

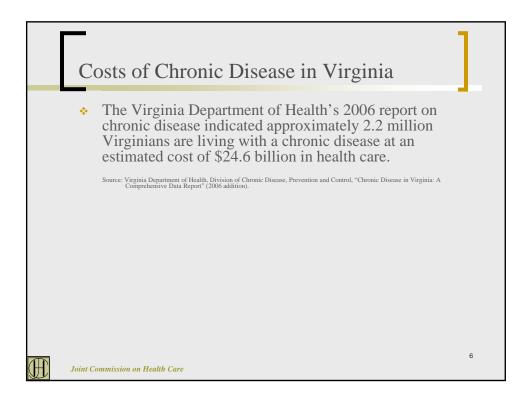


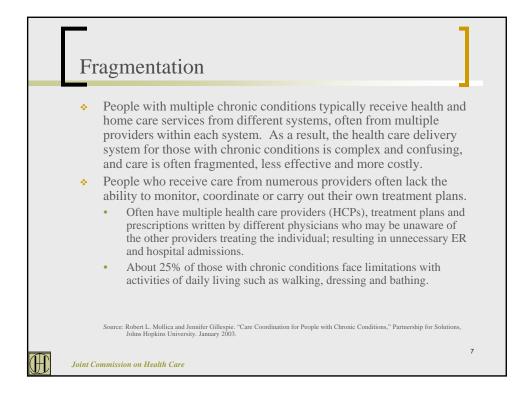
- Expenses for chronic diseases are typically driven by the reoccurrence of acute events, such as emergency room visits, hospitalizations, or costly inpatient and outpatient treatment plans.
- The medical care costs for people with chronic diseases account for more than 75% of the nation's \$2 trillion in medical care costs. By 2020, that is expected to rise to 80% of overall health spending.
  www.cdc.gov/nccdphp/overview.htm
- People with chronic conditions account for 88% of all prescriptions filled, 72% of all physician visits, and 76% of all inpatient stays.
- In the U.S., the Centers for Disease Control (CDC) reports the direct and indirect costs annually of:

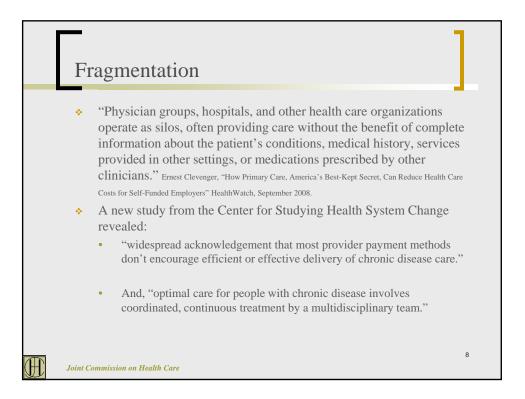
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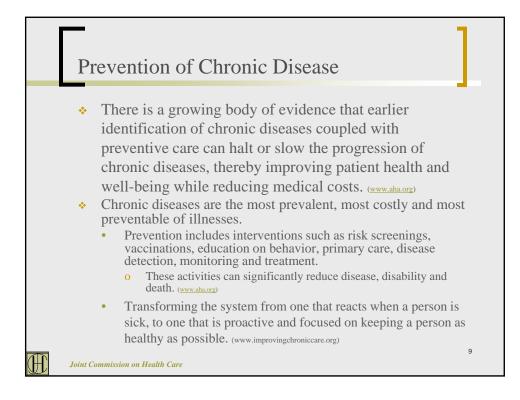
- Heart disease and stroke to be approximately \$448 billion,
- Smoking estimated to exceed \$193 billion, and
- Diabetes to be approximately \$174 billion.

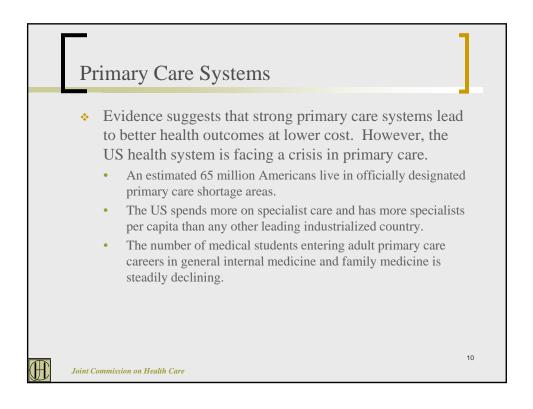
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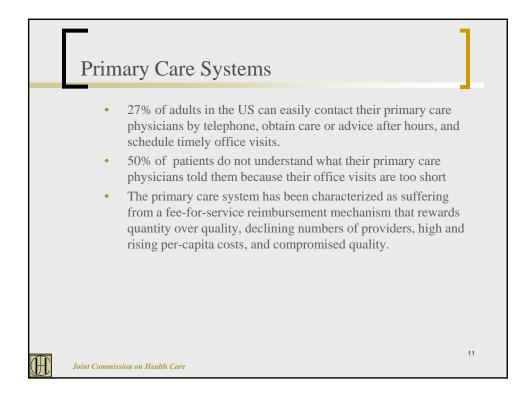


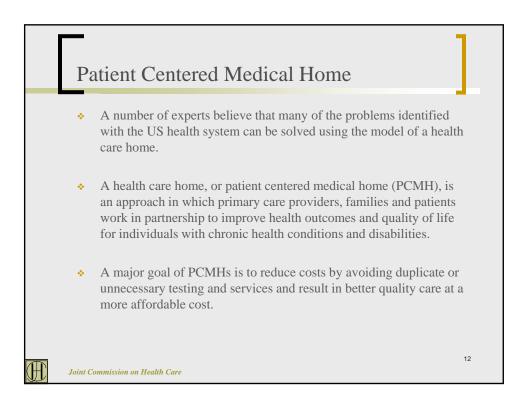












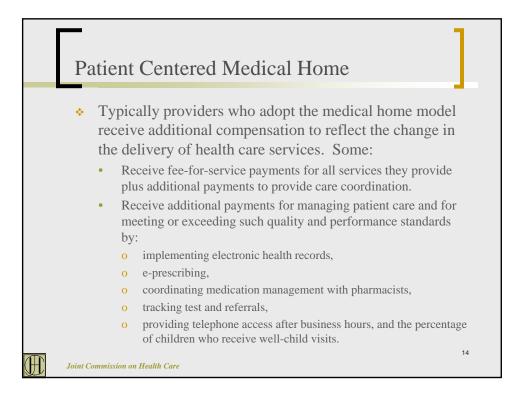
## Components of the Patient Centered Medical Home

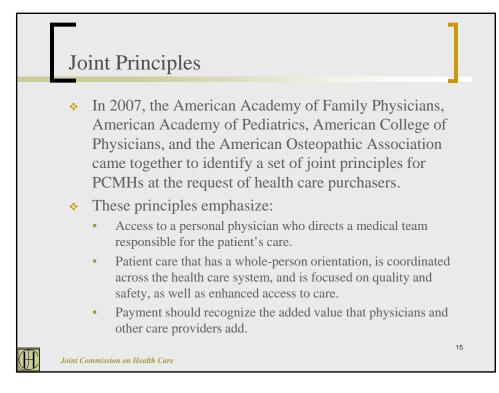
- Team-based model of care led by personal physician who provides continuous and coordinated care throughout a patient's lifetime to maximize health outcomes.
- Components include:
  - Each patient receives care from personal physician who leads team of providers who are responsible for planning ongoing care;
  - personal physician responsible for "whole person";
  - patient care coordinated across health system and community;
  - enhanced access to care offered through open scheduling, expanded hours, and new care options such as group visits;

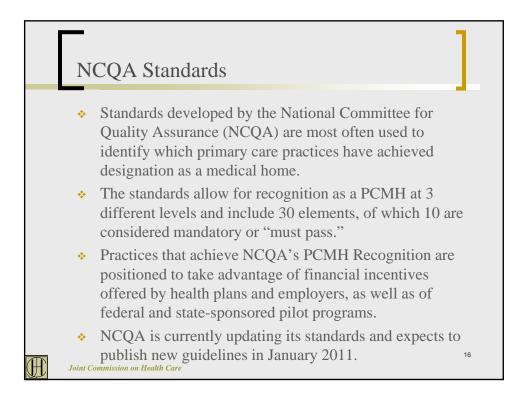
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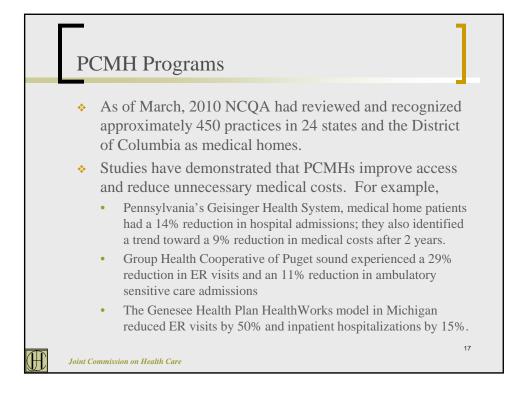
• payment structure recognizes enhanced value provided to patients.

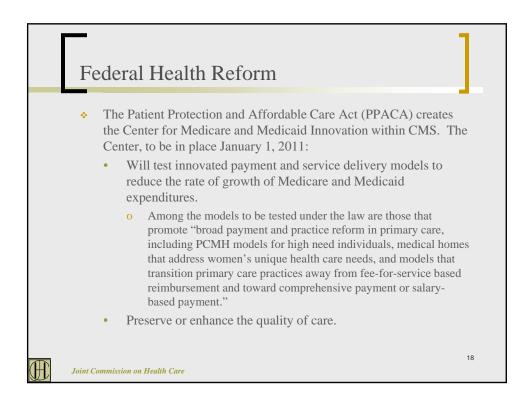
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- The Department of Health and Human Services (HHS) has the authority to expand the use of PCMHs within Medicare or Medicaid if has been shown that these models reduce spending or the growth in spending without reducing quality, or can improve patient care without increasing spending.
- Additionally, federal stimulus funding provided under the American Recovery and Reinvestment Act includes incentives to invest in electronic health records (EHRs).
  - Beginning in 2011, hospitals and eligible professionals may be able to receive incentive payments under Medicare and Medicaid if they make "meaningful use" of EHRs.

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