

Newsmaker Interview: Mike Tudeen, CEO, INSPIRIS and Evercare



by Constance Row, Executive Director

The acquisition of INSPIRIS by OptumHealth, a subsidiary of UnitedHealth Group, is a first, the first time a company that includes providers making medical home visits has been bought by a major managed care provider. President of INSPIRIS, and Academy and President's Council member Mike Tudeen has been elevated to be head not only of INSPIRIS, but also of Evercare, OptumHealth's skilled nursing and hospice business, and to integrate the two into one company. INSPIRIS, using an IAH-style home-based primary care model, focused on highest cost/highest risk chronically ill Medicare beneficiaries, has reported achieving the following results:

- Reduced hospital inpatient admissions by 63%-64%;
- Reduced hospital readmissions by 33%;
- Reduced health care costs in the last six months of life by 61%; and
- Reduced overall health care costs by 42% to 52% when compared to a control group that did not receive home-based primary care.

Given his very busy schedule, we were delighted that Mike was able to make time for an interview, giving us the chance to ask some of the questions we know AAHCP members would have.

Can you tell me a little about you, INSPIRIS and the connection to house calls?

I've been in health care for 26 years, mostly in the field of care management. I joined INSPIRIS as COO in 2002, then was promoted to CEO. INSPIRIS took care of the frail elderly in nursing homes and ALFs. However, with the acquisition of Care Level Management's assets (a house call-providing company), we

began to provide house calls to this same population in private homes.

What about the company today?

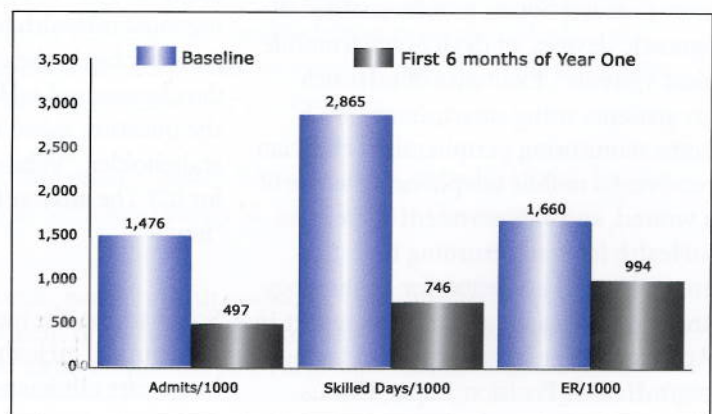
UnitedHealth Group is a large enterprise. Recently, the company's businesses were reorganized into two groups - the health plan business and the health services business. INSPIRIS is now part of Optum, the group name of the health services delivery business. I am engaged in consolidating INSPIRIS with Evercare's care delivery business (the Evercare health plan business has also been split off) into one operation - a job that has kept me VERY busy in the last three months. Together we believe with one great company joining another, there is opportunity to grow in our ability to take care of the frail elderly and medically complex in all types of residential settings, including private homes, group homes, ALFs and in nursing homes. Together, INSPIRIS and Evercare do business in 35 states.

What are the metrics you use to measure success?

INSPIRIS has always operated as an accountable care organization. It has not been funded by the fee for service Medicare fee schedule. Rather, it has been paid by managed care companies for achieving results related to quality, satisfaction and cost metrics. Our statistics of the first six months of intervention show radical reduction in hospital admissions, skilled days and ER visits (see chart at right).

What was the value proposition? Why was OptumHealth interested in you? You in them?
OptumHealth was interested in INSPIRIS because of its solid performance evidence, with both Medicare and Medicaid populations, in multiple states with multiple payers. We could show a positive effect on quality, good patient satisfaction and bending the cost curve downward. Also, INSPIRIS processed unique capabilities related to analytics, value based contracting and reporting, proven contract management capabilities, and a high-tech care management system that supplemented the house calls, resulting in a robust, effective care management system. INSPIRIS had been venture capital backed, and needed to find a permanent home. The synergies between Optum's Collaborative Care program and INSPIRIS were immediately apparent to both companies; further, UnitedHealth Group has many companies, sophisticated technology, access and influence important to the growth of INSPIRIS, particularly as it looked at government contracting. Finally, because INSPIRIS is part of the services group, not the health plan, it is free to pursue multiple payers. In fact, 95% of its current patients are not UnitedHealthcare patients.

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Member News

AAHCP Supports Reform of Medicare Physician Payment Formula

The AAHCP signed onto a June 27 letter from the AMA to the President, Vice President and key Congressional leaders urging repeal of the Medicare Sustainable Growth Rate (SGR) formula and reform of the Medicare physician payment system.

AAHCP Continues to Support Flexibility in Meeting Meaningful Use Measures

The AAHCP contributed to a letter sent to Secretary Sebelius on June 29, sharing initial survey results on the ability of physician specialists in meeting Stage 1 and proposed Stage 2 EHR Medicare/Medicaid incentive program meaningful use measures. The survey results confirmed previous concerns raised about the proposed set of requirements and urged DHHS to consider earlier recommendations that adequate flexibility be built into the program.

Academy Member House Calls Education Paper Published in JAGS! Documents the Educational Value of House Calls

Congratulations to AAHCP member Dr. Jennifer Hayashi, along with Drs. Colleen Christmas and Samuel Durso, whose house calls education paper "Educational Outcomes from a Novel House Call Curriculum for Internal Medicine Residents: Report of a 3-Year Experience" was published in the

Journal of the American Geriatrics Society released in July 2011. The article documents the educational value of house calls, reporting outcomes of a structured curriculum for teaching house call medicine to internal medicine residents.

Interdisciplinary Home Care presented at National Academies of Practice Forum

Thanks goes to Board member Jean Yudin, MSN, RN, CS and Jeanette Gallagher, MSW for their presentation on the Elder-PAC program and interdisciplinary home care at the National Academies of Practice 2011 Annual Meeting & Forum in Arlington, Virginia.

House Calls in the News

AAHCP Executive Director Constance Row was quoted in the *Miami Herald* article "Yes, there's a doctor in the house: Medical home visits grow," May 24, 2011.

AAHCP member Dr. Eugene Steinberg was mentioned in the *Business First* blog "Is there a doctor in (my) house?"

AAHCP member Stephen Hess, OD, was featured in "Traveling optometrist makes house calls," published in *Optometry Times*, June 2011.

Mobile Doctors was featured on Kansas City FOX 4 News in "Doctor House Calls Becoming More Common" on July 7, 2011.

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What do you think the future holds for house calls and home care medicine?

House calls are underused today, but have the potential to grow in importance. The reason is the math - 5% of the population that incurs 50% or more of the costs. While the health care system serves many well, these patients cannot be effectively cared for in a 10-15 minute office visit.

What advice do you have for others in the field of home care medicine who want to grow?

It boils down to becoming accountable. Anyone running the health care system is going to be looking for providers and models of care that meet quality standards, show patient satisfaction and contain costs. One must be able to demonstrate value - something that many fee for service providers are unable to do due to a lack of access to data. So the advice would be to not only deliver value, but be able to prove it.

INSPIRIS is based in Brentwood, TN. For further information, contact Pam.Coleman@inspiris.com.

mHealth Offers Promise

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for 1-800-CALL DOC are:

- Is it dispositive, i.e., will it effectively guide care and level of treatment?
- Does it help assess or improve the level of safety in the home when the clinician leaves, and
- Does it help identify or reduce the level of professional licensure or visit frequency required for the next home visits?

Fortunately, a new financial driver for mHealth is arriving now, as Medicare will reduce its payments for readmissions to hospitals with readmission rates significantly above average. With one in five elderly patients readmitted to the hospital within 30 days after leaving costing Medicare \$17 billion annually, three key interventions that AAHCP members can focus on include medication reconciliation and monitoring, patient education and early post-discharge follow-up. Home care clinicians have opportunities to use inexpensive mHealth technologies to help stabilize patients at home after hospital stays and prevent future readmissions.