

# Highmark Delaware Primary Care Collaborative

November 28, 2018

# Our Commitment To Delaware

- **Highmark Delaware is the only carrier participating on the Delaware Marketplace and has invested approximately \$50 million in the form of subsidized losses since inception (January 2014).**
- **Serve over 450,000 members across all of these populations**
- **Highmark Delaware developed and implemented a robust Medicaid Managed Care product (DHOP) in 2015 to serve Delawareans and fill a critical void.**
- **Highmark offers the 2<sup>nd</sup> largest Primary Care focused Risk Based Contract in the country, True Performance, which involves 1.8M attributed members.**
- **Highmark Delaware and its employees have participated actively in the State's SIM & DIN program since their inception.**
- **Highmark Delaware has contributed over \$18,000,000 since 2012 to support over 200 health-related initiatives, programs and organizations within Delaware.**
- **Part of the broader \$18.2B Highmark Health enterprise, which serves 5.2M health plan members and over 24M members through our integrated delivery network, diversified companies and technology solutions business.**

# Six trends shaping the market<sup>1</sup> and Highmark's strong position for the future

## Trends

**Evolving consumer expectations**

**Big data proliferation**

**Growing government business**

**Cross-industry, vertical integration accelerates**

**The rise of pharmaceutical management**

**The evolution towards value-based care**

## Highmark's position

**Personalized engagement through data-driven consumerism capabilities and innovative vendor partnerships**

**Market-leading data and analytic capabilities**

**Large and influential player in the Medicare, Medicaid and ACA markets**

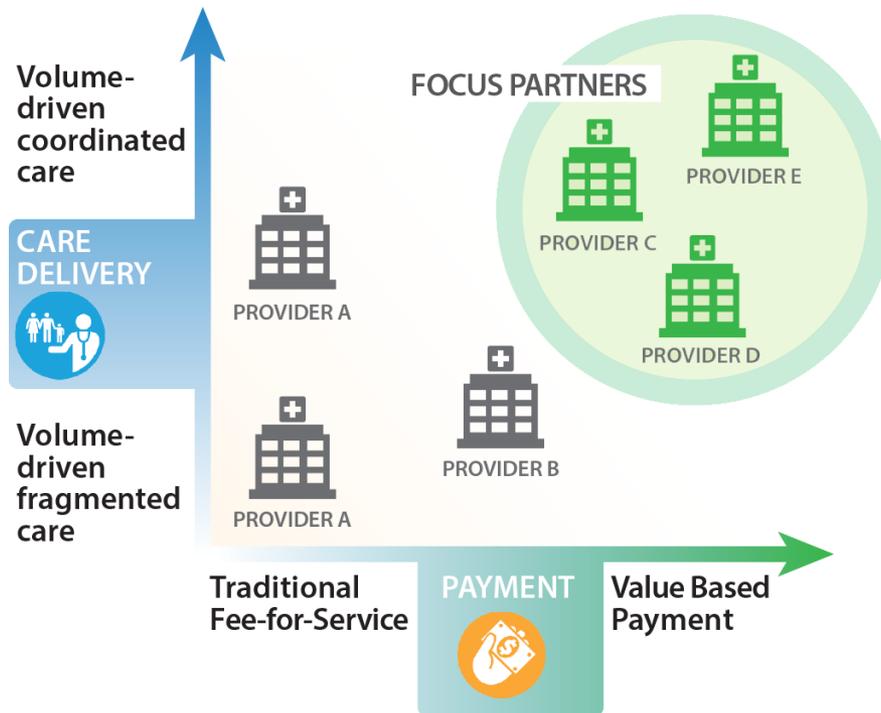
**Only Blue integrated delivery and financing system; many large, complex provider partnerships**

**Proven pharmacy management programs (including specialty drugs) yielding lower trends than leading PBMs**

**Large, successful VBR programs and enabling capabilities**

# Provider partnerships are the cornerstone of Highmark's strategy

## Aligning care delivery and incentive payments



## Highmark's provider partnership strategy

Highmark will jointly develop **value-based programs and products** based on provider readiness and market needs

**Focus on keeping providers independent and keeping care local and affordable**

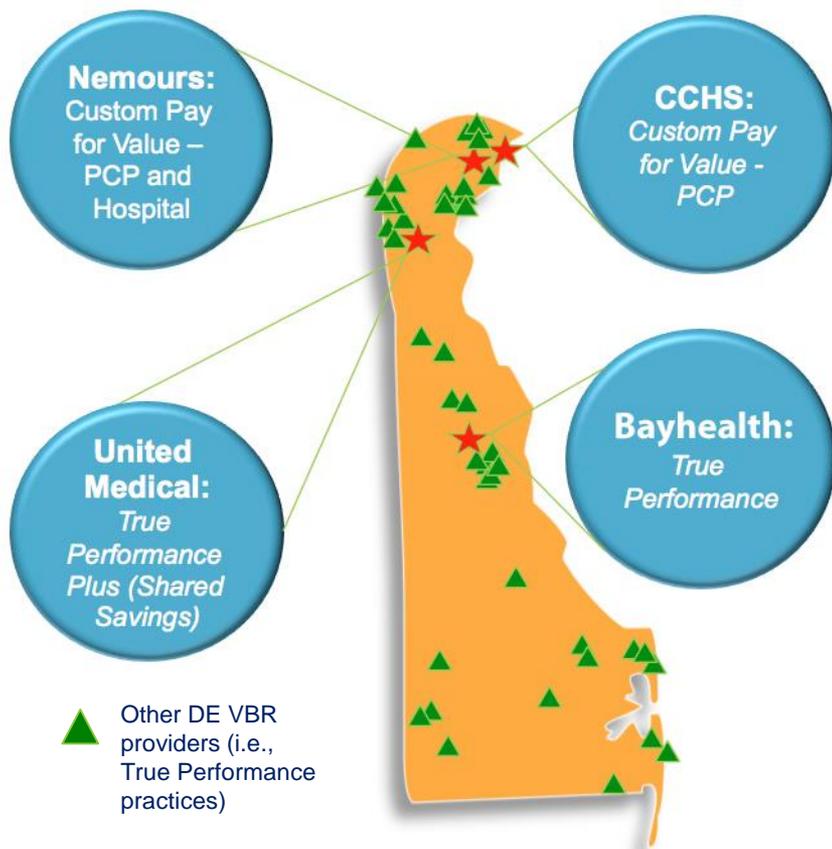
**Programs will evolve** as providers take on increasing risk for effectively managing care

Ultimately, there **will be winners and losers** as some providers adapt and succeed, while other resist the movement towards value

Moving forward, **we will focus on transforming care delivery** with willing and able partners, rather than with every provider

# Highmark, in partnership with other Delaware healthcare providers, has ignited an aggressive agenda forging a new path in care delivery and reimbursement .

## Partnership Examples



## Delaware VBR Future State

1. Continued focus on aligning incentives at every level of the health care continuum (PCP, Specialists, Hospitals, Post-Acute)
2. Collaboration with State and Local stakeholders on creating & managing a **Spending Benchmark while** rewarding the highest quality outcomes
3. Continued focus on **advancing VBR** in Medicaid, Commercial, and ACA lines of business
4. Introduce quality metrics that **focus on societal and environmental factors of health** to ensure a holistic approach to care delivery
5. Create **member-level incentives** to promote appropriate site of care, intervention, and preventive engagement
6. Intensify focus on **telehealth initiatives** to alleviate access issues and increase efficiency across the continuum
7. Increase **member-level knowledge** of VBR to ensure growth of VBR is supported by all stakeholders
8. Collaborate more with the provider community to develop programs that **center around the patient** and support all parties equitably

# True Performance is Making an Impact

**TOTAL:** 645 contracted entities  
1,543 practices  
Approximately 1.8 million attributed members

## Central Pennsylvania

- 137 entities
- 449 practices
- More than 535,000 members

## Western Pennsylvania

- 228 entities
- 558 practices
- More than 690,000 members

## West Virginia

- 88 entities
- 264 practices
- More than 200,000 members

## NEPA

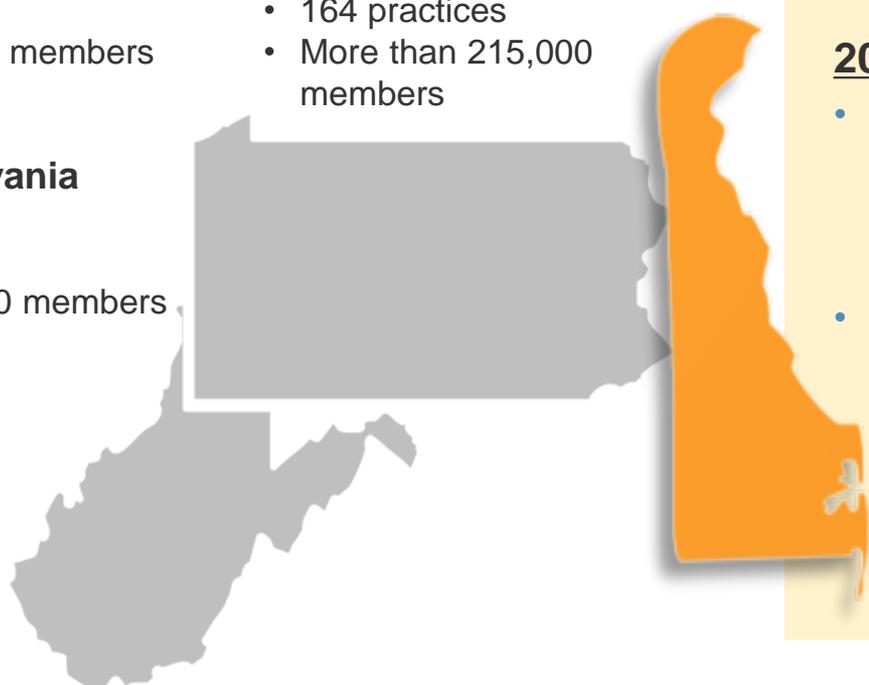
- 110 entities
- 164 practices
- More than 215,000 members

## Delaware

- 76 entities
- 131 practices
- 149,557 Commercial members
- 36,537 Medicaid members (Health Options)

## 2017 DE Results\*:

- **10.1% lower ED rates**
  - 22.02 fewer visits/1000 members
  - avg savings of \$1735 per visit
  - ✓ **\$6.4 mil** in savings
- **7.3% lower admission rates**
  - 4.66 fewer admits/1000 members
  - avg savings of \$18,157 per admission
  - ✓ **\$14.3 mil** in savings



# DE True Performance and Value Based Activity

- All Delaware hospital providers are currently enrolled in the commercial True Performance program, or a custom VBR arrangement.
- Custom Value Based Reimbursement programs were negotiated with Nemours for both Commercial and Medicaid business.
- There are 37 practices on the target list to add to True Performance for CY2019
- DE hospital providers struggle with TCOC metric but are working aggressively on utilization and pharmacy to impact total cost of care.
- Saint Francis completed the 2017 Quality Blue Program with a perfect score – 1 of only 19 hospitals within Highmark's entire footprint..
- Meetings continue with all DE hospital systems to finalize 2019 Medicaid Value Based Reimbursement arrangements
- GI Associates (Dover GI practice) has been signed onto a retrospective bundled arrangement

# Provider Engagement Team Structure

## **Provider Account Liaison, Clinical Transformation Consultants and Advanced Analytics Data Analyst**

Subject matter experts in True Performance

Meets directly with Providers

Responsible for providers with attribution >500

Responsible for Commercial Adult, Pediatrics and Commercial Senior Populations

Oversees all components of True Performance

True Performance Monthly Reporting:

True Performance Quarterly Reporting:

Collaborates with Practice Administrator, Provider Account Liaison (PAL), and Data Analyst

# Strategic Integration for Provider Engagement Team Structure

## Population Health Performance Specialist

Subject matter expert in True Performance Plus/Advanced

Engages with strategic partners

Responsible for entities enrolled in advanced VBR programs

Responsible for Commercial Adult, Pediatrics, Commercial Senior Populations, and Medicare Advantage

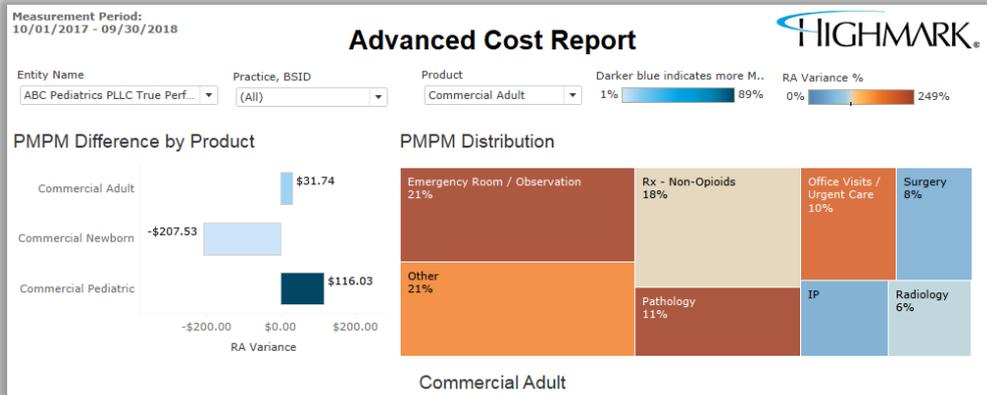
Collaboratively develops provider specific strategy to support multi-year cost reduction through the integration of shared savings and shared risk programs

Leverages Highmark resources to support providers in their transition to independently manage the whole patient

Collaborates closely with Provider Account Liaison (PAL) and CTC teams.

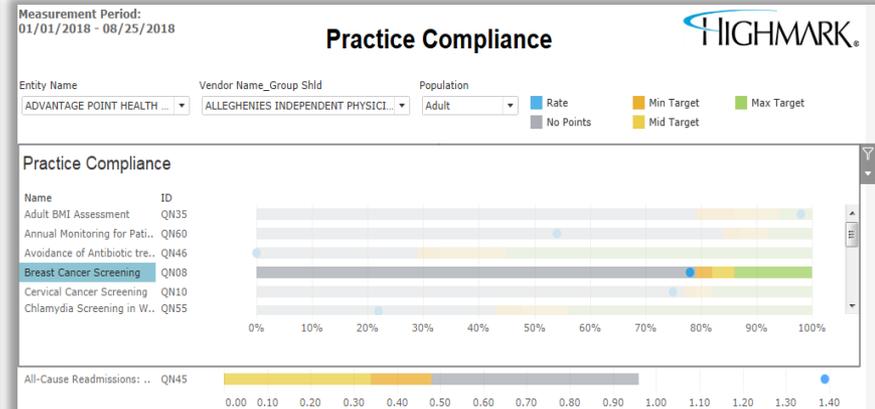


# Enhanced, Tableau-based visuals



### PMPM Detail

	RA Variance \$	RA Variance %	Diff due to Cost %	Diff due to Util %	Practice PMPM	Practice Util/1000	Mkt PMPM
Practice Total	\$31.74	111	114	98	\$314.08	26,248	\$811.29
Pathology	\$20.02	249	137	182	\$33.50	1,998	\$38.41
Emergency Room / Observati...	\$38.39	247	131	189	\$64.54	549	\$74.53
Office Visits / Urgent Care	\$15.47	198	104	190	\$31.21	3,376	\$44.85
Other	\$24.35	161	89	180	\$64.46	5,613	\$114.31
Rx - Non-Opioids	\$1.91	103	107	96	\$57.58	13,158	\$165.22
Radiology	-\$1.59	92	109	85	\$18.09	732	\$56.09
Surgery	-\$26.96	48	87	55	\$25.04	380	\$148.18
IP Non-Maternity	-\$25.51	43	203	21	\$19.37	84	\$127.90
Rx - Opioids	-\$1.07	6	103	6	\$0.07	190	\$3.38
Injectables / Chemo	-\$11.65	2	86	2	\$0.23	169	\$33.86
Post-Acute Care	-\$1.59	0			\$0.00	0	\$4.54



### Member Compliance

Name: Breast Cancer S... Compliance: (Non-Compli...)

Name	Compliance	Last Name	First Name	UMI
Breast Cancer Screening	(Non-Compliant)	FRAZIER	BETTY	YYU1032802920010
	(Compliant)	GLOVER	MARCENE	FEP1156520680010
	(Compliant)	KNAPP	PATRICIA	EZVAN2544155
	(Compliant)	PETROVIC	SHARON	IWAAN4374120
	(Compliant)	RAGER	KIMBERLY	YYM1023200930010
	(Compliant)	SHROYER	VICKI	YYM1027871940010

Measurement Period: 1/1/2018-7/31/2018

## Top Prescription Drugs for Commercial Adult

Ranked by Allowed Cost

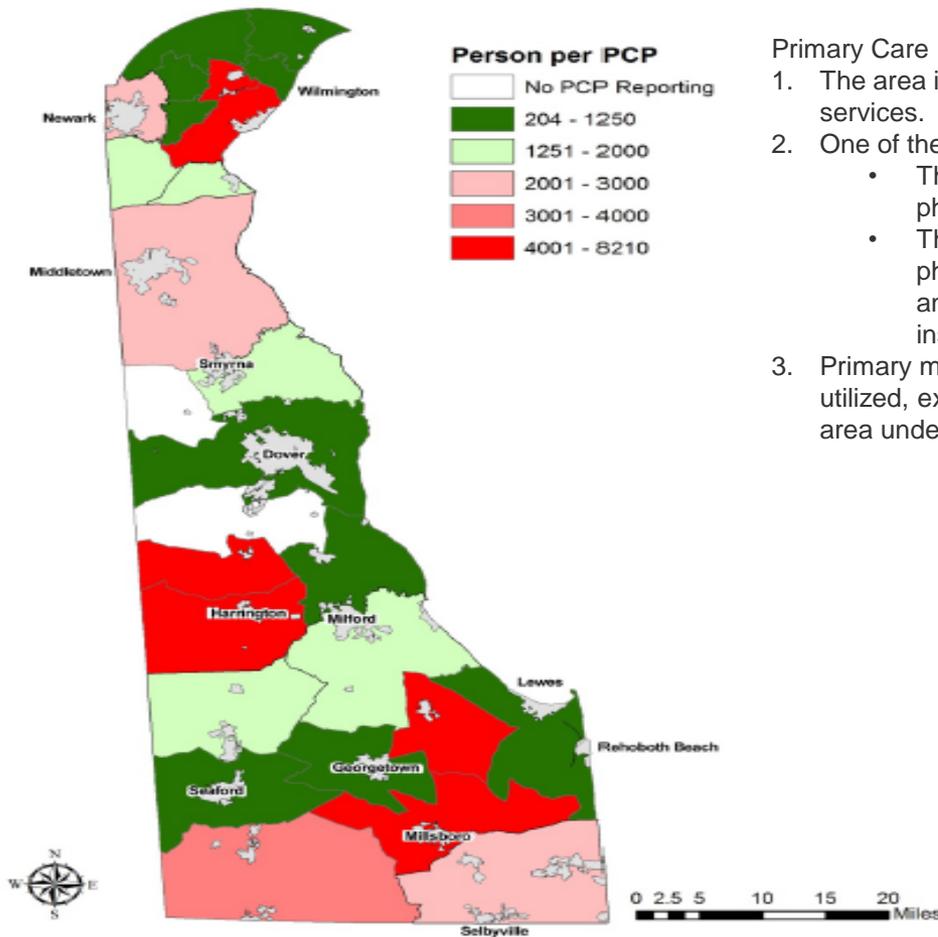
Entity Name: Advantage Point Health Alli... Population: Commercial Adult Rank by: Allowed Cost Number of Drugs Ranked: 1 to 10

Source	Rank	Drug Name	Allowed Cost	Number of scripts
Multi Source	1	COPAXONE	\$111,925	20
	2	SYNTHROID	\$30,148	579
	3	TENORMIN	\$8,037	7
	4	BEYAZ	\$7,356	13
	5	CRESTOR	\$7,337	14
	6	LIPITOR	\$6,037	5
	7	YAZ	\$5,352	33
	8	DIOVAN	\$5,203	11
	9	NEXIUM	\$4,691	17
	10	AROMASIN	\$4,379	4
Single Source	1	HUMIRA PEN	\$657,646	102
	2	COSENTYX PEN (2 PENS)	\$234,404	31
	3	TECFIDERA	\$202,886	18

# Primary Care Needs in Delaware

Delaware Primary Care Health Needs Assessment 2015

Figure 19. Number of Persons per Primary Care Physicians, in Delaware, by census county division, 2013



Primary Care Designated Shortages if these criteria are met:

1. The area is a rational area for the delivery of primary medical care services.
2. One of the following conditions prevails within the area:
  - The area has a population to full-time-equivalent primary care physician ratio of at least 3,500:1.
  - The area has a population to full-time-equivalent primary care physician ratio of less than 3,500:1 but greater than 3,000:1 and has unusually high needs for primary care services or insufficient capacity of existing primary care providers.
3. Primary medical care professionals in contiguous areas are over utilized, excessively distant, or inaccessible to the population of the area under consideration.



## Next Steps:

- **Continue discussions** with Delaware health systems and large medical groups to accelerate the migration to value-based reimbursement for both Medicaid and Commercial business.
- **Continue partnering** with Delaware health systems and medical groups to become Blue Cross Blue Shield Centers of Excellence.
- **Will remain focused** on our customers through the provision of access to high-quality, cost-effective health care and the tools and programs to help improve overall health

