

From Healthcare Finance News

## Study: Medical home model increases quality of care, reduces cost

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*Robert J. Reid, Associate Investigator, Group Health Cooperative*

SEATTLE – A study done by the Group Health Cooperative indicates the "patient-centered medical home" model could reduce the cost of care for patients and help solve the nation's primary care physician shortage.

The study results show that a patient-centered medical home benefits both patients and medical staff. According to the Seattle, Wash.-based, consumer-governed, non-profit health system, it gives patients more one-on-one time with a physician, improves caregiver cooperation and provides more preventative care.

"A medical home is like an old-style family doctor's office, but with a whole team of professionals," said Robert J. Reid, MD, an associate investigator at the Group Health Center for Health Studies and Group Health's associate medical director for preventive care. "Together, they make the most of modern knowledge and technology— including e-mail and electronic medical records – to give patients excellent care and reach out to help them stay healthy."

The study suggests that this model empowers and actively engages the patient in his or her health.

In comparing a sample of 9,200 patients from Group Health's medical home to a control group after one year, patient visits to the emergency room decreased by 29 percent, while the rate of hospitalization dropped by 11 percent and the medical home had 6 percent fewer in-person visits.

By employing technology such as e-mail and mobile phones, physicians in the medical home were able to provide better care that included screening tests, management of chronic illnesses and monitoring of medications. These methods also helped physicians ease the workload – 10 percent of medical home doctors and staff felt "burnt out" or emotionally exhausted, as opposed to 30 percent reported from the control group.

"Many primary care providers work so hard, they feel like they're on a hamster wheel," Reid said.

Primary care physicians also earn less than specialists. In addition, medical students are leaving school with large debts, which may push them away from small primary care practices and into larger health systems.

"The cost and pricing demands are reinforcing medical graduates' adversity to going into primary care because of the paycheck. Graduates are leaving school with substantial debt and need the money provided by high paying specialties," said Jordan Battani, a principal researcher at the Computer Science Corp., a Falls Church, Va.-based business and technology consultant.

During the medical home pilot, each primary care doctor was responsible for fewer patients – a total of 1,800 patients, as opposed to 2,300. This reduction allowed physicians more time to coordinate care, have daily "team huddles" and allow for extended 30-minute office visits per patient.

The reduction in patient-to-physician ratio also created a need for extra staffing. The study found that the medical home was investing \$16 more per patient per year, and that the home needed 72 percent more clinical pharmacists, 44 percent more physician assistants, 18 percent more medical assistants, 17 percent more registered nurses and 15 percent more primary doctors.

"Our evaluation showed these costs were recouped within the year," Reid said. "The main reason was emergency room savings of \$54 per patient in the course of the year."

"These findings are important because they provide a 'proof-of-concept' that investments in a medical home can achieve relatively rapid returns across a range of key outcomes," he added.

Group Health is expanding the medical home model from its Factoria medical center in Bellevue, Wash., to all 26 of its medical centers.

Approximately 25 medical home projects are active across the nation in 17 states.

