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Agenda for Today

1. Bundle Payment Overview

2. Building the Program for the Employer Market

3.A Bundle Tale



Benefits of Bundled Payment Programs By Stakeholder

	Savings	Efficiency	Accountability
Patient	<ul style="list-style-type: none">• Lower or no out of pocket expenses	<ul style="list-style-type: none">• Fewer bills• Better care experience	<ul style="list-style-type: none">• Warranty for 60-90 days post procedure
Employer	<ul style="list-style-type: none">• Reduced price for common services	<ul style="list-style-type: none">• One bill	<ul style="list-style-type: none">• Access to the highest quality providers• Reporting on outcomes• Warranty provides protection for unnecessary services
Provider	<ul style="list-style-type: none">• Increased volume and market share• Reduced expensed through panel selection	<ul style="list-style-type: none">• Pre-qualified patients• Increased volumes• Expand geographic coverage	<ul style="list-style-type: none">• Controlled provider panel reduces variation of costs and margin• Specialist engagement

Agenda for Today's Webinar

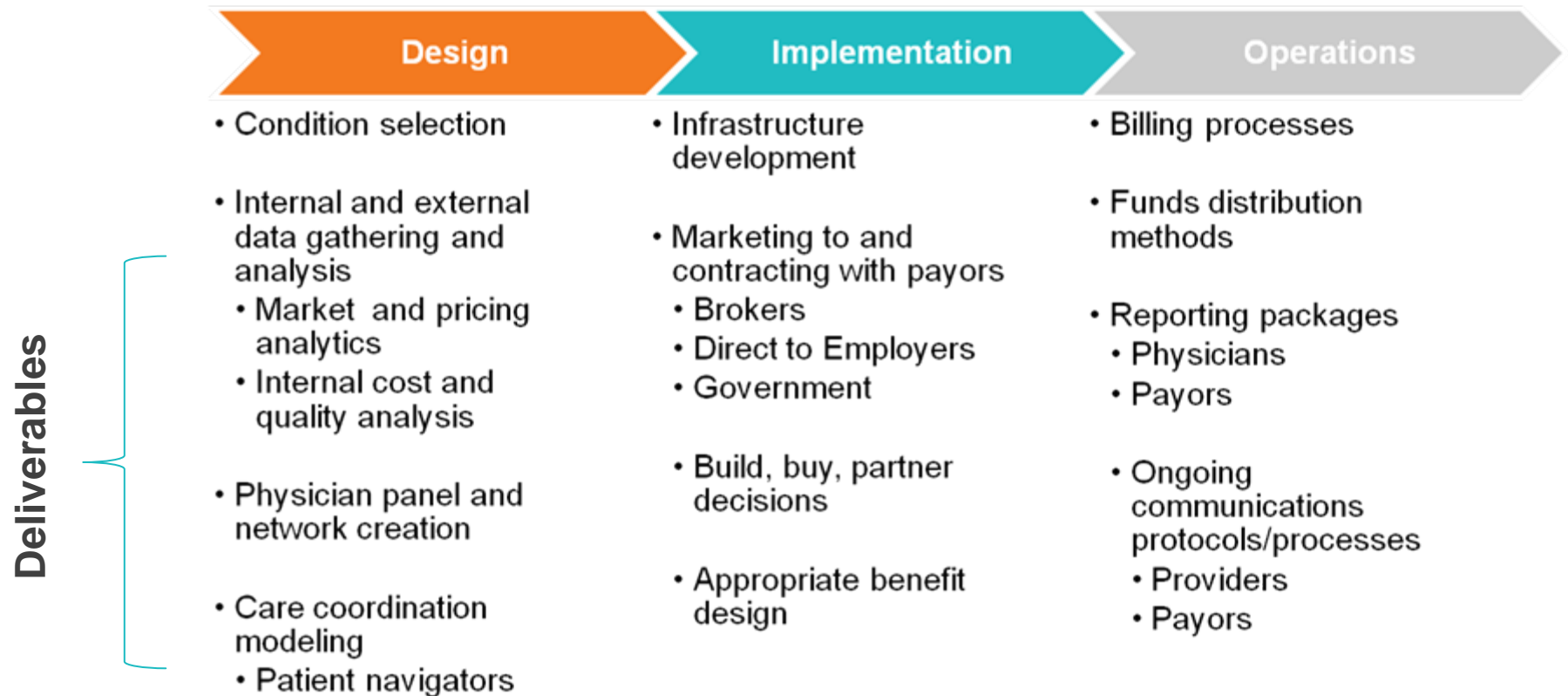
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Key Phases For Building a Bundled Payment Program



Extensive Data Analysis Ensures Preservation of Margins and Creates the Optimal Physician Panel

1

2

3

Example of Needed Data

- Volume
- Cost per case
- Variation analysis of cost and quality
- Revenue per case
- Margin per case
- Readmissions
- Complication rates
- Other quality metrics (blood utilization, antibiotic administration, etc.)

Select physicians based on cost and quality data



Specialist engagement in value based care



Panel is presented as the highest quality in the market



Should create competition and drive more cases outside the bundle

Direct to Employer

- In person meetings
- Sales collateral (one-pagers, videos, etc.)
- Ongoing management and reporting
- Health fairs / employer events

Broker

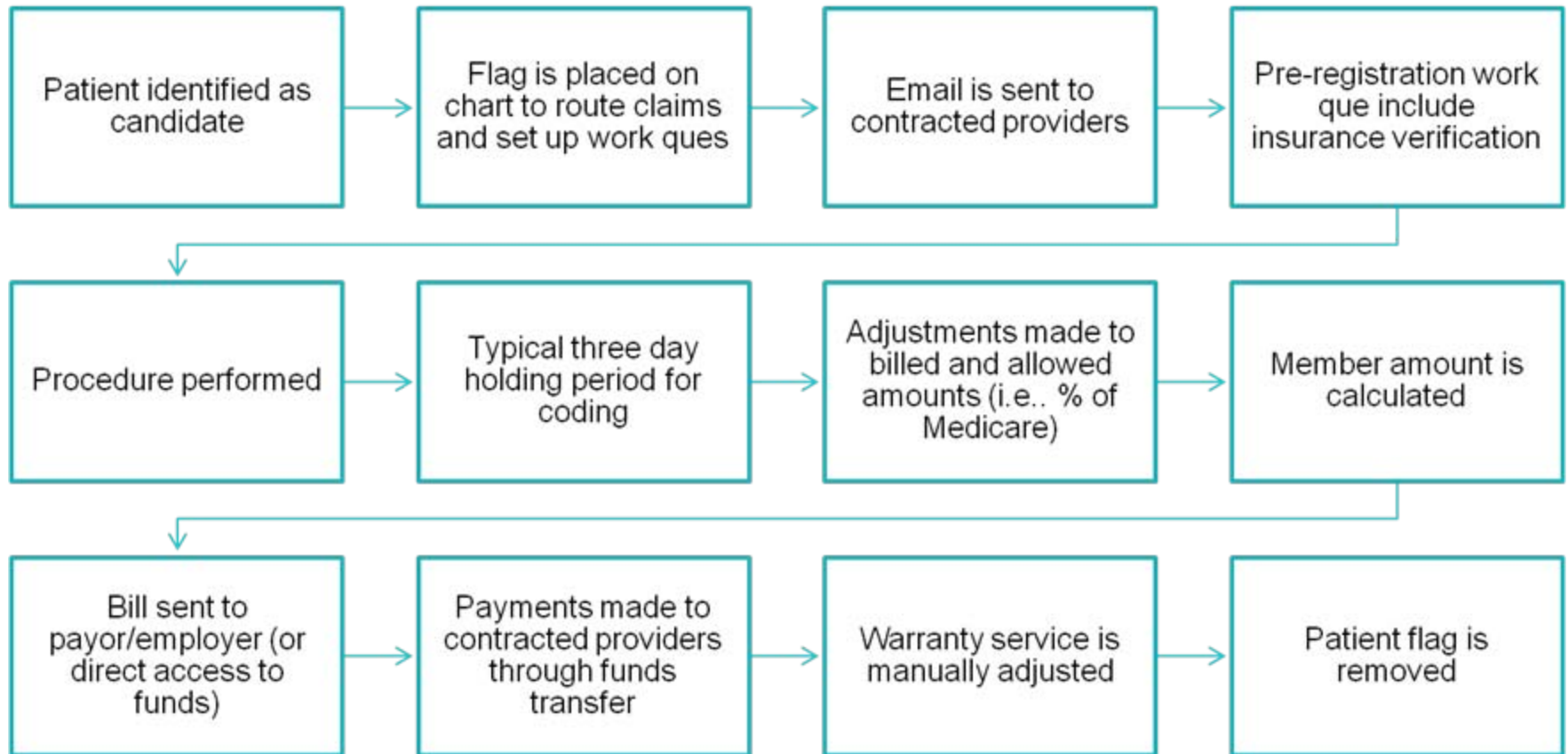
- In person meetings with potential clients
- Provides competitive advantage for brokers

Payors

- Ability to get in front of clients during sales process and per policies and guidelines when government run
- Provide ongoing reporting

Bundle Operations Often Require a Payor Agnostic Third-Party Administrator (TPA)

1 2 3



Agenda for Today's Webinar

1. Bundle Overview
2. How to Develop and Execute a Bundled Payment Program

3.A Bundle Tale

A Real Commercial Bundle Story



Design

- Engaging specialists in value based care
- Decided on services to bundle based on market data
- Limited physician panel through analytics
- Conducted detailed cost and variation analysis
- Set price targets based on current market reimbursement and projection of volume

A Real Commercial Bundle Story



Implementation

- Direct to employer beginning with existing relationships
- Broker strategy
- Worked closely with payors to develop strategy

A Real Commercial Bundle Story

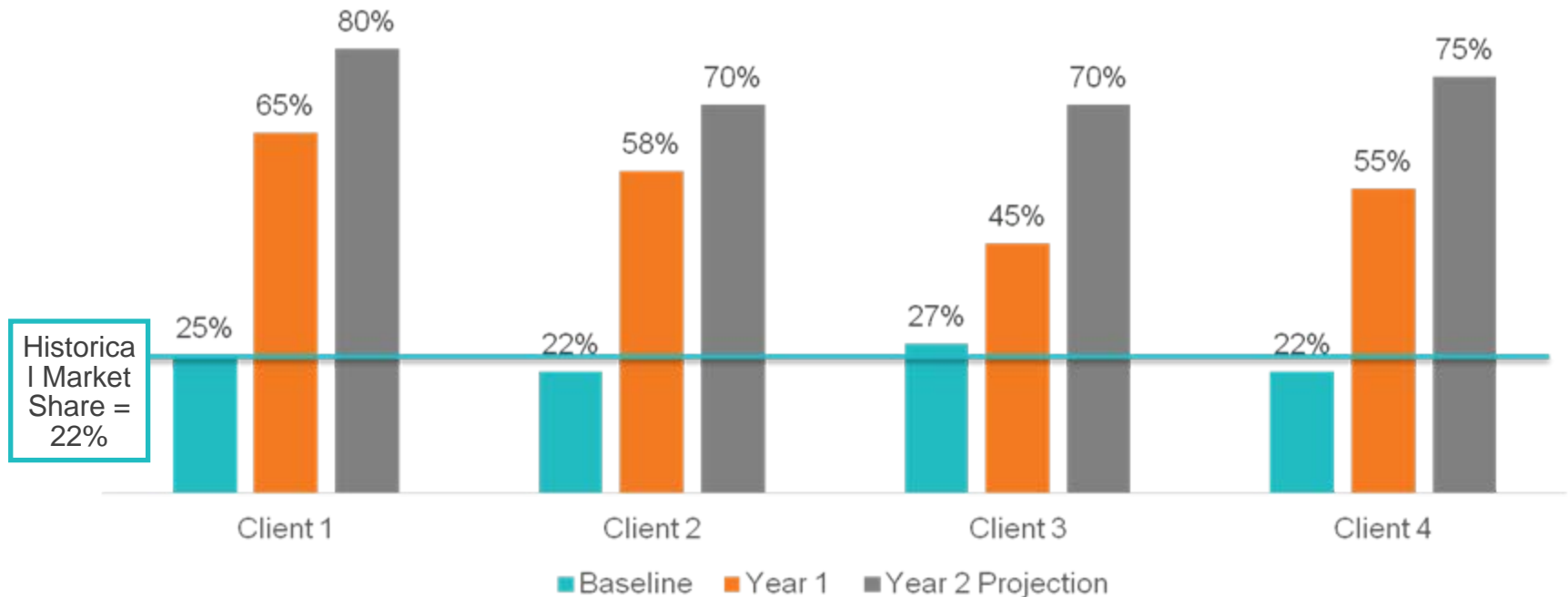


Operations

- Led by a patient navigator
- Charts were flagged
- Bills were suppressed and sent to payor as one bill
- Payments were made to contracted providers
- Ongoing reporting and tracking was created with regular updates

Bundled Payment Strategy can Yield Significant Results

Market Share Per Client (% of total available procedures)



- This example yielded an additional 200+ net new annual procedures by year two of the program for these payors/employers
- Total number of partnerships was >30 by the end of year 1

A Real Commercial Bundle Story



- Created a triple win
 1. A major boost in quality
 2. Greater cost management/predictability
 3. No out-of-pocket expense for employees
- Delivered significant market share increases within specific clients
- Attracted net new cases inside and outside the bundle
- Increased patient satisfaction
- Helped moved the system down the path of value-based contracting
- Built stronger relationships with payors, brokers and employers

Questions?

