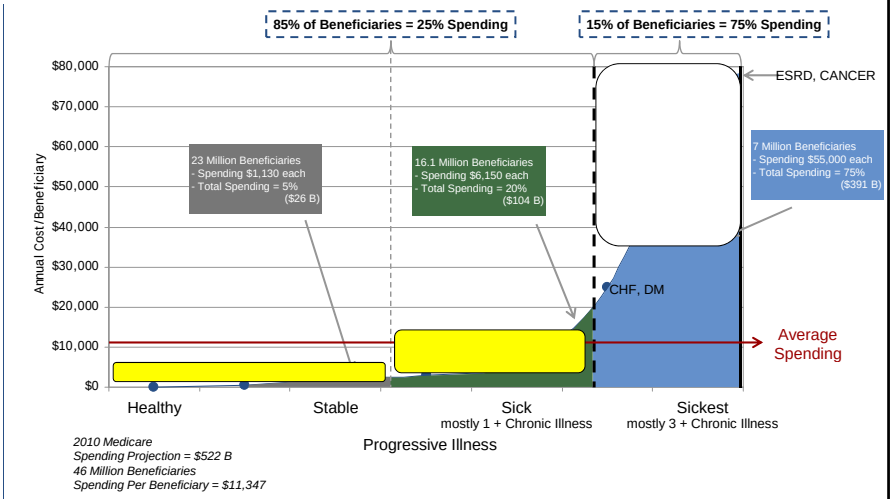
Healthcare cost and quality problems are concentrated…. and up to half of all costs are preventable

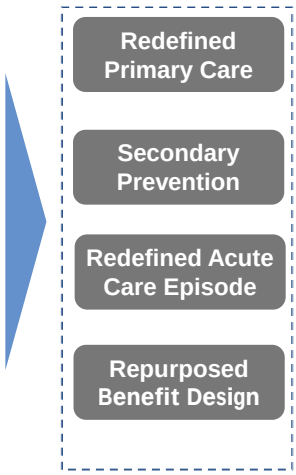


2010 Medicare
Spending Projection = $522 B
46 Million Beneficiaries
Spending Per Beneficiary = $11,347

CAREMORE
Believe it.

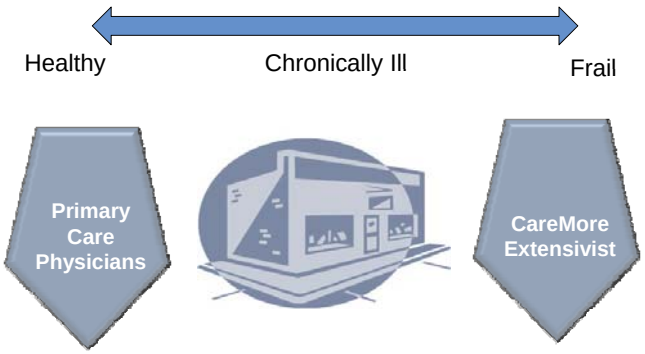
Challenging the Status Quo
The essentials of CareMore's model

- *Beyond Medical Care* – CareMore explicitly recognizes that health care quality and cost is a complex equation which includes clinical, psychological, social and functional factors.
- *Clinical Control* - CareMore extensivists determine when a patient requires proprietary services and programs
- *Speedy Deployment* - Proprietary services and programs can be deployed within minutes
- *Efficient Allocation of Clinical Resources* - The model assumes that non-physician clinicians can be maximally effective
- *Early Intervention* - Proprietary resources and predictive modeling allow for early intervention to prevent acute episodes
- *Minimize Fee-For-Service as Payment Method* – Pay clinicians and facilities for time and results.



CareMore

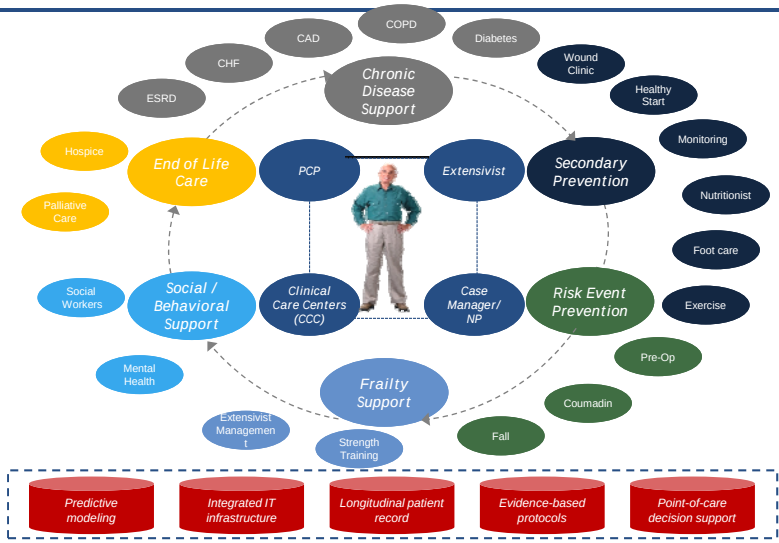
A Medical Home Co-Op



Care Center, Hospital, SNF and Home Care Teams

CareMore

A Replicable Model Enabled by Defined Services, Clinical Roles and Technology



The CareMore model produces dramatically improved outcomes for several costly chronic diseases and conditions

Diabetes	ESRD	CHF
Status quo	**Status quo**	**Status quo**
Many patients with out-of-control diabetes were not brought in control through insulin use. Common wisdom was that inability to correctly self administer or improper dosing were driving results. Further, insufficient support in the areas of nutrition and exercise were observed	Half of all ESRD Admissions were the result of either poor hygiene, poor diabetic control or vascular access limits/clogs. Dialysis centers provided no primary care and patients were referred to the ER. Most ER visits resulted in an admission	PCPs were not collecting daily weights, a leading indicator of change of condition. Self-reported weights were inaccurate. PCPs were not adequately responsive to immediate care needs of patients who require intervention within a few hours of onset of symptoms
CareMore Redesign	**CareMore Redesign**	**CareMore Redesign**
Established insulin "starts" and insulin "camps". At the "start" day, patient is trained in all aspects of self-administration of insulin. At "camps", patients are brought to the center for a full day to observe all of their behaviors and monitor glucose levels at all points of self care. A personal nutrition counselor was assigned	Established a dedicated case manager and nurse-practitioner who receive referrals from centers in lieu of ER referral. Primary/preventive care is provided and all patients are in the diabetic management program, receiving monthly preventive access line inspection and, if needed, cleaning	Equip each patient with a wireless scale that sets off alerts if weight gain is 3 lbs overnight or 1 lb per day for more than 3 days. Same-day visit with clinician if alert is triggered. Proactive hospice planning with changes in condition
Result	**Result**	**Result**
Average HbA1c for those attending our diabetic clinic is 7.08, with 7.0 being considered good control. Patients in the clinic are referred for poor control	**50% reduction in hospital admission rate in 5 months** **42% fewer admissions than the national average**	**56% reduction in hospital admission rate in 3 months**

The CareMore model produces dramatically improved outcomes for several costly chronic diseases and conditions (cont'd)

Stroke Prevention	Amputations	Depression
System Failure	**System Failure**	**System Failure**
70% of hypertensive patients do not have adequate blood pressure control. This leads to increased stroke (and other cardiovascular) risk. Blood pressures checked in PCP offices frequently are inaccurate.	PCPs have inadequate time/resources to deal with diabetic wounds, which results in specialty (surgical) referrals that delay treatment, increases cost and increases chance of amputations.	Depression is a underdiagnosed problem in seniors. Underdiagnosed depression leads to a variety of health problems and costs including ER visits & unnecessary tests.
CareMore Redesign	**CareMore Redesign**	**CareMore Redesign**
Equipped patients with labile HTN with wireless blood pressure cuff. CareMore NPs monitor blood pressure & make appropriate changes according to JNC guideline.	Designed a wound clinic, staffed with wound-certified CareMore NPs.	All new CareMore members receive a comprehensive health exam that includes PHQ-9 & dementia screen.
Result	**Result**	**Result**
• 48% of patients had >10mmHgs drop in blood pressure • Patients with SBP>160 or higher had average SBP drop of 23 mmHg • Patients with SBP b/n 150-160 had average SBP drop of 19mmHg	Diabetic amputation rate for CareMore members is 60% lower than the national average.	Early diagnosis and then intervention at CareMore's mental health centers (19% of screened)

The CareMore model produces dramatically improved clinical outcomes for several costly chronic diseases and conditions (cont'd)

Wounds	Nursing Home Quality	Social Intervention
Status quo	**Status quo**	**Status quo**
Inactivity and some staffing issues (one monthly visit/60 days), lack of primary care in facilities resulted in wound development or exacerbation (for example bed sores)	Patients in institutional settings were being hospitalized at a rate of 5x the general populations for untreatable conditions, largely because nursing homes do not have skilled clinical staff to make timely interventions	A small fraction of the Medicare population are hospitalized >10 times per year because of lack of home-based or social support resulting in falls, malnutrition, dehydration. Most live alone and suffer from dementia or other mental illnesses
CareMore Redesign	**CareMore Redesign**	**CareMore Redesign**
Deployed nurse practitioner teams to nursing homes weekly to proactively tend to skin or create early intervention in patients likely to develop wounds	CareMore sends a nurse practitioner to the nursing home once a week to keep patients stabilized. If an acute event emerges, an NP is available 24x7 for telephonic consultation and in-person visits if needed	CareMore assembled a team of clinical social workers, mental health professionals, lawyers, physicians and NPs who assume a home-based multi-disciplinary care approach for these patients
Result	**Result**	**Result**
The usual rate per year for development of pressure ulcers for nursing home patients in California is 13% Only 4% of CareMore's institutionalized patients developed pressure ulcers	**Preventive intervention resulted in reduction in bedsores and reduction in falls. Hospital admission rates are 80% less than national norms**	Reduced hospital and SNF admissions by 60%. Resulted in placement rate of >30% for participants