



Product and Network Innovation: Strategies to Achieve Triple Aim Success

Patrick Courneya, MD

Medical Director, HealthPartners

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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

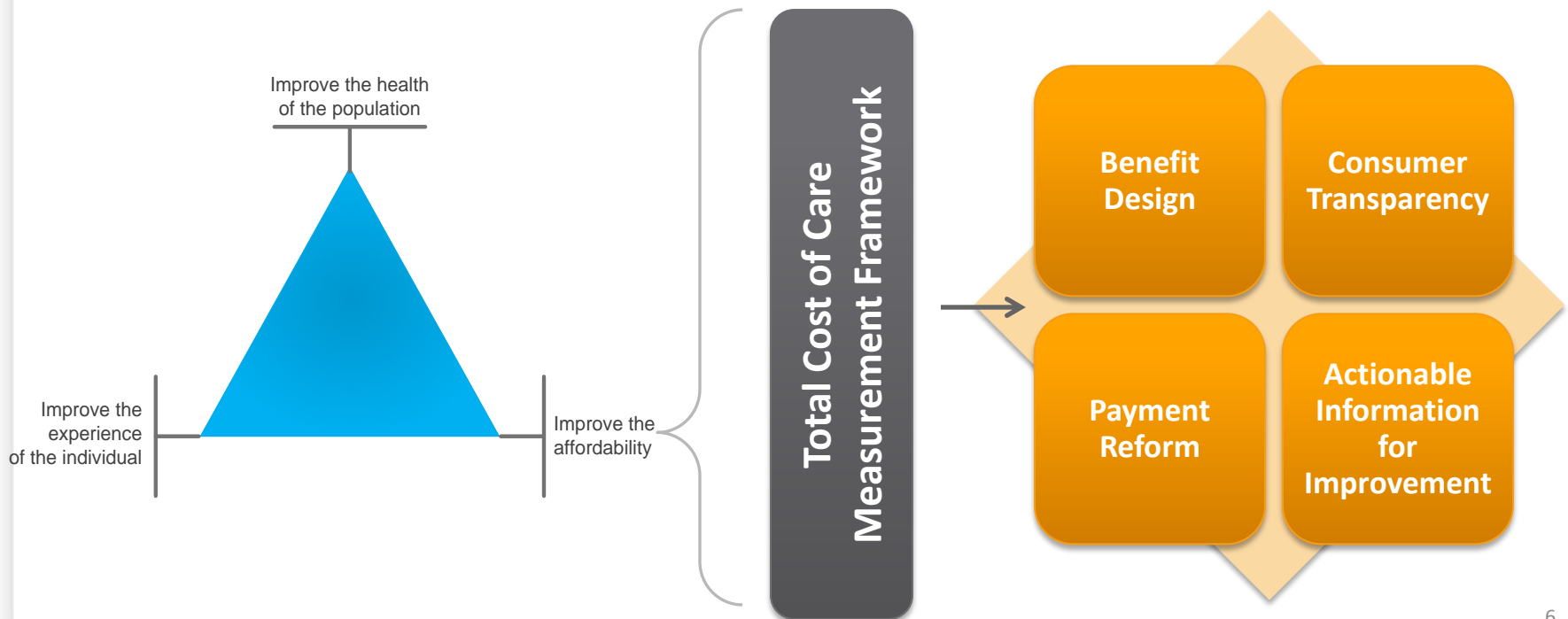
Cost Measurement Building Blocks



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



National Quality Forum Endorsed

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



Local: MN Community Measurement



- 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

Partnership

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

**Improved Health
Better Care
Reduced Costs**



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



Care Design Principles

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



Results

- In top 30 nationally in NCQA's Health Insurance Plan rankings for 2013
- NCQA Accountable Care Organization accreditation Tier 3
- Top Performance Consistency in MNMCM 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?