INTRODUCTION

Prior research from the Massachusetts Health Policy Commission found that patients with a PCP affiliated with a provider organization anchored by an academic medical center had higher health care spending compared to patients with a PCP affiliated with a physician-led provider organization, even after adjusting for patient risk score and other demographic characteristics. This research showed that most of the total spending difference between Academic Medical Center (AMC)-anchored groups and physician-led groups explained by differences in hospital outpatient spending.

OBJECTIVES

A prior HPC study had examined the total patient population; the current study restricts the cohort to patients with diabetes to:

- create comparable groups of patients receiving care from different provider types,
- control for differences in site of care where input from primary care providers can be critical, and
- allow for the assessment of claims-based quality measures.

STUDY DESIGN

The HPC conducted a claims-based analysis using the Massachusetts All-Payer Claims Database (APCD) linked to a comparator: patients with a PCP affiliated with a provider organization and their provider organizations. Patients were included if they had a payer assignment flag, or if there was no assignment, based on claims processing history.

The study population was limited to commercially insured individuals between the ages of 18 and 64 who had continuous enrollment and at least one claim in their APCD. A 1% random sample of the population was selected in order to maintain efficient data analysis, which included 76,937 patients. The two patient groups had equivalent average risk scores, age, and sex distributions.

These analyses used the health Care Cost Institute (HCCI) categorization to group individual claims into four different categories for analysis of spending. Analyses examining claims and utilization were restricted to set of high volume or high cost services. Outcomes and quality of care were examined by utilization of HPC’s ASC-183, and laboratory testing required for patients with diabetes.

RESULTS

The HPC conducted a claims-based analysis using the Massachusetts All-Payer Claims Database (APCD) linked to a comparator: patients with a PCP affiliated with a provider organization and their provider organizations. Patients were included if they had a payer assignment flag, or if there was no assignment, based on claims processing history.

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CONCLUSIONS

While many services can be safely performed in either setting or office, the higher prices for these services contribute to higher spending among patients with diabetes. Care delivery setting, utilization, and price all contribute to higher spending in AMC-anchored organizations. As few as five fewer tests were performed per patient in AMC-anchored groups compared to physician-led organizations. In addition to these findings, these two groups had similar trends in total spending for ambulatory services for patients with diabetes.

With regard to utilization, patients in physician-led organizations had more PCP and preventive care visits (Figure 3), but fewer ED visits and potentially avoidable ED visits compared to patients with diabetes in AMC-anchored groups.

In addition, patients attributed to AMC-anchored organizations tend to have higher utilization in all services examined except for PCP visits, as well as paying higher prices for these services compared to patients of physician-led organizations. Although utilization did not contribute to higher spending, the higher prices in AMC-anchored organizations appeared to be summary of higher of the higher costs of care. Finally, there were no differences observed in selected quality measures for this patient population (e.g., albumin testing or HbA1C testing) or other outcomes such as all-cause utilization.

AMC-anchored groups generally had higher spending per patient than physician-led organizations among patients with diabetes. Care delivery setting, utilization, and price all contribute to higher spending in AMC-anchored organizations. As few as five fewer tests were performed per patient in AMC-anchored groups compared to physician-led organizations. In addition to these findings, these two groups had similar trends in total spending for ambulatory services for patients with diabetes.

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