Product and Network Innovation: Strategies to Achieve Triple Aim Success

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Agenda

• About Minnesota’s Market
• Measurement building blocks
• Provider partnerships and engagement
• Transforming care
HealthPartners

- Not-for-profit, consumer-governed
- Contracted network cares for 60% of our members
- Integrated care and financing system
  - A team of 21,000 people
  - Health plan
    - 1.4 million health and dental members in
    - Minnesota and surrounding states
  - Medical Clinics
    - 1 million patients
    - 1,700 physicians
    - 35 medical and surgical specialties
    - 40 primary care locations
    - Multi-payer
  - Six hospitals
Minnesota Market

- Large group practice is the dominant organizational structure
- Health Information Technology (HIT) in place for many years
- Over 2 million Minnesotans cared for by certified medical homes
- High concentration of Accountable Care Organizations (ACO)
- Open access market
- Community Collaborative on Quality for 20 years (ICSI) and Transparency (MNCM) for 10 years
Total Cost of Care Metric

Balancing the Triple Aim with TCOC Metrics

Total Cost of Care complements the robust standard measures of quality and patient experience.
What is Total Cost of Care?

- It is a population-based measure
- Attributable to medical groups for accountability
- Includes all care, treatment costs, places of service, and provider types
- Measures overall performance relative to other groups
- Illness-burden adjusted
- Identifies price differences and resource use drivers
- Developed in partnership with medical groups
- Drillable to condition, procedure and service level
HealthPartners Total Cost of Care and Total Resource Use measures are the first population-based measures endorsed by NQF.

- Rigorous, year-long review focused on four criteria:
  - Importance
  - Scientific Acceptability (reliability and validity)
  - Usability (is it actionable)
  - Feasibility (can others replicate it)
- Completed the eight-step consensus development process
- NQF Board of Directors ratified endorsement January 2012
- [www.healthpartners.com/tcoc](http://www.healthpartners.com/tcoc)
• Multi-stakeholder work group
  – Total Cost of Care complements quality and experience measures
• Goal: Agree upon and implement a market standard
  – HealthPartners endorsed method is the foundation
• Status: Measure Adopted for Market Reporting and in Testing Now
Benefit Design Based on the Measure

- Tiered benefit designs rely on Total Cost of Care as the basis for evaluating cost
- Reference pricing and defined contribution benefits with selections based on medical group Total Cost of Care Performance
- Cost Basis for High Performance Networks
- Cost Basis for Accountable Care Organizations
Consumer Transparency

1. Population Based TCOC Performance
2. Condition Based TCOC Performance
3. Procedural bundled price transparency
4. Service Specific price transparency (i.e. lab)

A multifaceted approach to meet consumer and stakeholder needs.
Total Cost of Care: Health Plan Results

Third party evaluation highlights strong plan total cost of care performance:

• HealthPartners illness burden adjusted total cost of care has **outperformed national, regional and Minnesota benchmarks**

• HealthPartners is **delivering care to its members more efficiently** than the health plans included in the benchmark database

• *Source: OptumInsight report prepared for HealthPartners*
Provider Partnerships and Engagement
Provider Incentive Approaches

• Three types of programs:
  - Withhold Program (Partners in Progress)
  - Bonus and Public Recognition (Partners in Excellence)
  - Triple Aim Shared Savings (Triple Aim TCOC)

• Principles applied across all programs:
  - Easily understood payment methodology
  - Valid and reliable measurement
  - Reward so that there is motivation for, and recognition of, improved performance
  - Aligned with community measurement where applicable
  - Commitment to transparency of results and methods
  - Programs continuously evolve
Partnering with Providers on the Triple Aim

**HealthPartners Solutions**

- Align Incentives/Payment Reform
  - Total cost of care bundled payment

- Actionable Health Information
  - Quality results
  - Patient experience

- Utilization Measures
  - Price and utilization benchmarking
  - Referral partners
  - Case for conditions

- Population Health Solution
  - Disease management
  - Case management
  - Health assessment
  - Health & wellbeing programs

**Care Delivery Transformation**

- Reliable Evidence-Based Practices
  - EHR decision support
  - Care team redesign
  - Standardized, evidence-based

- Patient-Centered Care
  - Shared decision making
  - Customized care

- Convenient, Affordable Access
  - Easy access
  - Phone visits, evisits
  - Online services

- Coordination of Care
  - Strong transitions across primary, specialty & hospital
  - Reducing readmissions

**Partnership**

**Improved Health**

**Better Care**

**Reduced Costs**

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Lessons Learned

• Systems who focus on taking action drive earlier success
  – Establish trusting partnership-based relationships between the plan and provider
  – Make moves based on directional accuracy vs. driving for precision

• Effectiveness of payment reforms are enhanced when supported by strategies for:
  – Consumer and provider transparency
  – Benefit design
  – Reports, data and consultation for improvement
Transforming Care
We use the following design principles to ensure our care achieves Triple Aim results:

Having a Care System can drive change

- **Reliability**: Reliable processes to systematically deliver the best care
- **Customization**: Care is customized to individual needs and values
- **Access**: Easy, convenient and affordable access to care and information
- **Coordination**: Coordinated care across sites, specialties, conditions and time
In top 30 nationally in NCQA’s Health Insurance Plan rankings for 2013

NCQA Accountable Care Organization accreditation Tier 3

Top Performance Consistency in MNCM Measures

Hospital: Leapfrog Group’s Top Hospital designation 2009/10/11

Benchmark employee satisfaction

AMGA Physician Satisfaction Survey rising (25th %tile → 88th %tile)

Care Delivery achieved margin target in each of last 9 years

Plan administrative costs at 5.4%; clinic unit costs moderated (0.92% compound annual growth rate 2004-11)

Growth

– 20% increase in medical plan membership over three years
– Regions Hospital achieved top market share position in 2011
– Clinic’s active patients increased steadily
Thank you!
Questions?