Cigna Collaborative Accountable Care

Health Industry Forum
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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 VBCR Vision: 80/80

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 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

INFORMATION
Improving the way we share actionable information through technology to better identify health and cost improvement opportunities.

CLINICAL INTEGRATION
Enhancing outreach efforts by coordinating staffing resources to more effectively engage individuals in available health improvement programs. A key element of this integration is the embedded care coordinator.

INCENTIVES
Providing rewards to physicians and hospitals that deliver the greatest positive impact on our customers’ health.

Physician/Hospital Group Resources

COLLABORATION

EMBEDDED CARE COORDINATORS
• Patient-centered care
• Personal care
• Coordinated care

Individual

Cigna Solutions

Better engagement
• Better health
• Better cost
• Better satisfaction

WORKING 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

*In addition to standard fee-for-service payments
## CRITERIA FOR CAC PARTNERS

| POTENTIAL | MISSION AND LEADERSHIP | • Mission is increasing value- transitioning from maximizing reimbursement per service and volume of service to maximizing value and the volume of population served  
• Strong C-suite and CMO leadership |
| --- | --- | --- |
| CULTURE | • Strong foundation of primary care, population based care  
• Internal reimbursement/incentives around value, not volume; team work, not solo performance |
| CAPABILITY | • Market leading reputation for primary care, most specialists and broad hospital services  
• Primary care capacity  
• Record of commitment to population care: meaningful use of Electronic Health Record system, NCQA Patient Centered Medical Home Recognition obtained or in progress  
• Track record of meaningful improvement in population based care |
| PARTNERSHIP COMMITMENT | • Willingness to make significant investment  
• Willingness to commit to significant long-term arrangement  
• Willingness to integrate with Cigna sponsored on-site clinics |
| SIZE | • Capability of serving at least 10% of the market |

| ACTUAL | SIGNIFICANT, BELIEVABLE ACTION PLAN | • Review performance reports for opportunity  
• Clear “TMC action plan”: Significant and believable |
| FINANCIAL COMMITMENT | • Either no initial care coordination payment – or payment at risk  
• Additional “risk” – impact on underlying FFS agreement, target is MCOL rather than market trend  
• Multi-year “base” contract in place; clear impact on treating physician take home pay |
CIGNA COLLABORATIVE ACCOUNTABLE CARE
INITIATIVES

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

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)
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
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 + Integration + Incentives = Improved Results
CIGNA MEDICAL GROUP – DELIVERING BETTER HEALTH

Comparison of Cigna patients in CMG vs. private practice

Better Quality
3%

Increase in overall preventive care visits
3%

Increase in adult preventive care visits
12%

Reduction in ambulatory surgical utilization and cost
-11%

Lower Total Medical Costs
7%

Information + Integration + Incentives = Improved Results
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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