

## From Physicians Network ....

.... to a Healthcare Managament Company

# What does it take to make collaboration in a network successful?

International symposium



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## Integrated Care System Gesundes Kinzigtal -**Region in the Southwest of Germany**



(Stand Juni 2015)

- Start: 2006
- Population-based integrated care for a population (AOK & LKK) of 33.000 insurees
- Long term shared-savings contract (2006 -2015\*) for the whole population
- Active IC participants: ca. 10.000
- Reg. cooperation partners: 270
- Coop. physicians in the region: 58%
- Total costs\*\* 65 Mio. €
- No restrictions for patients in their choice of doctors



# From "individual doctor" to "physicians network"

..... their were informal "get togethers", to which doctors from the neihgbour villages had met more or less regularly .....

- ..... little by little an idea got shape:
- to encourage dialogue and exchange among the local established GPs and specialists heading to better professional
  - cooperation.

1992









- ......
- Time saving + work easier
- better predictability of the remuneration
- Improve communication among the local physicians
- better exchange of patient data
- Improve emergency care
- Improve outpatient care
- voluntary participation by doctors + patients
- cost savings
- better negotiation with health insurance
- •

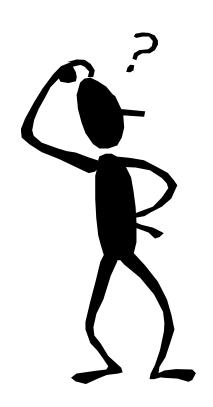




## What is to be done?



## Good reasons for (more) cooperation:



- Acting instead of "being acted"
  - by improving communication and cooperation
  - by improving patient management and offering more/better patient-oriented supply
  - by upgrading of quality
- Strengthening outpatient medicine
- Gaining "internal" (regional) strength against "the outside," (i.e. statutory physicians association, health insurance companies and -policy)

Only those who are "connected" in a network can work together closely and trustingly.





## Criteria of success and failure:

Discussion and definition of common aims and values

Clear intentions, clear allocation and clear division of responsibilities

Reliability in the implementation of self-selected aims

Practicing partnership in communication and cooperation

**Create organization and structures** 

(with professional help and support)

Lack of willingness to change (yourself)

Lack of willingness to invest

Overestimation of own competence (s)

Size of network









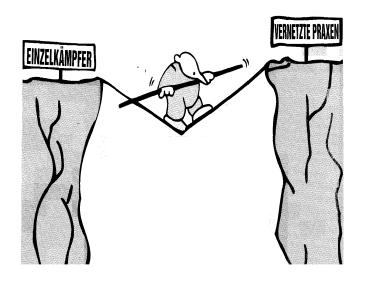




## Step by step:



### It's a long Way .....



It is not enough to know and not enough to wish. Things should have to been tried and done.

(J.W. Goethe)

 Confidence and cooperation must grow

consensual (i.e. slow)
 development "bottom up"



## Stocktaking - the midway point:



The up to then developed structure does not fulfill all expectations related to income and the improvement of medical quality. (Professional) management of/in the network is only partially visible.

Dorthin!

Nein, lieber dorthin ambivalent objectives (again and again) -

on the one hand improving the quality of healthcare, cost savings on the other hand

on one hand improved communication and cooperation; on the other hand claim on maximum preservation of individuality

on the one hand claim on economic success, on the other hand (often) only small consensus for "investments"







..... the doctors network strives for integrated care

## **Our VISION:**

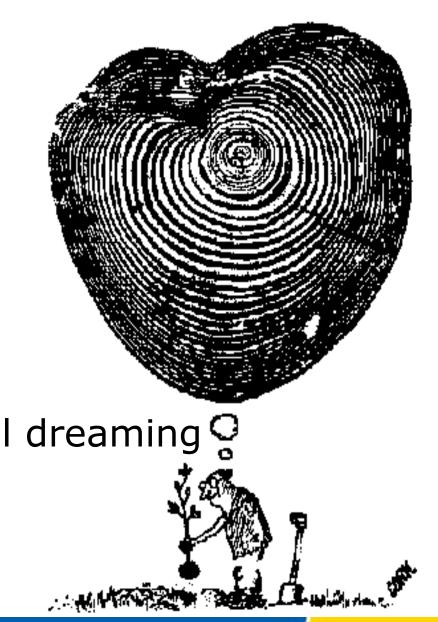
Development of a population-based, regional and independent concept of health care without sector boundaries.



## Every change is a developing process

oder:

reality begins, when one is still dreaming 9





## MQNK: Preconditions for Integrated Care

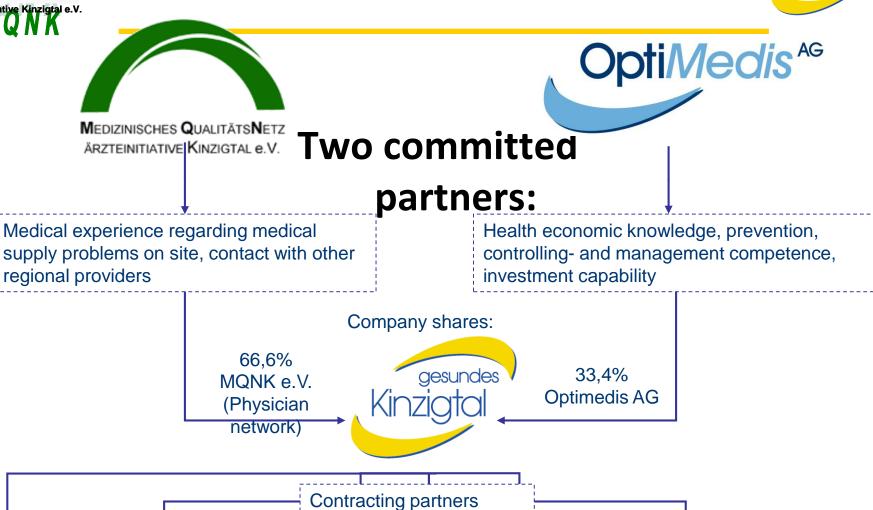


- Maintaining our practices and outpatient care in Kinzigtal
- No risk selection
- Free choice of doctor
- "equality " of GPs and specialists



## Structure of the management company





**Physicians** 

**Psychotherapists** 

Hospitals

**Pharmacies** 







- Outpatient before inpatient
- Focusing on complex, chronic and cost intensive diseases
  - Optimized strategies and desease management to prevent of chronicity and/or relapses
- better follow-up of diseases in order to adapt the intervention to the current course faster and more specifically.
- More and improved prevention





## The economic basis – the contribution margin



The management company invests and benefits from

its success



**Management company** 

**Health insurance** 

Management company

### **Tangible investment:**

Additional payments for management and substituting actions/ prevention

#### **Intelligence investment:**

Physicians know-how to streamline processes

Know-how of the management (and OptiMedis AG)

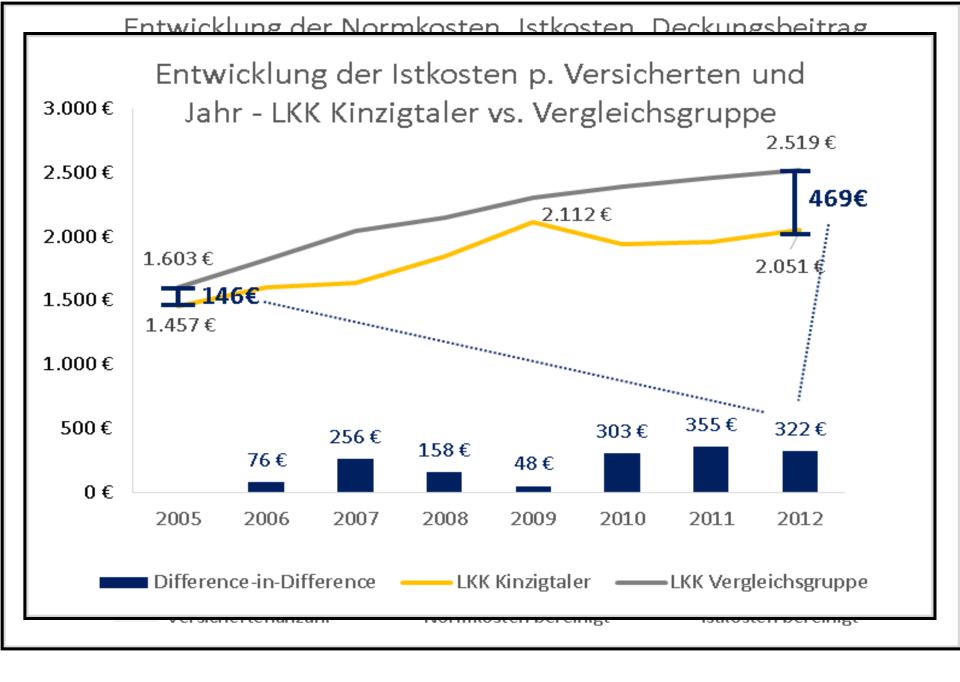
Cost cutting agreements (rebates and/or success remuneration)

## Contribution margin

Total-Costs

# Normally expected costs

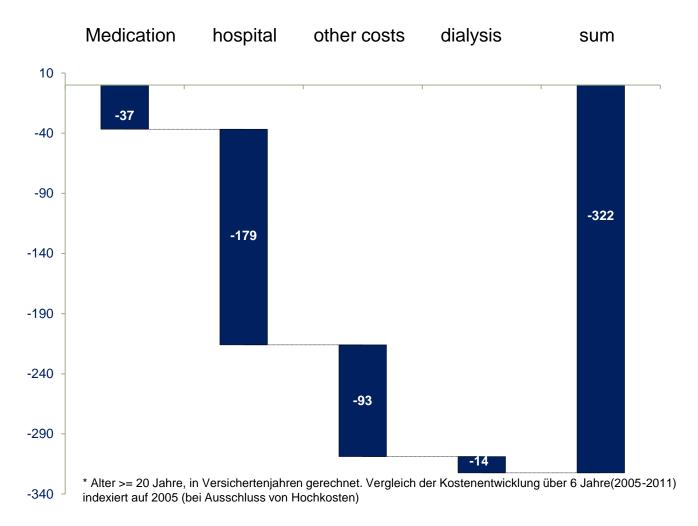
(allocations by means of the Morbi-RSA algorithm)





## A detailled look at the cost savings for the LKK population (2005-2012)









## **Novelties:**

- Prevention obtains central meaning.
- Shared Decision Making & informed consent in patient consultation
- The information of health insurance allows to analyze health expenditure and to develop "strategies" to avoid costs in the future.
- new "ad-on" remuneration.



# A balanced multi-level remuneration system for the cooperating providers has been developed to support the re-orientation towards the Triple Aim



 to the Medizinisches Qualitätsnetz Ärzteinitiative Kinzigtal e.V. (MQNK =network of physicians in the region) Distribution of shared gaining profits

 to individual providers under contract with Gesundes Kinzigtal GmbH

Pay for performance

 to individual providers under contract with Gesundes Kinzigtal GmbH Add-on fee-for-service payments for special desired Gesundes Kinzigtal services

 to individual providers under contract with Gesundes Kinzigtal GmbH

"normal" remuneration from statutory health insurance contracts



## Objective agreement between physicians and patients in Kinzigtal



Objective agreements have positive effects on patient satisfaction and health behavior.

## For example:

45 percent of the patients, who had agreed objectives with their doctors, said that they change personal health behavior.

Siegel A et al: Gesundes Kinzigtal Mitgliederberfragung, Freiburg 2013





## Gesundes Kinzigtal: More than a physician network ... a local network with various cooperation partners





Around **500 people** participate as collaborators (160 organizations/institutions):

- Physicians, psychotherapists, hospitals, physiotherapists, nurses homes, ambulant care giver, pharmacies and other medical professions,
- statutory health insurance employees,
- sport clubs, fitness centers, local companies and local authorities

to organize integrated care for 33.000 insurees of the both statutory health insurers (AOK and LKK).

## → Professional relationship management and communication needed!



# Gesundes Kinzigtal is a Win-Win-Win-Solution



## Win for society and payers:

for the region / cities (attracting physicians and nurses, keeping the people healthy, improving the workforce conditions for local enterprises) ... for the insurance (lower costs, lower premature retirement & long term care)

## Win for patients:

getting better care, staying healthier, having more decision over their care .... on the long run: lower insurance premiums

## • Win for providers:

getting surplus payment (from the "health dividend"), having more positive feedback of healthier patients, enjoying less regulations but getting back to the core of their decision to work in healthcare





## "take-home-message"

"Smart contracting" & health sciencebased "triple aim" interventions are able to achieve significant results

..No free lunch": Integrated care needs a lot of investment & intelligent management & contracting

...and it raises joy, professional pride and spirit + provides real value for the society





## Thank you for your attention

If you have questions, please do not hesitate to contact us:

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