

Special Webcast

**A Data-driven Approach for Managing a
Direct-contracted Provider Network**

April 15, 2021

THE CONFERENCE BOARD 

 **IBM Watson Health™**



Some of the critical questions and issues we will be answering today

- How to effectively use an integrated data warehouse to report value-based care contract metrics
- Best practices in tracking performance against KPIs and comparison to benchmark populations
- How to identify targeted, actionable opportunities to improve provider network management through strategic analyses



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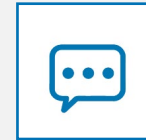
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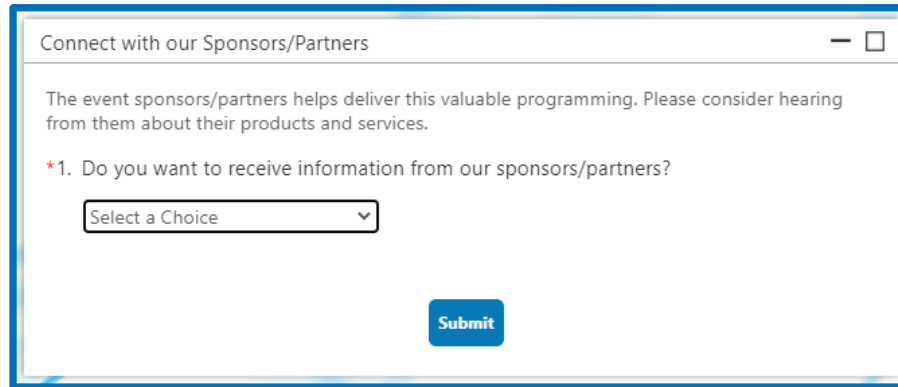


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Today's Speakers



Veena Dhillon
Connected Care
Intel Corporation



Katherine Haverty
Senior Pharmacy Analytic
Advisor, Applied Analytics
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Leah Kamin
Analytic Advisor
IBM Watson Health



**Regina Brayboy
(Moderator)**
Senior Fellow, Human
Capital
The Conference Board

Connected Care

Veena Dhillon, MHA

April 15, 2021



What is Connected Care?

Experience

Quality



Value



Direct Contracting



Measuring Performance

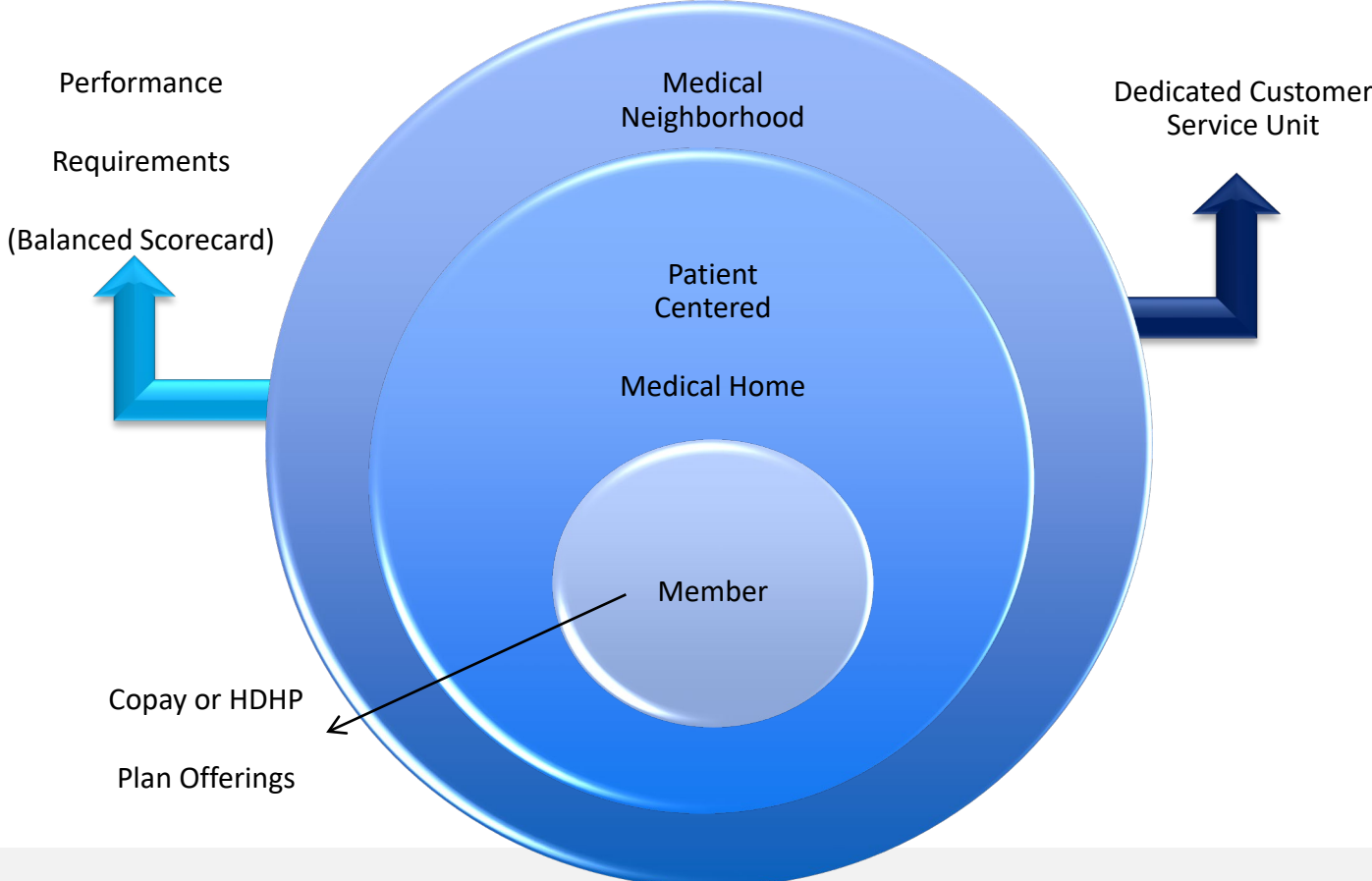


Pay for Performance



Member-Centric Design

The "Connected Care" Model



Connected Care covers 50K Members

◆ 2015 ◆



◆ 2017 ◆



◆ 2016 ◆



◆ 2013 ◆

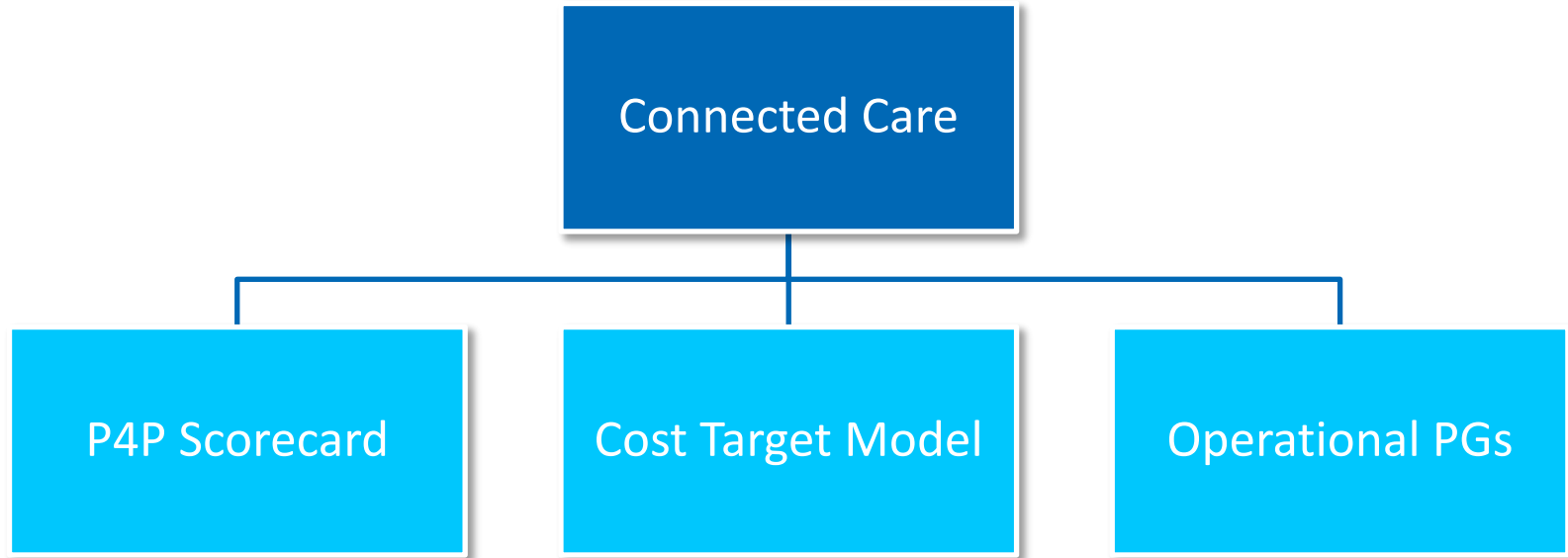


Delivery System Partner Expectations

- Align to Intel values
- Commitment to improve health outcomes, quality of care, and cost
- Advocate for stellar member experience thru innovation / flawless execution
- Demonstrate willingness to innovate and influence on industry issues



Connected Care Components



P4P Scorecard

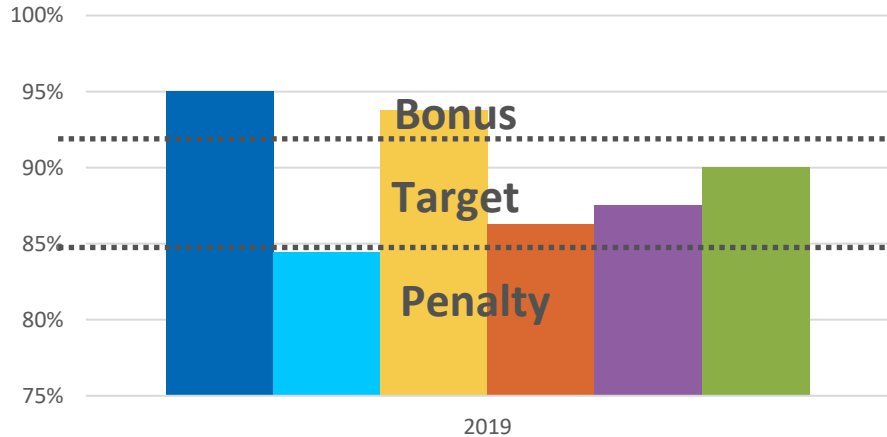
- Upside/Downside Risk
- Cost, Quality, Access, Member Experience
- **Bonuses paid/penalties collected**

Cost Target Model

- Upside/Downside Risk
- Performance vs. NP → 50% of NP Trend
- **Bonuses paid/penalties collected**

Pay for Performance Metrics

2019 P4P Total Scores

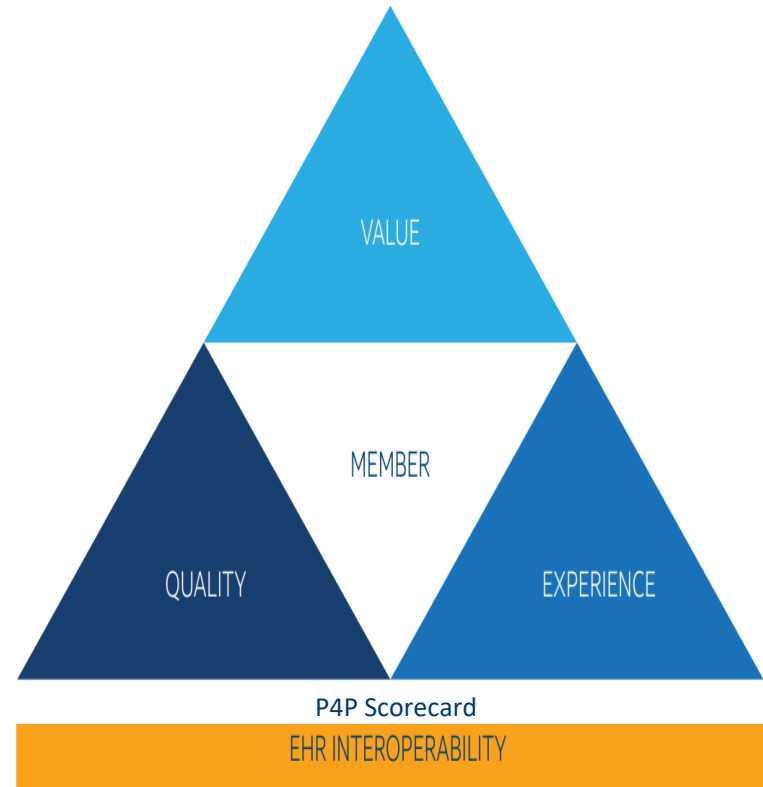


The P4P Scorecards measure each DSP's performance to the triple aim of healthcare through 4 categories: Cost, Effectiveness of Care, Access to Care, Member Experience

To score well, DSPs must perform at the **90th percentile** of HEDIS benchmarks*, or make incremental improvements versus prior performance

*HEDIS benchmarks used whenever possible

Shared Savings Cost Model



Connected Care P4P Scorecard

		Performance Trends				Measure Numerator	Outcomes	Targets / Grade Earned				Grading
5 Requirements	Metric Title	Q1	Q2	Q3	Q4	(N reflected in Performance Result)	Performance Results (cumulative YTD)	10.00	9.00	7.00	5.00	Grade
Cost	PMPM						\$-	target -2%	target	target +> 2-10%	Target +>10%	n/a
EBM	Diabetes	70.45%	70.19%	68.77%	69.35%	181	69.40%	68.80%	66.18%	63.11%	<63.11%	10
EBM	Hypertension	79.76%	79.89%	69.66%	68.20%	414	69.39%	77.86%	73.72%	67.15%	<67.15%	7
EBM	Depression Screening PHQ9	95.45%	93.44%	93.98%	94.37%	201	95.33%	95.60%	92.60%	89.50%	<89.50%	9
RTRS	Call response time	95.81%	97.74%	96.73%	95.41%	2305	95.37%	94.49%	93.30%	92.10%	<92.10%	10
UX	Overall Satisfaction	84.10%	86.24%	83.64%	82.44%	314	80.31%	82.51%	81.16%	75.79%	<75.79%	7
UX	Ease of Scheduling Appointment	91.41%	91.71%	91.19%	89.35%	303	91.27%	95.20%	93.70%	90.70%	<90.7	7
RTRS	Alternative Venue Visit (telephone+video+evisit)	12.68%	48.53%	56.81%	63.95%	4,511	63.95%	3.80%	3.60%	3.20%	<3.2%	10
EBM	Well Child 3-6	90.32%	87.15%	80.26%	87.74%	136	87.26%	91.66%	88.87%	83.99%	<83.99%	7
EBM	Use of Imaging Studies for Low Back Pain	87.31%	87.88%	85.00%	83.41%	186	84.12%	85.65%	83.99%	80.32%	<80.32%	9

Total 76

Bonus Points

EBM	SBIRT	77.53%	75.55%	71.01%	68.83%	2,806	69.36%	>78%
EBM	Colorectal Cancer Screening (COL)	76.77%	75.59%	75.66%	75.73%	808	75.38%	>74%
OTHER	Upfront Educational Campaign (1)							n/a

-
1

Overall Performance 85.6%

Performance Grading Scale	
Performance	Payout
>90%	110%
84%-90%	100%
<84%	90%

- Upside/Downside Risk
 - 25% of eligible claims at risk for 10% bonus or penalty
- 10 metrics & 3 bonus metrics
- Triple Aim
 - Cost = Cost Model
 - Quality = EBM
 - Experience = UX; RTRS
- Aligns with Intel's care priorities and cost drivers
 - BH, Diabetes, Hypertension, etc.
- Use industry benchmarks where possible
 - Ex. HEDIS for EBM metrics
 - 95th percentile to earn 10 points; 90th percentile to earn 9 points
- Standardized scorecards across DSPs with little variation
 - Consistent metrics, definitions, targets

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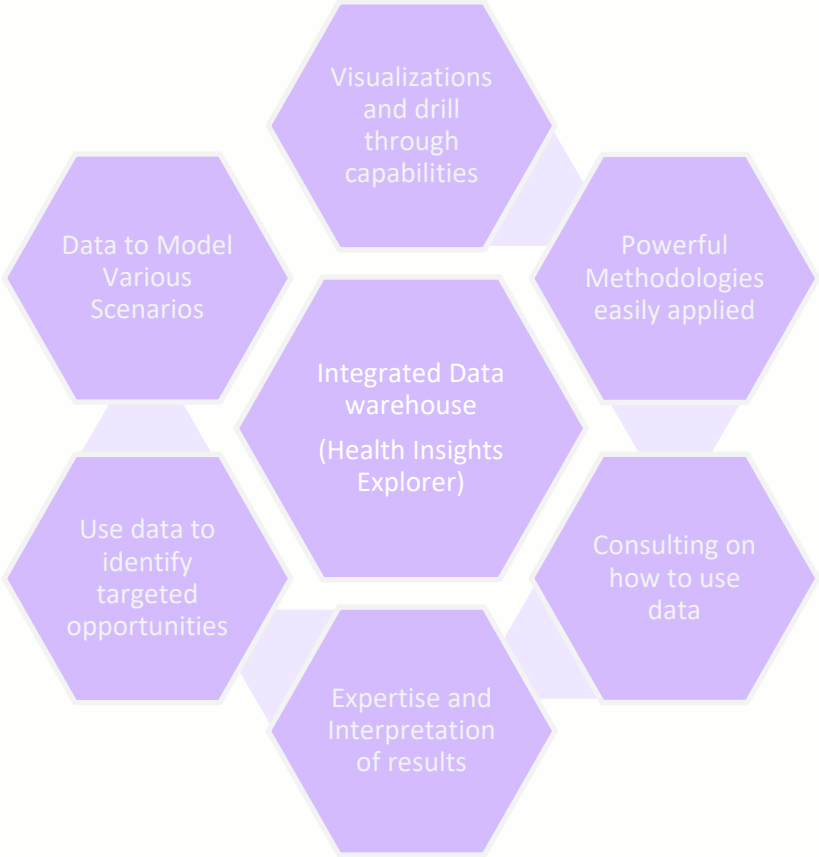
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Intel manages direct contracted network relationships with a focus on data

1. Pay-for-performance scorecard metrics
2. Key performance analyses to identify opportunities
3. Focused analytics based on strategic priorities

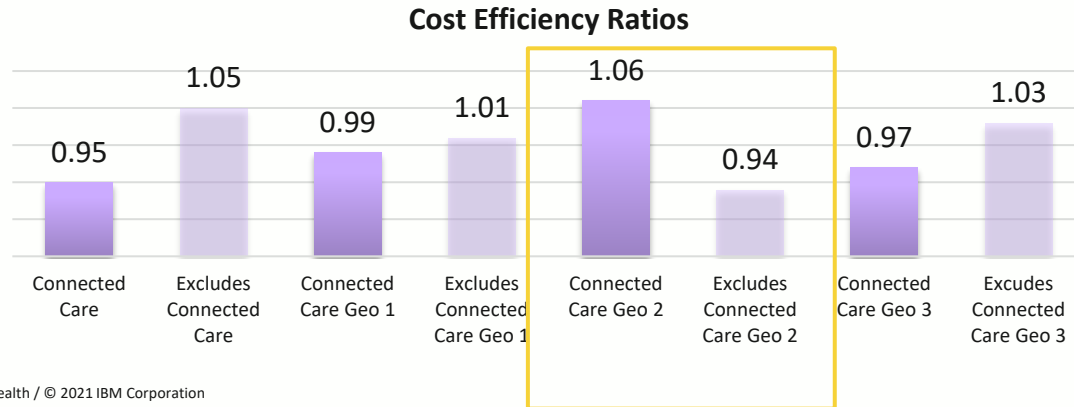
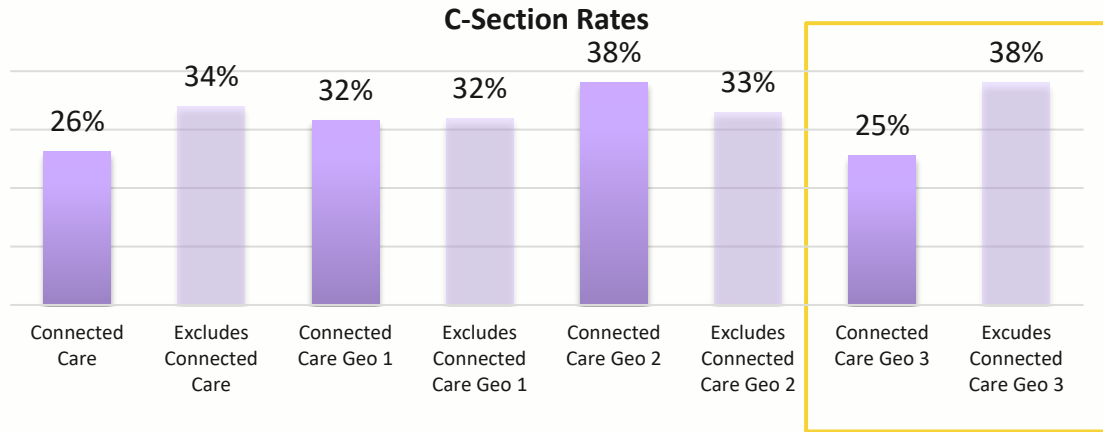
Data Analytics Approach



Examples of Key Performance Analytics



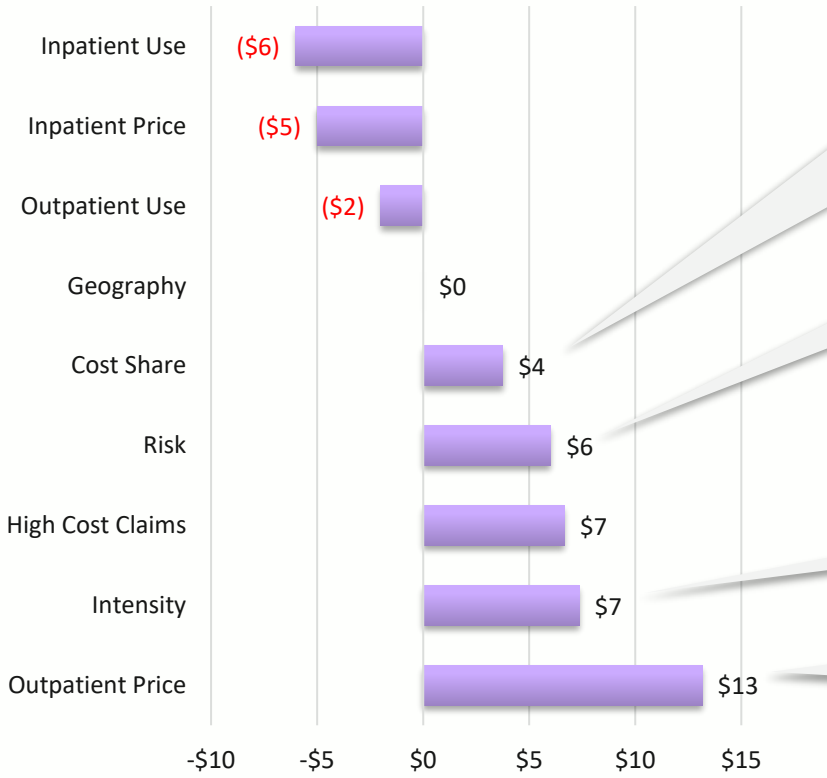
Powerful Population Comparisons



- Data are shared directly with Connected Care partners
- Standard reporting focuses on comparing Connected Care plans to:
 - Non-Connected Care plan (geo adjustments)
 - Across Connected Care Plans
- Reporting metrics are developed between Intel and IBM Watson Health and focus on key metrics of performance related to quality, use and cost

Understanding Cost Trend

← Mitigates Trend **Cost Trend Factor Analysis** Drives Trend →



Cost share is decreasing – company paying more of claim

- Review cost share components (deductible, coinsurance, copay)
- Impact of out of pocket max

Risk scores are increasing

- Prepare partners for managing increasing risk
 - Establish cost efficiency PGs
- Consider benefit designs or care management options better suited for higher risk population

Mix of service is higher intensity defined by Inpatient Diagnosis Related Groups and Outpatient Relative Value Units

- Drill into service changes to determine if steerage is possible
 - Consumer education on lower intensity services
- Identify contracting opportunity to prepare for cost increases due to technology changes

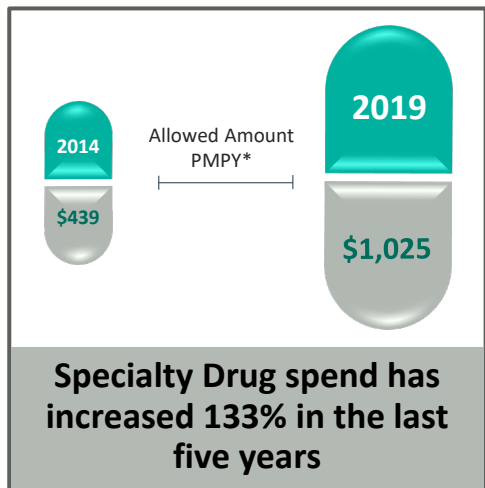
Outpatient Price is increasing after controlling for intensity and geography

- Negotiate discounts and fee schedules

Example of Focused Analytics Based on Strategic Priorities



Specialty Drug Place of Service Analysis Overview



Health system consolidation and minimal restriction of variation in network pricing for the same service has led to increases in overall cost for specialty medications administered in the medical setting

Patient X is prescribed **Neulasta**, a bone marrow stimulant used for infection prevention during chemotherapy. The patient is prescribed **6mg (or 1 "unit")** every 3 weeks for 6 months



Provider A

- Practices out of a major **hospital**
- Administers Neulasta for **\$8,349 per unit**
- Total treatment will cost plan **\$66,792**



Provider B

- Practices out of a local **office**
- Administers Neulasta for **\$5,816 per unit**
- Total treatment will cost plan **\$46,528**

Steering future treatment naïve patients from Provider A to Provider B could mean an annual savings of over \$2M**

Payer Analytics & Decision Support IBM® Health Insights

An integrated data warehouse and analytics portfolio with user interface that allows users to analyze, visualize, and report on complex data.



Evaluate program performance, uncover and analyze cost drivers and assess population health with targeted analytic methods



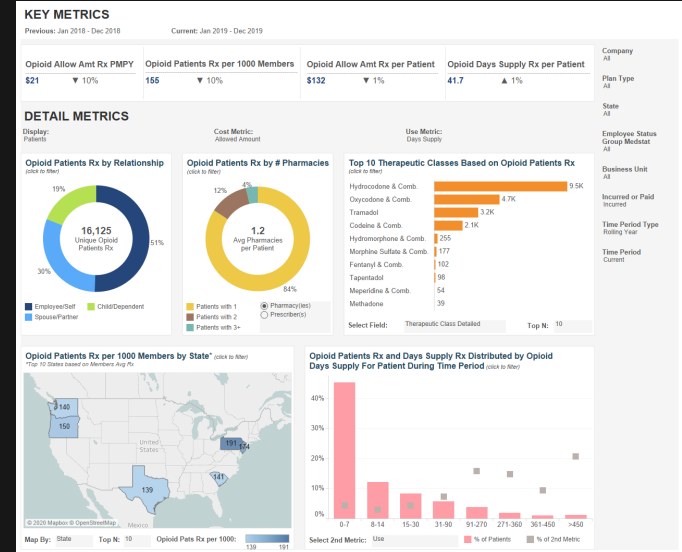
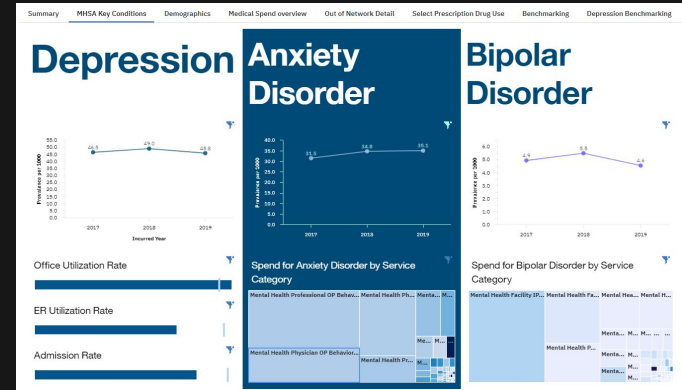
Explore root causes and potential interventions through guided exploration and drillable dashboards



Dig deeper into hidden trends and sudden changes surfaced by machine learning technology to focus on the most meaningful opportunities for improvement

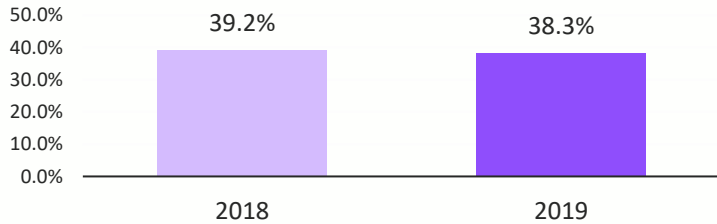


Easily share and distribute reports using curated data views that include health measures and benchmarks



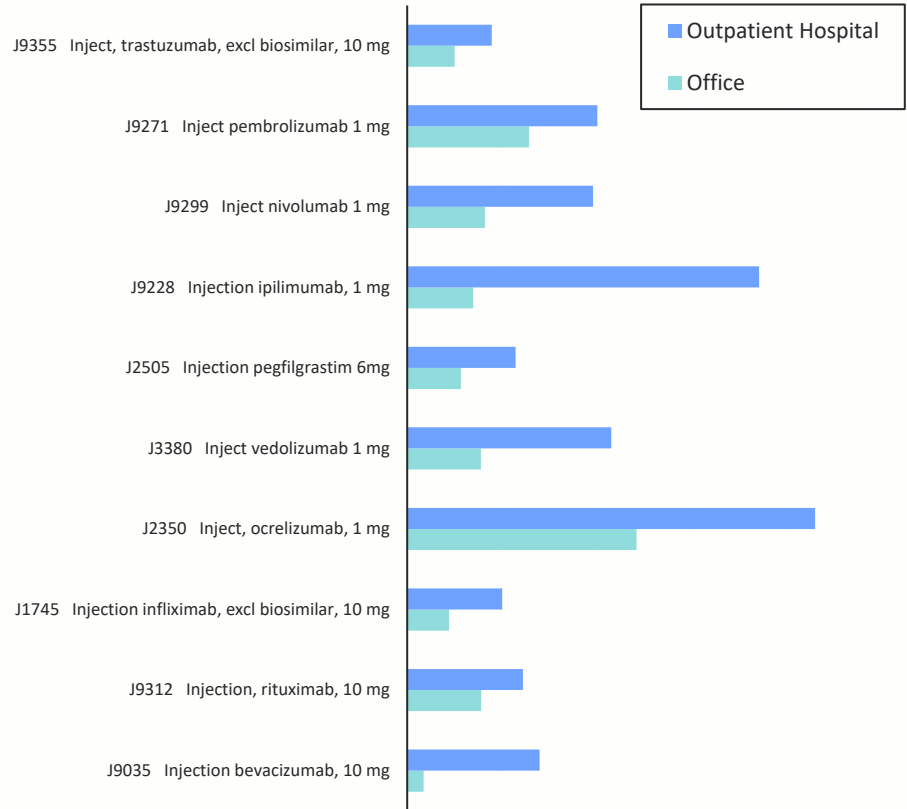
Medical Specialty Drug Spend & Utilization by Place of Service

Intel's Connected Care Specialty Drug Spend – % Medical



- Specialty Drugs dispensed in the medical setting is a trend driver for Intel's Connected Care groups with 38% of total specialty drug payments spent on these services
- On average, specialty medications are priced higher when administered in an outpatient hospital versus an office setting
 - Patients should receive care at the lowest acuity setting appropriate for their treatment

Average Allowed per Service



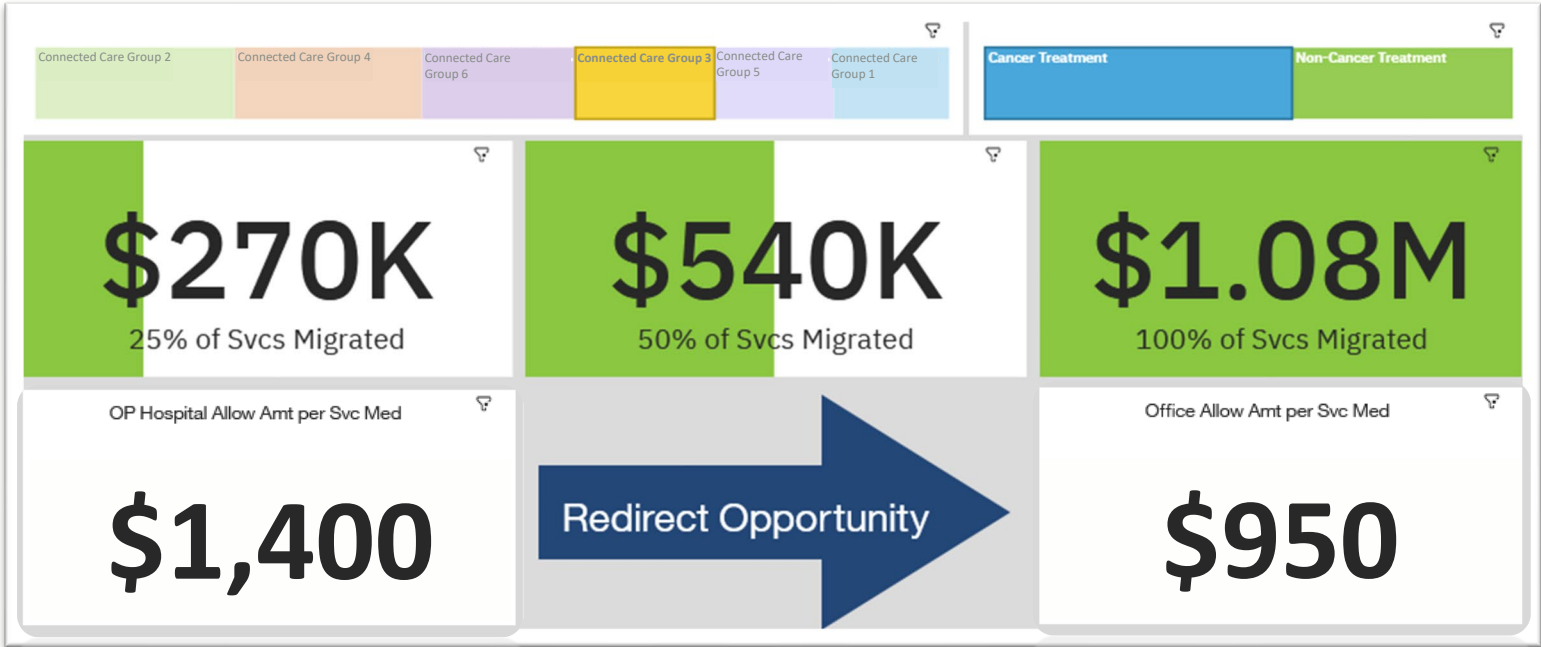
Intel's Interactive Dashboard



Opportunity by Provider Group



Savings Outcome



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