

# Cigna Collaborative Accountable Care

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# NETWORK STRATEGY

Achieve the “triple aim” = better quality, better cost, better health care experience

## Traditional network management

Pay the right amount, for the right service at the right level of care:

- National initiatives
- Market-specific initiatives

## Value-based network benefits

Incentivize customers to make the right health care professional choice:

- Narrow networks
- Tiered networks

## Value-based reimbursement

Collaborate with and reward health care professionals:

- Align financial incentives
- Augment health coaching capacity
- Provide actionable information

## Three pillars of network strategy

Implemented on a market-specific basis

## Our Goal\*

80% of customers driving  
80% of costs will be treated  
by health care professionals  
with incentive – and  
assistance – to achieve the  
triple aim

## Our VBCR Initiatives

1. **Collaborative Accountable Care** (Reward large HCP groups for achieving the triple aim for care of their “virtually aligned” population).
2. **Patient Care Collaboration** (Reward individual HCPs for each specific act of care coordination which reduces hospital readmissions, chronic disease admissions; and improves appropriate site of service (steerage))
3. **Specialty Care Incentive Programs** (Reward large specialty groups for steerage, guideline adherence, or episode cost control. Will focus on top 5 specialties cost drivers; OBGYN, Ortho, Gastro, Cardio and Oncology).
4. **Hospital Incentive Programs** (Rewards hospital for improving quality and care coordination using a care coordination fee)

\*Additional criteria to drive decisions include TMC save; customer, client, and HCP engagement and penetration; and new business sales and retention

# EVOLUTION OF COLLABORATIVE ACCOUNTABLE CARE



## Patient-Centered Medical Home

- Reward for NCQA recognition



## Accountable Care Organization

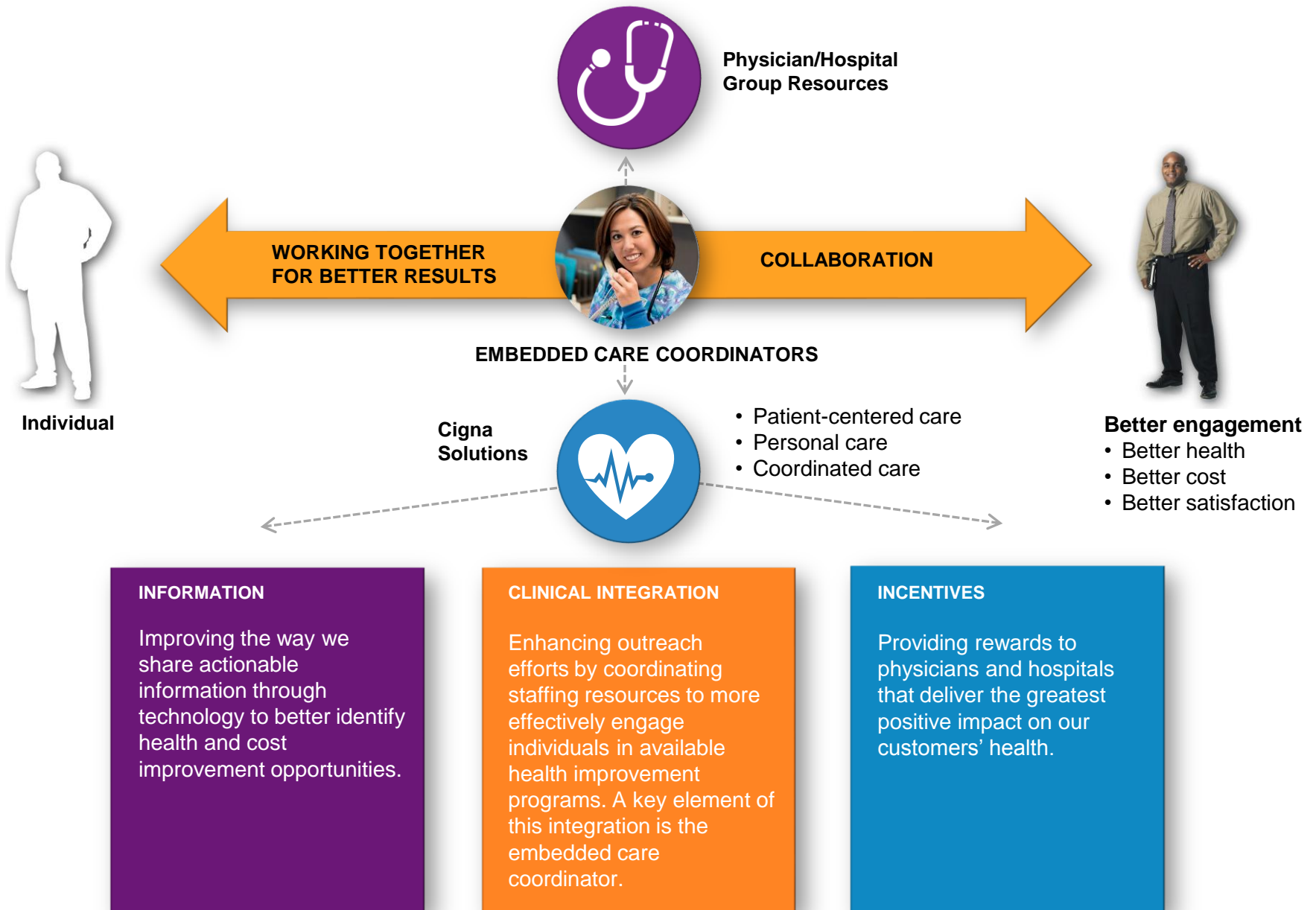
- Rewards for health outcomes



## Cigna Collaborative Accountable Care

- Aligned financial incentives
- Actionable information
- Clinical integration

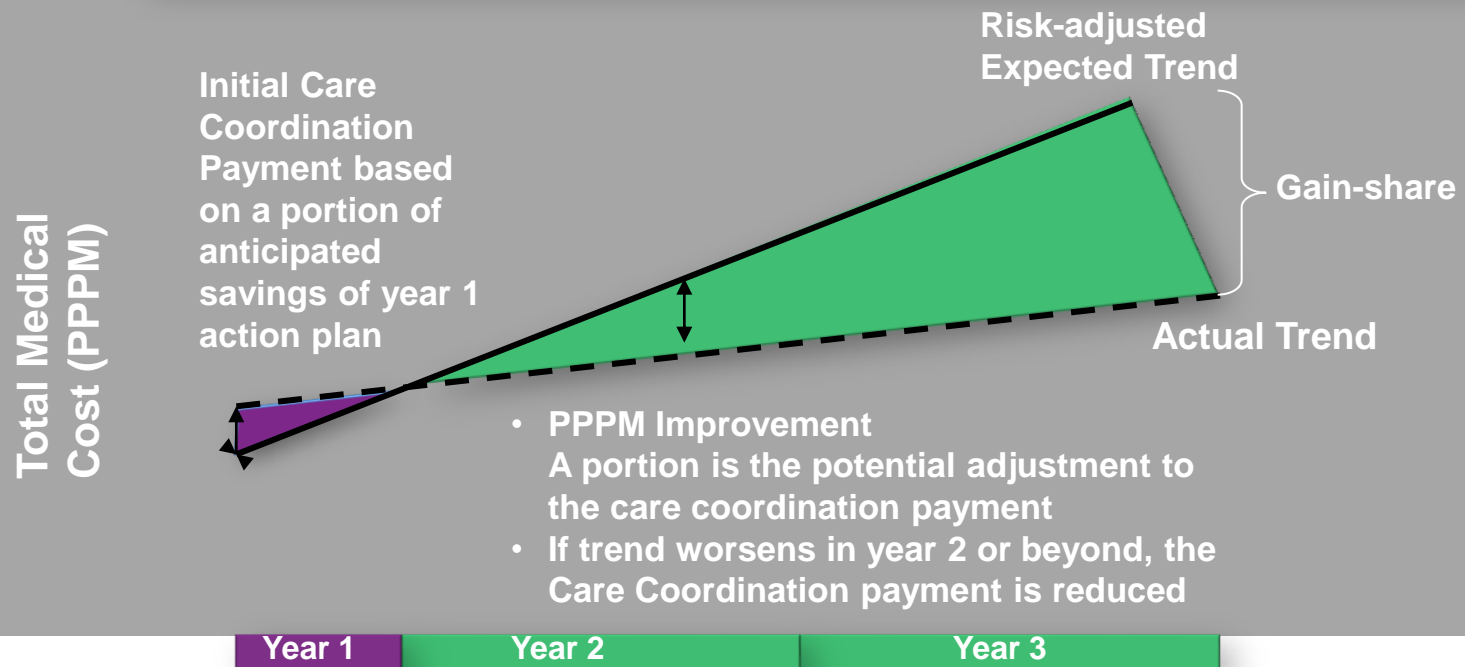
# WORKING BETTER TOGETHER FOR BETTER RESULTS



# COLLABORATIVE ACCOUNTABLE CARE PAYMENT\*

## Must pass elements compared to market:

- **Quality:** Evidence-Based Measures (EBM) and patient satisfaction improved or maintained at better than market average in order to be eligible for gain-share
- **Affordability:** per capita medical cost – trend better than market average



# CRITERIA FOR CAC PARTNERS

<b>POTENTIAL</b>	<b>MISSION AND LEADERSHIP</b>	<ul style="list-style-type: none"> <li>• Mission is increasing value- transitioning from maximizing reimbursement per service and volume of service to maximizing value and the volume of population served</li> <li>• Strong C-suite and CMO leadership</li> </ul>
	<b>CULTURE</b>	<ul style="list-style-type: none"> <li>• Strong foundation of primary care, population based care</li> <li>• Internal reimbursement/incentives around value, not volume; team work, not solo performance</li> </ul>
	<b>CAPABILITY</b>	<ul style="list-style-type: none"> <li>• Market leading reputation for primary care, most specialists and broad hospital services</li> <li>• Primary care capacity</li> <li>• Record of commitment to population care: meaningful use of Electronic Health Record system, NCQA Patient Centered Medical Home Recognition obtained or in progress</li> <li>• Track record of meaningful improvement in population based care</li> </ul>
	<b>PARTNERSHIP COMMITMENT</b>	<ul style="list-style-type: none"> <li>• Willingness to make significant investment</li> <li>• Willingness to commit to significant long-term arrangement</li> <li>• Willingness to integrate with Cigna sponsored on-site clinics</li> </ul>
	<b>SIZE</b>	<ul style="list-style-type: none"> <li>• Capability of serving at least 10% of the market</li> </ul>

<b>ACTUAL</b>	<b>SIGNIFICANT, BELIEVABLE ACTION PLAN</b>	<ul style="list-style-type: none"> <li>• Review performance reports for opportunity</li> <li>• Clear “TMC action plan”: Significant and believable</li> </ul>
	<b>FINANCIAL COMMITMENT</b>	<ul style="list-style-type: none"> <li>• Either no initial care coordination payment – or payment at risk</li> <li>• Additional “risk” – impact on underlying FFS agreement, target is MCOL rather than market trend</li> <li>• Multi-year “base” contract in place; clear impact on treating physician take home pay</li> </ul>



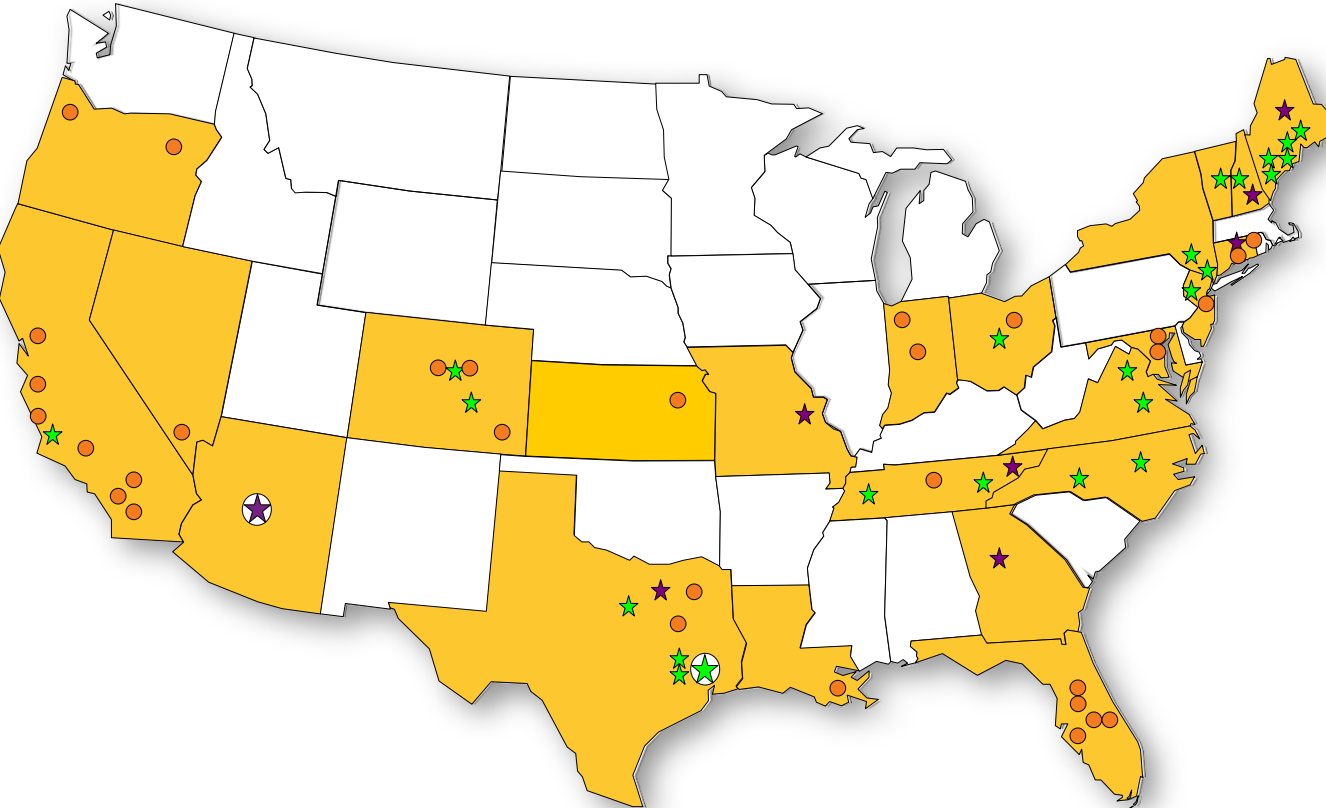
# CIGNA COLLABORATIVE ACCOUNTABLE CARE INITIATIVES

## ACTIVE INITIATIVES:

- ★ NH, Dartmouth-Hitchcock Clinic (6/08)
- ★ TX, Medical Clinic of North Texas (8/09)
- ★ CT, ProHealth Physicians, Inc. (10/09)
- ★ ME, Eastern Maine Healthcare Systems (1/10)
- ★ GA, Piedmont Physicians Group (6/10)
- ★ MO, Mercy Clinic (7/10)
- ★ TN, Holston Medical Group (8/10)
- ★ TN, Health Choice (8/11)
- ★ NJ, Partners In Care (10/11)
- ★ NY, Weill Cornell Physician Organization (10/11)
- ★ TN, The Jackson Clinic (1/12)
- ★ ME, Penobscot Community Health Center (1/12)
- ★ ME, Kennebec Region Health Alliance (2/12)
- ★ VA, Bon Secours Medical Group (3/12)
- ★ VA, Fairfax Family Practice Centers (3/12)
- ★ NY, WESTMED (3/12)
- ★ CO, Colorado Springs Health Partners (4/12)
- ★ NC, Cornerstone Health Care (4/12)
- ★ NC, Key Physicians (4/12)
- ★ TX, HealthTexas Provider Network (4/12)
- ★ ME, InterMed (4/12)
- ★ ME, Martin's Point Health Care (4/12)
- ★ CA, Palo Alto Medical Foundation (7/1)
- ★ CO, New West Physicians (7/12)
- ★ NH, Granite Healthcare Network (7/12)
- ★ ME, Mercy Hospital (7/12)
- ★ OH, Mount Carmel Health Partners (7/12)
- ★ TX, St. Luke's Episcopal Hospital IPA (7/12)
- ★ TX, Renaissance Physician Organization (7/12)
- ★ VT, Fletcher Allen Health Care (7/12)

## BENEFIT INCENTIVE AVAILABLE (current):

- ★ AZ, Cigna Medical Group (1/10)
- ★ TX, Kelsey-Seybold (6/11)



- ★ Active 1+ years (8)
- ★ Active <1 years (24)
- ★ Benefit incentive available
- 2012 Pipeline (31)
- Unnoted Prospects (44)

## DEMOGRAPHICS:

Active Initiatives	32
States	16
PCPs	4,500+
Specialists	5,500+
Customers	330k+

6/13/2012

v2.0



# DARTMOUTH-HITCHCOCK – DELIVERING IMPROVED QUALITY

Cigna patients in Dartmouth Medical Home vs. private practice without care coordination:

## Results

**10.4%**

improvement in overall gaps-in-care closure rates

**13.8%**

greater closure rate for high-priority gaps

**16%**

greater closure rate for hypertension gaps

**8.1%**

greater closure rate for diabetes gaps

**Information +  
Integration +  
Incentives =  
Improved Results**

**Cigna**<sup>®</sup>

# MEDICAL CLINIC OF NORTH TEXAS – ACHIEVING QUALITY AND COST IMPROVEMENTS

## 2 Year Results

3%

improvement  
in control of  
blood sugar  
levels in  
diabetic  
patients

7%

better than  
market  
Emergency  
Room avoidable  
visit rate

2%

decline in  
hospital  
readmission  
rate

6.3%

better than  
market  
adherence  
to evidence-  
based  
medicine

2%

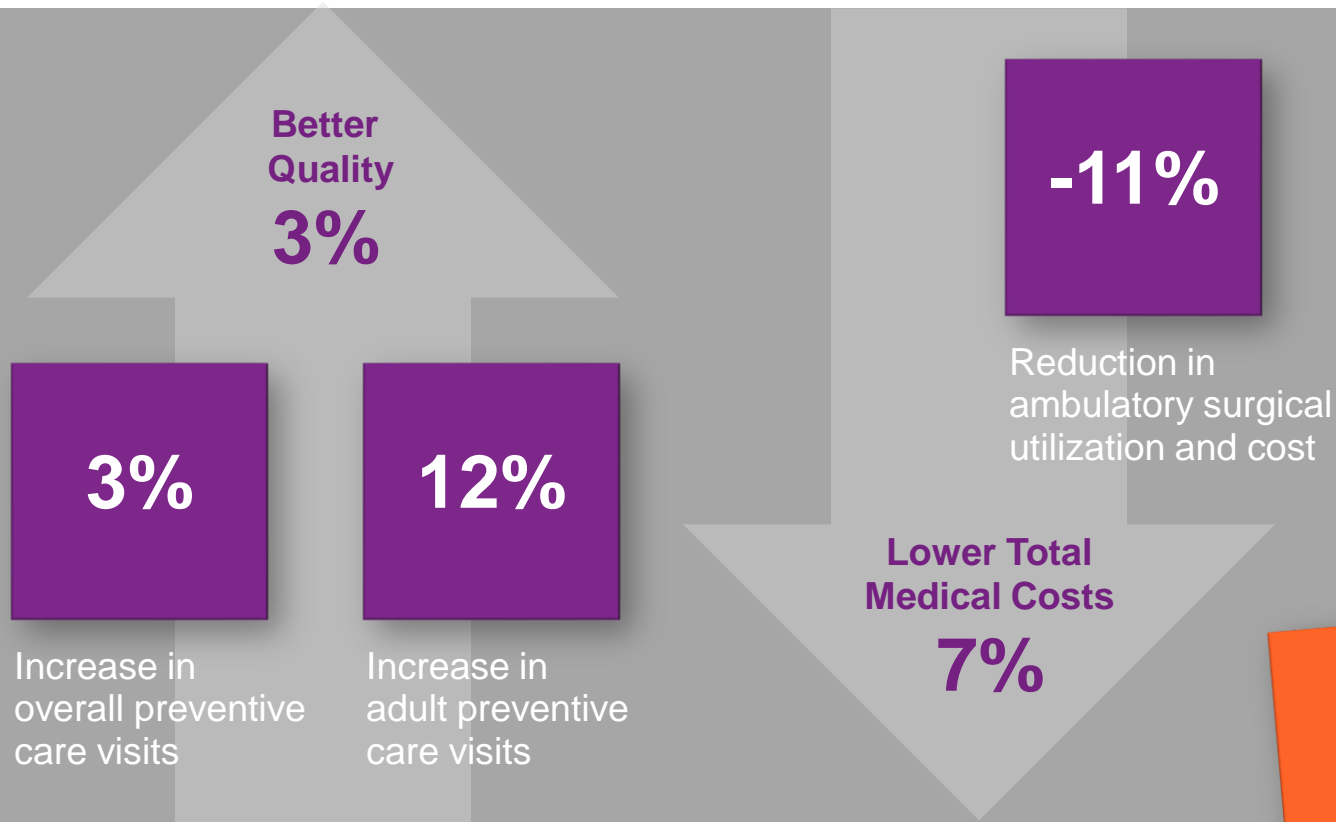
lower than  
market  
medical  
cost trend

**Information +  
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Incentives =  
Improved Results**

**Cigna**

# CIGNA MEDICAL GROUP – DELIVERING BETTER HEALTH

Comparison of Cigna patients in CMG vs. private practice



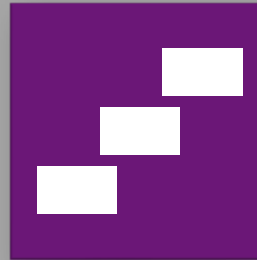
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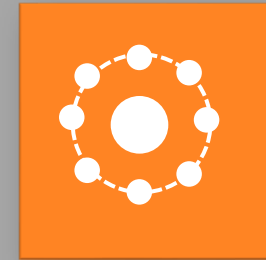
# REWARD SPECTRUM



**Option I**  
Reward through  
increased Care  
Coordination  
Payment for  
achieving the  
triple aim



**Option II**  
Reward through  
increased patient  
volume resulting  
from tiered  
network product



**Option III**  
Reward through  
increased patient  
volume resulting  
from customized  
network

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