



FOR IMMEDIATE RELEASE

MEDIA CONTACT:

Deanne Probst
612-676-3630

dprobst@ucare.org

UCare outperforms traditional Medicare on key quality and cost measures

Lower rates of preventable hospital admissions and emergency department visits seen as critical to ensuring quality and cost control in health reform

MINNEAPOLIS, Sept. 2, 2009 – In a new analysis comparing [UCare](#) and a group of similar Medicare Advantage health plans with traditional fee-for-service Medicare, UCare was found to have significantly lower rates of preventable admissions and emergency department visits, as well as hospital readmissions, than traditional Medicare. The report documents the difference that Medicare Advantage care coordination programs make in improving quality and lowering costs in the Medicare program, especially for members with chronic conditions.

Preventable Hospital Admissions and Emergency Department Visits

- Preventable hospital admissions were about 85 percent lower for UCare’s Medicare Advantage members (2.6 percent) than the national average of traditional Medicare (19 percent).
- Preventable emergency department visits were 90 percent lower for UCare’s Medicare Advantage members (1.6 percent) than the national average of traditional Medicare (15.5 percent).
- Preventable or so-called “Ambulatory Care Sensitive Conditions” are those that could have been prevented had the patient received good primary care and related services. These conditions include pneumonia, coronary artery disease, asthma, and diabetes.
- The results of this new report from researchers at [Johns Hopkins University](#) and the [Alliance of Community Health Plans \(ACHP\)](#), demonstrate that UCare’s high degree of coordination and integration of care can serve as a blueprint for achieving better delivery, improved outcomes, and lower costs in the Medicare program.

UCare’s Chief Medical Officer, Barry Baines, M.D., credited UCare’s complex care case management – and its disease management programs for members with chronic conditions – for causing lower hospital admission and emergency department visit rates. “We offer our members with complex medical needs a coordinated care approach focusing on prevention, early identification, and intervention in the chronic disease process. UCare has disease management

programs for members with asthma, chronic kidney disease, diabetes, heart failure, and hypertension. The providers in our physician network also play a significant role in providing high-quality, evidence-based care and collaborating closely with us on our chronic care management programs.”

Lower Hospital Readmissions

- The analysis showed that UCare’s readmission rate was 25 percent lower than traditional Medicare’s national average. UCare’s readmission rate was 13.9 percent compared with Medicare’s 18.6 percent national average.
- According to the Director of the Office of Management and Budget for the Obama Administration, Peter R. Orszag, “we could significantly reduce costs and improve quality by moving towards the medical practices adopted in the more efficient parts of the country.”

“Our members who face the daily challenges of living with a chronic condition prefer to receive good preventive care that keeps them healthy and out of the hospital,” said Dr. Baines. “These results confirm that our investment in better care, member education, and disease management programs results in better outcomes.”

The analysis of UCare’s hospital admission, readmission, and emergency department visit rates is part of a larger report, authored by Johns Hopkins University researcher Gerard Anderson, Ph.D., and commissioned by the Alliance of Community Health Plans (ACHP), a Washington-based membership organization of 19 non-profit, community-based and regional health plans and provider organizations from across the country. These plans are similar to UCare because they all focus on improving the health of the communities they serve through integrated and coordinated care delivery.

The report documented that it is possible to improve quality and lower costs in the Medicare program if the delivery system is structured differently. Like UCare, the regional, non-profit, community-based Medicare Advantage health plans that are ACHP members are able to keep more of their Medicare patients out of the hospital and avoid unnecessary costs because they invest in delivering the kind of coordinated, patient-centered medical care that traditional fee-for-service Medicare cannot consistently provide.

“ACHP commissioned this report in response to issues raised by Congress, the Administration and the Medicare Payment Advisory Commission (MedPAC),” said Patricia Smith, President and CEO of ACHP. “There is a broadly shared concern that hospitalization rates are too high and that a lack of coordination is the cause. Our goal for this report is to provide guideposts for

Congress as they write health reform legislation, and to work in partnership to establish sensible market incentives that will lead to coordinated, integrated care, as well as continuous patient engagement.”

Study Highlights

- The Medicare fee-for-service rate of preventable inpatient admissions per 100 beneficiary months was 19.0 in 2007. The average rate across ACHP plans was 2.5 per 100 beneficiary months – 87 percent lower than Medicare’s national fee-for-service average.
- The Medicare fee-for-service rate of preventable emergency department visits was 15.5 visits per 100 beneficiary months in 2007. The average rate across ACHP plans was 2.2 visits per 100 beneficiary months – 86 percent lower than Medicare’s national average.
- The Medicare fee-for-service average hospital readmission rate (30 days post-discharge) for the country in 2007 was 18.6 percent. The average readmission rate across ACHP plans was 13.6 percent – 27 percent less than traditional Medicare’s national average. Hospital readmissions cost Medicare \$17.4 billion in 2004.

About UCare

UCare (www.ucare.org) is an independent, nonprofit health plan providing health care and administrative services to more than 180,000 members. UCare partners with health care providers, counties, and community organizations to create and deliver innovative health coverage products for:

- Individuals and families enrolled in income-based Minnesota Health Care Programs, such as MinnesotaCare and Prepaid Medical Assistance Program.
- Adults with disabilities and Medicare beneficiaries with chronic health conditions.
- Minnesotans dually eligible for Medical Assistance and Medicare.
- Medicare-eligible individuals throughout Minnesota and in western Wisconsin.

UCare addresses health care disparities and care access issues through its UCare Fund grants and a broad array of community initiatives.

About ACHP

ACHP (www.achp.org) is a national leadership organization that brings together innovative health plans and provider groups that are among America’s best at delivering affordable, high-quality coverage and care in their communities. ACHP and its members improve the health of the communities they serve and actively lead the transformation of health care that is safe, effective, patient-centered, timely, efficient, and equitable. Drawing on years of experience, ACHP’s members collaborate, share strategies, and work toward solutions to some of health care’s biggest challenges.