Health Care Reform—Challenge, Yes. Opportunity, Yes!

2:15 – 3:15 pm
Howard Gershon
New Heights Group

Healthcare Reform

December 6, 2010
Howard J. Gershon, FACHE
New Heights Group
Session Objectives

• A Challenging Landscape
• Implications
• Provider Opportunities
• Critical Success Factors

Challenging Landscape:
Mental health affects...

• One out of every 5 hospital stays
• 9.4 million stays (2008)
• 6 of every 10 stays paid by Medicare/Medicaid
• 1 of every 10 stays uninsured
• Average length of stay is greater

Organizational Challenges

• Negative revenue from inpatient & ambulatory
  ▫ lack of highly reimbursed procedures
  ▫ poor payer mix
  ▫ disposition and LOS problems
  ▫ low RVU-based productivity
• Maximizing revenue per square foot
• Physician coverage "stretched to the limit"
ACEP Study: Psychiatric patients in ED

• 79% of total patients
• 90% come weekly
• 60% stay over 4 hours after decision to admit
• 62% did not involve psychiatric services
• 85% said ED wait times would improve with better psychiatric services

Other Challenges of Mental Health

• Workforce shortages
• Lack of financial incentives
• Patients’ perceptions and fears create barriers
• Co-morbidities of mental health disorders with physical illness and substance abuse
• Racial and ethnic disparities
• Healthcare system structure restricts integration

Current Delivery Not Working

• Behavioral health patients admitted to Medical & Surgical units
• Mentally ill “boarded” in ED
• Increase of mentally ill in jails/prisons
"Our ability to deliver care in the same model that we have today is going to be very tightly constrained — if not impossible."

C. Martin Harris, MD, MBA
CIO Cleveland Clinic

Reform Passes

Health Care Reform
- Benefit packages
- Prevention, outreach & education
- Care coordination
- Information technology
- Expanded services
- Workforce initiatives
Will Reform Help?

- Bundled payment/ACOs
  - Consider behavioral health aspect of healing/health
  - Treating “whole person,” prevention and early intervention
- Medical homes
  - Emphasis on prevention, early treatment
  - Coordinated care
  - Increase need to integrate with primary care
- Reimbursement
  - More coverage under reform initiatives
  - Medicaid paying for IP, OP and other supportive services
  - Parity laws could improve coverage

“There’s no part of American life right now that is more in need of imagination and new ideas than Healthcare.”

- Colin Powell

Foundation for Redesigned Delivery System
Opportunities for Providers
- Expand the Continuum
- Engage in Neurosciences
- Embrace Technology

Behavioral Health Continuum

Inpatient Opportunities
- Gero-psych
- PTSD
- Dual Diagnosis
- Women’s Programs
- Consultation & Liaison Service
Outpatient Opportunities

- Medication Management
- Individual Therapy
- Groups
- ECT

Crisis Services

- Emergency Services
- 23 Hour Observation
- Mobile Services
- Crisis Residential
- Telephone Support

Opportunities

- Expand the Continuum
- Engage in Neurosciences
- Embrace Technology
Engage in Neurosciences

Integrated Neurosciences Care
• Neuropsychological evaluations
  ▪ Dementias
  ▪ TBI/stroke
  ▪ Epilepsy
  ▪ Parkinson’s, other movement disorders
  ▪ Multiple sclerosis
• Neuropsychiatry
  ▪ Clinical assessment
  ▪ Acute interventions
  ▪ Care management

Opportunities: Alzheimer’s
• Aging population increase in neurodegenerative disorders (8M Alzheimer’s patients by 2010)
• Alzheimer’s is leading contributor to personal health expenditures ($93B in 2000, $150B in 2010)
• Business-related costs for victims and caregivers
• Early diagnosis and treatment shifts focus to multidisciplinary, disease management approach
Opportunities: Traumatic Brain Injury and Post-stroke Disorders

- Improved acute interventions
- Decreased mortality due to advances in acute and post acute care
- Increased need for:
  - Longer term management of psychiatric issues
  - Assistance to caregivers
  - Vocational and social rehabilitation

Opportunities

- Expand the Continuum
- Engage in Neurosciences
- Embrace Technology

Electronic Medical Records
**Telemedicine**

**Pharmacogenomics**

**Embrace Technology**

- Imaging
- Procedural interventions
  - ECT
  - Deep Brain Stimulation
  - Transcranial Magnetic Stimulation
Characteristics of Successful Behavioral Health Systems

1. Continuum of care
2. Clinical services integration
3. Clinician organization integration
4. Primary care integration
5. Partnerships & affiliations
6. Market identity/image
7. Market development
Characteristics of Successful Behavioral Health Systems
1. Continuum of care
2. Clinical services integration
3. Clinician organization integration
4. Primary care integration
5. Partnerships & affiliations
6. Market identity/image
7. Market development
Characteristics of Successful Behavioral Health Systems

1. Continuum of care
2. Clinical services integration
3. Clinician organization integration
4. Primary care integration
5. Partnerships & affiliations
6. Market identity/image
7. Market development

Behavioral Health Systems Benchmarks

- Continuum of Care (# services offered)
- Clinical Services Integration (# methods employed)
- Clinical Organization/Integration (# models in use)
- Primary Care Integration (# methods employed)
- Partners & Affiliations (# partners)
- Market Identity/Image (# approaches employed)
- Market Development (# strategic initiatives)
“We cannot solve the problems we have created with the same thinking that created them.”

Albert Einstein

Thank you
Howard Gershon
Principal
New Heights Group
(505) 690-8433
Howard@reach-newheights.com

Questions