

CareFirst: Patient-centered model reducing costs

By **TIM CURTIS**

TCurtis@TheDailyRecord.com

Using a patient-centered managed care model to manage chronic conditions, CareFirst BlueCross BlueShield has managed to slow health care cost growth to less than 4 percent over the past three years, officials say. From 2013 to 2016, CareFirst health care costs grew an average of 3.4 percent.

In the five years before CareFirst began using the patient-centered medical home program, health costs grew an average of 7.5 percent. In an interview with The Daily Record, CareFirst CEO Chet Burrell said the company had never slowed growth like this before.

“I think the central issue facing the health care environment in this country is the cost of health care,” Burrell said. “I would say this, nothing so threatens access to care or the quality of care as the cost of care. The reason we got into this whole program was the concern about how fast health care costs had been rising per month.”

The patient-centered medical home model works by organizing panels of primary care physicians. The panels can range from five to 15 doctors.

The panels coordinate the care of patients with the most significant needs, including chronic conditions.

The goal of medical home

programs is to reduce costs by increasing quality of care while reducing such expenses as hospital admissions, emergency room visits and days in the hospital.

In 2016, CareFirst patients with medical home doctors had 10.5 percent fewer hospital admissions, 17.1 percent fewer days in the hospital, and 34.7 percent fewer hospital readmissions than CareFirst members not under the care of a medical home doctor. Nearly 90 percent of primary care providers in CareFirst’s service area participate in the program.

In total, CareFirst said the program saved \$153 million compared to expected costs of care and that since the program’s launch in 2011, the company has saved \$945 million.

The cost savings are achieved in this type of model by treating the sickest of the patients, who also tend to carry most of the costs. Three percent of CareFirst members account for about one-third of the company’s total health costs, Burrell said. The top 10 percent of members account for 60 percent of the costs.

“While every provider might be doing their thing well, the whole thing isn’t coordinated,” Burrell said. “It was that cycle of breakdown that we were trying to improve upon.”

Of late, the trend for the patient-centered medical home has been good for CareFirst. But initially, the results were more mixed.



‘If you think this is hard to do, think however hard it is and double it and double it again,’ says CareFirst CEO Chet Burrell of cutting health care costs.

FILE PHOTO/MAXIMILIAN FRANZ

SUBSCRIPTION SERVICES

TO PLACE ORDERS, MAKE CHANGES TO YOUR ACCOUNT AND FOR OTHER SUBSCRIPTION INQUIRIES:

PH: (800) 451-9998;

EMAIL: customerservice@bridgetowernmedia.com

ONLINE: Go to TheDailyRecord.com and click “subscribe” to place an order or manage your account. Follow the subscribe instructions to place an order or in the “Manage Your Account” box, enter your username and password for immediate account access.

TO REGISTER FOR ONLINE ACCESS AND OBTAIN A USERNAME AND PASSWORD:

Go to TheDailyRecord.com and click “subscribe.” Follow the link at the top of the page under “Already a subscriber?” and follow the instructions to register. Please have your account number and the zip code on your account handy.

TO SUBMIT SUBSCRIPTION PAYMENTS:

PHONE: (800) 451-9998

MAIL: The Daily Record, Subscription Services, SDS-12-2632

PO BOX 86, Minneapolis, MN 55486-2632

DAMAGED, MISSING, OR LATE NEWSPAPERS:

If your newspaper is damaged or missing, call 443-524-8100 and we will send you a replacement immediately. If your newspaper frequently arrives late contact your letter carrier or local postmaster.

FOR TECHNICAL SUPPORT:

If you need help with our website or your login and password, please call (800) 451-9998 or customerservice@bridgetowernmedia.com

BACK ISSUES:

Selected back issues are available.

Call 443-524-8100.

POSTMASTER:

Send address changes to Asentech, Matthew Surano, 421 Executive Drive, Princeton, NJ 08540

ISSN No. 2474-7831

It took three years before CareFirst began to see solid growth slowdown in 2013. Some studies looking at the first couple of years of the medical home program have shown that it did not significantly help costs.

“It took a long time,” Burrell said. “The early years of the program, where some studies have been done that say it didn’t produce ... I think we’re inclined to agree.”

“But if you ask are you getting results now? I would say yes.”

For CareFirst to see positive results more than six years after it launched the patient-centered

medical home program, it needed to stick with it longer than a couple of years. This type of program requires buy-in from doctors to get them to on board.

Burrell said it took persistence and patience for CareFirst to see the results it wanted and similar programs elsewhere have failed without that patience.

“A lot of managed care or coordinated care attempts don’t have the consistency,” he said. “If you think this is hard to do, think however hard it is and double it and double it again. And you might get a sense of how hard it is to do this.”