Key Health

Aspire Health

The Model:

Aspire contracts with health plans to care for high risk patients.

- Hires and launches interdisciplinary practices in each city: physicians, NPs, PAs, social workers, RNs and chaplains.
- Co-management of patients alongside patients' PCPs and specialists, and collaboration with home-health providers.
- Physician practice with prescriptive authority.
- Patients primarily seen in their homes, some clinics co-located with oncology practices.

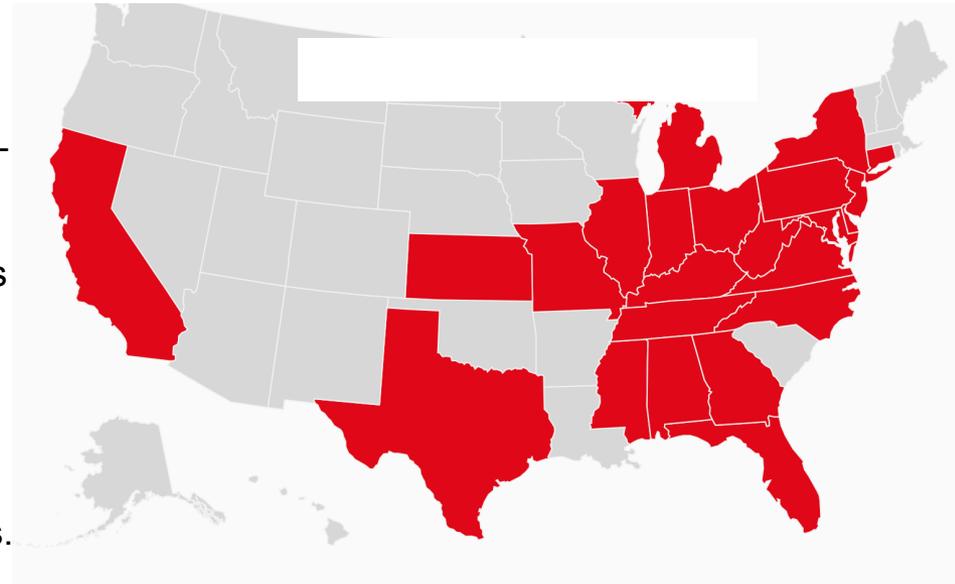
Since 2013, Aspire has cared for more than 20,000 patients through contracts with over 20 health plans.

- Plans pay with a range of arrangements: case rates, PMPM, shared savings, risk-based contracts.
- 70% of Aspire patients belong to Medicare Advantage plans, 30% mix of managed Medicaid, commercial health plans, ACOs and risk-based physician groups.

Supported by substantial private equity funding, most notably \$32m from GV (Google Ventures) in Oct 2016.

Growing National Reach:

Aspire is now the nation's largest non-hospice community-based palliative care provider, operating in 22 states and 45 cities



Sources: Interview with Aspire Health, company website.
Image source: www.aspirehealth.com/locations

Aspire Health

Patients Served:

- Aspire's patients typically have a 6-12m prognosis, and are among the most expensive 2% of plan members.
- They have advanced stage cancer, CHF, COPD, kidney failure, liver failure, advanced dementia, ALS. They may also have earlier stage disease but frequent hospital visits.

Patient Identification:

- Predictive clinical and claims-based patient algorithm.
- Collaboration with health plans and plan case managers.
- Referrals from PCPs and specialists.

Results:

- 50% reduction in hospital admissions
- Net Promoter Score: 82%

Sources: Interview with Aspire Health, company website.

Landmark Health

Business Model:

Landmark contracts with health plans to provide longitudinal care for high risk patients under a shared savings payment model.

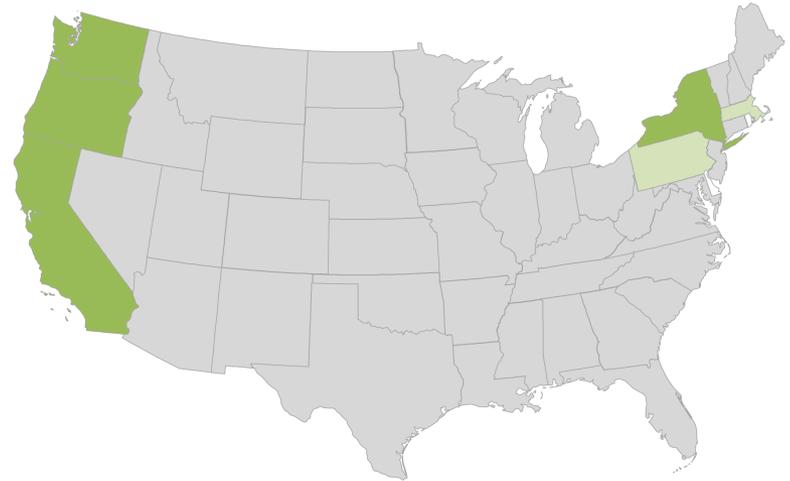
- Hires and launches interdisciplinary practices in each city: physicians, NPs, nurses, social workers, dieticians, pharmacists: integrates behavioral, social and palliative care. (“Complexivist™ care”)
- Co-management of patients alongside patients’ PCPs and specialists, and collaboration with home-health providers.
- Proprietary EMR used to improve effectiveness and drive savings for risk-based patient care, such as accurately capturing patient risk scores.
- Patients seen wherever they live: homes, SNF, long-term care facility. Providers see 6-7 patients per day.

Landmark conducted its first patient visit in 2014 and now has 45,000 patients under management.

- 70% of Landmark patients belong to Medicare Advantage plans, 30% mix of managed Medicaid and commercial health plans (incl. Microsoft account).

Reach:

Landmark operates in 4 states, will add 2 more (MA & PA) this quarter.



Sources: Eric Van Horn, President & Chief Business Officer, Landmark Health presentation at UCI School of Business, March 2017, and company website

Landmark Health

Patients Served:

- Landmark patients have five or more chronic conditions.

Patient Identification:

- Proprietary predictive model to identify and manage patients.

Results:

- Landmark has helped to reduce costs and increase revenues for plans such that in year 1, they reduced plans' medical loss ratios by 25%, and in year 2, by 37%.
- Improvements in quality: Landmark performance often exceeds 5*.
- Net Promoter Score: 93%

Turn-Key Health

Business Model:

Turn-Key Health contracts with health plans and at-risk provider organizations to provide a population health management solution for high risk patients.

The solution has three component parts:

1. Predictive analytics to identify patients with poor prognoses and likelihood of over-medicalized care at the end of life.
2. Sources, vets and partners with local community-based palliative care providers already in operation.
3. Systems and workflow tools to support providers in managing patient engagement and care, and to track key quality and performance metrics for ACOs and health plans.

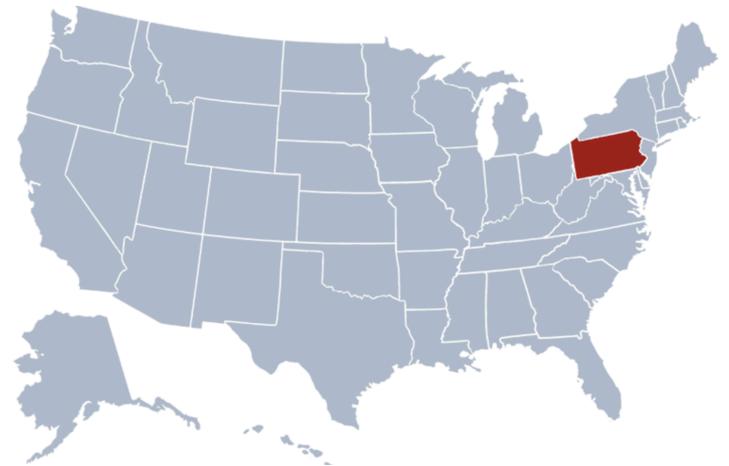
Turn-Key charges an administrative fee for the service, and providers can contract to provide patient care with a range of fee-for-service, case rates, PMPM rates, shared savings.

Turn-Key is a subsidiary of Enclara Healthcare.

Reach:

Turn-Key completed a large pilot program with Trinity Health System's Medicare Advantage patients in the summer of 2016 – producing significant reductions in hospital admissions and re-hospitalizations, reduced number of ICU days, drop in average claims costs per member per month.

Turn-Key is now in talks with 30 different health plans, risk-bearing physician groups and ACOs.



Sources: Interview with Turn-Key Health, company website.

Palliative Care Chains: Partner or Compete

Kristofer Smith, MD, MPP
SVP, Office of Population Health Management
Chief Medical Officer, CareConnect
Medical Director, Health Solutions





Third-Party Disrupters

Aspire
Health



Landmark



OPTUM™



remedy



one
MEDICAL GROUP®



Alignment Healthcare

capc Center to Advance Palliative Care

Organizational Strategy: Partner

Advantages:

- Can direct necessary utilization to organizational assets
- Don't have downside risk
- Less expensive upfront
- More patients enrolled
- Simpler for partner to work with one large regional organization

Disadvantages:

- Potential acceleration of loss of hospital revenue
- Partners may not be able to deliver on directed volume
- Provider anger over patient poaching

Organizational Strategy: Compete

Advantages:

- Maintain primary ownership over patients
- Have better control over utilization reduction
- Maintain ability to keep referrals internal
- Potential to scale existing programs

Disadvantages:

- Programs costly to scale and likely more costly than new market entrants
- ROI unclear and likely to take years to understand
- Asymmetric information and power between payer and provider

Collaborative Case Study: University of Alabama

Rodney Tucker, MD MMM

**Director, UAB Center for Palliative and Supportive
Care**

UAB SCHOOL OF
MEDICINE

Center to
Advance
Palliative Care™
capc

About UAB Medicine

- Academic Tertiary Care Center in Birmingham; 1150 acute care beds on two campuses; >150 ambulatory clinics
- >45,000 acute care admissions per year, approaching 90,000 ER visits
- ~12million square feet of built space

About UAB Center for Palliative and Supportive Care

- Established by the Board of Trustees as a Center of expertise between School of Nursing and Medicine (early collaboration)
- Comprehensive mission of clinical care, education and research
- Organized around a 5 part strategic plan and an Executive Steering team

Affiliated Centers:

- Comprehensive Center for Healthy Aging
- Center for Outcomes Effectiveness Research & Education
- Center for AIDS Research
- Comprehensive Cancer Center
- Center for Nursing Research
- Minority Health Research Center

Steering Team

Director: Rodney Tucker, MD, MMM
 Associate Director: Marie Bakitas, DNSc, APRN
 CPSC Administrative Director: Jennifer Hicks, MSHA, MBA
 Assistant Director: Keith Swetz, MD, MA
 Assistant Director: Ashley Nichols, MD
 Assistant Director: Elizabeth Kvale, MD, MSPH
 Assistant Director: Sam Perna, DO
 Assistant Director: Michael Barnett, MD, MS
 Program Administrator: Vicki Herring, CAP

Community Advisory Board

SE Institute for Innovation in Palliative & Supportive Care at UAB

Hospice Veterans Partnership

VISN 7 Palliative Care Subcommittee

Clinical Committee

VA Palliative Care Clinical Programs

- Safe Harbor Unit
- Inpt Consultation
- Home-based PC
- Home Hospice

UAB Palliative Care Clinical Programs

- PCCU
- Inpt Consultation
- Supportive Care and Survivorship Clinic
- 1917 Palliative Care Clinic

Children's of Alabama Clinical Programs

- Inpt consultation
- Musc Dys Clinic

Research Committee

- Advanced Illness and Multimorbidity Research Program
- Supportive Care and Survivorship Research Program
- VA PC Research Program

- GRECC
- NPCRC
- BEACON

Education Committee

Fellowship Committee
 Chair
 Michael Barnett MD

- Palliative Care Leadership Center (PCLC)
- UAB Clinical Training Academy (CTA)
- PC Subspecialty Nurse Practitioner Program

Marketing & Partnerships

- Development
- Website
- PCLC/CTA Marketing
- Community Advisory Board
- Community Partnerships

About UAB Center for Palliative and Supportive Care

- Operational leaders at clinical sites- UAB, Kirklin clinic, Children's of Alabama and Birmingham VA Medical Center
- All faculty with academic appointments either in SOM or SON
- Current Center team consists of ~25 interdisciplinary individuals including faculty

About UAB Center for Palliative and Supportive Care

- Current volumes of new patient referrals around 3,000 per year at all sites with approximately 1,800 from UAB inpatient
- Active fellowship training program with 4 MD fellows, nurse practitioner track in SON, Clinical training academy for practicing MD's, nurses, etc. and serves as a PCLC site

Examples of collaboration:

- Between SOM and SON
- Geriatrics and Palliative Care
- Local Hospices and UAB Clinical entities
- UAB Hospital, VA Medical Center and Children's of Alabama
- Aspire
- Community Advisory Board

Types of collaboration:

- Hospice GIP
- Educational agreements
- Philanthropy for fellowship and other program needs
- Medical directorships
- Provision of services (limited)

Cultural “Uniqueness”

- Relative youth of medical center; First degrees only started granting undergraduate in 1969
- Built of culture of collaboration between schools and community
- One of largest academic medical centers in region with very solid financial profile
- Low penetration of ACO’s or other alternative payment models
- Vast majority of care financed through MCare, Mcaid, and BCBS
- Insurance product called VIVA

Questions?

Type your questions in the “Questions” pane located on your control panel.