The National Bundled Payment Summit: QualityPath® to Higher Value

June 4, 2015
Today’s Discussion

> Brief overview of The Alliance
> Our “theory of change” and the critical role for employers
> QualityPath® as a way to accelerate progress
THE ALLIANCE
Mission: To move health care forward by controlling costs, improving quality and engaging individuals in their health.

> What We Do
As a health care cooperative, The Alliance negotiates directly with hospitals and clinicians on behalf of employers, considering both cost and quality.

> Our Members
The Alliance represents more than 240 employer members covering more than 100,000 individuals.
Our employers, and their beneficiaries, are able to choose from:

- More than 80 hospitals
- More than 7,000 medical doctors
- More than 13,500 total professional service providers
- More than 3,400 medical clinic sites
- 442 chiropractic clinic sites
- 581 mental health clinic sites
- More than 1,000 home care agency locations
Two-Tiered Value Proposition

> We help self-funded employers manage the total cost of their health benefit plan
> We unite employers, as purchasers of health care in the same market, to drive change
AIM: IMPROVE HEALTH CARE VALUE

High quality, safe care at the lowest possible cost.

- Consumers choose high quality, low cost providers.
- Consumers are motivated to use info (or barriers to use are removed).
- Consumers are aware of cost and quality differences.

Employers reward high quality, low cost providers.
- Reimbursement (P4P)
- Network composition (tiering)
- Benefit plan design (steering)

Employers see business case for rewarding high-value providers.

Awareness of cost and quality differences.

Providers improve value of care.

Providers see business case to improve AND have knowledge and resources to change.

Providers are aware of their performance (cost and quality) and perceived information is valid.

COST AND QUALITY TRANSPARENCY
What is QualityPath?

- Single-patient bundle with warranty
- Designation of *physician* + *hospital* pairs
  - Quality criteria of importance to purchasers and consumers – outcomes and important clinical processes as defined by clinicians
    - Knee and total hip replacement
    - CABG
- A path—not just a destination
Do Something Different . . .

- Facilities and surgeons share data, implement standard care processes and offer bundled payment and warranty.
- Employers change their benefit plans to include significant incentives for patients to choose QualityPath providers.
- Patients may need to switch systems and/or travel and need to comply with care plan.
Receive Something Different . . .

> Facilities and surgeons receive recognition and gain market share, resulting in overall increase in revenue and contribution margin.

> Employers can feel confident employees are receiving high-quality care and have lower expense on per-procedure basis.

> Patients receive high-quality care, have no out-of-pocket expenses, and receive a warranty.
QualityPath Key Elements

> Contribute results to a Patient Registry
> Participate fully in Public Reporting
> Doctors use Decision Supports
> Shared Decision Making between patients and their doctor
> Patient Reported Outcomes
> Discussion of Future Care Needs
> Disclosure of all industry payments
QualityPath Operations

> Patient Experience Manager (concierge)
> Single point of contact for all clinical issues
> Single point of contact for all financial issues
> Wellbe patient navigation
> No change in claim filing
### QualityPath Providers

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<th>Procedure</th>
<th>Hospital</th>
<th>Doctors</th>
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<td>Coronary Artery Bypass Graft (CABG)</td>
<td>St. Mary’s Hospital</td>
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<td>Knee Replacement &amp; Total Hip Replacement</td>
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Questions?

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