

STRATEGIES TO DIRECT MEMBERS TO HIGH VALUE PROVIDERS

May 18, 2016

APPROACH

- Intelligently design the network to exclude lower performing providers (while still ensuring network adequacy) and create value-based arrangements with higher performing providers
- Streamline Medical Management processes as a means to reward providers who have demonstrated high value
- Develop new places where members can receive high value care
- Promote high value providers to members through regular member contact activities (incoming calls, newsletters, other collateral) as well as health fairs
- When possible, assign newly enrolled members to high value PCPs

INTELLIGENTLY DESIGN THE NETWORK

- Use a data driven and evidence based approach to determine the composition of our network
- Two examples:
 - Use the CMS Five-Star Quality Rating System to reconfigure our contracted Skilled Nursing Facilities (SNFs)
 - Evidence-based pain management protocols to filter out non-compliant pain management providers

SNFs AND STARS

Lowest quality SNFs were 3x more likely to readmit a patient to a hospital than the highest quality SNFs, despite comparable risk scores

Higher CMS quality ratings lead to fewer IP claims and dollars spent

Breakdown of 2014 inpatient readmissions by 2015 SNF quality rating

% of SNF cases readmitted to inpatient within 30 days

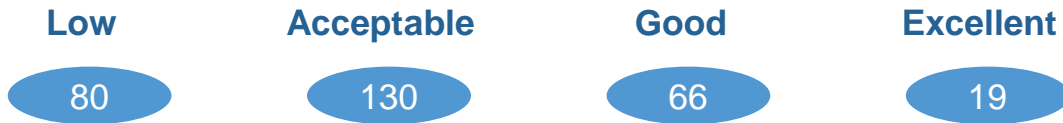


Average IP paid claim for readmission from a SNF, by provider quality rating

\$ avg paid IP claims per SNF case



Number of SNF cases, 2014



2013 Member risk score, average



- Risk score in 2013 was 16% higher for members with inpatient readmits, though no correlation in quality groups
- 2014 Medicare paid claims for SNF-discharged inpatient readmissions was over \$1.3M

SNF MARKET-BASED ASSESSMENT (ILLUSTRATIVE)

Hospital Catchment Area	Zip Code	SNF name	In network? (Y/N)	Star (1-5)	Quality	Owner	Status	Distance (miles)
ABRAZO CENTRAL CAMPUS	85015	XXXXXXXXXXXXXXXXXXXX	Y	3	Exclude	XXXXXXXXXXXX	Terminate	4.9
		XXXXXXXXXXXXXXXXXXXX	Y	5	Good	XXXXXXXXXXXX	Keep	2.7
		XXXXXXXXXXXXXXXXXXXX	Y	1	Exclude	XXXXXXXXXXXX	Terminate	0.0
		XXXXXXXXXXXXXXXXXXXX	Y	5	Good	XXXXXXXXXXXX	Keep	4.0
BANNER GOOD SAMARITAN MEDICAL CENTER	85006	XXXXXXXXXXXXXXXXXXXX	Y	4	Adequate	XXXXXXXXXXXX	Keep	4.0
		XXXXXXXXXXXXXXXXXXXX	Y	3	Exclude	XXXXXXXXXXXX	Terminate	4.8
		XXXXXXXXXXXXXXXXXXXX	N	5	Good	XXXXXXXXXXXX	Contract	3.5
ST JOSEPH'S HOSPITAL & MEDICAL CENTER	85067	XXXXXXXXXXXXXXXXXXXX	Y	3	Exclude	XXXXXXXXXXXX	Terminate	4.9
		XXXXXXXXXXXXXXXXXXXX	Y	5	Good	XXXXXXXXXXXX	Keep	2.6
		XXXXXXXXXXXXXXXXXXXX	Y	1	Exclude	XXXXXXXXXXXX	Terminate	2.1

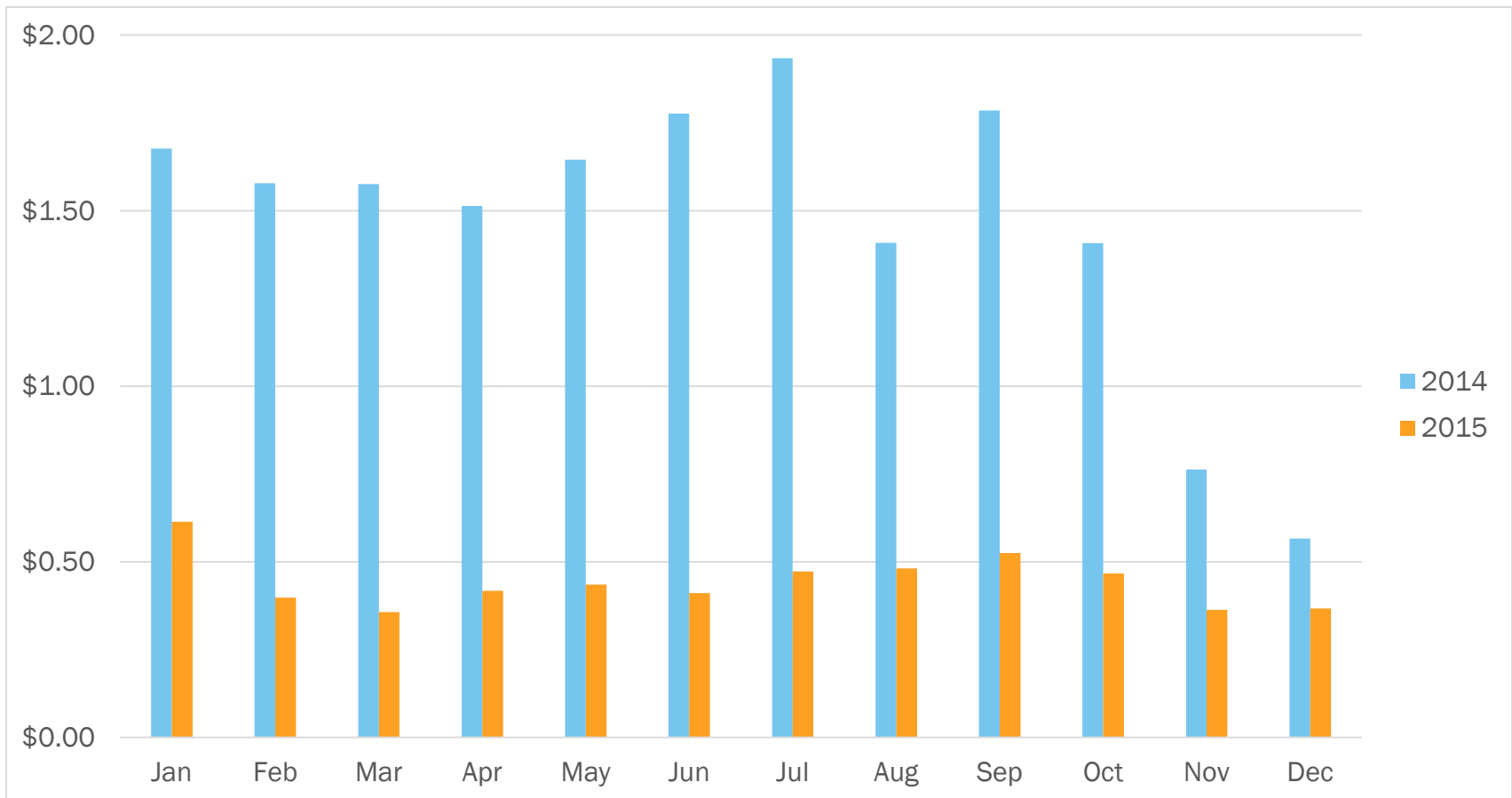
SNF CONTRACTING RESULTS

- Number of SNFs before re-contracting efforts: 24 with an average Star rating of 3.4
- Terminated nine SNFs in Maricopa County with an average Star rating of 2.1
- Added 17 new SNFs with an average Star rating of 3.9
- Total number of SNFs after re-contracting efforts: 32 with an average Star rating of 4.3
- Current capacity: 4,106 beds, which includes 44% of the total beds in Maricopa County

PAIN MANAGEMENT

- Initiated evidence based pain management program in October, 2014
- Network composition has shifted away from over-prescribing providers
- Participating providers agree to adhere to evidence-based practice in treatment of chronic pain
- Unwilling providers have been terminated (39 out of 99 individual providers)

PAIN MANAGEMENT COSTS PMPM



PATIENT CENTERED HOLISTIC CARE HOMES: KEY ELEMENTS

- Incentivize quality improvement as well as improved cost effectiveness of care
- Provide information about our members to inform care opportunities
- Meet regularly to discuss progress and challenges

PATIENT CENTERED HOLISTIC CARE HOMES: APPROACH

- **Program expansion in late 2015**
 - 7 health care homes established
 - 20% of membership accessing care through PCHCHs
- **2016 baseline data collection on quality & satisfaction**
- **1st stage method of directing members**
 - Communication via newsletters of PCHCH programs and opportunities
 - Invite identified members to enroll in PCHCH
- **2nd stage method of directing members**
 - Member services call center integration on inbound calls
 - CM call to action: When helping members find a doctor, encourage them to choose a PCHCH
- **We will deploy preferential auto-assignment when an option**

WE ANALYZED UTILIZATION PATTERNS TO IDENTIFY THOSE UNDER-UTILIZING PRIMARY CARE

- Identify members within five miles of the locations of one of our valued providers who have been with the plan for at least six months (10,814 members)
- Of those members, find members without an attachment to their existing PCP as evidenced by no PCP visit within the past 12 months (1,810 members)
- Outreach to those members inviting them to consider switching to a valued provider
- Result: We identified that many members were using specialty care as their primary care equivalent
- Next Steps: Identify and engage high value specialist providers in more robust value based care arrangements