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Demonstrating the Value of Community Paramedic Programs

Ryan White
Manager
Eide Bailly, LLP
rwhite@eidebailly.com
224-612-1330

EideBailly
CPAs & BUSINESS ADVISORS

What is Value?

- An economist's explanation of value:
  - Marginal utility – value based on an item's most important use
  - Two stories
    - Water vs. Diamonds
    - 5 sacks of grain

What is Value?

- What is the value of your program?
- What would someone take in exchange (or give up) for your program?

What is Value?

3 Measurable Resources

- Time – Live Longer
- Health – Live Healthier
- Money – Live Happier

Measuring Length and Quality of Life

- Time can be seen as length of life
- It can also been seen as length of productive life – time individuals spend doing paying work or in leisure activities
- Measuring Changes
  - Measuring access to care
  - Healthcare delivery infrastructure changes
    - More coordinated care
    - Healthcare delivered at home instead of facility
  - Days patients were at home or work instead of care facility

Measuring Health Outcomes

Health indicators

- May vary if targeting specific populations based on demographics, disease, or health conditions
- Should be comparable to standards
- Should be based on quantifiable, relevant measurements according to the type of care provided
- Should be measurements that can be shown to be affected by the program

Measuring Health Outcomes

- Standard of Care measures
  - Should be based on types of care delivered
  - Set a threshold and achievement benchmarks based on other data
  - Can be set as percentages or raw scores
  - Coordinate these measures as much as possible with other programs to ensure comparability

Measuring Economic Impact

- Often measurement easiest to quantify
- Essential question – how much did it cost to deliver healthcare with program versus how much it cost to deliver equal quality (outcome) healthcare without program
- Monetary impact shouldn't be considered in a vacuum – must look at comparable quality

Comparing the Cost of Care

First, we measure the cost of the care that a patient would, should, or could have received

- Cases where you know what care the patient would have gotten
  - Should be used when the patient population has a well-established history of use – chronically ill or diseased individuals
  - Measure the cost of care by individual or for the group
  - Must have good data on past utilization for all healthcare access points

Comparing the Cost of Care

- In cases where you know what the care should have been
  - Should be used when dealing with a more general population served that doesn't have a frequent use of the healthcare system
  - Looked at services prevented – hospital visits, extended care facility stays, emergency department visits, etc.

Comparing the Cost of Care

- Cases where you know what the care should have been
  - Sometimes one may need to calculate a cost of care when care didn't or couldn't have been provided or an inappropriate level of care was provided
  - In the case of a patient who was seen by a provider who in the past should have received inpatient hospital care or some other higher level acuity, one may need to calculate a cost
  - There may be a cost savings related to delivering care in a way that prevents an expansion of the current delivery system
  - This method may be used for "normalizing" cost for comparison

Comparing the Cost of Care

- One important consideration is that when using historical data, the cost amounts must be trended forward
- Also will want to look at smoothing the data as much as possible by taking several historical years and averaging

Comparing the Cost of Care

- Other Options in benchmarking cost
  - Use overall population cost data
    - If available and if appropriate, you may see it effective to use the cost for an entire service area or group to see the difference in overall population cost
    - Would probably need to be very involved and integrated in the care delivery on a fairly significant scale
  - Might use study to show a slow in the growth of the cost of care
    - A program may not show cost savings in real currency year over year, but it may be feasible to show a decrease in the rate of growth of cost

Calculating the Cost of Care

Second, we measure the cost of the care provided

- Direct Costs – salaries, benefits, travel expense, supplies, drugs
- Indirect Costs – overhead expenditures (building cost, support cost, etc.)

Calculating the Cost of Care

- Finally, take the cost from the first step and compare to the cost in the second step
- May need to extrapolate or trend the cost data to show program progressing through time or in size
- Consider the audience for cost comparison: payors, government officials, patients

Developing a Scorecard

- Commonwealth Fund – health system scorecard – US specific and international
- Measures
  - Quality
  - Access
  - Efficiency
  - Equity
  - Long, Healthy, Productive Lives

Quality Measure

- Effective Care
  - Prevention – visit reminders, emotional issues, weight, nutrition, or exercise advice
  - Chronic Care – high BP, diabetes, other chronic care
- Safe Care
  - Medication errors, adverse events
- Coordinated Care
  - Follow up visits, post-discharge, care info available
- Patient-Centered Care
  - Communication (Patient-Provider), Continuity/Feedback (medical history), Engagement & Patient Preferences (patient involvement in care plan)

Access Measure

- Cost Related Access Problems
  - Unable to pay medical bills
  - Avoided care because of cost
- Timeliness of Care
  - Wait time for care (appointment or ED delay)
  - Care available on nights or weekends (after-hours)

Efficiency Measure

- Percentage of health expenditures to total expense
- Visited ED instead of primary care provider were she available
- Records not available at appointment
- Patient readmission to ED or hospital after discharge

Equity Measure

- Compared high income patients with low income patients on the following:
  - Had medical problem but didn't get care because of cost
  - Skipped prescriptions, tests, or follow up care
  - Difficult to get after hours care

Long, Healthy, and Productive Life Measure

- Mortality amenable to healthcare
- Infant Mortality
- Healthy Life Expectancy at age 60

Developing a Program Scorecard

- Find measures specific to your program
- Are you dealing with specific demographics, patient types, diagnoses?
- Consider provider issues, patient issues, administration issues
- Use a baseline (control population outside your program) to compare your program to
- Could be used before/after or patients not served/patients served

Targeting Value

- Use data to find areas of greatest need – remember the value of your services are based on their most important use
- Are there major access issues, cost issues, health disparity issues, care coordination issues?
- Work with stakeholders of your program to identify and address their needs, but always be ready with your own data

Questions?

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