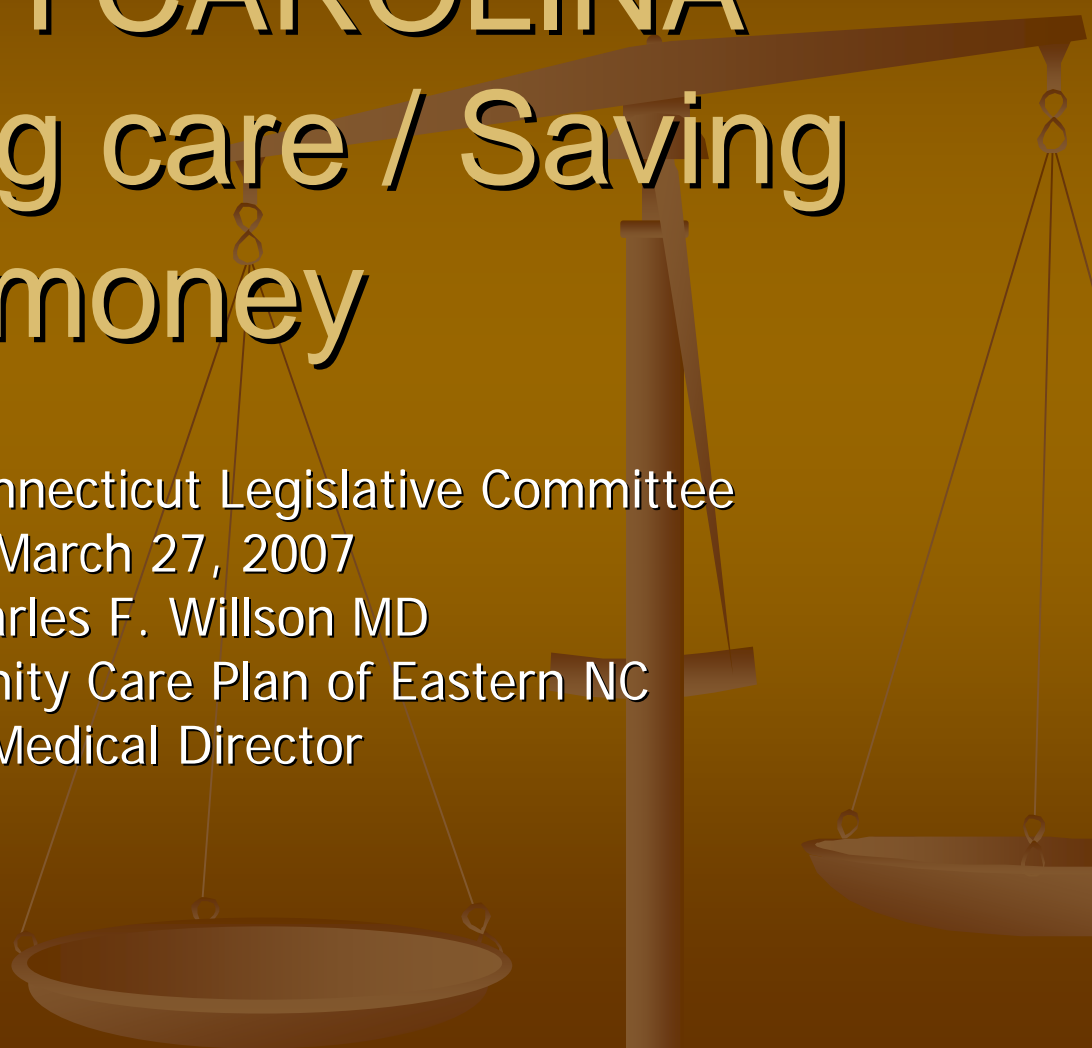


COMMUNITY CARE OF NORTH CAROLINA

Improving care / Saving money



Presented to Connecticut Legislative Committee

March 27, 2007

Charles F. Willson MD

The Community Care Plan of Eastern NC

Medical Director

Crossing the Quality Chasm

What we have

- Snapshot visits
- Professional autonomy and control
- Paper record
- Decisions based on opinion
- Try to “Do no harm”
- Secrecy/Ignorance
- System reactivity
- Professional roles rule

What we need

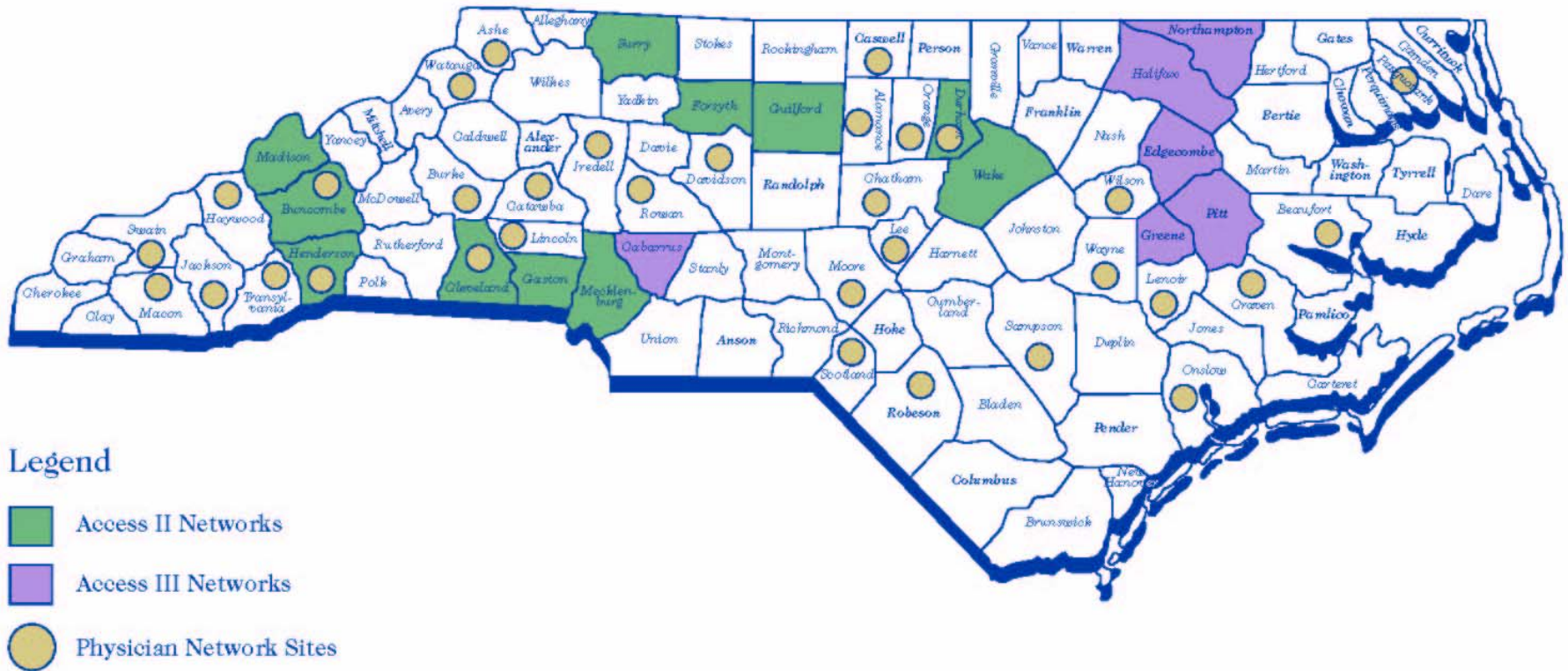
- Continuous healing relationships
- Care customized
- Patient centered/control
- Information flows freely
- Evidence-based care
- A system of safety
- Transparency
- Needs anticipated
- Cooperation among docs

The Essentials of CCNC

- Networks of Primary Care Offices
- Governmental Partnership
- Community Partnerships
- Physician Champions
- Resources to manage patients
- Adequate reimbursement



Access II and III North Carolina's Community Care Networks



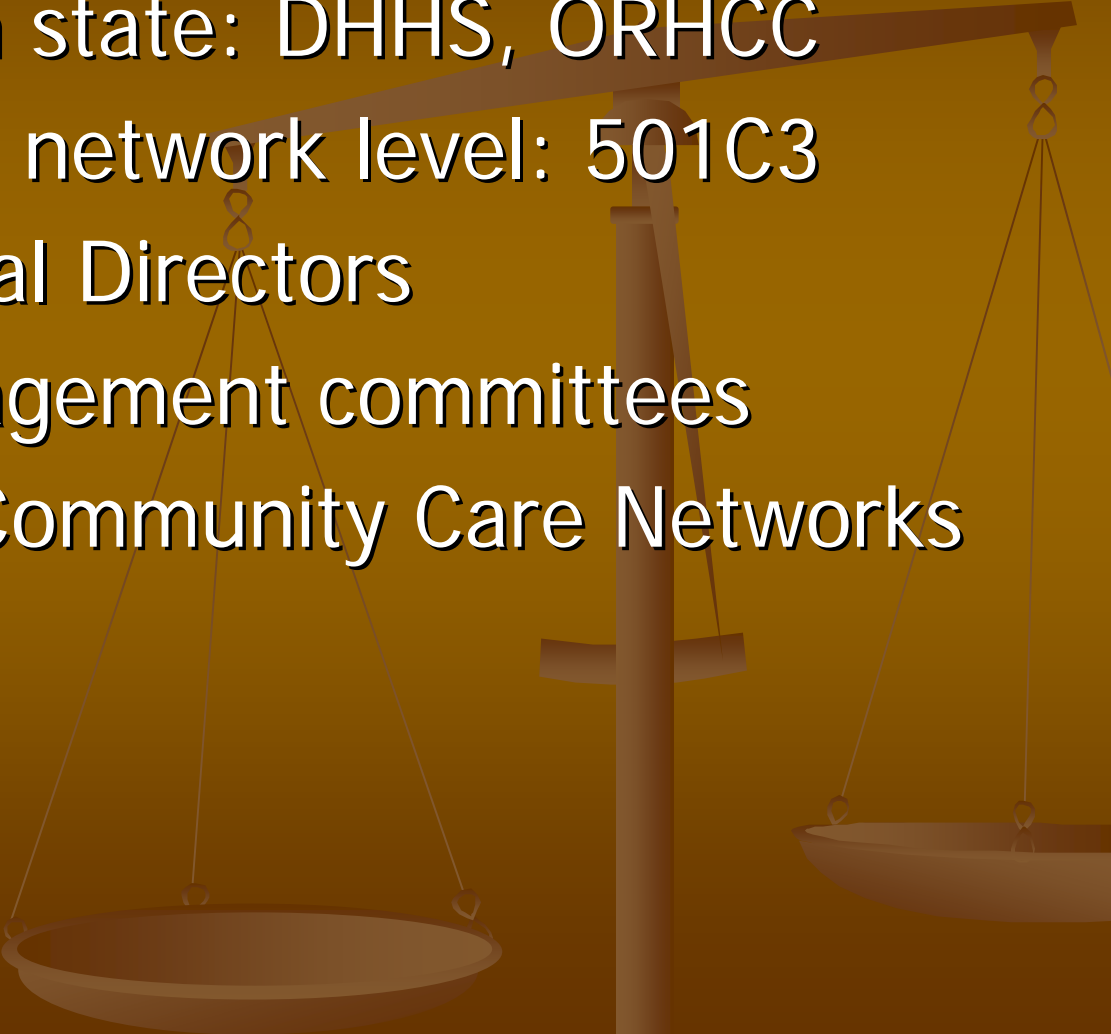
- Legend**
- Access II Networks
 - Access III Networks
 - Physician Network Sites

Our Assumptions

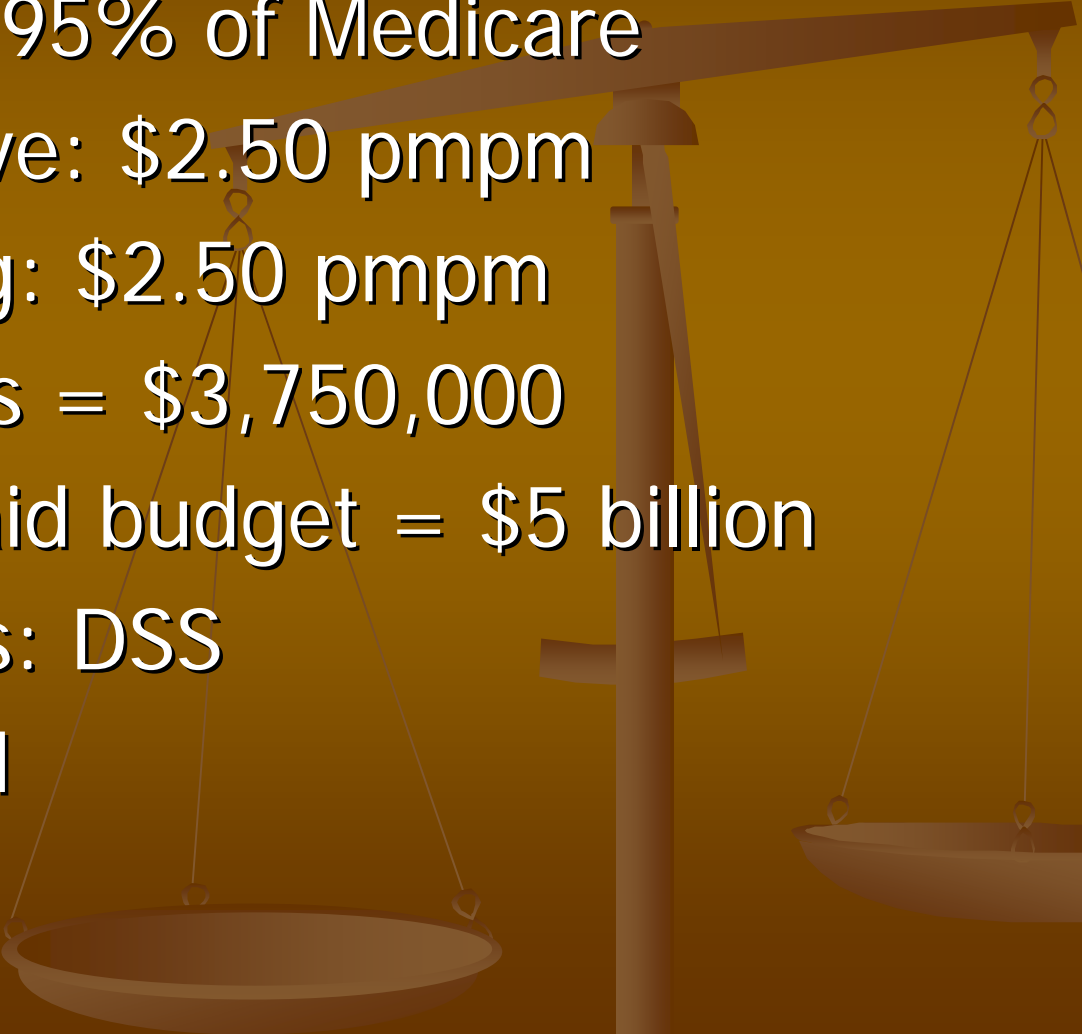


- Better access to an enhanced primary care medical home will improve outcomes
- Higher quality care will lead to improved outcomes
- Better access and higher quality will bring cost savings
- Better reimbursement will bring a better network
- Healthcare is based on local resources
- Data will drive the system

Our structure

- Partnership with state: DHHS, ORHCC
 - Fiscal entities at network level: 501C3
 - Statewide Clinical Directors
 - Local care management committees
 - North Carolina Community Care Networks Inc. 501C3
- 

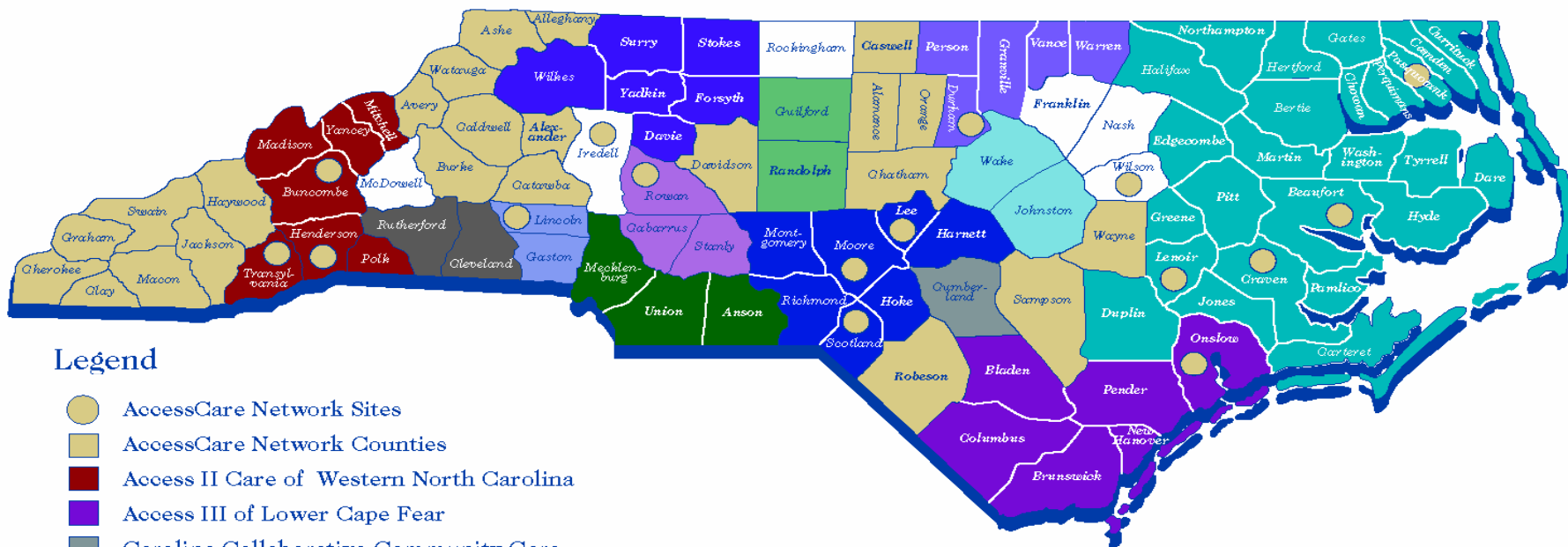
Reimbursement/Costs

- Fee for service: 95% of Medicare
 - Practice Incentive: \$2.50 pmpm
 - Network funding: \$2.50 pmpm
 - 750,000 patients = \$3,750,000
 - Total NC Medicaid budget = \$5 billion
 - Enrollment costs: DSS
 - Data costs: ORH
- 



Community Care of North Carolina

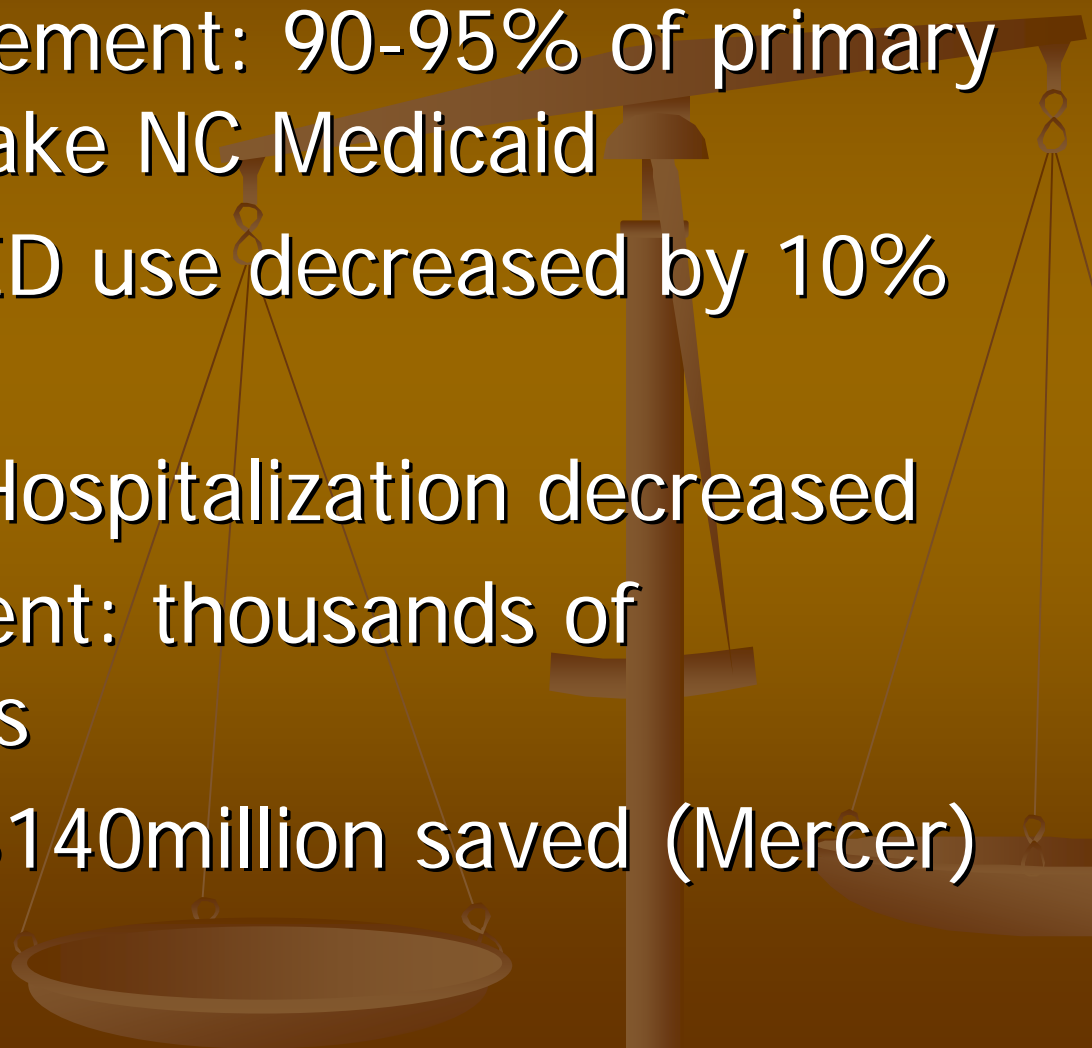
Access II and III Networks



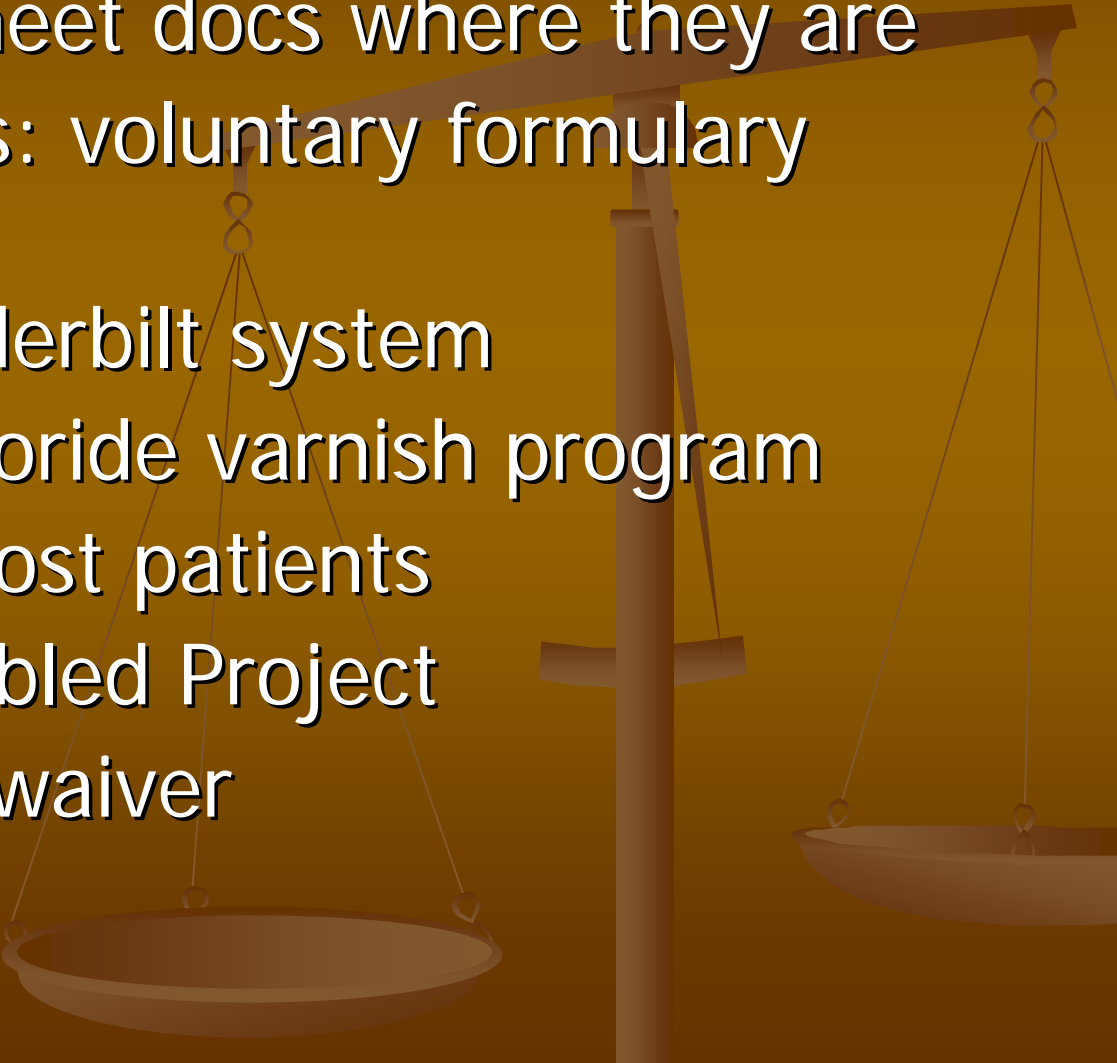
Legend

- AccessCare Network Sites
- AccessCare Network Counties
- Access II Care of Western North Carolina
- Access III of Lower Cape Fear
- Carolina Collaborative Community Care
- Carolina Community Health Partnership
- Central Piedmont Access II
- Community Care of Wake / Johnston Counties
- Community Care Partners of Greater Mecklenburg
- Community Care Plan of Eastern Carolina
- Community Health Partners
- Northern Piedmont Community Care
- Partnership for Health Management
- Sandhills Community Care Network
- Southern Piedmont Community Care Plan

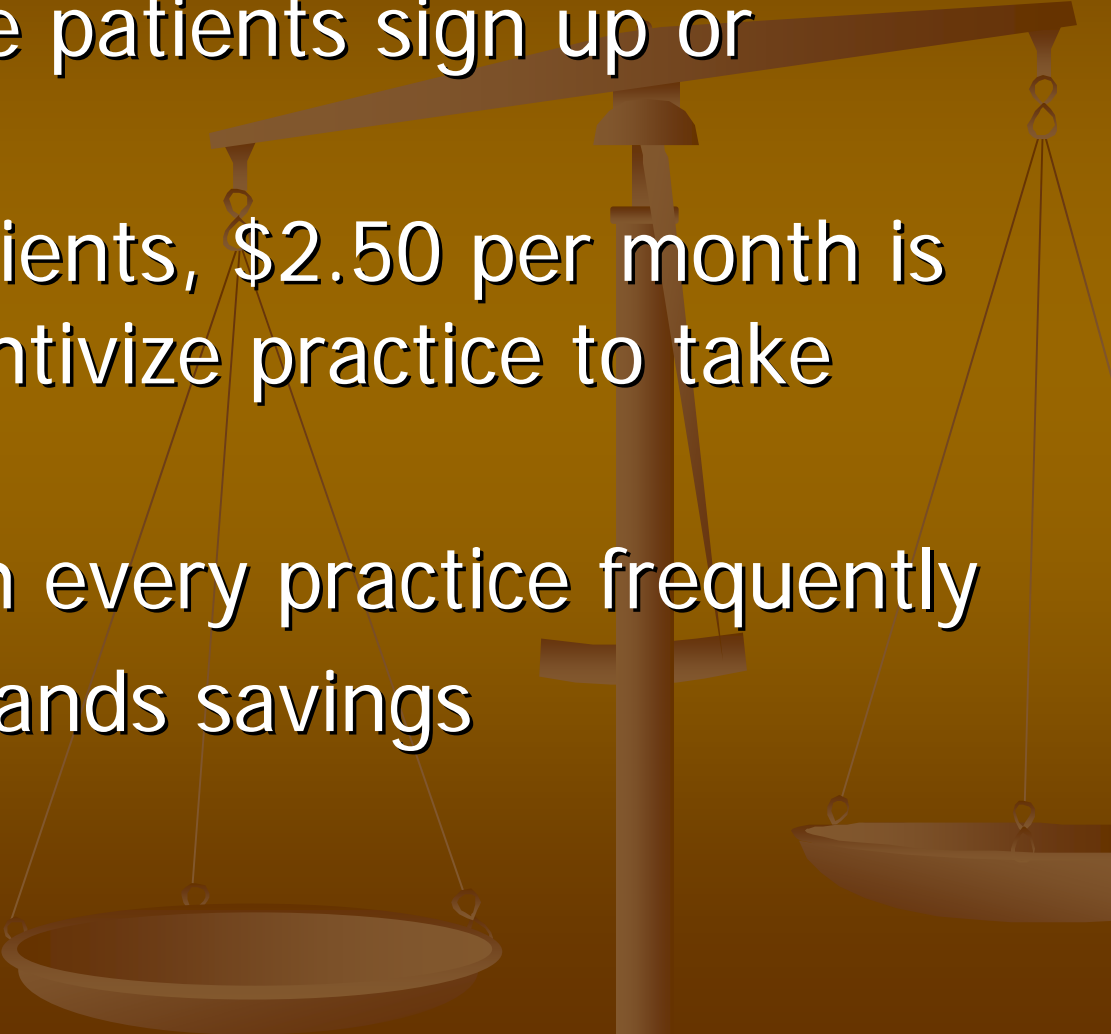
Results

- Better reimbursement: 90-95% of primary care practices take NC Medicaid
 - Better access: ED use decreased by 10% per year
 - Better quality: Hospitalization decreased
 - Care management: thousands of individual stories
 - FY 2006: over \$140million saved (Mercer)
- 

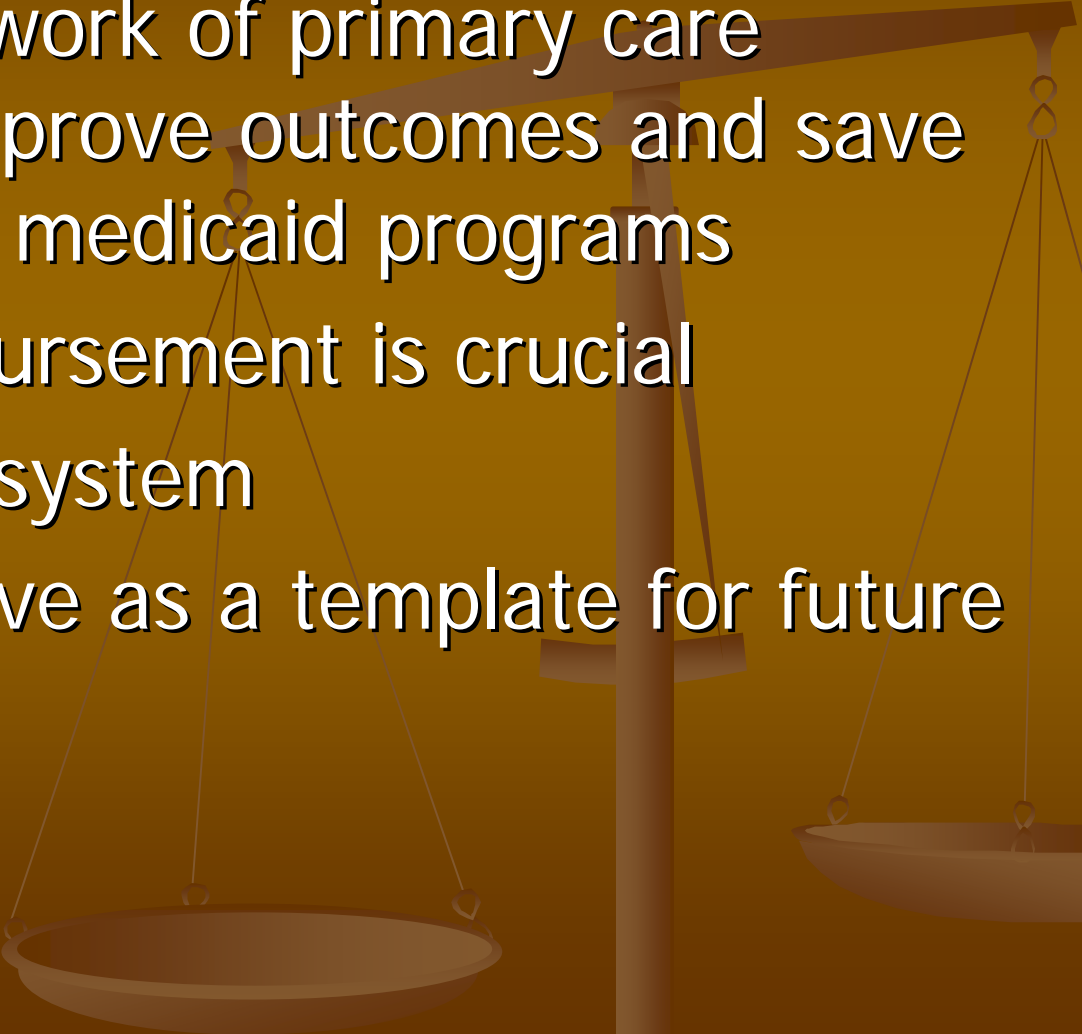
CCNC: a template for innovation

- Hassle factor: meet docs where they are
 - Medication costs: voluntary formulary (PAL)
 - ADHD: the Vanderbilt system
 - Dental care: Fluoride varnish program
 - High use/High cost patients
 - Aged/Blind/Disabled Project
 - Medicare (646) waiver
- 

Weaknesses of our program

- No stick to make patients sign up or comply
 - For complex patients, \$2.50 per month is too little to incentivize practice to take patients
 - Difficult to touch every practice frequently
 - Legislature demands savings
- 

CCNC: Take Home Message

- A statewide network of primary care practices can improve outcomes and save money for state medicaid programs
 - Adequate reimbursement is crucial
 - Data drives the system
 - Network will serve as a template for future innovation
- 

Are We “Crossing the Quality Chasm?”

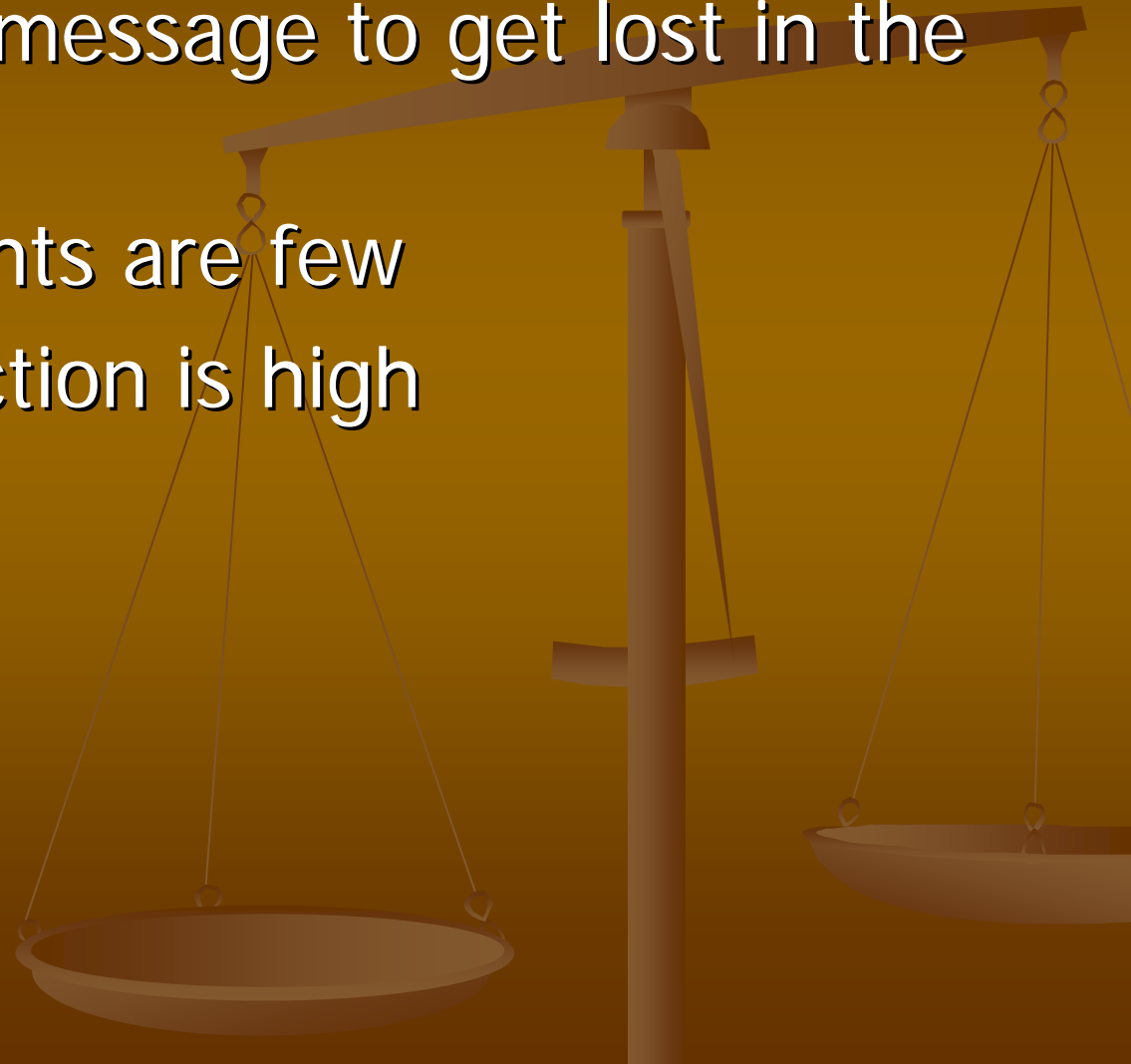
- Continuous care
- Needs anticipated
- Cooperation among physicians
- Transparency
- Information support
- Evidence-based disease management
- Care is standardized then customized



Appendix:

Several snapshots

- Don't want the message to get lost in the details
- Patient complaints are few
- Practice satisfaction is high





Your Program Profile

Community Care Peer Review Summary

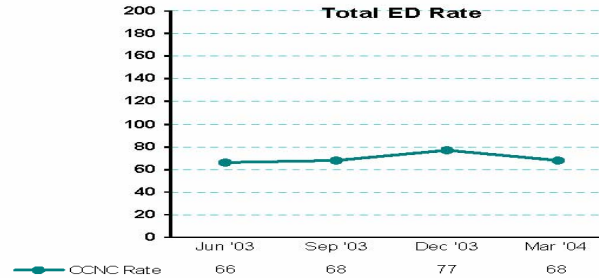
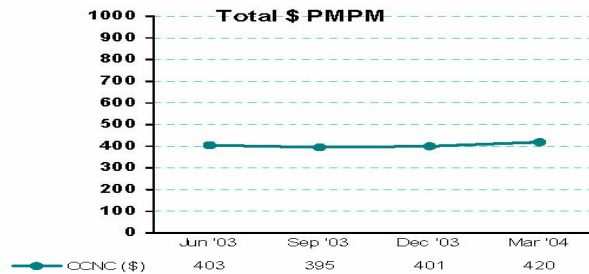
Managed Care Provider Type: Community Care of North Carolina

Time Period: Quarter ending Mar, 04

Avg. Monthly Enrollment: 517586

Eligibility 0 - 21: 393279

Eligibility > 21: 124307

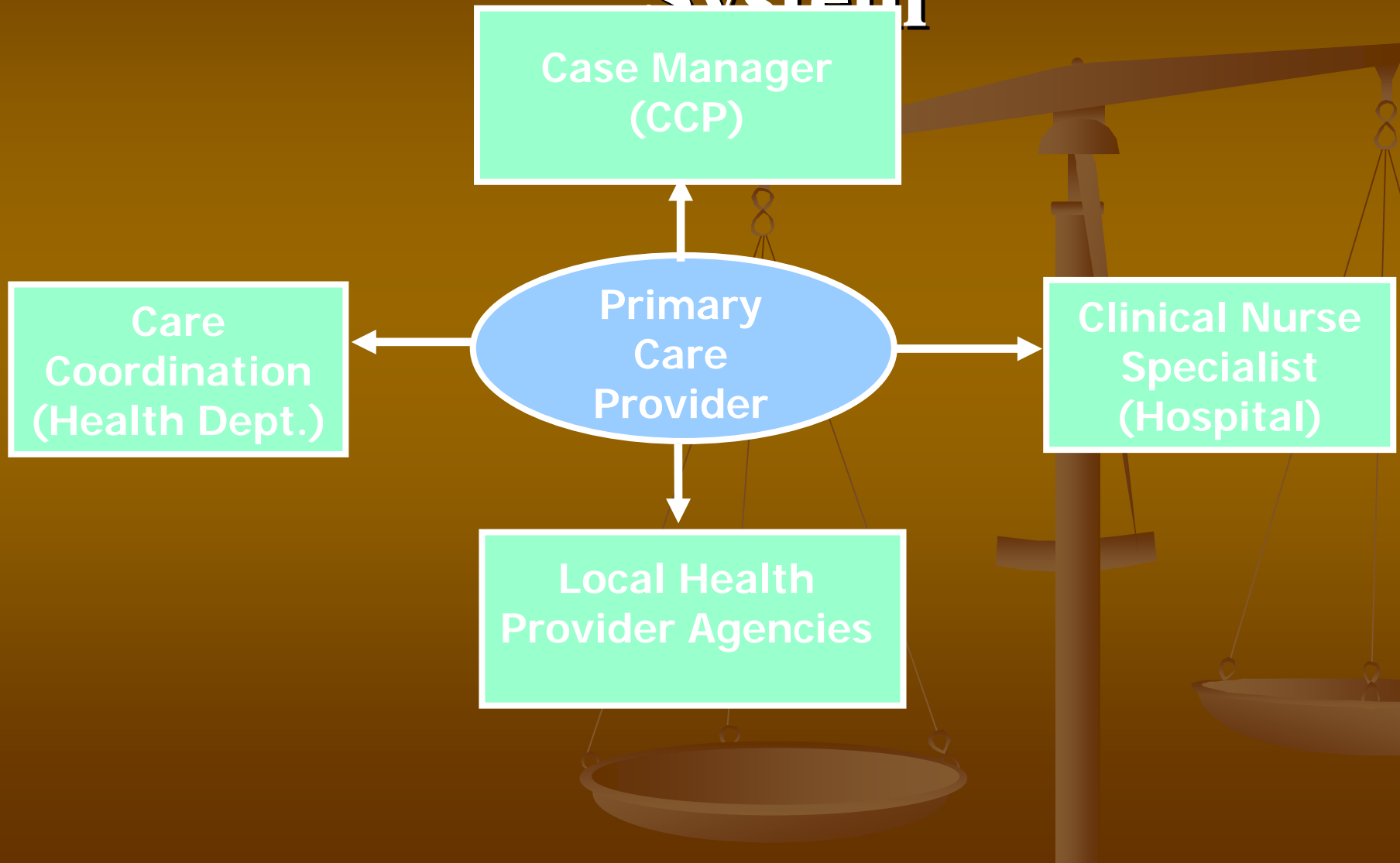


| Utilization | CCNC Qtr End 9/03 | | CCNC Qtr End 12/03 | | CCNC Qtr End 3/04 | |
|---------------------------|-------------------|-------|--------------------|-------|-------------------|-------|
| | Rate | PMPM | Rate | PMPM | Rate | PMPM |
| PCP | 320 | \$20 | 354 | \$20 | 327 | \$20 |
| Specialist | 227 | \$25 | 221 | \$24 | 218 | \$28 |
| Hospital Inpatient | 12 | \$55 | 12 | \$55 | 12 | \$58 |
| Hospital Outpatient | 204 | \$56 | 203 | \$56 | 220 | \$60 |
| Pharmacy | 1659 | \$109 | 1803 | \$119 | 1797 | \$123 |
| ED Total | 68 | \$19 | 77 | \$20 | 68 | \$20 |
| ED Non emergent | 32 | \$7 | 36 | \$7 | 33 | \$8 |
| Labs | 73 | \$3 | 78 | \$3 | 74 | \$3 |
| X-Rays | 6 | \$3 | 6 | \$3 | 7 | \$4 |
| Out-patient Mental Health | 252 | \$34 | 252 | \$31 | 205 | \$27 |

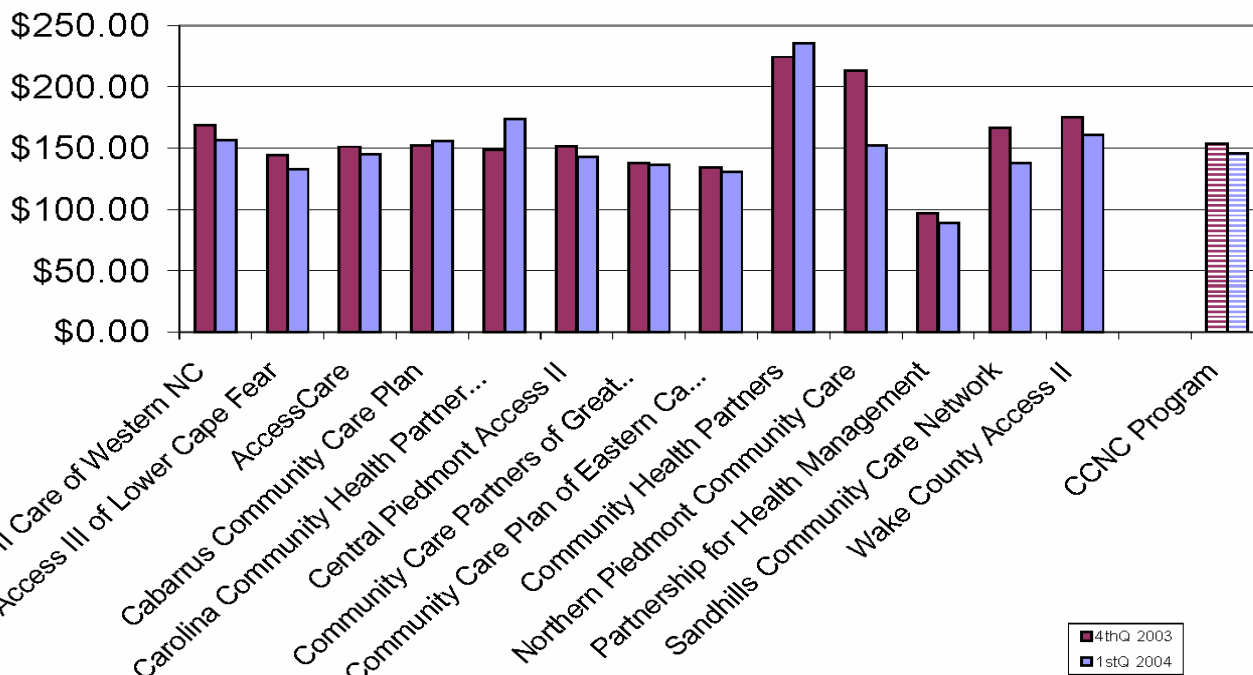
| Disease Management | CCNC Qtr End 9/03 | CCNC Qtr End 12/03 | CCNC Qtr End 3/04 |
|-------------------------------------|-------------------|--------------------|-------------------|
| Network and Program Asthma | | | |
| Case Count | 10140 | 10279 | 19406 |
| Case Rate | 2.00% | 2.00% | 3.77% |
| ED Asthma Visits (rate per 1000 MM) | 14.04 | 16.93 | 13.00 |
| IP Asthma Visits (rate per 1000 MM) | 2.76 | 4.51 | 3.57 |
| Network and Program Diabetes | | | |
| Case Count | 9688 | 9760 | 13949 |
| Case Rate | 2.44% | 2.44% | 2.71% |
| Eye Exam (12 months reviewed) | 20.48% | 20.06% | 26.63% |
| Lipid Test (12 months reviewed) | 40.52% | 41.00% | 42.15% |

Questions? Need additional information? Call (919) 715-1453.

Community Case Management System

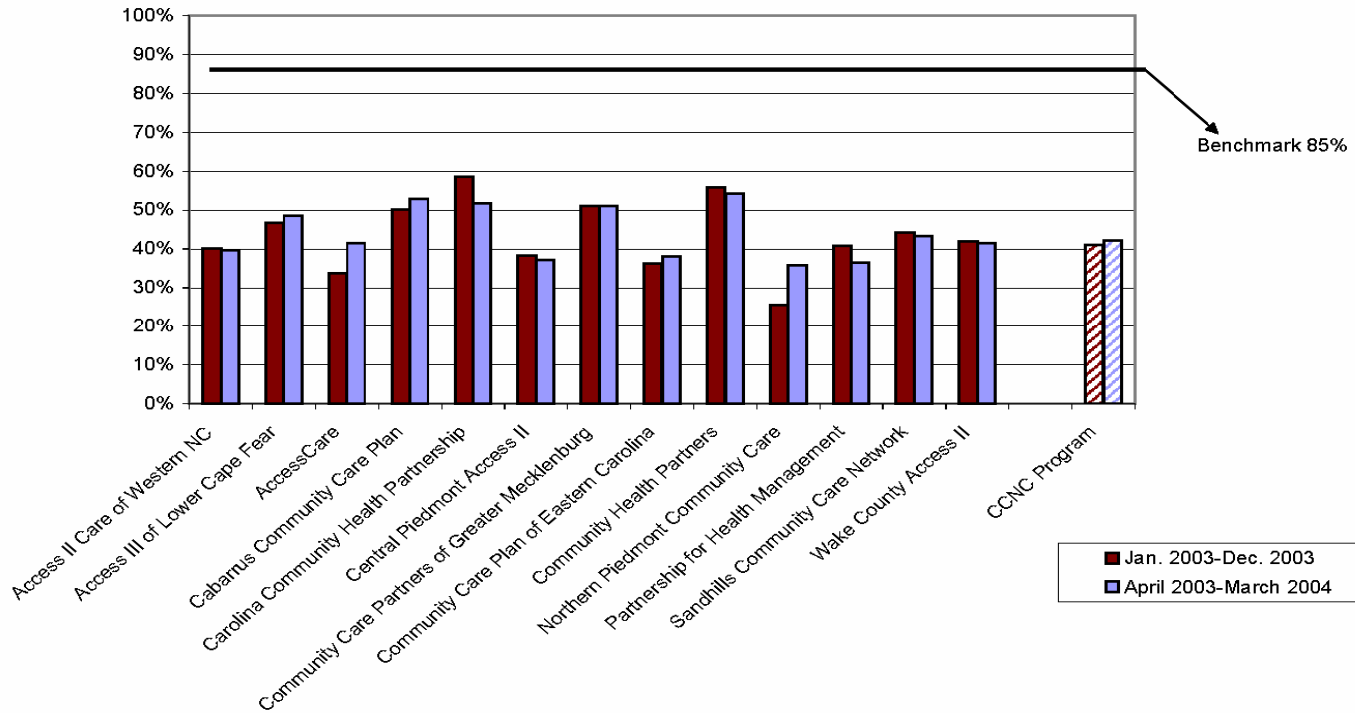


Cost* PMPM of Pediatric Practice Patients



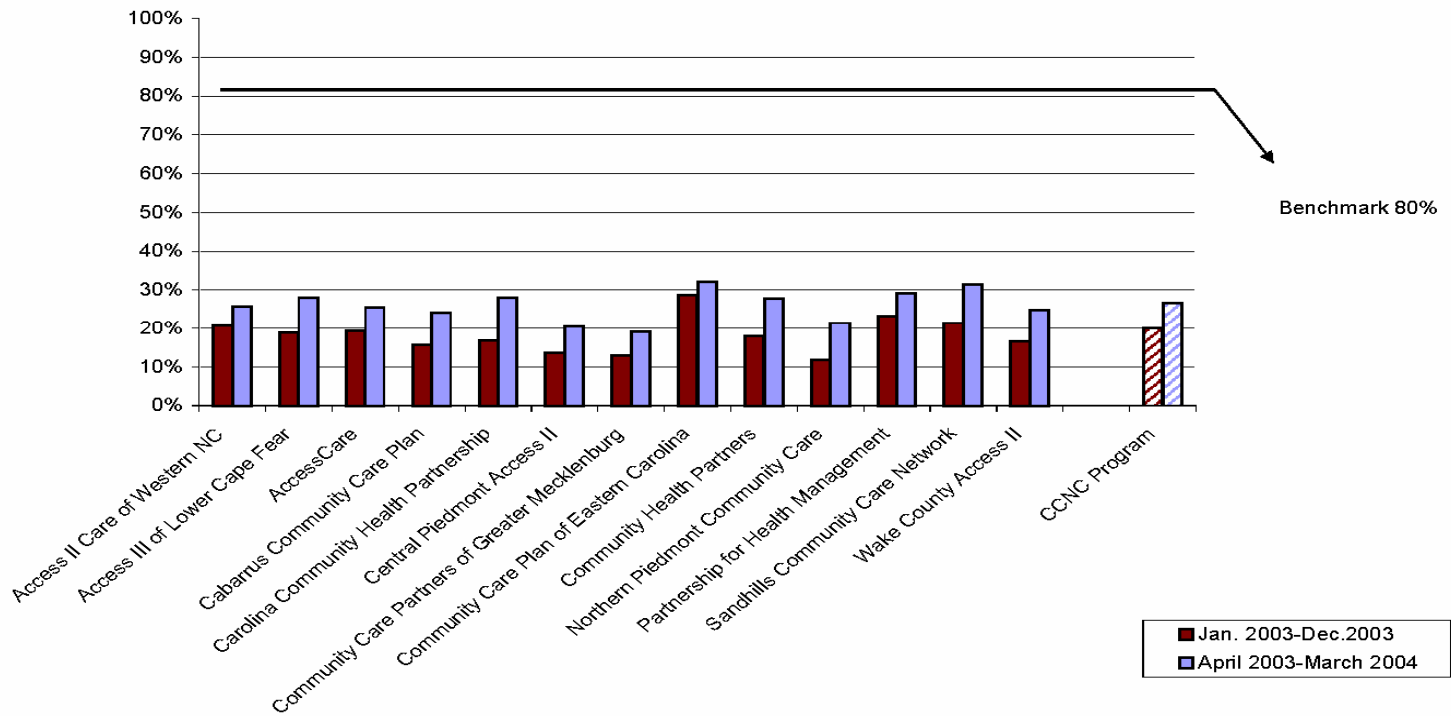
* Costs for emergency room, pharmacy, pcp visits, specialist visits, hospital outpatient, inpatient and outpatient mental health

Percent of Diabetics Receiving Lipid Tests



Source Data: Practice Profiles

Percent of Diabetics Receiving Eye Exams



■ Jan. 2003-Dec. 2003
 ■ April 2003-March 2004

Source Data: Practice Profiles