

Integrated Care Value Case

Kinzigtal, S.W. Germany



November 2013

This Value Case has been commissioned by the Local Government Association with support from the national partners on the integrated care and support collaborative

Guiding principles for the value case:

The overall goal of this work is to develop value cases which are:

- Aimed at Health & Wellbeing Boards

And incorporate:

- Service user stories, capturing changes to the service user's journey
- Features of the model, including enablers (e.g. technology initiatives to support the model)
- Costs of the model
- Evidence of benefit, including activity, spend and outcomes

We recognise that the information contained in the value case may prompt further questions, in which case we recommend you use the contact details at the end of the value case to follow up with a direct contact.

About Kinzigtal

- Kinzigtal is a valley stretching from the black forest down to the rhine-valley in South West Germany. It has 71,000 inhabitants and consists of several small towns with around 6,000 inhabitants each.
- The integrated care and commissioning pilot “Gesundes Kinzigtal” (GK) started in 2006. A regional health management company (Gesundes Kinzigtal GmbH) in co-operation with the physicians’ network in the region and the two health insurance providers (AOK BW and LKK BW) is delivering joint health and social care with the aim of improving the overall wellbeing of the population.
- GK is the only long-term public health and population-based integration approach in Germany and includes about 20 preventive and health promotion programmes for specific conditions. The programme uses a “gain share“ model between GK and the two sickness funds covering the total costs of care for the population. This is founded on a unique approach derived from a health sciences based managed care background.
- GK is an innovative model of integration in its combination of logistical re-engineering of care processes, IT integration, public health and prevention measures. Its evaluation through an ambitious series of studies may have long-term relevance for the organisation and management of care services internationally.
- The system serves 33,000 people - nearly half of the population of the region.

5 Key Components

1. Individual treatment plans and goal-setting agreements (SDM)
2. Patient self-management and follow-up care and case management
3. System-wide electronic records
4. Connecting improved medical care with a comprehensive public health and prevention perspective
5. Revolutionary fee system: GK and providers are profiting from improved health status for the population



Now.. the right intervention at the right place by the right people and at the right time

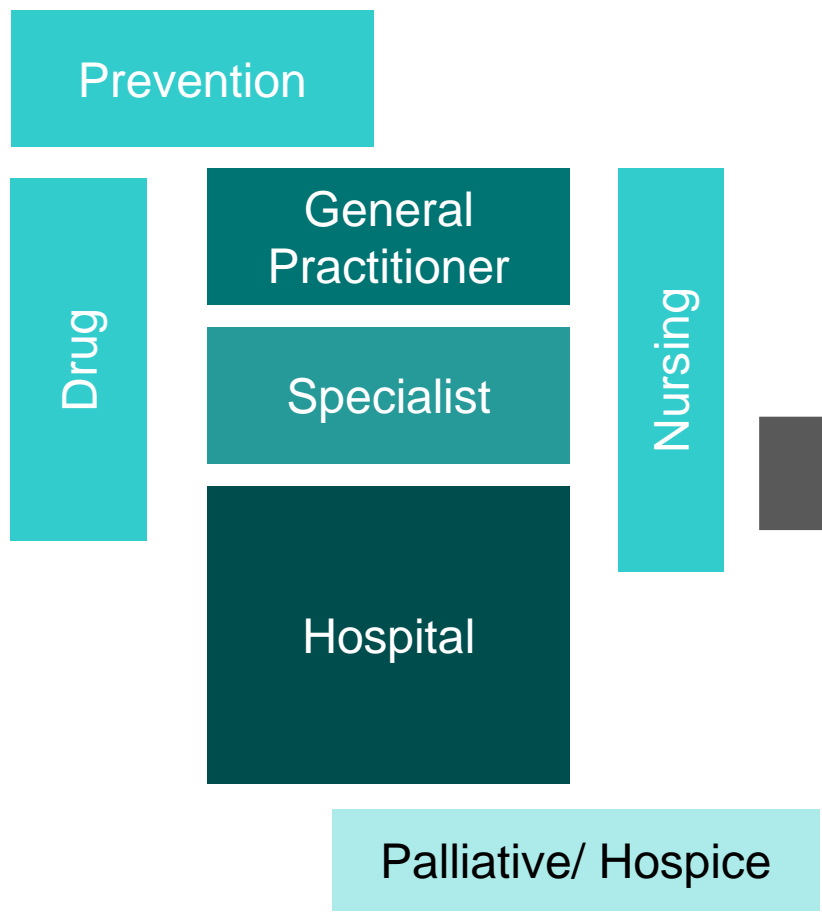


Previously... incentives were not prevention driven

Gesundes Kinzigtal visual model

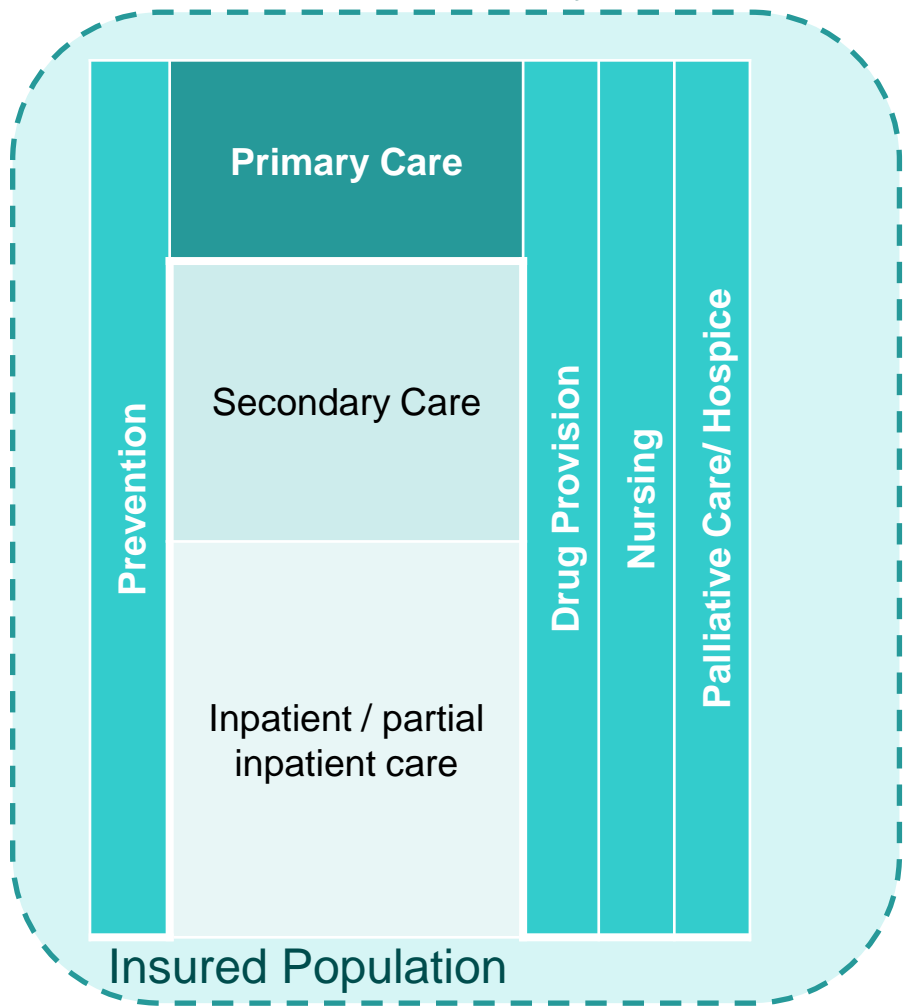
Traditional System

Provider and sector-orientated

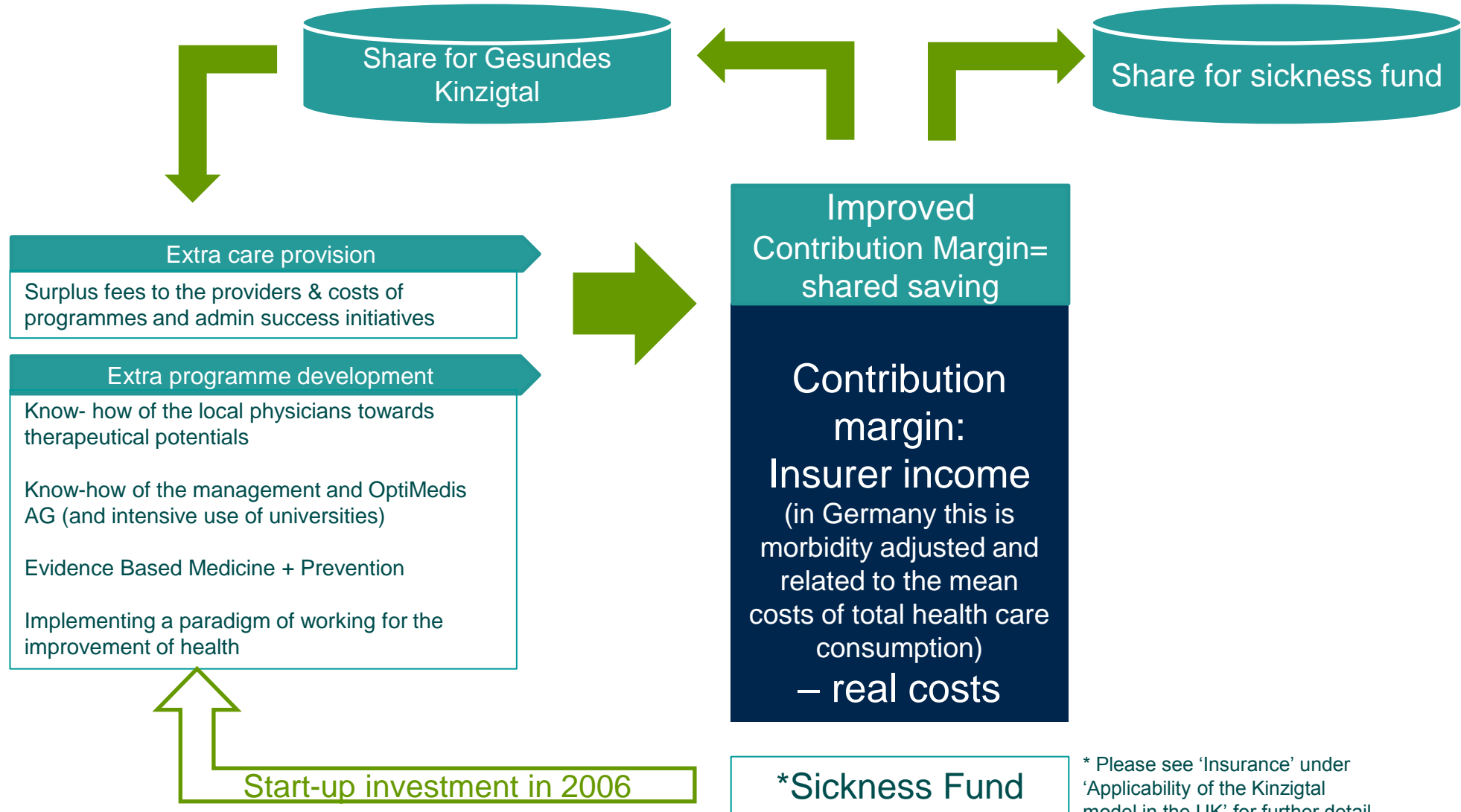


Future Concept

Population-orientated, cross-sectoral and incentives driven by outcomes



Gesundes Kinzigtal cycle: invest upfront into the health gain of the population to get a share of the improved contribution margin



* Please see 'Insurance' under 'Applicability of the Kinzigal model in the UK' for further detail

Applicability of the Kinzigtal model in the UK

Legal

- In Germany “Integrated Care” is supported by Section 140a of the Social Security Act. Gesundes Kinzigtal Ltd gets a copy of all claims data to evaluate and plan interventions – CCGs would need this information to support their planning.
- GK has a system-wide electronic patient record that can be accessed by all providers, this is a potential conflict with UK law around information governance.

Accountability

- Details of co-operation between providers and Gesundes Kinzigtal GmbH are stated in the provider contract: therein providers agree for example, to adhere to consented guidelines, standards and procedures as well as to the charter of patients' rights within GK Integrated Care.
- The contract specifies which extra services providers receive separate reimbursement payments for.

Workforce

- GK has contracted 48 physicians and psychotherapists in private practices; around 120 professionals from other health professions; and 15 professionals of different backgrounds organising the project (from pharma to physiotherapy, public health, economy, practices assistants, IT)
- This workforce can be applied directly to similar programmes in the UK as the same roles exist.

Insurance

- In comparison to the UK's publicly funded Healthcare system (the NHS), Germany has a universal multi-payer system with two main types of health insurance: law-enforced health insurance known as sickness funds (part of the Kinzigtal model) and private health insurance (only 10% of population)
- Compulsory insurance applies to those below a set income level and is provided through non-profit "sickness funds" at common rates for all members, paid for with joint employer-employee contributions

Finance

- GK is accountable for all care service costs for everyone insured by AOK BW and LKK BW living in the Kinzigtal region. The programme is free of surplus charge to patients.
- One of the more important innovations of the GK Integrated Care initiative is its financial model ('gain share'). Profit, derived from realised savings relative to the average costs of care, is shared between the management company and the sickness funds on the basis of a negotiated shared savings contract.



“The operation of Gesundes Kinzigtal could be considered as a benchmark for clinical commissioning groups”

Helmut Hildebrandt, Timo Schulte, Brigitte Stunder, (2012) "Triple Aim in Kinzigtal, Germany: Improving population health, integrating health care and reducing costs of care – lessons for the UK?", Journal of Integrated Care, Vol. 20 Iss: 4, pp.205 - 222

Outcomes evidenced by **Gesundes Kinzigtal**: What difference does it make?

User experience

- More than 2,000 members of other health insurances have switched to AOK during the period for which GK has been running (indexed to the changes of AOK in the whole of Baden-Wurttemberg between 2007 and 2011)
- 8 out of 10 people in Kinzigtal know of “Healthy Kinzigtal” positively

Frontline staff experience

- 71% of all physicians and other health professional partners of Kinzigtal actively support the programme: “I see health improvements while lowering costs of care at the same time”
- 82% of all partners are content with the successes of the project

Health & wellbeing outcomes

- Reduction in morbidity and mortality rates: Life expectancy of GK patients has increased by 1.5 years relative to controls
- Prevalence of patients with fractures among all patients with osteoporosis was around 5% lower when compared with controls
- Improved survival rate for Kinzigtal patients with chronic heart failure

Impact on institutional care

- Less rapid increase rate of hospitalisation between 2005 and 2010 - 10.2% compared to 33.1% in control group
- 15% reduced quota in nursing home admission
- 20% reduced rate in polypharmacy for the elderly

Impact on cost

- Lower overall costs for the “sickness funds” involved
- For LKK insurers (associated with a high-morbidity risk population) there was a substantial morbidity-adjusted efficiency gain for the years 2007-2010, rising to more than 16% of total costs compared to a control group of members of the same insurer
- A positive cost difference of €327 per capita per LKK-insured was attained in relation to control group in Baden-Wurttemberg



“My everyday experience really improved. I feel better”

Edeltraut Sauerwein lost 10kg with the help of the Programme ‘Healthy Weight’

How we did it: key enablers

Governance

- Founded in September 2005 by two organisations: Medi-zinisches Qualitätsnetz MQNK, the local multidisciplinary physicians' network and OptiMedis AG, a health sciences based management company
- Coordinated and managed by Gesundes Kinzigtal GmbH ("Healthy Kinzigtal Ltd"), a regional integrated care management company

Workforce and organisational development

- Two founders with passion and motivation to prove the effectiveness of a better organised health system
- The founders of Gesundes Kinzigtal strongly believe in lateral management and working together face to face. This is more than just a way of thinking, it is considered a very important management tool.

Prevention focused approach

- The care management programmes are secondary prevention focused:
 - Individual treatment plans and goal-setting agreements between doctor and patient
 - Enhancing patient self-management and shared decision-making (SDM)
 - Chronic care model (Wagner et al., 2001), stepped care approach + patient coaching and follow-up care (right care at the right time at the right place)
 - System-wide electronic patient record to reduce polypharmacy and adverse effects of medication

Legal & contracting models

- The programme uses a shared cost savings contract to leverage health improvements by incentivising prevention activity and efficiency savings in processes
- Overcomes current disincentive, where providers who invest in spending more time consulting with the patient and motivating them to undertake preventative actions do not get part of the profit

Financial enablers

- Starting from 2006, Gesundes Kinzigtal GmbH has a ten-year contract for the total health care service budget for all 33,000 people now insured by AOK BW and LKK BW in the Kinzigtal region
- Of the virtual budget (about €68m), a total sum of around €1.6 million is currently used for management, data analysis, communication, information technology, and a further €0.5m for extra payment to physicians



“A single practice never could organise it. All the work can only be done within an organised network”

What we did: integrated care design

Users and carers

- The whole programme is free of surplus charge to patients – they just pay their normal premium
- Patients have free choice of providers
- Actively enrolled members receive enhanced care coordination across all sectors, access to physicians outside normal hours, and discounts for gym memberships among other benefits

Care management and preventive programmes

20 different care management and preventative programmes including:

- Two variants of an intervention programme for patients with chronic heart failure (telephone counselling led by practice staff or operated from a call center - using practice staff was equally as effective and cheaper!)
- A four option smoke cessation programme (medication, psychotherapy, acupuncture, hypnosis)
- Strengthening medical care for the elderly in nursing homes

Information sharing

- System-wide electronic patient record integrated into practice IT systems of all physicians – this took over five years, over € 1m investment and required the development of deep trust between providers

Financial initiatives

- The usual reimbursement schemes and financial flows between statutory health insurers and individual physicians have not been replaced. These payments constitute 80-90% of individual providers' income.
- Direct fees for providers for specific activities
- Most physicians are members of the physician network that owns two thirds of the company shares
- Indirectly these members get a share of the company's profit

Integration of health and social care

- Previously physicians who identified that there was a social problem with a patient had few options to help them, therefore the problem was often not resolved
- In 2008, a pilot was introduced whereby physicians were able to get a social worker to come into their practice to help the patient. This consultation has now been provided for over 200 patients.
- Partnership with hospitals to coordinate post-discharge care to avoid readmission using a case management approach



“Activate the people themselves – they are the biggest health care resource”

Who we did it for and why

Users and carers

- Patients were previously experiencing uncoordinated acute care that was not targeted to their chronic needs. Now they receive targeted programmes developed around their needs and free of surplus charge on top of their regular insurance fees.
- Carers are receiving high appreciation by their patients for the increased time they themselves (or other carers or staff members of Gesundes Kinzigtal) are able to give them using these programmes
- Patients are now experiencing improved health and wellbeing.

Workforce

- One third of GPs in Kinzigtal (same in other rural areas in Germany) are over 60 and are heading towards retirement. GK developed a formation programme for young physicians for their training in general medicine to enhance the sustainability of the workforce - already had 10 young doctors as participants (2 have taken posts in practices after completion of their training)
- Improved training provision for all the providers and practice staff in health, communication and salutogenesis

Organisational boundaries

- Co-ordination of electronic files – one system for all providers results in better communication, co-ordination and fewer time-consuming search processes for information between providers
- The historical division of health and social care services is connected to a reimbursement system without incentives for outcome-orientated health care or prevention, meaning that quality and value based incentives were virtually non-existent

General public

- Securing proper health care for rural district populations is of great importance not only for the older population but also for the economy, so that businesses are able to attract young, well-trained employees (and their families) to stay in the area
- Good health status is vital to cities and communities to reduce social payments for nursing homes and other social services



“Healthy Kinzigtal is good for me, my family, my relatives and all people in our region - therefore I strongly support the project”

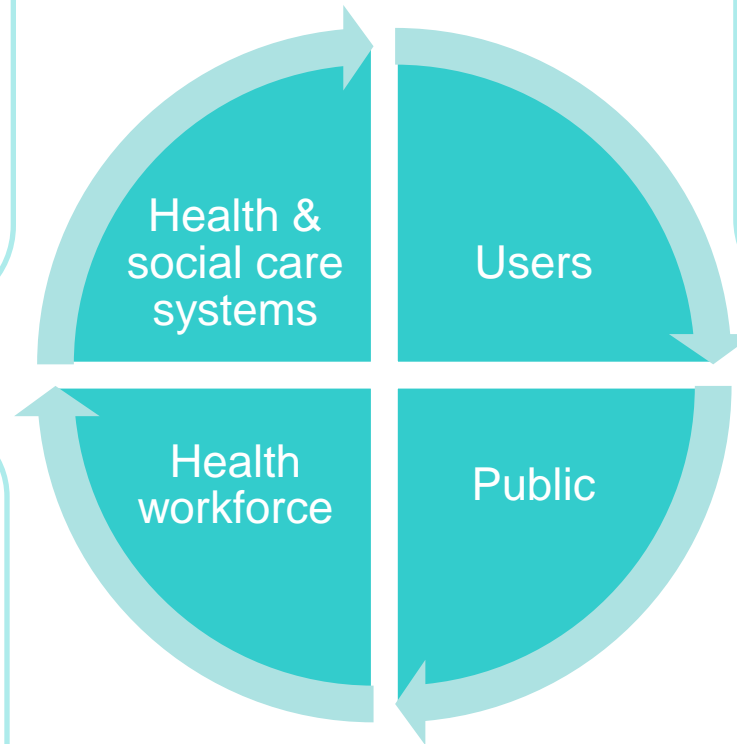
Benefits

Benefits

- Reduce unnecessary interventions
- Better cross-sector coordination of health and social care services
- Better cross-sector information sharing

Benefits

- Positive feedback from patients
- Better co-operation with other practices
- Reduced search for info by system-wide EPR
- Sustainable workforce



Benefits

- “Do the right thing at the right place by the right people and at the right time”
- Individual treatment plans
- Enhancing patient self-management and shared decision-making

Benefits

- Improve the health status of the population
- Targets particular health problems
- Healthier workforce
- Co-operation with voluntary associations and schools

Lessons learned

Long-term commitment

- Changing the traditional paradigm of healthcare is a tremendously challenging but very rewarding task. It needs very dedicated and knowledgeable people, a timeframe of at least ten years, and a lot of upfront investment money (but it results in enthusiastic patients and carers and in substantial earnings).
- At least the first six years demand many more hours a week from the core group of carers. For the following years we hope for fewer hours when everything is better organised and patients need less attention as they will be more active in helping and training each other.
- One of the toughest tasks is keeping the spirit and improving communication skills towards SDM. In the first three years evaluation showed little success and even some decline in outcomes - but this has now changed.

Language

- GK seeks to create healthcare “efficiencies”. This term could raise concerns that the desire for cost savings may result in providers withholding needed care. We remain explicit that we are focusing first on improving quality and prevention and that increased efficiency is the result of this.

Communications and IT

- Through the implementation of a system that holds patient information which can be accessed by a number of different providers, provision has improved alongside the improvement of patients care. This is a direct result of better communication and coordination.
- Better communication results in improved follow-up care, co-ordination of medication prescriptions, a reduction in redundant services and unnecessary costs. This in turn reduces confusion, increases patient compliance and reduces unnecessary risk.

Next steps for Gesundes Kinzigtal

- Integration of health and social care with special emphasis on vulnerable groups
- Integration of health care and health promotion at the workplace
- Securing a competent and sufficient workforce (physicians and nursing)
- Empowering patients and reducing health illiteracy
- Securing investment for the expansion of integrated care in other regions of Germany



*“Do the right thing at
the right place by
the right people and
at the right time”*

Contact details

Helmut Hildebrandt
CEO OptiMedis AG & CEO Gesundes Kinzigtal GmbH

Phone: +49 783 29 74 890

Mobile: +49 172 42 15 165

Email: h.hildebrandt@optimedis.de