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Guided Care Reduces Cost of Health Care for Older Persons with Chronic Conditions

Comprehensive Primary Care Approach Can Reduce Health Care Costs Among the Sickest and Most Expensive Patients, Study Shows

The nation's sickest and most expensive patients need fewer health care resources and cost insurers less when they are closely supported by a nurse-physician primary care team that tracks their health and offers regular support, according to a study by researchers at the Johns Hopkins Bloomberg School of Public Health. The research, published in the *American Journal of Managed Care*, found that in the first eight months of a randomized controlled trial, patients in a primary care enhancement program called "Guided Care" spent less time in hospitals and skilled nursing facilities and had fewer emergency room visits and home health episodes.

"Guided Care patients cost health insurers 11 percent less than patients in the control group," said Chad Boulton, MD, MPH, MBA, the principal investigator of the study and creator of the Guided Care model. "If you apply that rate of savings to the 11 million eligible Medicare beneficiaries, programs like Guided Care could save Medicare more than \$15 billion every year," added Boulton, who is also the Eugene and Mildred Lipitz Professor in Health Care Policy at the Bloomberg School and director of the Lipitz Center for Integrated Health Care.

Compared to patients who received usual care, Guided Care patients experienced, on average, 24 percent fewer hospital days, 37 percent fewer skilled nursing facility days, 15 percent fewer emergency department visits and 29 percent fewer home health care episodes, according to the study.

"While Guided Care patients received more personal attention from their care team and had more physician office visits, the avoided expenses related to care in hospitals, skilled nursing facilities and emergency departments more than offset all the costs of providing

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Guided Care,” said lead author Bruce Leff, MD, associate professor in the Bloomberg School’s Department of Health Policy and Management and associate professor in the Department of Medicine at the Johns Hopkins School of Medicine. “The program realized annual net savings of \$75,000 per nurse, two thirds of which resulted from reductions in hospitalization.”

Other studies have shown that Guided Care improves the quality of patients’ care, reduces family caregiver strain and improves physicians’ satisfaction with chronic care.

Guided Care is a model of proactive, comprehensive health care provided by physician-nurse teams for people with several chronic health conditions. It is a medical home for the growing number of older adults with chronic health conditions. This model is designed to improve patients’ quality of life and care, while improving the efficiency of treating the sickest and most complex patients. The care teams include a registered nurse, two to five physicians, and other members of the office staff who work together for the benefit of each patient to:

- Perform a comprehensive assessment at home
- Create an evidence-based care guide and action plan
- Monitor and coach the patient monthly
- Coordinate the efforts of all the patient’s healthcare providers
- Smooth the patient’s transition between sites of care
- Promote patient self-management
- Educate and support family caregivers
- Facilitate access to appropriate community resources

A multi-site, randomized controlled trial of Guided Care involving 49 physicians, 904 older patients and 319 family members recently concluded in eight locations in the Baltimore-Washington, D.C. area. The three-year study was funded by a public-private partnership of the Agency for Healthcare Research and Quality, the National Institute on Aging, the John A. Hartford Foundation, the Jacob and Valeria Langeloth Foundation, Kaiser Permanente Mid-Atlantic States, Johns Hopkins HealthCare, and the Roger C. Lipitz Center for Integrated Health Care.

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Additional authors of “Guided Care and the Cost of Complex Healthcare: A Preliminary Report” include Lisa Reider, MHS; Kevin D. Frick, PhD; Daniel D. Scharfstein, ScD; Cynthia M. Boyd, MD, MPH; Katherine Frey, MPH; from Johns Hopkins and Lya Karm, MD; from Kaiser Permanente Mid-Atlantic States.

About Guided Care

The Guided Care model was developed by a team of clinical researchers at Johns Hopkins University beginning in 2001. The team is supported by a Stakeholder Advisory Committee, comprised of national leaders in medicine, nursing, health policy, patient advocacy and health insurance. Some have said that Guided Care and its attention to the often overwhelming medical and non-medical needs of these patients are like “having a nurse in the family.” For more information, please go to: www.guidedcare.org.

About the John A. Hartford Foundation

Founded in 1929, the John A. Hartford Foundation is a committed champion of training, research and service system innovations that promote the health and independence of America's older adults. Through its grantmaking, the Foundation seeks to strengthen the nation's capacity to provide effective, affordable care to this rapidly increasing older population by educating "aging-prepared" health professionals (physicians, nurses, social workers), and developing innovations that improve and better integrate health and supportive services. The Foundation was established by John A. Hartford. Mr. Hartford and his brother, George L. Hartford, both former chief executives of the Great Atlantic and Pacific Tea Company, left the bulk of their estates to the Foundation upon their deaths in the 1950's. Additional information about the Foundation and its programs is available at www.jhartfound.org.

About Johns Hopkins Bloomberg School of Public Health

Johns Hopkins Bloomberg School of Public Health is dedicated to the education of a diverse group of research scientists and public health professionals, a process inseparably linked to the discovery and application of new knowledge, and through these activities, to the improvement of health and prevention of disease and disability around the world. Additional information about the school and its programs is available at www.jhsph.edu.

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