# Maximizing Resources to Improve Care Value: High Value Providers

SIM connecticut state innovation model

Freedman HEALTHCARE

VBIDHEALTH

# Today's Discussion

- High Value Providers
  - What is a high value provider?
  - Strategies and resources to guide consumers to high value providers
  - Employee Education: Leveraging existing programs and resources

 Reminder that this webinar is INTERACTIVE! Look out for participant polls and Q&A 

# What is a high value provider?

# Defining “High Value” Provider

*VBID Consortium Guiding Principle:*

High-value providers are identified using *transparent* **quality** and **cost** of care measures

# Defining “High Value” Provider

Some parameters for identifying high value providers:

- Data are shared with providers
- Cost reflects total cost of care (price and utilization rates), not just price
- Quality measurement uses validated and accepted measures
- Quality measures address clinical quality and patient experience, and other domains that are accepted as valid and important (e.g. accessibility).

# Who are High Value Providers?

# The Truth: It's a bit sticky

- There is no single list of high value providers or Centers of Excellence
- Provider organizations may be high value in one area, but not another (e.g. for cardiac care, but not for maternity care)
- Health plan methods vary and do not always align with VBID parameters (may focus only on costs)
- The Good News: CT SIM is working to standardize measures across payers
  - CT Quality Council has recommended set of quality measures that about 60% of payers use
  - CT Quality Council is developing a public scorecard to evaluate ACOs using CT's All Payer Claims Database (APCD)

# What Now?

Despite differences in measurement, there are existing programs and resources you can use!

# High Value Provider VBID Strategies

# Incentivizing High Value Providers

- What: Provide financial incentives for visits to high-value providers as **determined by transparent cost and quality metrics**
- Why: Lowers costs for employers and employees while maintaining quality and **reduces use of low value services**
- How: Need **data to evaluate high quality, lower cost care**

# Examples of High Value Provider Strategies

- Network Design
- Centers of Excellence
- Addressing Low Value Care
- Differential Cost Sharing by Site of Service
- Reference Pricing
- Employee Education

# Network Design

- Use network design strategies to guide employees to high value care
  - Provider networks vary in level of risk-bearing and integration
    - ACOs using risk-based payment arrangements
    - Networks of high performing providers in specific areas of medicine
    - Centers of Excellence with integrated care teams
  - Benefits design can steer employees to high value care:
    - Tiered network in which first tier is high value provider network (employees pay less for visits to first tier providers)
    - In-network preferred v. non-preferred: Preferred providers are identified as high value

# Participant Poll

- Does your carrier/TPA offer a high value provider network?
  - Yes and we use it
  - Yes but we don't use it right now
  - No
  - I'm not sure

# Network Design Resources

| Program | Criteria | Types of Providers |
|---|---|---|
| Anthem Blue Distinction® Total Care | Established quality and cost targets, paid in part by performance, use data and analytics, broad availability | Primary care doctors, medical practices or hospitals. |
| Cigna Care Network | NCQA accreditation, board certification, adherence to evidence-based medicine standards | Specialists in 21 specialties |
| UnitedHealth Premium® | Quality and cost efficient care based on evidence-based standards and feedback from professional societies | Specialists in 47 specialty areas |
| Aetna Aexcel® | Meet industry standards for clinical performance and Aetna's efficiency standards | Specialist in 12 specialty areas |

# Centers of Excellence (CoEs)

- JAMA: Highly expert team and resources in specialized area of medicine
  - Usually have established guidelines and standards
  - May be accredited through government entity, medical professional society, or consumer group focused on a disease
  - Usually under some alternative payment arrangement, like bundled payments, global payment, or capitation
  - **Improve outcomes: High quality, experience and expertise leads to fewer complications, readmissions, and mortality**

https://jamanetwork.com/journals/jama/fullarticle/1734706

# Types of CoEs

- Types of services provided by CoEs:
  - Bariatric surgery
  - Cancer care
  - Transplants
  - Joint replacement (knee or hip)
  - Cardiac care/Heart surgery,
  - Spine surgery
  - Fertility centers
  - Maternity
  - Substance abuse

# Case Study: Employers Center of Excellence Network*

- Integrated travel surgery program carve-out for COEs
  - Knee and hip replacement, spine procedures, bariatric surgery, cardiothoracic surgery, cancer
  - Cost effective, evidence-based care with good outcomes
- Employers report:
  - Increased surgery avoidance (e.g. 50% for spine surgery)
  - Cost savings (e.g. 22% per case for joint replacement)
  - Reduced rates of SNF transfers and readmissions (to 0% in some cases)
  - 93% patient satisfaction
  - $19.4M in savings in 2017 from bundled payments and quality and appropriateness of care for spine and joint surgeries

*From Health Design Plus presentation by Ruth Coleman, Connecticut Health Council Value Based Care Forum, April 24, 2018

# Implementing CoE Programs

*Employers like Lowes, Walmart, Pitney Bowes, McKesson, Jackson Labs and others have found these strategies successful*

- Bonus payment for choosing CoE for discrete, elective services
- Waived cost share (e.g. deductible) for getting care at CoE
- Travel coverage for employee and family member for travel to CoE
- Tiered network – only CoEs are “in-network”
- **When choosing CoEs, consider geographic distribution of employee population and accessibility for employees

# Participant Poll

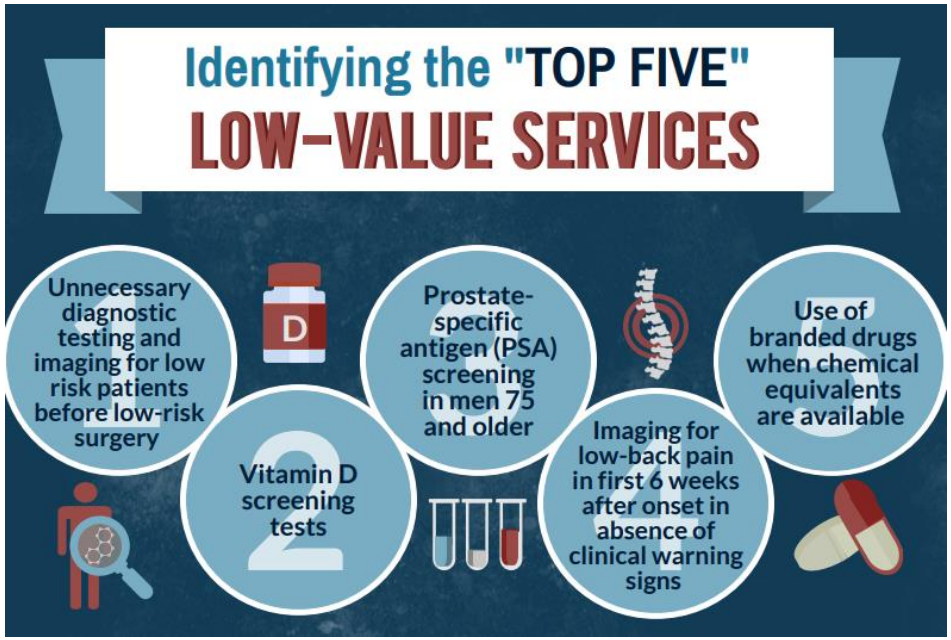
- Does your carrier/TPA offer Centers of Excellence?
  - Yes and we use them
  - Yes but we don't use them right now
  - No
  - I'm not sure

# CoE Resources

| Program | Criteria | Services or Condition |
|---|---|---|
| Anthem Blue Distinction® Centers | Rewarded Blue Cross Blue Shield Association quality award based on rigorous review of processes and performance | Cardiac care, complex and rare cancer, transplant, bariatric surgery, knee and hip replacement, spine surgery |
| Cigna Centers of Excellence Program | Annual evaluations of hospital patient outcomes and cost efficiency for certain condition categories | Back surgery, cancer, cardiac catheterization and angioplasty, delivery, heart surgery, joint replacement, pulmonology, bariatric surgery, colon surgery, gallbladder removal, hysterectomy |
| Optum (UHC) Centers of Excellence | Annual evaluations of volumes and outcomes of procedures, best practices medicine, team approach, patient-oriented care, clinical results | Bariatric surgery, cancer chronic kidney disease, congenital heart disease, orthopedics, transplants, VAD, women's health |
| Aetna Institutes of Excellence | Quality and cost-effectiveness criteria based on experience, clinical outcomes, credentials, quality improvement | Infertility, pediatric congenital heart surgery, transplants, bariatric surgery, cardiac care, orthopedic care |
| Employers Center of Excellence Network (HDP & PBGH) | Meet evidence-based volume minimums, 15 clinical outcome measures, quality improvement | Knee and hip replacement, spine procedures, cancer (July 2018) |

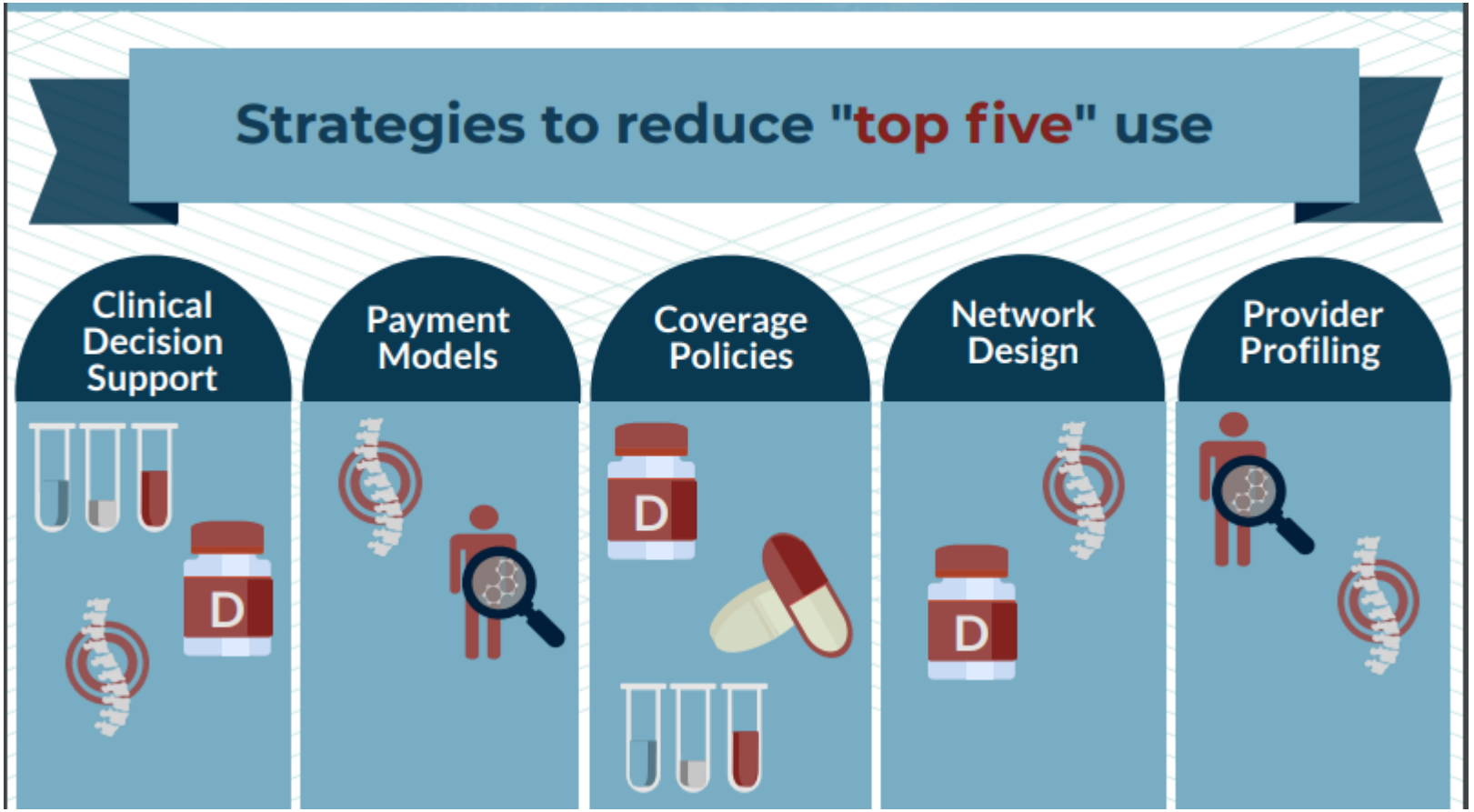
# Discouraging Low Value Services

- Low value care increases spending and potential risks to patients **without improving health outcomes**
- It's estimated that 1/3 of all care delivered in US is unnecessary
- Reducing low value care results in higher quality care and immediate and substantial cost savings




Graphic from University of Michigan VBID Center: http://vbidcenter.org/wp-content/uploads/2018/02/Top-5-Infographic.pdf

# Low Value Care and High Value Providers

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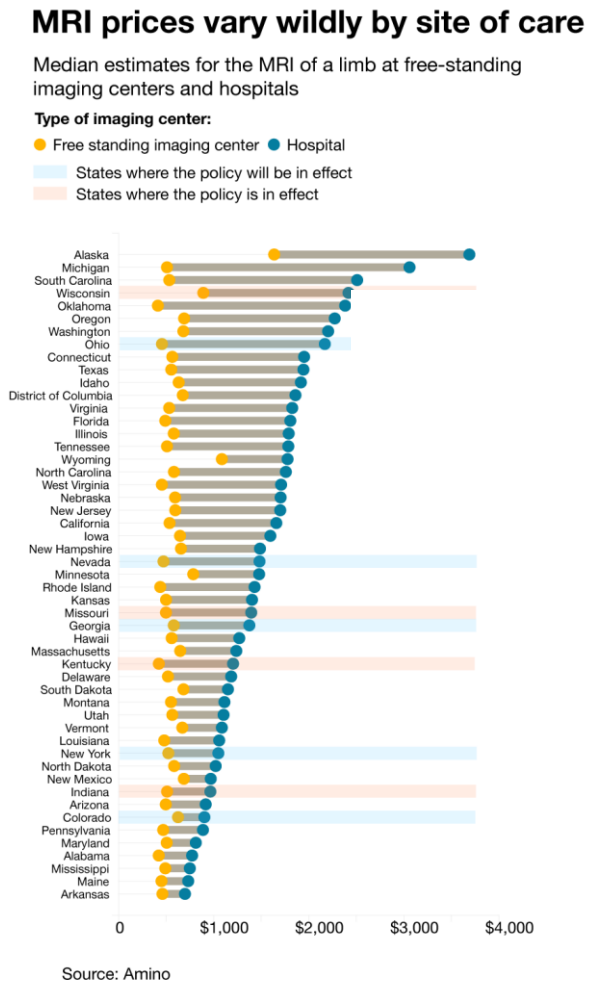
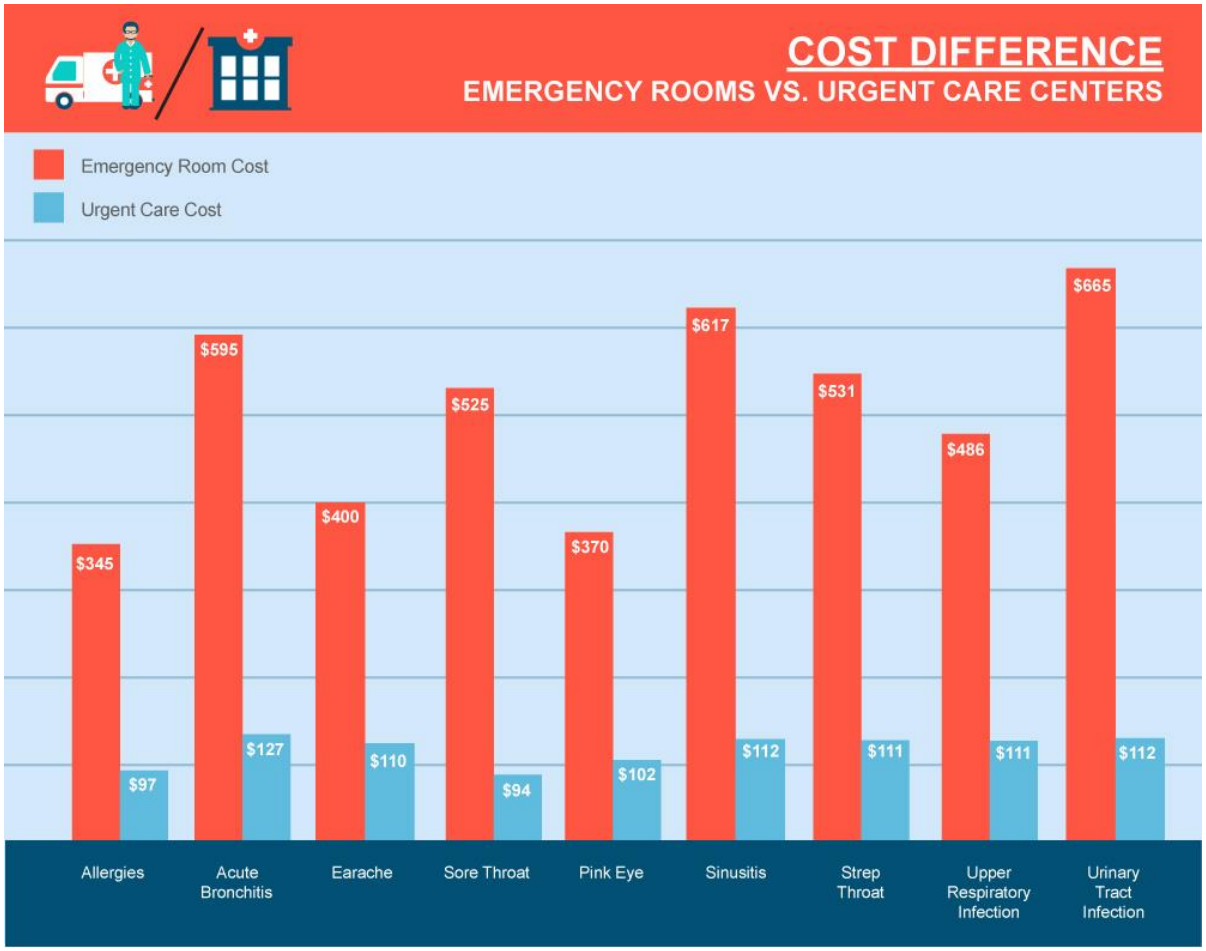
# Site of Service Matters: Imaging




Amino, a large national claims dataset, found prices were about **$1,000 less** on average in Connecticut when patients received an MRI at a freestanding facility versus a hospital.

# Site of Service Matters: Minor Conditions




National estimates of price differences for nine common diagnoses, depending if care was received at an urgent care or ED.

**Source:** *Debt.org, Medica Choice Network*

***Caution:***
*Not all urgent care are created equal. Be on watch for facility fees!*

# VBID Approaches to Encouraging High Value Sites of Service

**Option 1:** Waive deductible and/or pay 100% for most cost-effective sites of service.

**Option 2:** Reduce cost-sharing for most cost-effective sites of service.

*Most common types of care for site of service strategies:*

- Lab
- Emergency Dept
- Imaging

# What is Reference Pricing?

## Two words….a couple of definitions

*Classic Health Policy Wonk:*

A form of a defined contribution health benefit, where a plan sponsor (employer, union, health plan) pays a fixed amount or limits its contribution toward the cost of a specific health care service, and health plan members must pay the difference in price if a more costly health care provider or service is chosen.

*Local Interpretations:*

In partnership with self-insured employer clients, insurance brokers negotiate prices with hospitals individually, typically reaching deeper discounts built off of a percent of the Medicare fee schedule.

# Employee Resources and Education

# Employee Education

- Carriers and add-on services can help employees select high value providers
  - United HealthCare online cost and quality estimators
  - Vitals SmartShopper concierge service
    - Cost and quality transparency service
    - Employees receive cash incentive for selecting high quality, cost-efficient facility for certain services
- Employers can use publicly-available data and resources to develop employee education materials around value
  - Choosing Wisely and other types of education around low-value
  - Provider quality comparisons

# Discouraging Low Value Services

Choosing Wisely®

An initiative of the ABIM Foundation

ConsumerReportsHealth

ACR® American College of Radiology

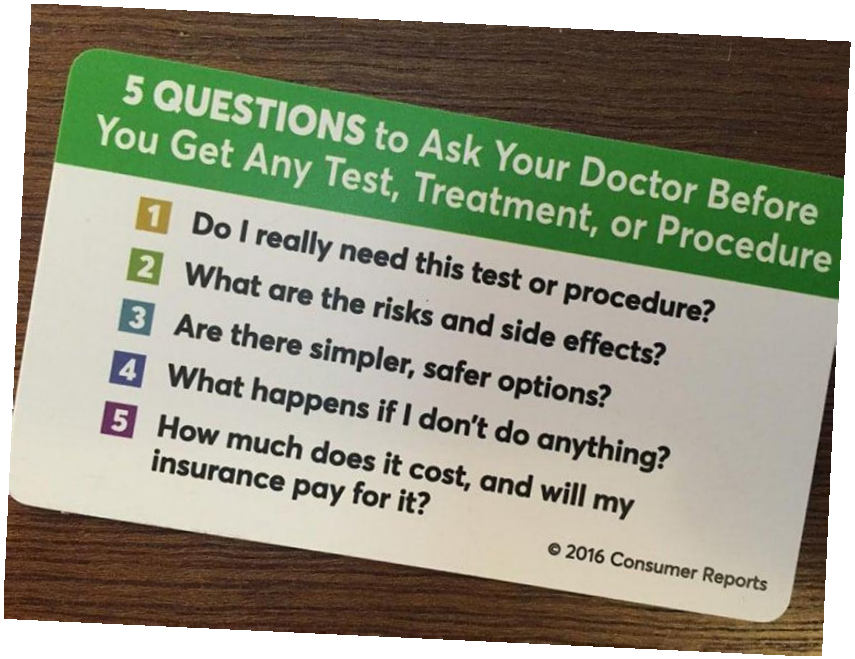
ABIM Foundation

## Imaging tests for headaches

When you need them—and when you don't

Many people who experience severe headaches want a CT scan or MRI to see if they're caused by a brain tumor or other serious problem. But most of the time neither test is necessary. Here's why.

**The tests rarely help diagnose the problem.** Most people who seek medical help for headaches have migraines or tension-type headaches. Those can indeed be painful, and migraines



# Publicly Available Provider Quality Data




Hospital Compare Demo

# Case Study: CT State Employee Health Enhancement Program

# State of CT HEP 2.0

HEP 2.0 incentivizes the use of high quality, lower cost providers and facilities through:

- Waived copays for Preferred Providers, in-network PCPs and specialists
- Waived co-insurance for preferred in-network imaging and lab facilities
- Bonus payment for using Centers of Excellence for certain procedures (e.g. joint replacement) using ***State of Connecticut*** Smart Shopper

STATE OF CONNECTICUT smartshopper

# Questions?

Please take our 3 minute survey after the webinar!