

WORKING DRAFT

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Global innovation in primary care

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Primary care is uniquely positioned to improve quality and lower costs, both within practices and at the system level

Primary care improvement levers

Within individual practices

- Ensuring efficient utilisation of scarce resources in the practice
- Delivering proactive care to minimise acute admissions
- Supporting patients to improve self-care and make efficient care choices



Beyond the practice ...

- Effective and efficient navigation of health system for patients
- Redesigning pathways to drive down the share of patients requiring acute services
- Setting standards or becoming involved in contracting with other providers to focus on value



Yet efforts to capture systemic improvements in primary care must address unique barriers to change that often characterise this sector

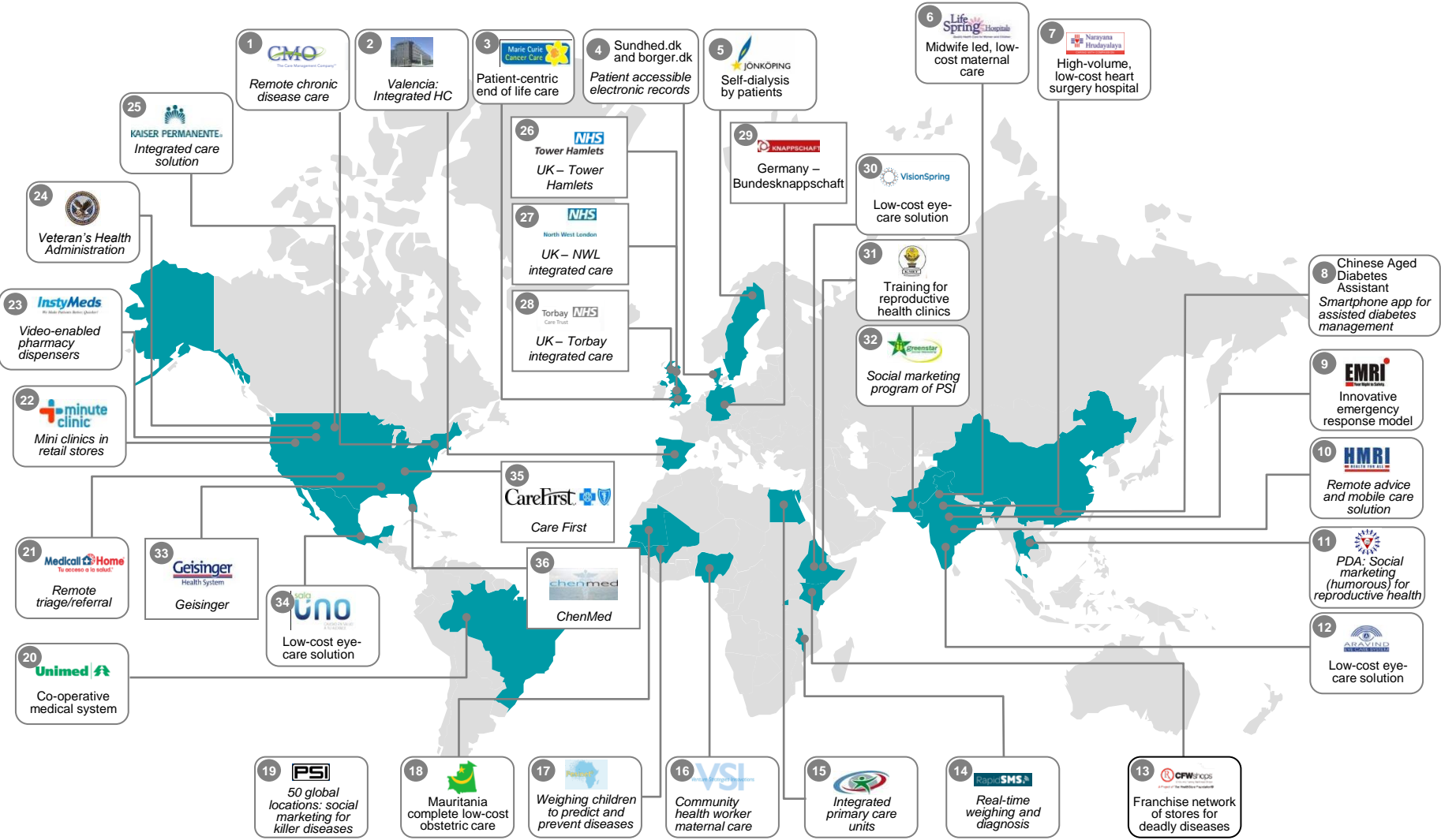


Barriers to change

- **Private enterprise/small business mindset** of system participants, and associated **commercial autonomy**
- **Fragmentation** and **absence of scale** across sector limits ability to deliver in a consistent way
- **Absence of typical corporate structures and capabilities** that enable performance improvement
- **Variable data quality, limited ability to share data, and low overall investment in IT**

Significant innovation in delivery models, especially in emerging markets

Research conducted with the World Economic Forum



Six Secrets of Success

1

Get close to the patient and follow their established behaviour patterns

2

Reinvent delivery model by using proven technologies disruptively

3

Confront professional assumptions and 'right-skill' workforce

4

Standardise operating procedures wherever possible

5

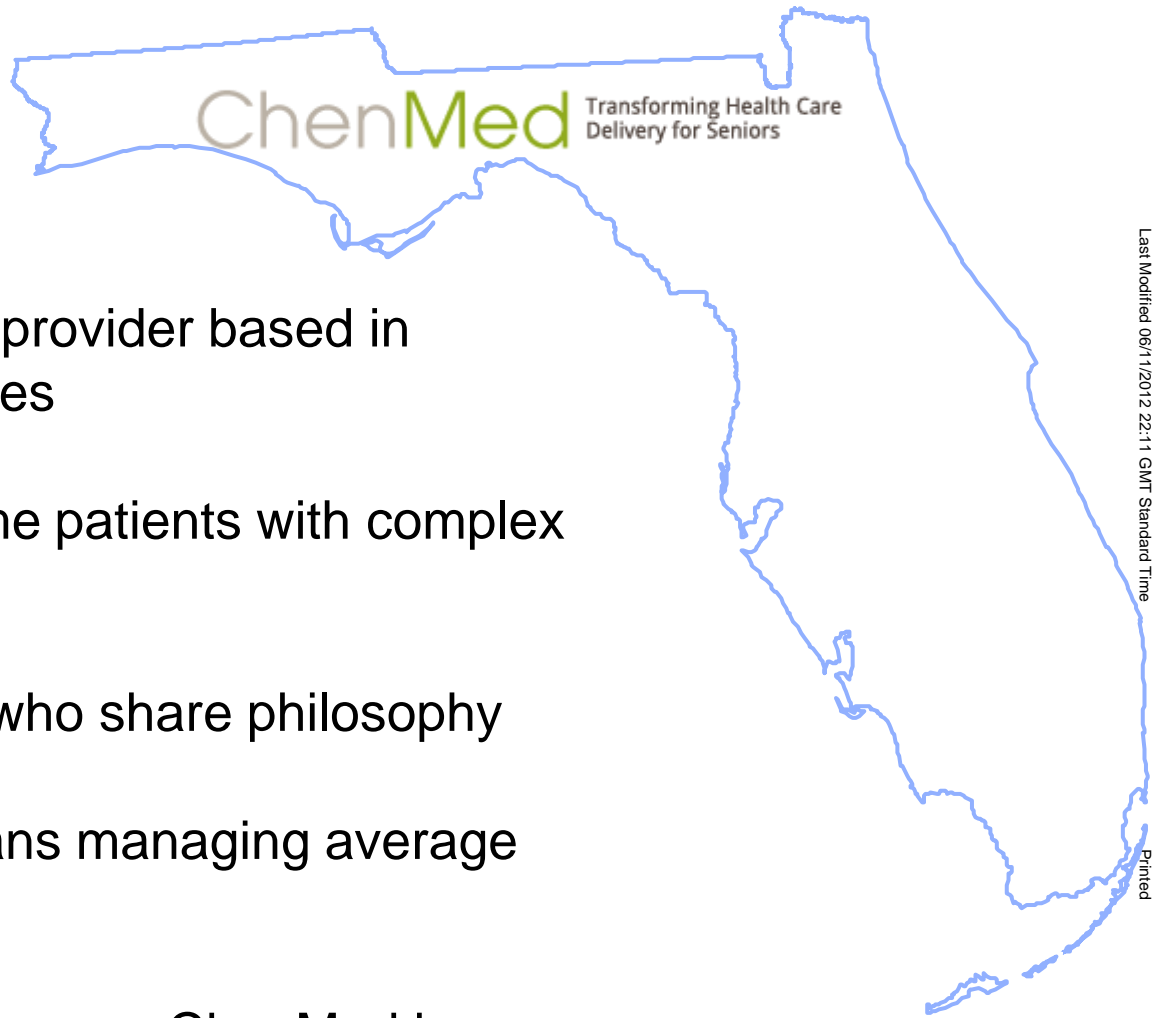
Borrow someone else's assets

6

Open new revenue streams across sectors



ChenMed context



- Family-owned primary care provider based in Florida, with 21 health centres
- Targets low-to-middle-income patients with complex chronic disease
- Recruits academic doctors who share philosophy
- Full capitation, with physicians managing average ~\$7m spend
- Compared with national averages, ChenMed has:
 - 18% lower rates of hospitalisation
 - 17% lower rates of readmission
 - 22% lower cholesterol levels for patients on statins

1 Get close to the patient and follow their established behaviour patterns

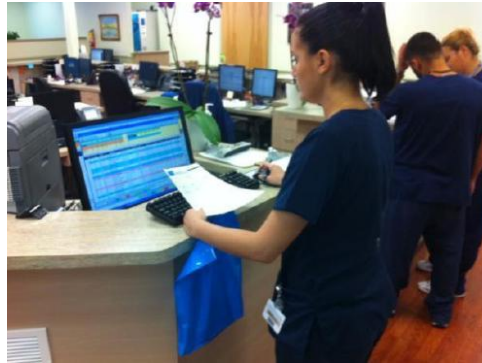
Free patient transport to and from health centre



Impact

- Better follow-up and compliance
- Improved patient satisfaction
- Ensures high-risk patients are seen regularly for risk assessment

Pharmacy fills scripts while patient is with GP



Impact

- Medicines instructions given by the physician, increasing adherence through deference
- 85% of prescriptions filled
- Generic utilisation up
- Saves \$25 per Medicare member per month

92% net promoter score overall

2 Reinvent the delivery model by using proven technologies disruptively

ChenMed medical centers are designed to look and operate like **calm ERs**, with a central **“air traffic control” station** surrounded by examination rooms, with diagnostics, digital pharmacy and ancillary services on site



- Protocols embedded in work-flow on tablets
- MDs can access patient data and respond to questions or calls after office hours
- Patients “attended” by nurse before seen by GP
- Trained but unqualified health assistants carry out routine clinical tasks (BP monitoring, clinical measurements, admin, etc)

3 Confront professional assumptions and 'right-skill' the workforce

Staffing model

Each centre has

2,200 patients

1 operations director

4 doctors → **550:1**
patient: GP ratio

20 other staff → **6:1**
support: GP ratio
including reception,
HC assistants, 1-2
nurses, specialist
input

Talent strategy

Which
doctors are
hired?

- Clinician scientists with a long-term interest in complex patients
- Shared urge to avoid hospitalization
- Marriott-like sense of customer service
- Not over-utilisers!

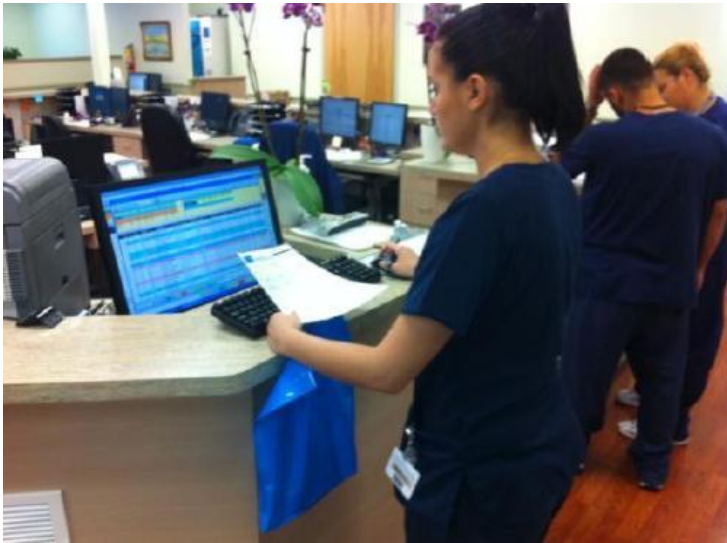
What's the
offer?

- Higher earnings, collaborative environment, more time with patients

How they
work

- Extensive oversight with real consequences
- Less clinical autonomy, more peer challenge
- Always at "top of licence", complex cases

4 Standardise operating procedures wherever possible



- Patients seen by GP at least monthly, frequency set by risk stratification
- 95% of patients seen within 15 minutes
- 95% continuity of care
- Drugs dispensed while GP is with patient
- Peer review of every emergency admission: “every admission is a failure”
- Protocols embedded in tablets
- Medical centre design standardised

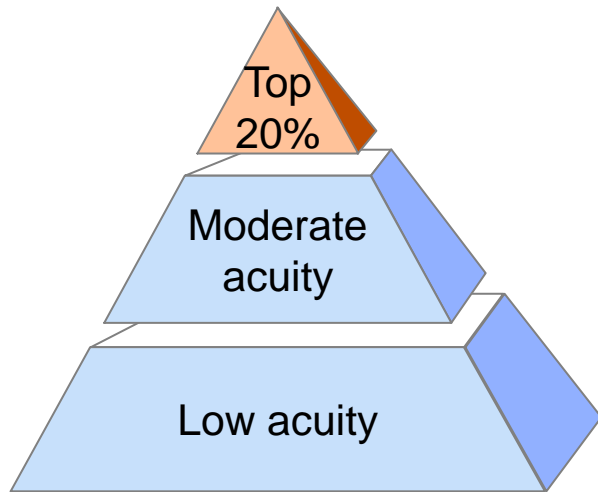
5 Borrow someone else's assets

- iPad app provides customised education during and after appointments



- ChenMed takes over existing registries of patients from other primary care providers – no need to build up a market share from scratch
- Fully integrates clinical protocols, workflow tools developed by others into operations
- Exploits physicians' knowledge and comfort with smartphones by making these central to workflow, e.g. through their smartphone, on-call physicians have remote access to key patient data. Overcomes the massive barrier of fear of new technologies
- Uses Twitter functionality to transfer clinical data between inpatient and outpatient physicians in real time for maximum integration

6 Open new revenue streams across sectors

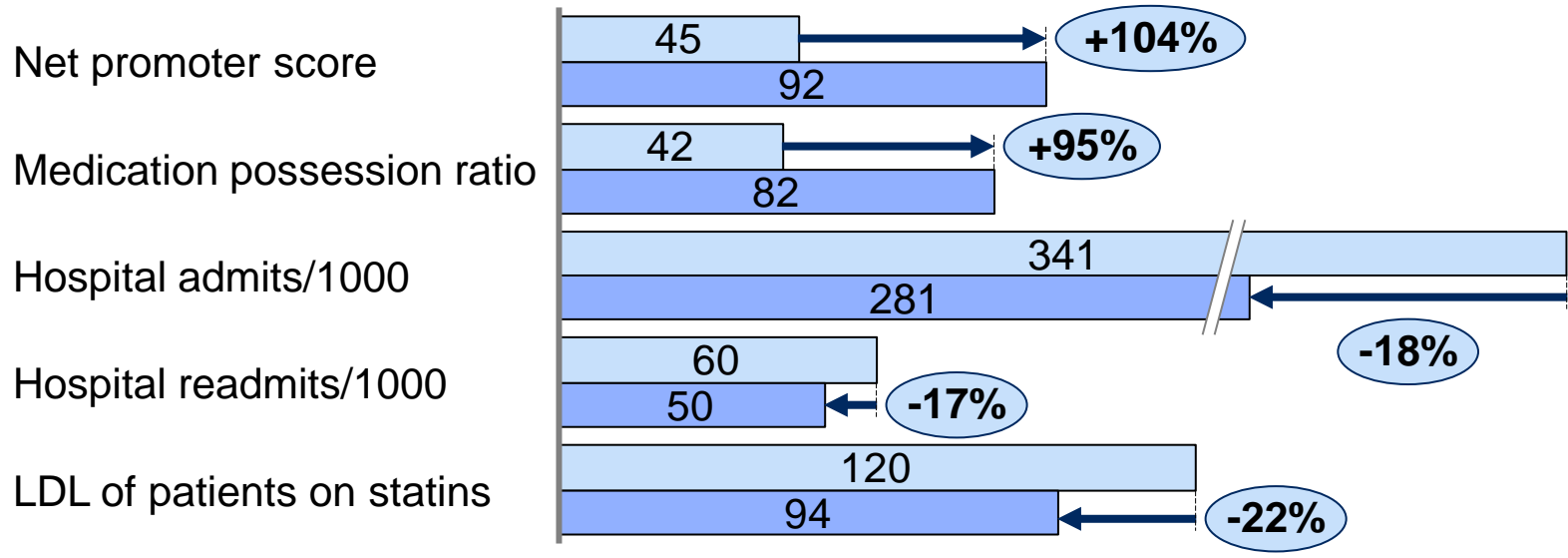


- \$1,000/person fee for service primary care
- \$10,000/person capitation for all healthcare
- 30% lower acute costs than elsewhere
- 3-5x support usually in primary care
- Physicians are gradually introduced to risk-sharing and performance management eventually accounting for 40-50% of their earnings

Results

□ National average
■ ChenMed

Impact



- 96% of GP visits are with the same physician
- 95% of patients are seen within 15 minutes of arriving
- 96% of patients would recommend the service they received
- On-site provision of specialty services means that 85%+ of ambulatory encounters are within 4 walls (but < 25% of costs)

What could this mean for London?

1 Get close to the patient

- 95% patient continuity?

2 Reinvent delivery model

- 100% Tablet powered workflow?

3 'Right-skill' workforce

- 500 list for complex patients?

4 Standardise operations

- 95% patients in 15 min?
- Peer review of every admission?

5 Borrow someone's assets

- Put data in cloud and await iPhone apps?

5 New revenue streams

- >20% lower acute costs, half of which invested in more primary care?