

## Transforming Healthcare: Patient Care Coordination

**G**undersen Lutheran Health System's innovative Care Coordination program guides patients with complex medical, social and financial needs through the healthcare process, improves patient care and efficiencies, and lowers healthcare costs by helping patients manage their disease and stay as healthy as possible. A major study of Care Coordination programs appeared in the February 2009 issue of *JAMA*. Although Care Coordination programs have "promised" significant cost savings, the study indicated that 13 of 15 programs studied failed to achieve any. However, one particular model was recommended—a model that blended an emphasis on patient education along with a close working relationship with both physicians and hospitals. That is exactly the model we have implemented here at Gundersen Lutheran.

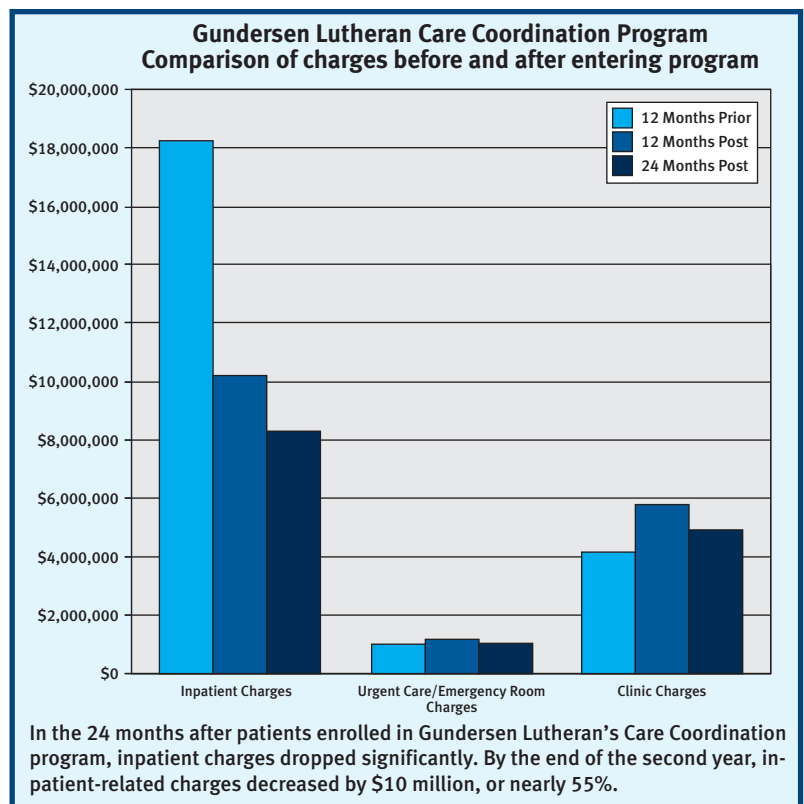
At Gundersen Lutheran, we chose to enroll the sickest 1% to 2% of our patients who met the Care Coordination program criteria. These patients are some of our highest utilization patients. After using the Care Coordination program, patients have been shown to:

- Reduce their healthcare costs by approximately \$18,000 per patient over 24 months.
- Use the healthcare system more appropriately, with fewer and shorter hospital stays and more preventive care.
- Receive the assistance they need to better manage their disease as their care coordinator helps them understand their illness, physician instructions, medications, etc.

Care coordination is different than "case management," which is a technique used by many health insurance plans and companies. The care coordination approach is not about insurance coverage and payments. We have chosen to create a Care Coordination program because it is the right thing to do for our patients. However, the current fee-for-service reimbursement structure does not reward innovative programs that save patients, and the healthcare system as a whole, substantial dollars. Instead, fee-for-service rewards hospitals for the quantity of care delivered, not the quality or appropriateness of that care.

At Gundersen Lutheran, care coordination is about patient-centered care that achieves better medical outcomes while appearing to significantly decrease the cost of healthcare. It is unique for a healthcare system to offer care coordination to its patients regardless of their payment source or ability to pay. And, because Gundersen Lutheran is an integrated health system, our program differs substantially from those administered by third party organizations.

The care coordinators are registered nurses or social workers who help patients get the right level of care at the appropriate time. Because patients are not being hospitalized as frequently, they have fewer healthcare costs. Gundersen Lutheran's Care Coordination program is a service provided to our patients free of charge. By reducing the number of preventable readmissions and increasing patients' compliance with treatment plans, we use fewer resources and lower our costs while improving patient care.



## Reducing healthcare costs

Based on our initial analysis, Gundersen Lutheran's Care Coordination program appears to significantly reduce healthcare costs for patients enrolled in the program. The savings result from patients using the healthcare system more appropriately.

For example, Gundersen Lutheran tracked healthcare utilization and costs for the 530 patients who enrolled in the program between 2005 and 2008 and who continued with the program for 24 months. This initial analysis compared the utilization and costs for the 12 months prior to enrollment to the 12 and 24 month periods after the patients entered the program. The analysis showed a decrease of about \$6.5 million in total charges for this group of patients after 12 months and an additional \$3 million decrease after 24 months. Clinic (ambulatory care) visits went up as patients shifted from inpatient care areas to ambulatory care. As patients began to better manage their disease, costs also shifted from the more expensive inpatient care areas to ambulatory care. By the end of the second year, inpatient-related charges dropped by 55% and overall charges decreased 40%.

At Gundersen Lutheran it cost us an average of \$2,000 a year to coordinate the care of a patient in the program between 2005 and 2009. After 12 months in the program, charges decreased an average of \$15,000 per patient.

## Program results

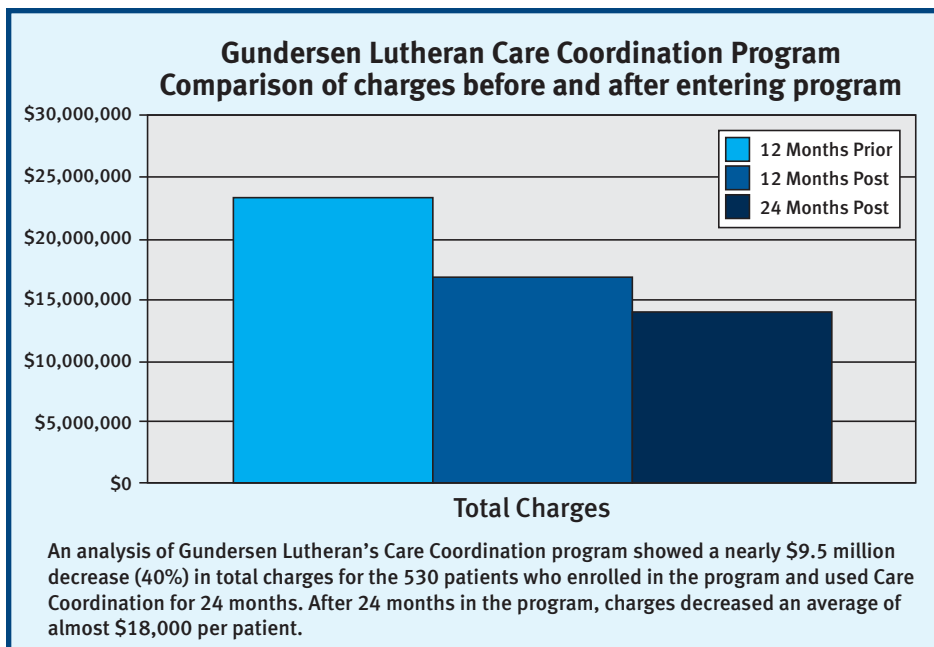
Gundersen Lutheran's data for the 530 patients who enrolled in our program between 2005 and 2008 and used Care Coordination for 24 months shows:\*

- Almost 80% of all charges for patients before they enrolled in Care Coordination were inpatient-related charges
- After being enrolled for two years, inpatient-related charges dropped by \$10 million, or almost 55%
- With the shift from high-cost hospitalizations to lower-cost clinic care, total charges dropped by 40%
- For every dollar Gundersen Lutheran invests in the Care Coordination program, we are reducing healthcare charges for these patients by approximately \$8

Gundersen Lutheran's early results are very promising and warrant further research into the benefits of Care Coordination.

## The future of Care Coordination

Care Coordination is extremely promising as a program that could significantly reduce healthcare costs for the sickest 1% to 2% of patients at Gundersen Lutheran. However, there are another 2% to 5% of patients who are moderately sick and use a significant amount of healthcare resources. This is a population of patients that the Care Coordination program can be expanded to help in the future, with the potential of reducing healthcare charges by millions of dollars a year at Gundersen Lutheran alone.



*\*Charges for the year prior to activation compared to the charges for 24 months following activation*

## Establishing Care Coordination

Patients enter Gundersen Lutheran's Care Coordination program if they are shown to:

- have had frequent hospitalizations, Emergency Room or Urgent Care visits, or falls or are on multiple medications;
- have multiple healthcare providers or chronic health conditions;
- lack a strong support system at home to help them navigate the healthcare system; and/or
- are having difficulty coping with the complexity of their healthcare needs.

Patients are identified for possible enrollment in the Care Coordination program in a variety of ways. Typically, a patient is referred to Care Coordination by a primary or specialty care physician, social worker or RN who identifies the patient as a high-user of services. For example, the patient may have been hospitalized for more than 14 consecutive days or incurred more than \$100,000 in hospital expenses. Patients can also self-refer.

When patients are referred, the care coordinator uses a standardized assessment form to determine if they are appropriate for the program. If so, they are assigned to one of 24 RNs and/or four social workers. Each RN coordinates care for 40 to 60 patients, while social workers work with 70 to 100 patients at any given time. Approximately 1,250 patients are in Gundersen Lutheran's Care Coordination program.

The program is available to patients at Gundersen Lutheran's headquarters in La Crosse, Wis., as well as those who receive medical care at any of Gundersen Lutheran's 21 regional facilities in western Wisconsin, northeastern Iowa and southeastern Minnesota.

## The Care Coordination team

The care coordinators work closely with each patient's entire healthcare team to develop a comprehensive care plan, coordinate and attend the patient's appointments, and share information with the care team through Gundersen Lutheran's electronic health information technology system called Clinical Workstation. They work with the patient through face-to-face interactions and telephone calls. While the entire care team is critical to the success of the Care Coordination program, there are two key members of the patient's care coordinator team: a registered nurse (RN) and a social worker.

### The role of registered nurses

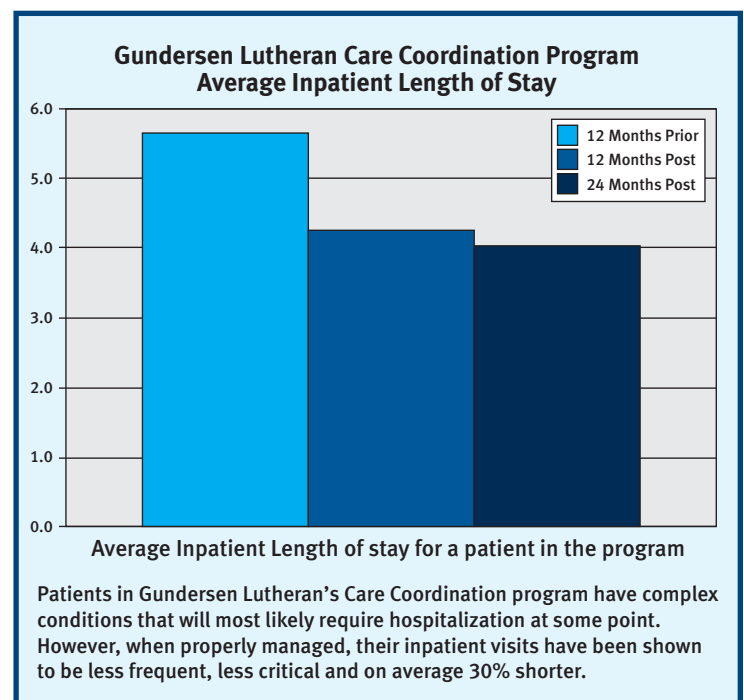
The RN care coordinators keep in constant contact with their patients and patients' care teams. Their goal is to make sure patients understand their disease, understand all physician instructions, are taking their medications and are using the right level of care at the appropriate time. The goal is to manage patients' care in the ambulatory setting as much as possible in order to avoid frequent emergency room visits or hospitalizations. And while these patients have complex conditions that will most likely require hospitalizations or emergency room visits at some point in time, if they are properly managed, those visits will be less frequent, less critical and shorter.

The RN care coordinators at Gundersen Lutheran have an average of more than 27 years of nursing experience.

### The role of social workers

The social workers in the Care Coordination program partner with the RN care coordinators to manage the psychosocial components of a patient's care. The social worker assesses the patient's financial, social and emotional needs, working to connect patients with resources they need to succeed in managing their care at home and in the community.

Gundersen Lutheran's Care Coordination program provides higher quality patient care to the sickest of patients. In addition, it appears to be simultaneously lowering the cost of that care because patients receive the right care at the right time.



## Gundersen Lutheran Health System

Headquartered in La Crosse, Wis, Gundersen Lutheran Health System provides quality health services to patients at its hospital and clinics throughout western Wisconsin, southeastern Minnesota and northeastern Iowa. Gundersen Lutheran is a major tertiary teaching hospital, providing a broad range of emergency, specialty and primary care services to its patients.

As one of the nation's largest multi-specialty group medical practices, Gundersen Lutheran is comprised of nearly 700 medical, dental and associate staff, and supported by a staff of more than 6,000. The Health System has been consistently ranked in the upper 5% of hospitals in the country.

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