



Understanding Chronic Conditions in the Medicare Fee For Service Population

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Goals and Objectives

- Goal
 - Gain insight in how chronic conditions drive utilization and cost and how a quality approach may reduce utilization
- Objectives
 - Understand the distribution of chronic conditions in a Medicare fee for service population
 - What are the cost drivers of cost
 - Understand where condition(s) management is important to lower cost and improving quality
 - Understand how this information might be useful in improving outcomes in a Medicare Shared Savings Program

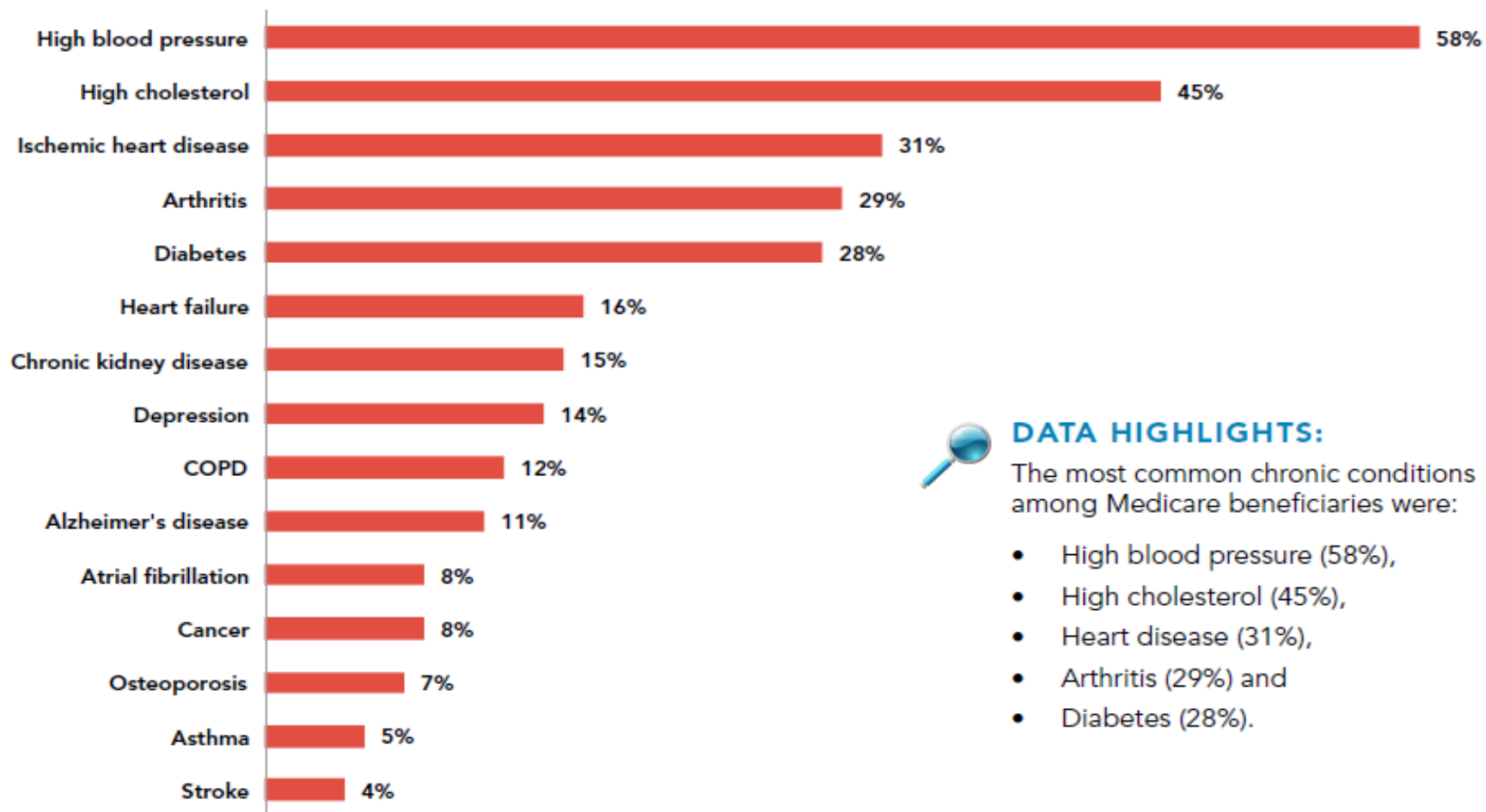
Understanding Chronic Conditions in the Medicare Fee for Service (FFS) Population

Insights from the 2012 Chronic Conditions Chart Book

- <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/2012ChartBook.html>
- <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Downloads/2012Chartbook.pdf>
- 15 chronic conditions defined
- Used 2010 FFS Data

Distribution of the 15 Chronic Conditions

Figure 1.1a Percentage of Medicare FFS Beneficiaries with the 15 Selected Chronic Conditions: 2010



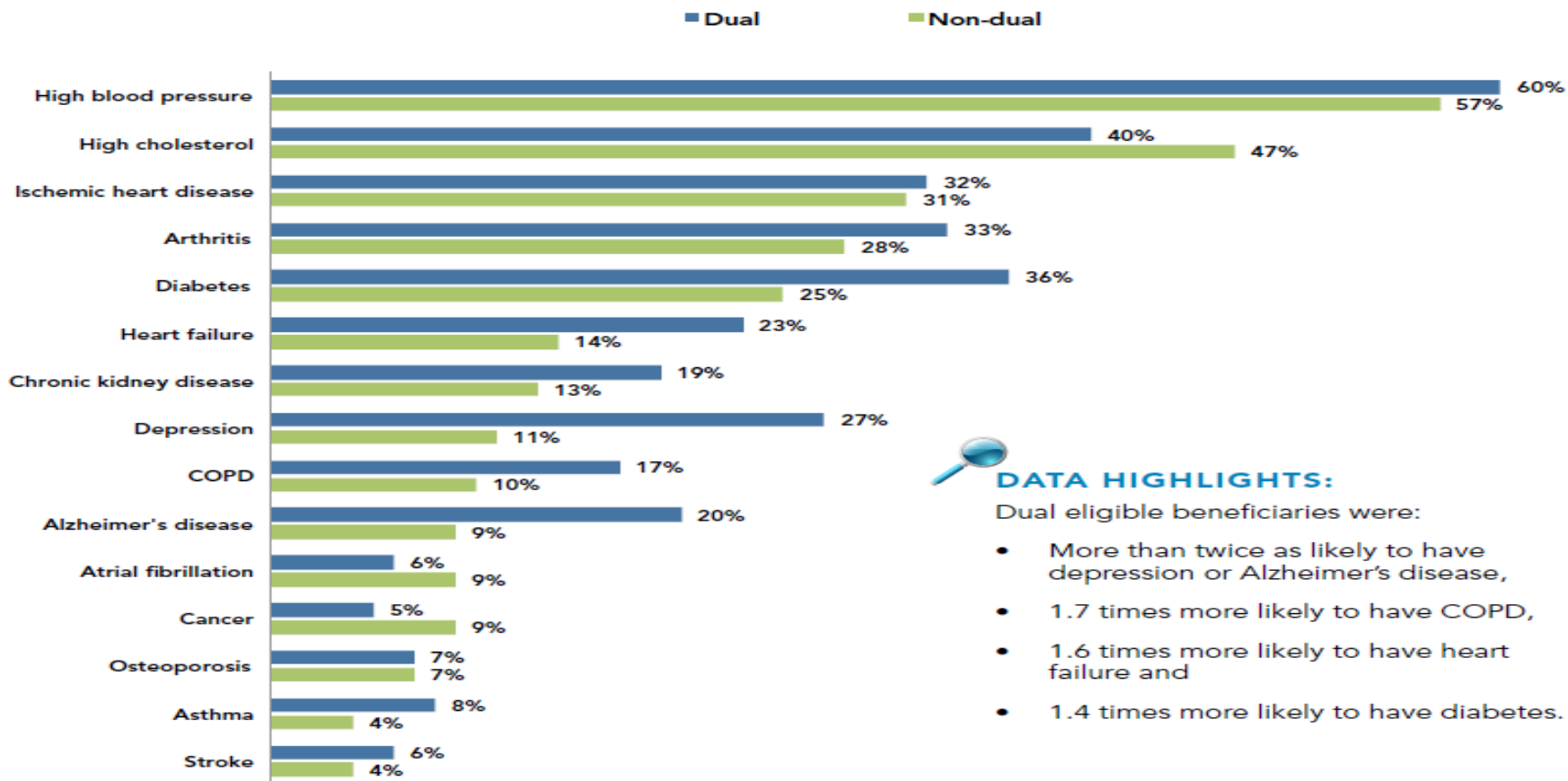
DATA HIGHLIGHTS:

The most common chronic conditions among Medicare beneficiaries were:

- High blood pressure (58%),
- High cholesterol (45%),
- Heart disease (31%),
- Arthritis (29%) and
- Diabetes (28%).

Distribution for Chronic Conditions

Figure 1.1d Percentage of Medicare FFS Beneficiaries with the 15 Selected Chronic Conditions by Dual Eligibility Status: 2010



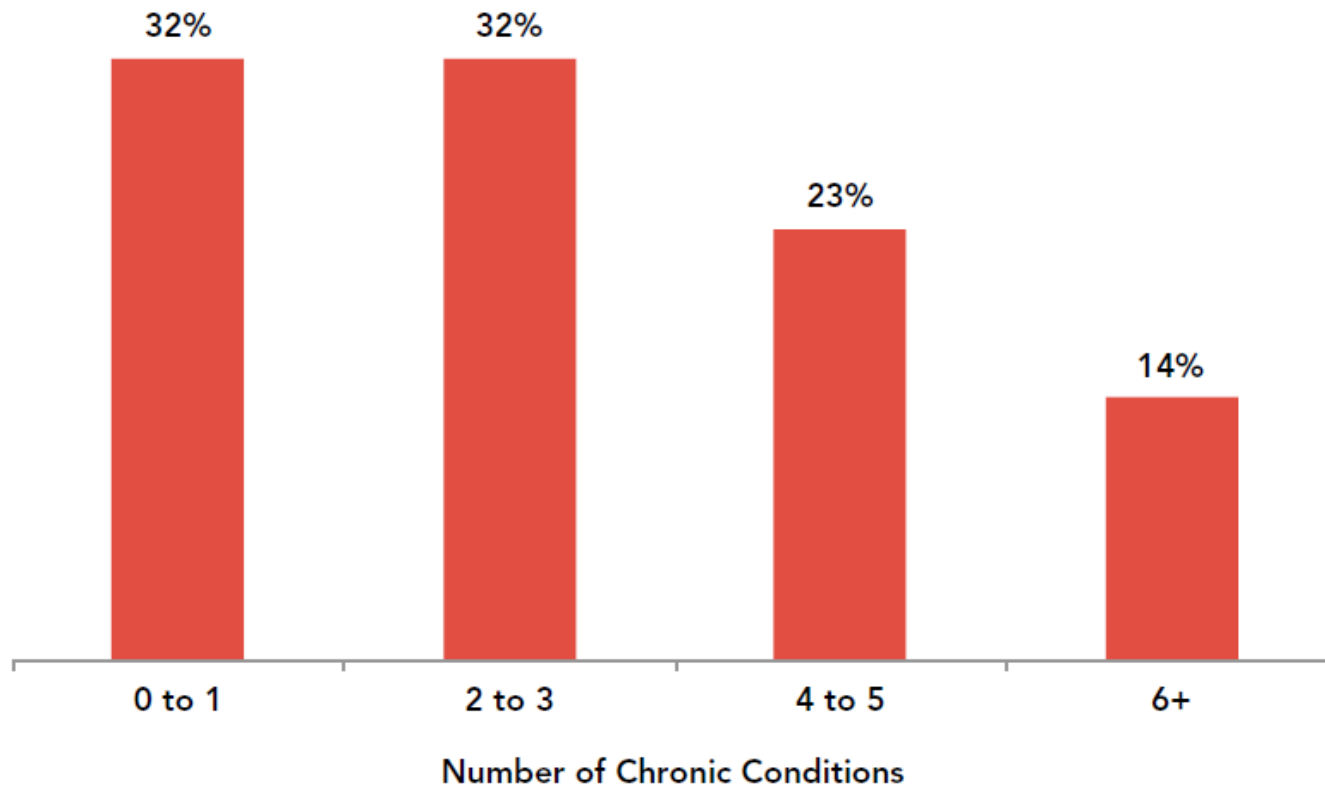
DATA HIGHLIGHTS:

Dual eligible beneficiaries were:

- More than twice as likely to have depression or Alzheimer's disease,
- 1.7 times more likely to have COPD,
- 1.6 times more likely to have heart failure and
- 1.4 times more likely to have diabetes.

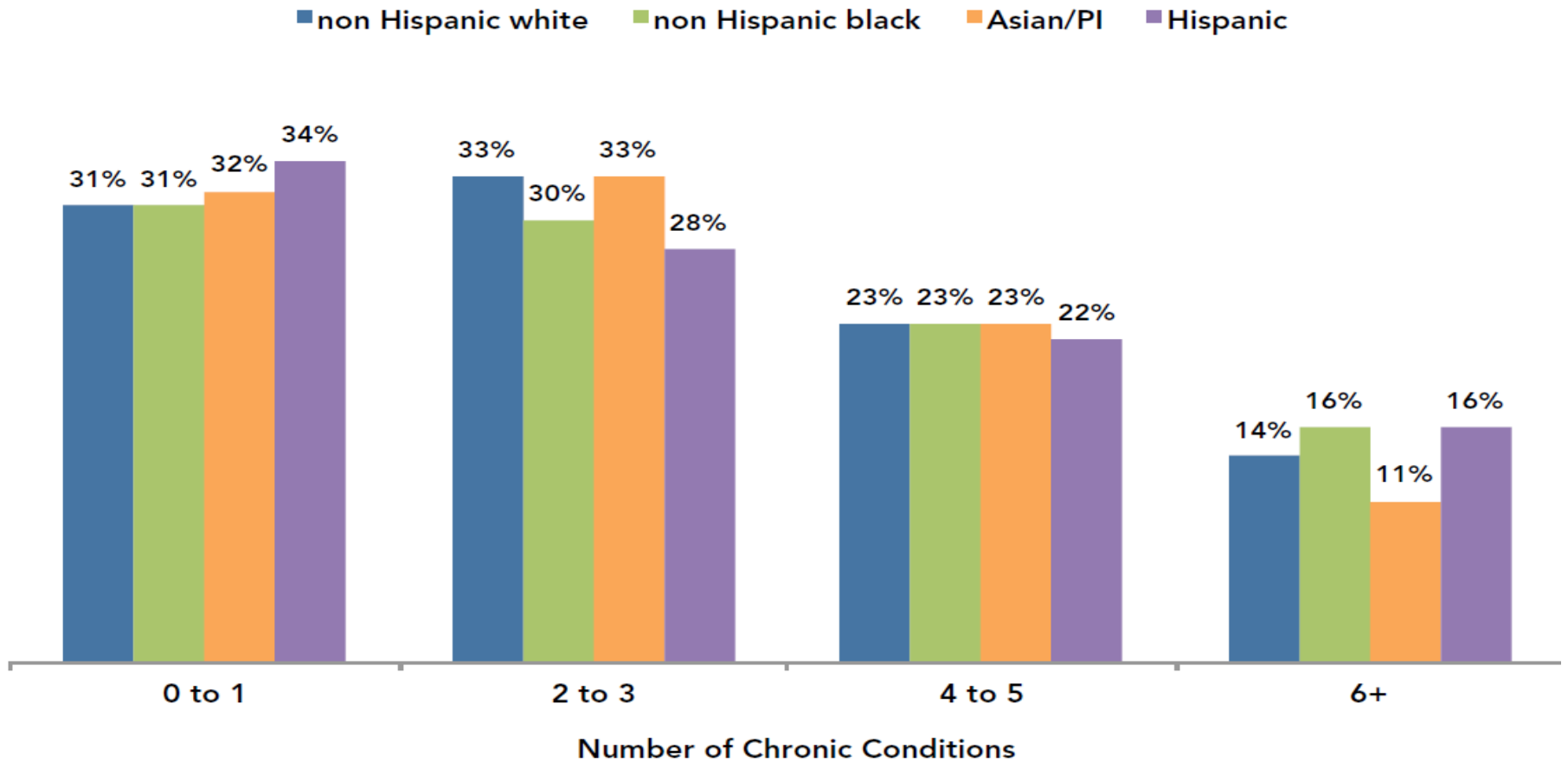
Chronic Conditions

Figure 1.2a *Percentage of Medicare FFS Beneficiaries by Number of Chronic Conditions: 2010*



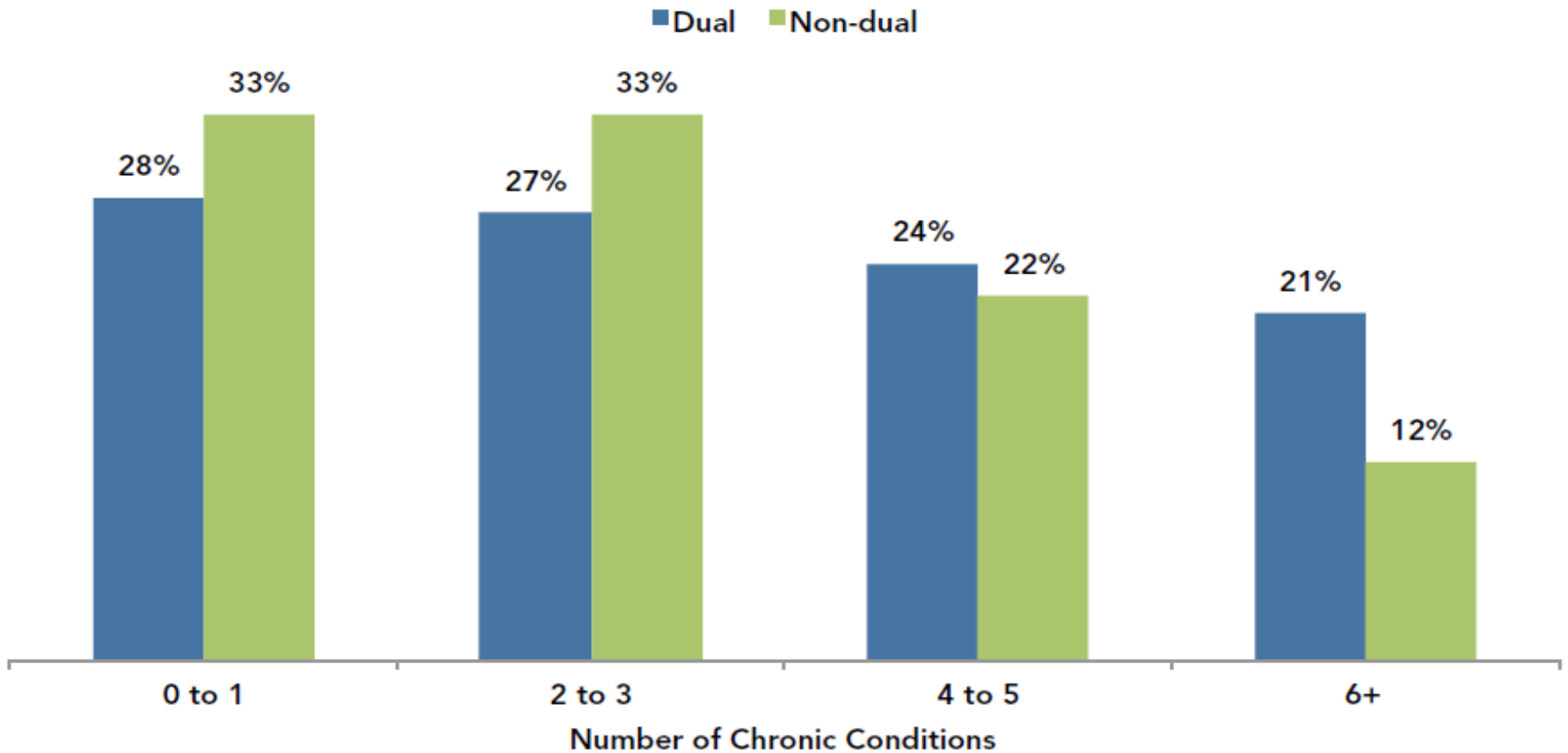
Chronic Conditions

Figure 1.2d *Percentage of Medicare FFS Beneficiaries by Number of Chronic Conditions and Race/Ethnicity: 2010*



Duals have a Higher Burden of Illness

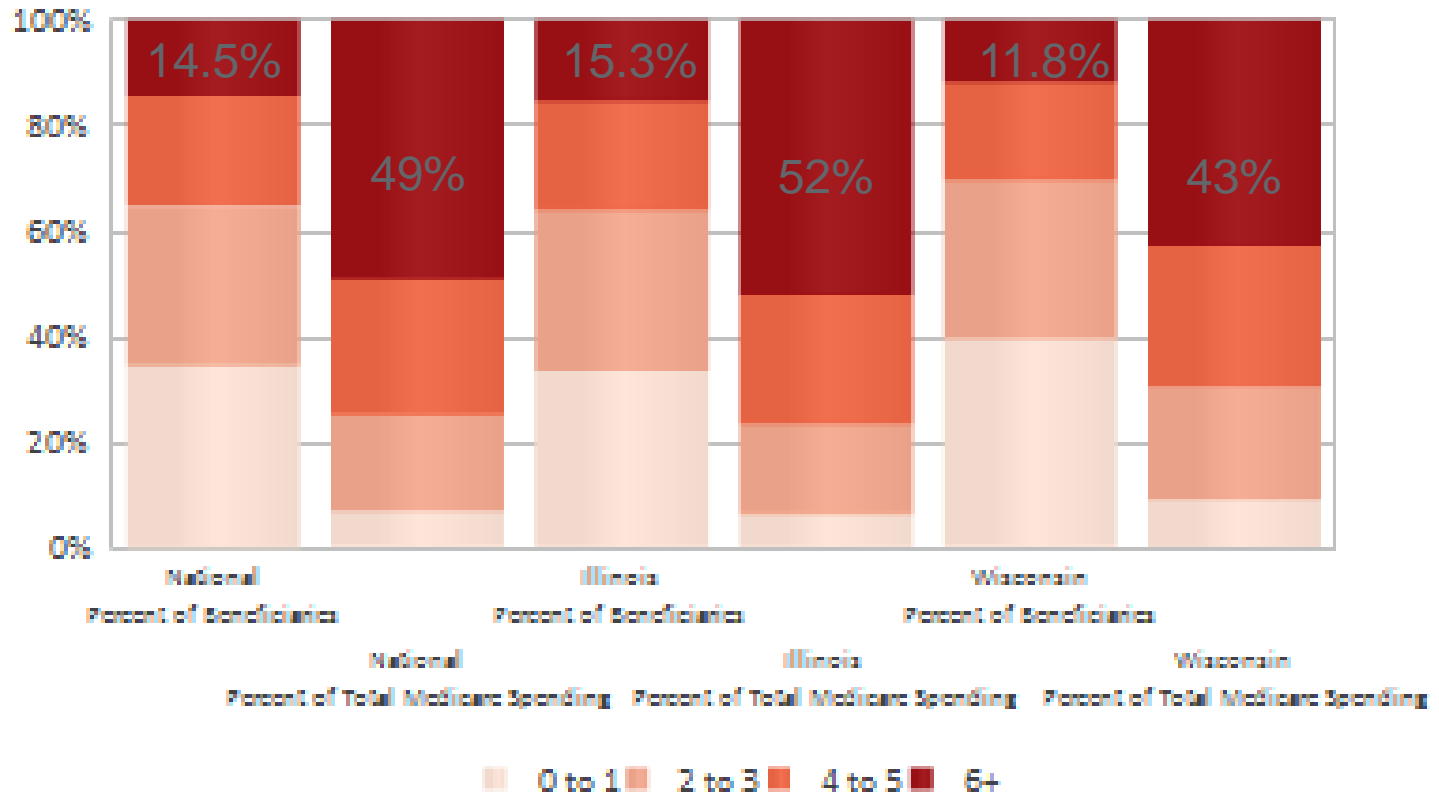
Figure 1.2e *Percentage of Medicare FFS Beneficiaries by Number of Chronic Conditions and Dual Eligibility Status: 2010*



Chronic Conditions by State, Gender and Age

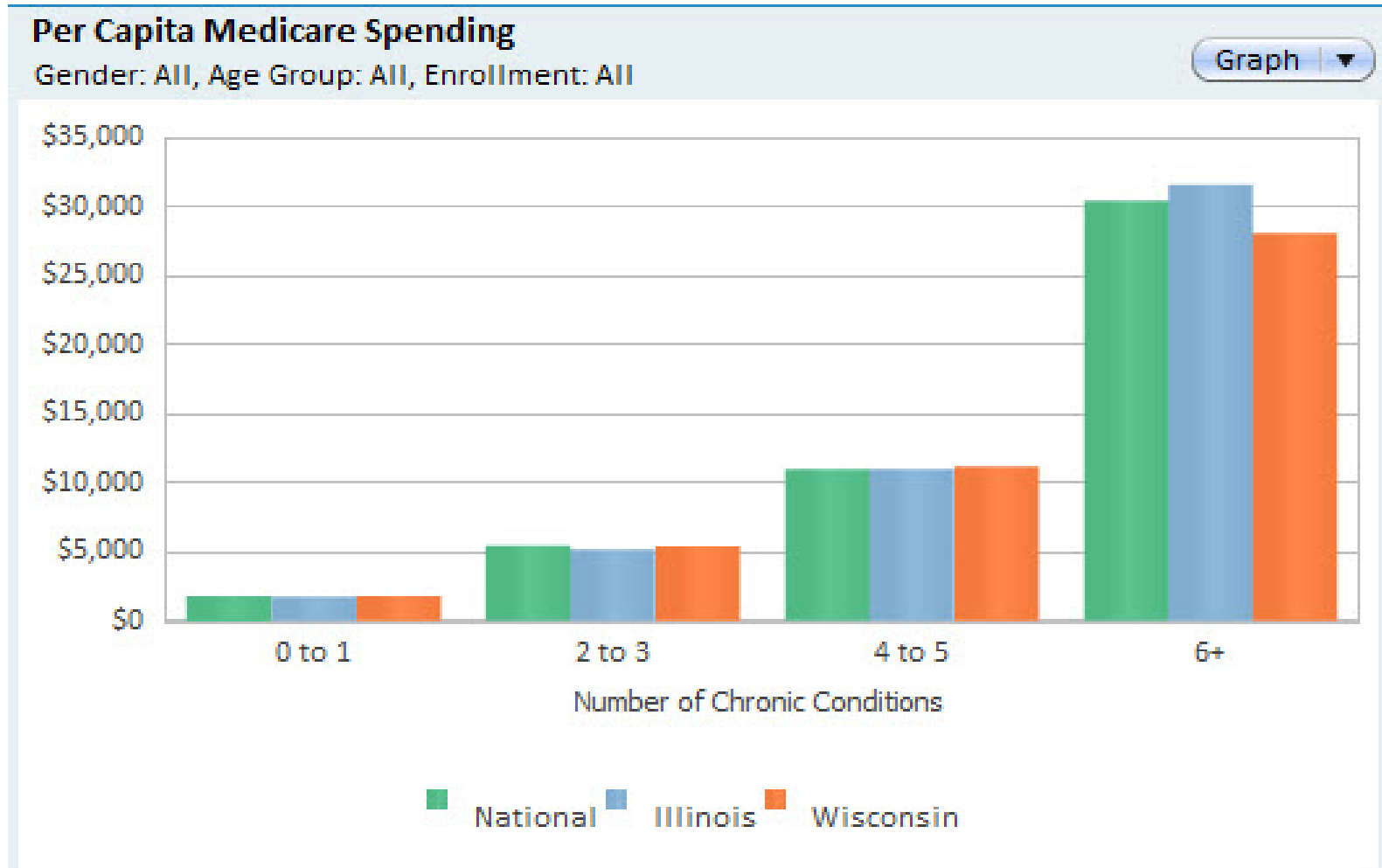
Distribution of Beneficiaries by Number of Chronic Conditions & Total Medicare Spending Gender: All, Age Group: All, Enrollment: All

Graph ▾



Source: Centers for Medicare and Medicaid Services. Chronic Conditions among Medicare Beneficiaries, Baltimore, MD. 2014

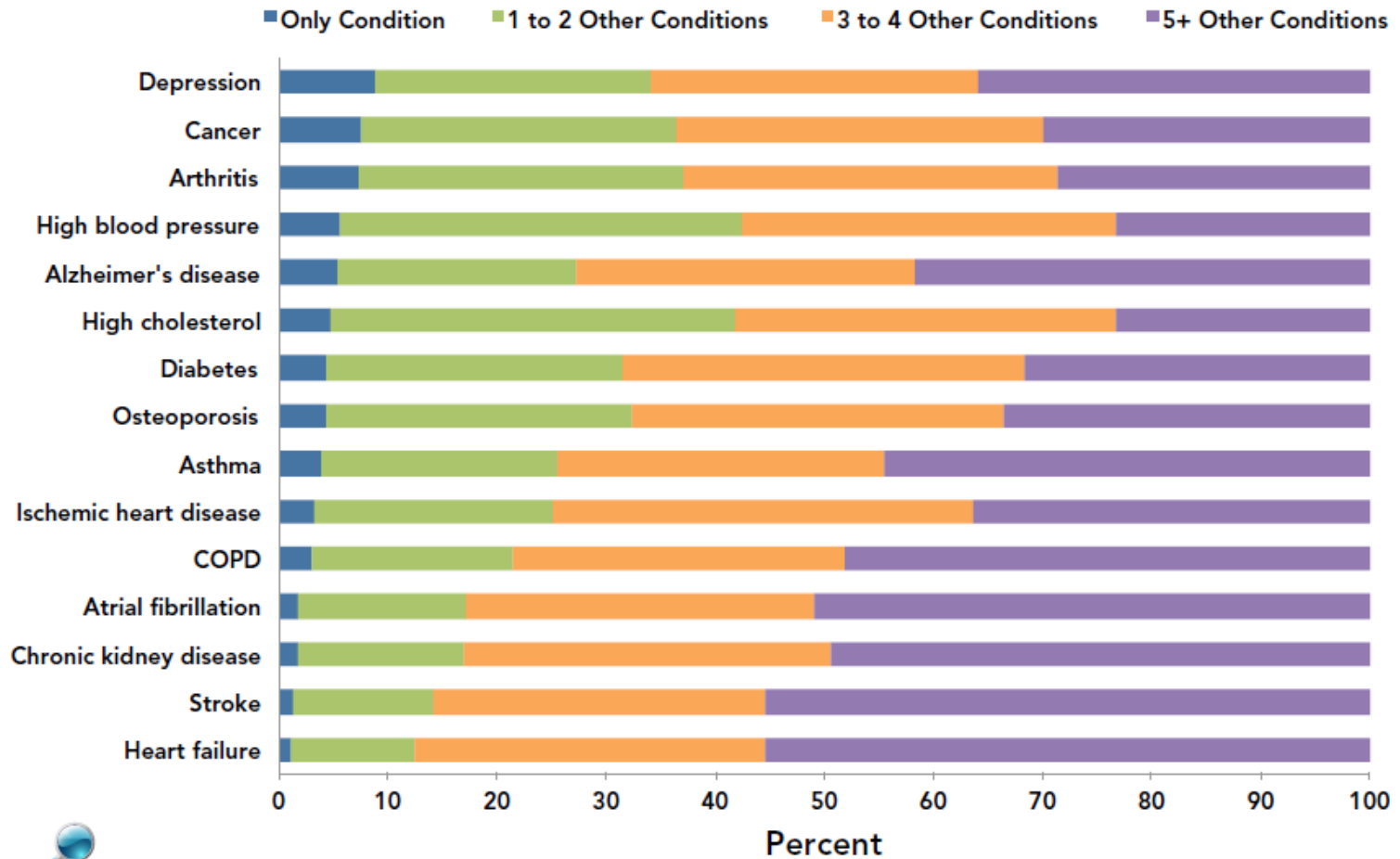
Spending by Number of Chronic Conditions



Source: Centers for Medicare and Medicaid Services. Chronic Conditions among Medicare Beneficiaries, Baltimore, MD. 2014

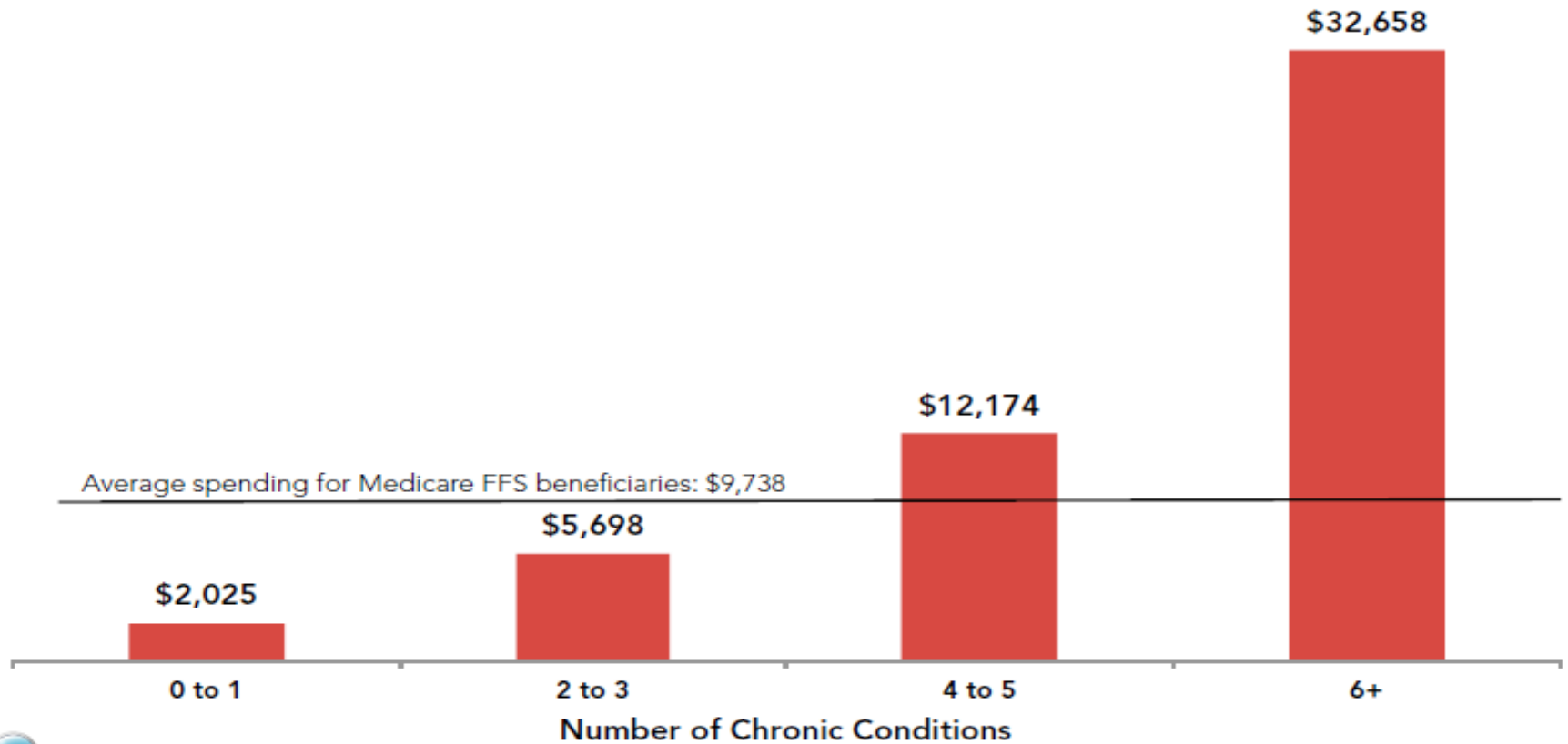
Comorbidities are the Rule

Figure 4.1 *Co-morbidity among Chronic Conditions for Medicare FFS Beneficiaries: 2010*



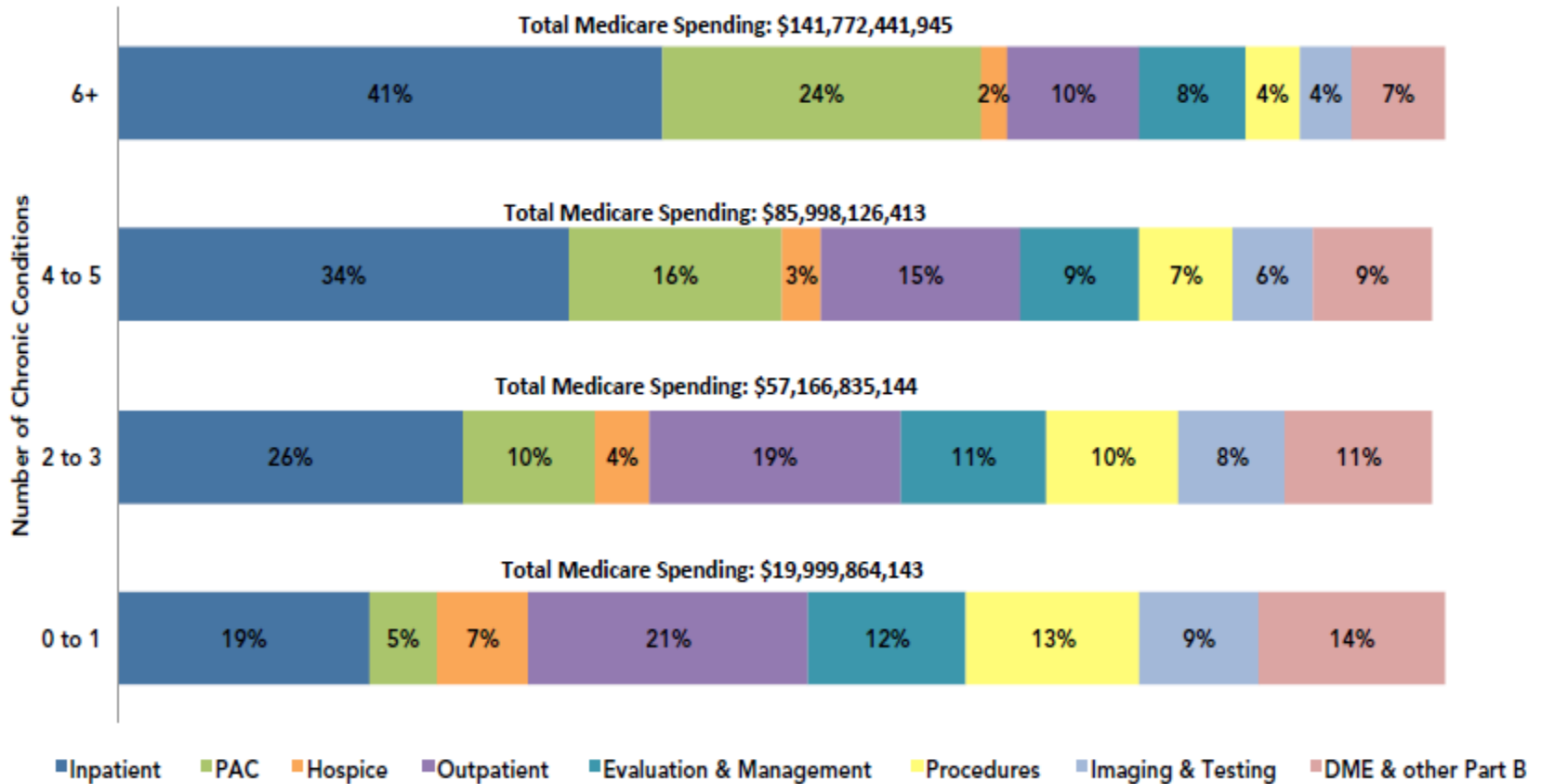
Spending by Number of Chronic Conditions

Figure 3.1a *Per Capita Medicare Spending for Medicare FFS Beneficiaries by Number of Chronic Conditions: 2010*



How the Utilization is Distributed

Figure 3.3 Spending on Medicare Services as a Percentage of Total Medicare Spending Among Medicare FFS Beneficiaries by Number of Chronic Conditions: 2010



Chronic Conditions Drive Admissions

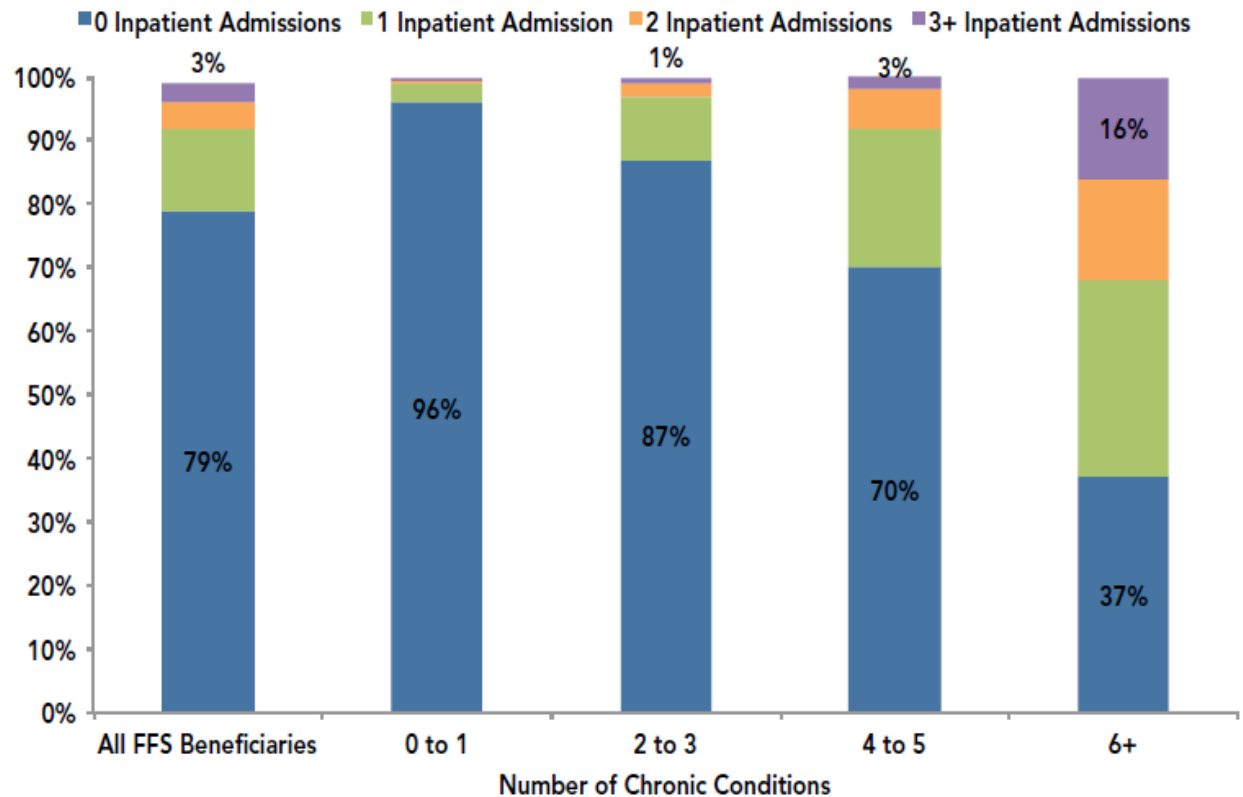
Figure 2.1 Percentage of Medicare FFS Beneficiaries by Number of Inpatient Admissions and Number of Chronic Conditions: 2010



DATA HIGHLIGHTS:

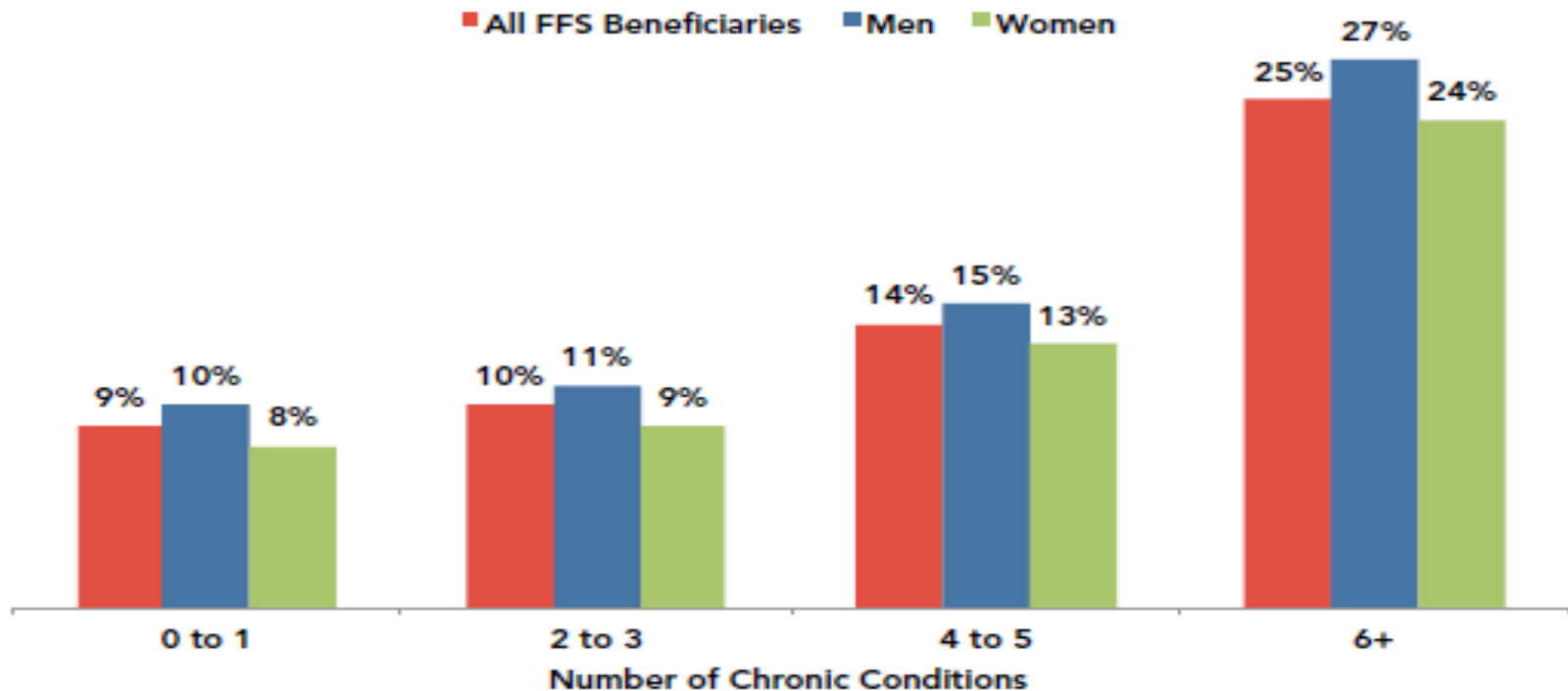
As the number of chronic conditions increased so did hospitalizations:

- Only 4% of beneficiaries with 0 or 1 chronic condition were hospitalized and less than 1% were hospitalized 3 or more times during the year.
- Almost two-thirds of beneficiaries with 6 or more chronic conditions were hospitalized and 16% had 3 or more hospitalizations during the year.



Chronic Conditions Drive Readmissions

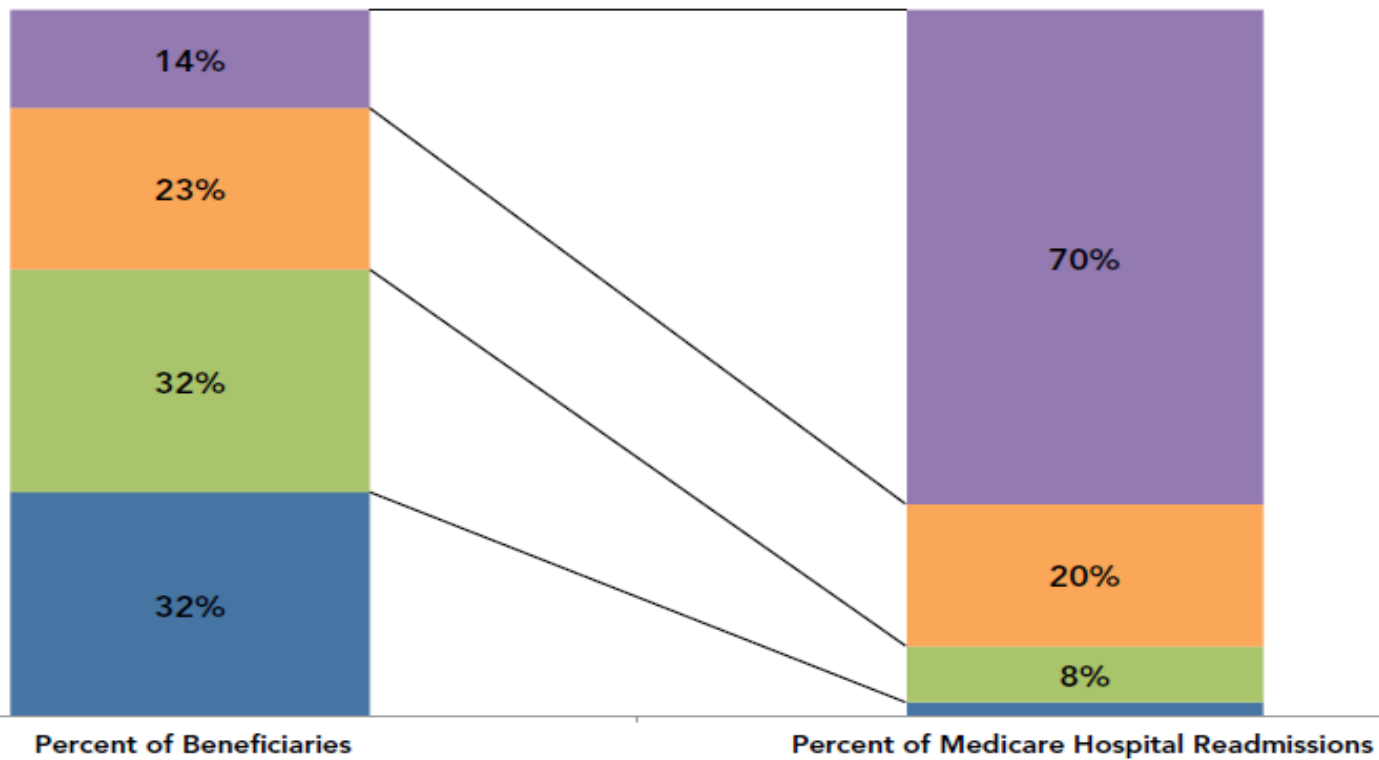
Figure 2.6b *Percentage of Hospital Admissions with a Readmission within 30 days by Number of Chronic Conditions and Sex: 2010*



Readmissions are Chronic Condition Related

Figure 2.7 *Distribution of Medicare FFS Beneficiaries by Number of Chronic Conditions and Total Medicare Hospital Readmissions: 2010*

■ 0 to 1 Condition ■ 2 to 3 Conditions ■ 4 to 5 Conditions ■ 6+ Conditions



Common Grouping Prevalence

FIVE MOST PREVALENT TRIADS

Triads	Prevalence (%)	Per Capita (\$)
High cholesterol and High blood pressure and Ischemic heart disease	33.7	\$19,836
High cholesterol and High blood pressure and Diabetes	29.9	\$17,451
High cholesterol and High blood pressure and Arthritis	25.7	\$18,238
High cholesterol and Diabetes and Ischemic heart disease	21.5	\$25,014
High cholesterol and Ischemic heart disease and Arthritis	19.3	\$24,539

Common Grouping by Cost

FIVE MOST COSTLY TRIADS

Triads	Prevalence (%)	Per Capita (\$)
Stroke and Chronic kidney disease and Asthma	0.2	\$69,980
Stroke and Chronic kidney disease and COPD	0.8	\$68,956
Stroke and Chronic kidney disease and Depression	0.8	\$65,143
Stroke and Chronic kidney disease and Heart failure	1.5	\$63,242
Stroke and Heart failure and Asthma	0.3	\$62,819

Case Study

If your boss came to you and wondered why the ACO didn't have shared savings despite meeting all quality thresholds, what would you ask your boss about the interventions?

If your boss said all the ACO interventions were aimed at the quality measure and wanted to you the quality department to give the ACO a plan, what would the plan look like

What would you consider opportunities/ defects?

What population would you concentrate on?

What sites would you concentrate on?

What would be your interventions?

Summary

- Cost and utilization are concentrated
 - 6+ chronic conditions ~50% of the cost (2/3rd in hospital and post acute care)
 - Frequent admission 60% are admitted to the hospital at least once in that year
 - Frequent readmissions 70% of all 30 day readmissions
 - 4-5 chronic conditions~25% of the cost (1/2 in hospital and post acute care)
- Medicare beneficiaries who receive Medicaid (Duals or Medi-Medi's)
 - Are disproportionately represented in the 6+ chronic conditions
 - Have disproportional behavioral health and are socioeconomically disadvantaged
- Prevalence of a triad is
 - Common triads are predecessors to the most expensive triads
 - Hypertension, diabetes, hypercholesterolemia, ischemic heart disease
- Focus of chronic disease management
 - Conditions occur in groups
- Costly triads are infrequent
 - Drive cost 25-30% of spend
- Look at the CMS website on chronic conditions
 - <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/CCDashboard.html>
 - https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_Dashboard.html

Questions

Thank you!