



Louisiana Health Care Commission

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Volume to Value

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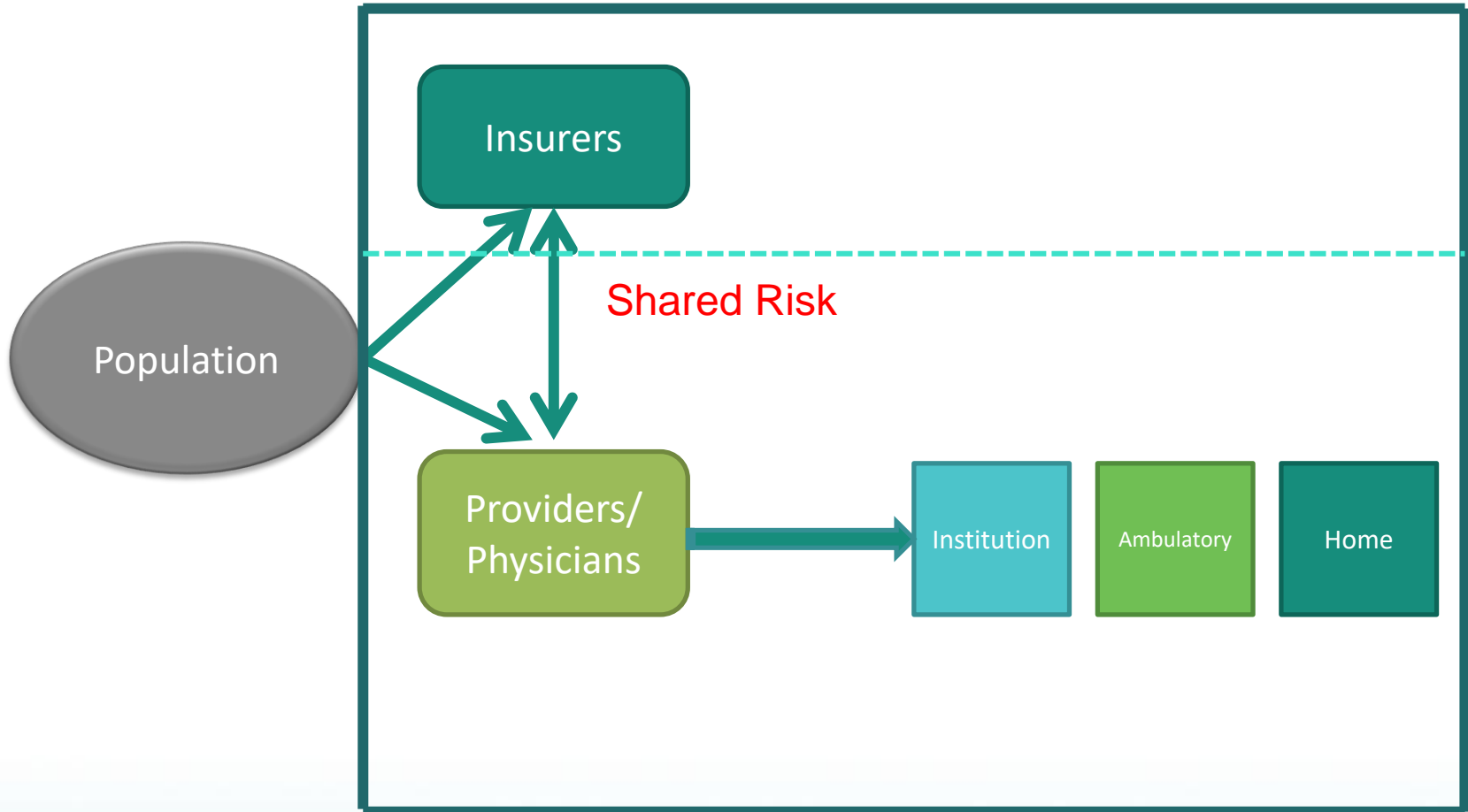
Universal Belief

The current cost of acute, post-acute, outpatient, and ambulatory healthcare is not sustainable for patients, employers and payers. Healthcare value is being questioned by all.

Providers must compete on their ability to deliver predictable, high quality care at predictable costs and with a better patient experience.



Population Health Future State

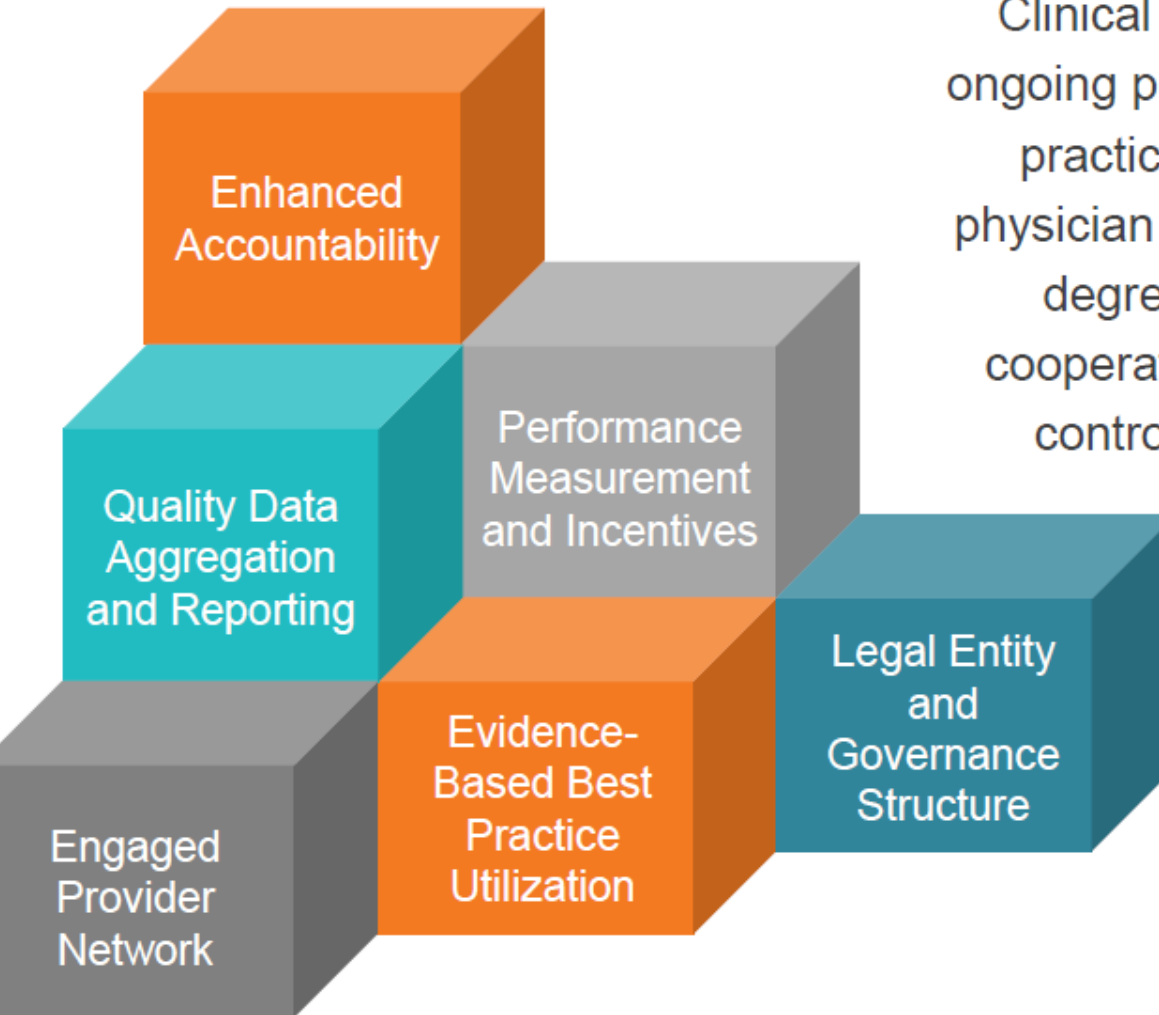


Managing risks for the health of a population



Clinical Integration is a Defined Program by the FTC to Allow Joint Contracting Without Financial Risk

The Building Blocks of Clinical Integration



Clinical Integration is “an active and ongoing program to evaluate and modify practice patterns by the network’s physician participants and create a high degree of interdependence and cooperation among the physicians to control costs and ensure quality.

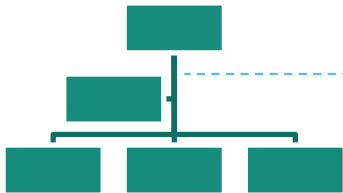
-Federal Trade Commission (FTC) Definition

Clinical Integration - Foundation for Risk Capabilities



Network Development

- Stakeholder Engagement
- Value Proposition
- Participation Criteria
- Physician Leadership
- Incentive Design



Organizational Structure & Planning

- Payor Contracting Strategy
- Physician Governance
- Committees and Decision-Making
- Financial Structure
- Organizational Incentive Alignment



IT Infrastructure and Capability

- EMR and EHR
- Clinical and Financial
- Patient Engagement Tools
- Integration with Existing Systems



Analytics

- Clinical Metrics and Results
- Cost Analytics
- Standard vs. Ad-hoc Reporting
- Risk Identification
- Regulatory vs. Operational



Cross-continuum Coordination

- Strong Primary Care
- Communication
- Referral Management
- Population-Based Programs
- Shift to Ambulatory Management
- Transitions of Care

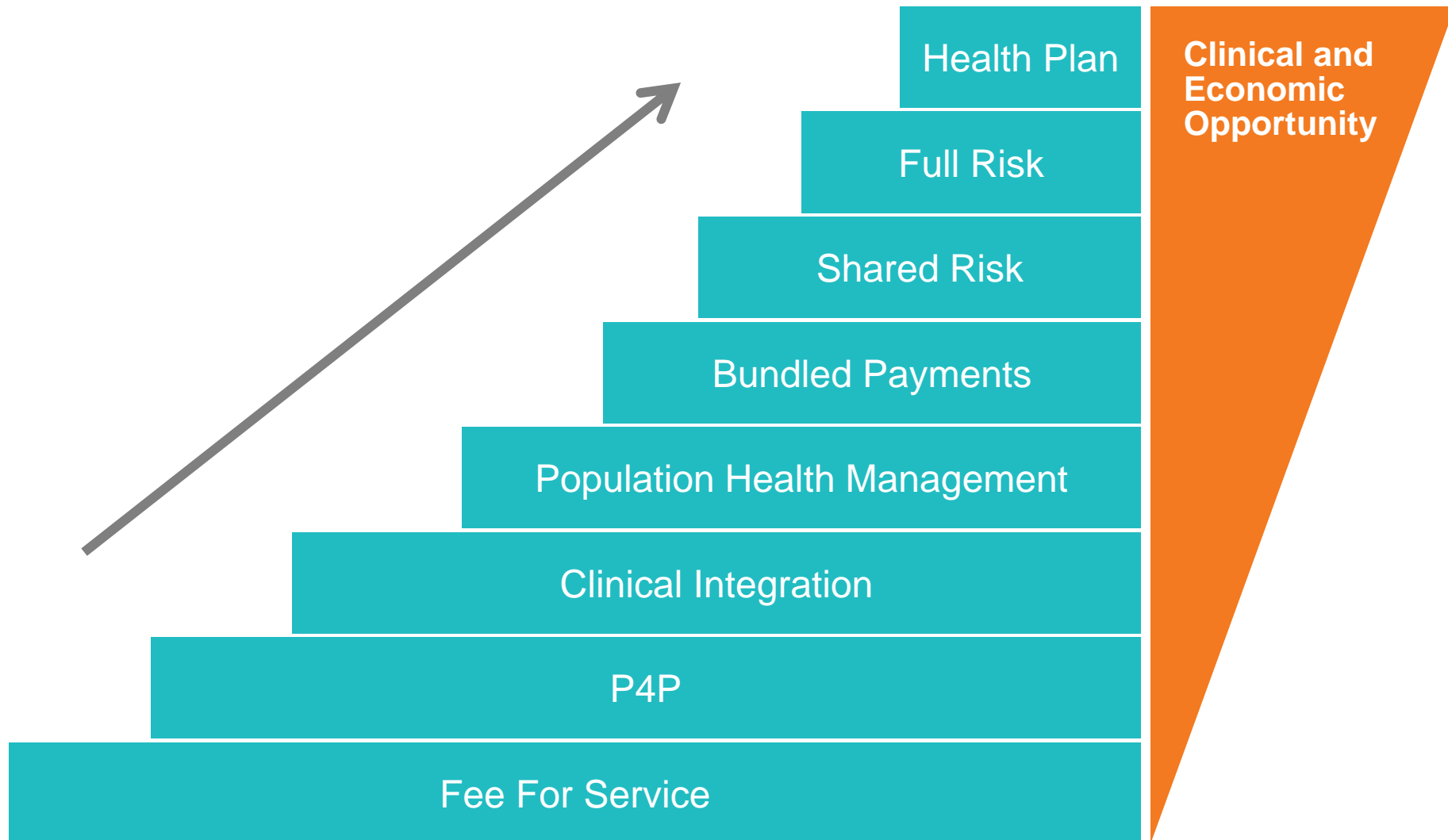


Collaboration Platform

- Common Protocols
- Physician-Guided Quality Best Practice Dissemination
- Clinical Metric Selection
- Peer Review; Transparency
- Build Network Culture



Increasing risk allows clinical/financial benefits



What is the currency of value based contracts?

Attributed lives are the currency for value based contracts. Primary care providers, not specialists, determine attributed lives.

Primary care defined by payers: Peds, Family Medicine, Internal Medicine, Med/Peds



Value based Contracting Steps - Financial

1. Clinically Integrated Network (CIN) determines which Primary Care Providers will participate in contract
2. Payer applies ***attribution methodology*** to define CIN population under contract
3. Actuaries project total costs for medical care and Rx and assign benchmarks for each
4. CIN negotiates shared savings/shared loss tiers based on degree below or above cost targets



Success In CMS Risk Contracts Is Driven By 5 Value Levers

Value Levers

| | |
|--------------------------|--|
| Risk Adjustment | <i>Increase benchmark by up to 3% by accurately capturing patient acuity through ICD10 coding</i> |
| Quality | <i>Achieve 30 Centers for Medicare & Medicaid Services (CMS) established quality metric thresholds to improve benchmark by up to 1%</i> |
| Clinical Programs | <i>Drive medical savings through clinical interventions to drive down total medical expense – Transitions, Complex Care, and Advanced Illness Programs</i> |
| Network | <i>Align process and strategic goals across the network by bringing together primary care and specialties, and leverage provider networks to achieve savings – Pharmacy, Post-acute</i> |
| Technology | <i>Technology solutions that aggregate data and identify impactful opportunities, drive engagement and management of high risk populations, and support robust tracking and measuring of performance</i> |



Who We Are

Health Leaders Network (HLN) is a physician-led organization of providers, committed to advancing the Triple AIM of improving population health outcomes, improving patient experience and controlling costs. HLN is governed in such a way to drive continuous improvement.

Vision

Health Leaders Network's vision is to be the regional leader in population health by partnering to provide a continuum of care focused on quality, efficiency and value.



HLN Today

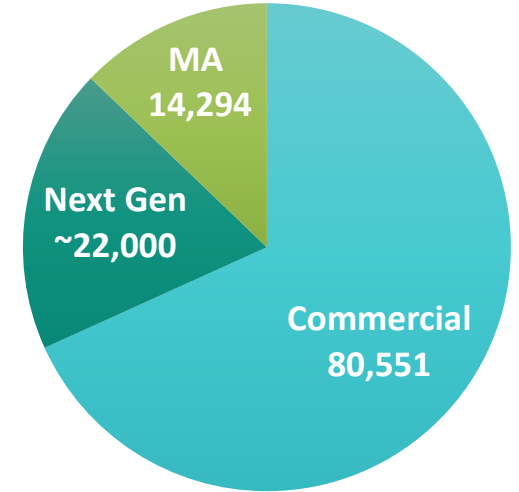
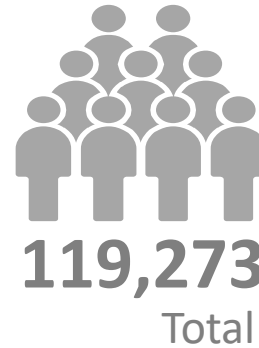
PARTICIPATING PROVIDERS



1105
Total

| | |
|--------------------|-----|
| Employed | 436 |
| Independent | 321 |
| AHP | 348 |
| Adult Primary Care | 131 |
| Pediatrics | 72 |
| Specialists | 554 |

COVERED LIVES

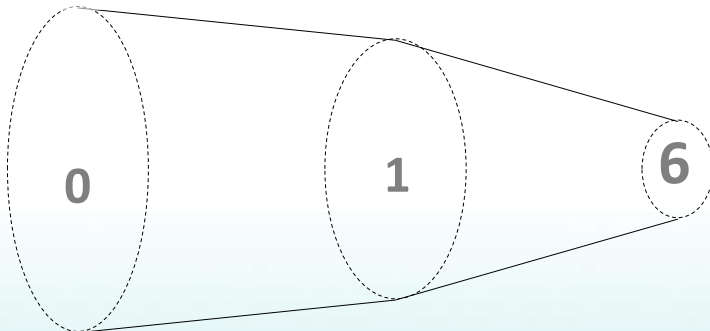


CONTRACT PIPELINE and CURRENT CONTRACTS

Negotiating

Finalizing

Signed



Blue Cross/Blue Shield

| | |
|---------------|---------------------|
| Covered Lives | 50,571 |
| Providers | FMOLHS only |
| Contract Type | Shared Savings/Risk |

FMOLHS Health Plan

| | |
|---------------|----------------|
| Covered Lives | 16,477 |
| Providers | HLN |
| Contract Type | Shared Savings |

Humana MA

| | |
|---------------|---------------------|
| Covered Lives | 14,294 |
| Providers | FMOLHS only |
| Contract Type | Shared Savings/Risk |

United ACO

| | |
|---------------|----------------|
| Covered Lives | 13,503 |
| Providers | HLN |
| Contract Type | Shared Savings |

Next Generation ACO

| | |
|---------------|------------|
| Covered Lives | ~22,000 |
| Providers | FMOLHS/BRC |
| Contract Type | Full Risk |



Health Leaders Network Clinical Results

- Wellness and Prevention Adult
 - Pneumococcal vaccine 77%
 - Depression screening increased to 72%
 - Statins for CV Disease 77%
- Pediatrics care
 - Combo 7 immunization rate 80-84%
 - Well child visits ages 3-7 increased to 71%
- Hypertension (38,000 patients) – 76% with BP at target



Health Leaders Network Cost Reduction

BCBS total cost of care

2016 \$12M saved caring for 32,000 lives

2017 \$30M saved caring for 43,000 lives



Questions

