**Value-Based Insurance Design**

**V-BID** sells cost-sharing to encourage use of high-value services and providers and discourage use of low-value care.

<table>
<thead>
<tr>
<th>Current Plans</th>
<th>V-BID Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase out-of-pocket costs</td>
<td>Lower cost-sharing for high-value services and providers</td>
</tr>
<tr>
<td>Offer one-size-fits-all cost-sharing</td>
<td>Enhance patient-centered outcomes</td>
</tr>
<tr>
<td>Motivate consumer and provider incentives</td>
<td>Align with provider initiatives</td>
</tr>
</tbody>
</table>

**Motivation for Benefit Design Change**

- Align out-of-pocket costs with healthy behaviors
- Increase out-of-pocket costs
- Reduce cost-sharing

**Current Plans** for visits & medications to better manage specific conditions.

**HEP Impact: 2 Year Results**

1. **Office Visit Increases**
   - Preventive Visits
   - Chronic Condition Visits
   - Voluntary Environment
   - Participation Requirement: 70% preventive, 30% chronic care

2. **Preventive Care Utilization**
   - Lipid Screening
   - Mammography
   - HEPI Impact: 2 Year Results

3. **Resource Use**
   - ED Visits per 1,000 enrollees
   - Spending - Year 1 vs. Year 2

**Moving Forward**

- Combining V-BID principles with participation requirements can help payers increase the use of evidence-based services and reduce low-value care.
- This novel combination increased the utilization of targeted preventive and chronic disease services, and reduced ED use among HEP enrollees, relative to other state health plans.
- Aligning clinically nuanced, provider-facing and consumer engagement initiatives is necessary to improve quality of care, enhance patient satisfaction, and contain cost growth.
- In private and public payers transition from a volume-based value-based delivery system, V-BID will be an essential component.