



# Targeting health care by piloting programs of innovation

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By [Beth Fitzgerald](#)

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**Richard G. Popiel** isn't the only doctor who dreams of a world-class American health care system: the best available medical care, delivered in ways that don't exhaust the nation's finances.

But as the CEO of a new company whose mission is to lead the way to health care reform, Popiel spends his waking hours turning that dream into reality.

Popiel runs Horizon Healthcare Innovations, launched in the fall by the Newark-based Horizon Blue Cross

Blue Shield of New Jersey, the state's largest health insurer. He spent the past decade as chief medical officer of Horizon, wrestling daily with the national paradox of ever-rising health care spending that fails to deliver commensurate progress in wellness, disease prevention and clinical outcomes.

"We did many of the right things, which were not always well received by the [health care] provider community," Popiel said. "We looked at the evidence and said some of the care has no basis for delivery — and we would not approve payment for it." And yet, "we have not moved the needle" to slow the relentless escalation in health care spending.

That led to the birth of Horizon Innovations, which focuses on "these significant gaps in quality and affordability, and [aims to] make a bold, dramatic, innovative and disruptive attempt to make a change," Popiel said.

He said Horizon Innovations engages doctors and other health care providers in a collaborative effort to design pilot programs that change how medicine is practiced. Popiel's team met for months with the New Jersey Academy of Family Physicians to design a program to transform primary-care practices into patient-centered medical homes, called PCMHs, delivering holistic care that emphasizes routine screenings and preventive medicine.

Central to Horizon Innovation's pilots — which, in the coming months, are planned to spread to oncology, orthopedic surgery and bypass surgery — is constantly gathering data to gauge the impact. The data reveal how close the pilot is hitting "the targets we have agreed to shoot for — and when we are not where we need to be, there is collaborative problem solving around the issues we find," Popiel said.

Before officially launching Innovations in September, Horizon spent more than a year developing a PCMH pilot for diabetics. That program is now being expanded, under the aegis of Horizon Innovations, to any patients of a primary-care doctor in the PCMH program. The diabetic pilot involved 33 medical practices, with 189 doctors treating nearly 6,000 diabetics; Innovations envisions PCMHs covering 120,000 patients by the end of 2011.

One of the first doctors to sign up for the diabetes trial was **Jamie Reedy**, medical director of **Paramount Medical Group**, which has



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35,000 patients, 26 doctors and nine offices in Union and Somerset counties.

“The changes we are making will allow us to prove that the care we provide is high quality, and also at a lower cost,” Reedy said.

In a traditional medical practice, the patient “walks in with a sinus infection, gets treated, leaves and has no more contact with the office until they’re sick again.” But now, Paramount has clinical care coordinators, “who reach out to patients on a regular basis to bring them in for care,” Reedy said.

A key step for the practice to become a PCMH is to convert from paper charts to electronic medical records — a transition that’s moving slowly in New Jersey, because the state is dominated by one- to three-doctor practices that have been reluctant to invest the time and money to go digital. Paramount crossed the digital divide in 2004, and technology now puts the patient’s medical history on the doctor’s radar screen.

“We log reports that tell us which of our 50-year-olds has not had a colonoscopy,” Reedy said. “We e-mail patients who haven’t had a mammogram in the past year, or we text them or call them.” When a patient walks through the door, the care coordinator has already supplied the doctor with a one-page report on that individual. “The patients will not only get what they came in for — they will get what they need,” she said.

In 2009, Paramount hired its first care coordinator — “a leap of faith that we made because we were getting the funding from Horizon” for the diabetic PCMH pilot. She said Horizon “gave us a substantial amount of money per diabetic to support their care coordination, and it was enough in the first year to support the investment.”

As a PCMH, Paramount also is eligible for bonus payments from Horizon for saving the insurer money by prescribing generic drugs and reducing avoidable hospital readmissions. Among the clinical benchmarks that Reedy’s colleagues are targeting: diabetics getting their disease under control; cardiac patients with reduced cholesterol levels; frail elderly getting recommended osteoporosis therapy; and flu shots, mammograms, and colonoscopies for the general population.

“We are getting paid for practicing medicine the way we should be, and for showing improved health, improved quality and lower costs,” Reedy said. And most patients appreciate the extra attention: “They are as ready as the providers are for a new model of care.”

**Raymond J. Saputelli**, executive vice president of the New Jersey Academy of Family Physicians, said it’s significant that an insurer is trying to improve the economics of primary care.

“We need to change the financial incentives and bring more primary-care doctors into the system — they are the ones who work with the patient at the center of the team,” he said. “It doesn’t mean they do everything, but it means that you [the patient] are on a journey with someone. When you are ill or have a chronic disease, it’s hard to understand what needs to happen, and how you navigate the waters.”

*E-mail to: [bfitzgerald@njbiz.com](mailto:bfitzgerald@njbiz.com)*

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