Quality: A Health Plan Perspective

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June 2017
Agenda

- Changing Landscape of Health Plan Quality
- Quality Platform: The Triple Aim
- Two Examples of Pay for Value
Changing Landscape of Health Plan Quality
Changing Landscape of Health Plan Quality

- **Previous landscape**
  - Accreditation
  - Episodic
  - Transaction focused
  - HEDIS, CAHPS, HOS

- **Current landscape**
  - Pay for value
  - Population-based
  - Member experience and outcomes focused
Quality Platform: The Triple Aim
Quality Platform

- The Triple Aim™ is set by the Institute for Healthcare Improvement
- Delivers optimal care within and across the care continuum
- Focuses on improving the health of the population and reducing the per capita cost of care

Source: http://www.ihi.org/IHI/Programs/StrategicInitiatives/TripleAim.htm
Improving Health of Populations

- Population health as a management strategy
- HEDIS and other measures
- Requires the engagement of partners across the community to address the broader determinants of health
- Health Plan is integrator or connector
- Setting priorities for population health strategies
- Challenges
Health Plan as the Connector

- Health insurance companies provide the connection to claims data and program participation rates

- Average time spent with primary care providers (20.3 minutes) and specialists (17.9 minutes) has increased but remains low \(^1\)

- Data exchange needs to go both ways

- How can we use data and information to be relevant to the member and the provider?

Focus on programs that keep members in lower tiers of pyramid

- **Complex**
  - Case management
  - Palliative care

- **Frail**
  - Manage symptoms
  - Maintain function
  - Adapt to loss of function

- **At Risk**
  - Manage chronic conditions
  - Assist care coordination
  - Community resources

- **Healthy**
  - Manage risks
  - Maintain healthy lifestyle
Improve Experience of Care

- Experience of care occurs primarily within the health care delivery system, and secondarily within the health plan infrastructure.

- Measures
  - CAHPS
  - HOS
  - Other

- Dimension has moved from patient satisfaction to patient experience.

- Scope of patient experience
  - Safe
  - Effective
  - Patient-centered
  - Timely
  - Efficient
  - Equitable
Reduce Per Capita Costs

- Considering cost as part of the Quality platform

- Stakeholders:
  - Healthplan
  - Providers
  - Employer groups
  - Government entities
  - Consumers
Cost of Chronic Conditions Growing

1 in 5
Healthcare dollars is spent caring for those with diabetes¹

$987B
Projected total cost of cardiovascular disease by 2025²

$32B
Estimated total cost of heart failure each year³

5.1M
People in the U.S. have heart failure³

30M
Americans have diabetes¹

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³ CDC Heart Failure Fact Sheet - http://www.cdc.gov/dhdsp/data_statistics/fact_sheets/docs/fs_heart_failure.pdf
Two Examples of Pay for Value

Value-Based Contracting
Medicare Stars Payment Methodology
Example 1: Value-Based Contracting (VBC)

- Medical Mutual supports the shift from paying for volume to paying for value

- The VBC model is composed of:
  - Eligibility/stewardship (sharing information, following policies/procedures)
  - Care coordination
  - Quality, utilization and patient-satisfaction measures
  - Shared savings or risk arrangements, as appropriate

- A portion of the payments VBC providers receive is tied to their performance in the elements above
# Value Based Contracting Measures

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<thead>
<tr>
<th>Measure</th>
<th>Examples</th>
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<tbody>
<tr>
<td><strong>Quality</strong></td>
<td>• Did the provider make sure a certain percentage of his/her eligible patients received a breast exam in the past 24 months?</td>
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<td>• Does the percentage of diabetic patients who are controlling their diabetes, as demonstrated through A1C test results, meet an agreed-upon goal?</td>
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<td><strong>Utilization</strong></td>
<td>• Is the provider’s hospital readmission rate below an agreed-upon level?</td>
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<td>• Is the provider prescribing generic equivalents to patients at an agreed-upon level?</td>
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<td>• Are preventable ER rates at an agreed-upon level?</td>
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<td><strong>Member Satisfaction</strong></td>
<td>• Are appointments to see the provider easy to schedule?</td>
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<td>• Are wait times to see the provider within an established timeframe?</td>
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Example 2: Medicare Stars

- Pay for value results in product viability, not just nominal bonus
- Volume of measures with varying weights and impact of standard deviation
- Diversity of measures covers many dimensions
  - HEDIS
  - CAHPS
  - Transaction measures
  - Medication adherence
  - Compliance
  - Health Outcome Survey (HOS)
Thank You