Despite these differences in clinical value, consumer out-of-pocket costs are the same for every clinician visit within a network...

The Clinical Benefit Derived From a Service Depends On...

Who receives it

High Value

Who provides it

Large Specialty

Where it’s provided

Hospital

...and for all drugs within a formulary tier

Value

Exceptional

Performance

Poor

Average

Excellent

Cost-sharing to encourage use of high-value services and providers and discourage use of low-value care

Sets cost-sharing to encourage use of high-value services and providers and discourage use of low-value care

Implementing Clinical Nuance

Value-Based Insurance Design:

V-BID Impact

Decrease use of provider costs

Increase out-of-pocket costs

Offer one-size-fits-all cost-sharing

Limit provider access

Misalign consumer and provider incentives

Current plans...

Increase use of high-value services and providers

Promote efficient expenditures

Align with provider initiatives

Enhance clinical outcomes

V-BID plans...

University of Michigan V-BID Center

Twitter: @um_vbid

Phone: 734.615.9635

Email: vbidcenter@umich.edu

Facebook: www.facebook.com/umvbid

LinkedIn: Center for Value-Based Insurance Design

2800 Plymouth Road, Bldg 16, 4th Floor

Ann Arbor, MI 48109-2800

Web: vbidcenter.org