



Purchaser, Provider, Payer, Plan:

Navigating Complexity in Order to Make Healthcare Simpler

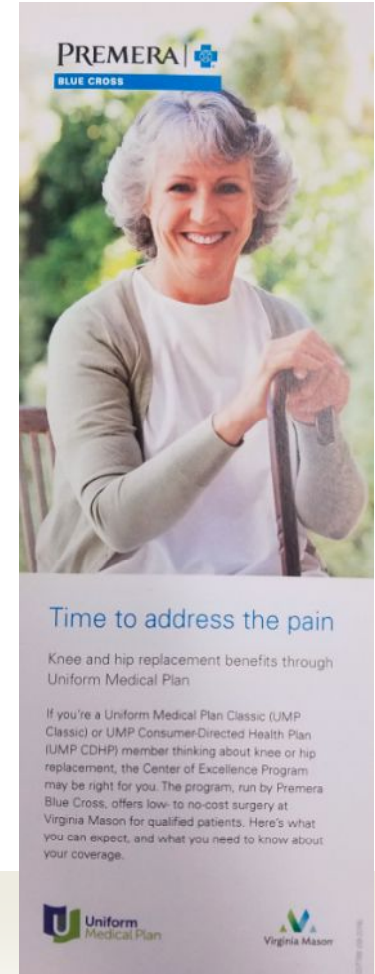
Marcia Peterson, Washington State Health Care Authority

Robert Mecklenburg, MD, Virginia Mason

Lisa Silvestre, Premera Blue Cross

Washington State Health Care Authority

- Large public payer: 350,000 lives state-wide
- 600 Total Joint Replacements/year
- Concerns: quality, member experience, cost
- Center of Excellence (COE) for Total Joint Replacement – Bundled episode of care
- Two separate statewide procurements
 - Center of Excellence provider: Virginia Mason
 - Third Party Administrator: Premera Blue Cross
- Prospective payment → Integration across the care team
- Members: No out of pocket cost, travel and lodging covered



PREMERA | BLUE CROSS

Time to address the pain

Knee and hip replacement benefits through Uniform Medical Plan

If you're a Uniform Medical Plan Classic (UMP Classic) or UMP Consumer-Directed Health Plan (UMP CDHP) member thinking about knee or hip replacement, the Center of Excellence Program may be right for you. The program, run by Premera Blue Cross, offers low- to no-cost surgery at Virginia Mason for qualified patients. Here's what you can expect, and what you need to know about your coverage.

Uniform Medical Plan

Virginia Mason

HCA: Challenges, Lessons Learned

- Enlightened purchasers can have a great deal of influence in how health care is provided.
- Explaining what we were looking for in a COE was harder than we thought.
- Underestimated the challenge of getting the word out about the procurement.
- Focus on the member experience, combined with evidence-based quality standards.
- Invaluable help from friends and colleagues.
- Don't give up on the small things.
- Disruptive innovation can be...disruptive!



Virginia Mason™

**Bringing Out the Best in Providers
The HCA Creates a Market for Quality**

Value Summit
June 21, 2017

The Robert Bree Collaborative

Standards for healthcare delivery, payment, and purchasing

1. Voluntary quality standards sponsored by State
2. Employers, providers, health plans, and quality organizations collaborate to create standards
3. Medical evidence determines standards
4. Proceedings and products in public domain
5. Standards create a market for quality
6. Surgical bundles are among products produced by Bree

<http://www.breecollaborative.org/topic-areas/apm/>

Four domains of bundled quality

Surgery is 25% of total bundle

1. Appropriateness

Disability despite non-surgical therapy

Shared decision-making

2. Fitness for surgery

13 standards include BMI < 40, nicotine-free, blood sugar control

3. Evidence-based surgery

6 standards include avoiding opioids, infection, bleeding, embolism

4. Return to function

Patient-reported outcomes demonstrate efficacy of surgery

Bundle allows value-based purchasing

Employer controls their healthcare supply chain

1. Fixed price

2. Warranty against avoidable readmissions

3. Five market-relevant quality indicators

Reported directly to employer by provider every three months

Include appropriateness, patient experience, and return to function

4. Bundle can be basis for Request For Proposal

Employer chooses the most qualified providers

Facilitates direct contracting with provider

Creating a market for quality

Quality standard becomes a purchasing standard

Robert Bree Collaborative

Overview of Products

The Bree Collaborative has developed two products for total knee and total hip replacement (TKR/THR) surgeries:

1. **Warranty – adopted at July 18th, 2013 Bree meeting**
The Warranty defines complications and time-frames after surgery during which those complications should be attributed to the original surgery. The purpose of the Warranty is to track clinical and financial accountability for the extra care needed to diagnose, manage, and resolve those complications.
2. **Bundle – adopted at November 21st, 2013 Bree meeting**
The Bundle defines expected components of pre-operative, intra-operative, and post-operative care needed for successful TKR/THR surgery. The Bundle includes both clinical components and quality standards.
 - a. **Clinical components:**
 - Documentation of disability due to osteoarthritis despite conservative therapy
 - Documentation of fitness for surgery
 - Repair of the osteoarthritic joint
 - Post-operative care and return to function
 - b. **Quality standards:**
 - Appropriateness
 - Evidence-based surgery
 - Rapid return to function
 - Patient care experience
 - Patient safety

The warranty is a stand-alone product that does not include quality standards other than accountability for complications. The bundle includes both clinical components and quality standards. The Bree Collaborative recommends that the elements of the bundle not be separated since each component is necessary to ensure the appropriateness, safety, and quality of joint replacement surgery.

Providers are responsible for gathering all of the necessary documentation to demonstrate that bundle conditions and quality standards have been met. An appeal process should be in place for cases in which a provider recommends proceeding with TKR/THR surgery for a patient who does not meet the appropriateness standards.

The Bree Collaborative will review the warranty and bundle every three years and update as needed.

Adopted by the Bree Collaborative November 21st, 2013

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Request for Proposals

Total Joint Replacement Bundled Episode of Care

RFP No. 15-023

Released on: November 9, 2015

Proposal Due Date: December 3, 2015, no later than 2:00 PM, Pacific Time
Proposals must be received via email & electronically date/time stamped on or before the Proposal due date and time in the following inbox:
contracts@hca.wa.gov

Procurement Coordinator: Cendy Pfortmiller
Contracts Specialist
Phone: (360) 725-5127
Email: contracts@hca.wa.gov

Proposer Eligibility: This procurement is open to those Proposers that satisfy the minimum qualifications stated herein and that are available to work in the state of Washington.

Proposers are responsible for properly registering in the Washington's Electronic Business Solutions (WEBS) system, <https://fortress.wa.gov/ga/webs/> and downloading the solicitation document and all appendices and incorporated documents related to this solicitation. Notification of any RFP addenda, amendments or Proposer questions/HCA answers will only be provided to those vendors who have registered with WEBS and have downloaded the solicitation from WEBS. Failure to do so may result in a Bidder having incomplete, inaccurate, or otherwise inadequate information.

Quality is not what the supplier puts in.

It is what the customer gets out.

- Peter Drucker

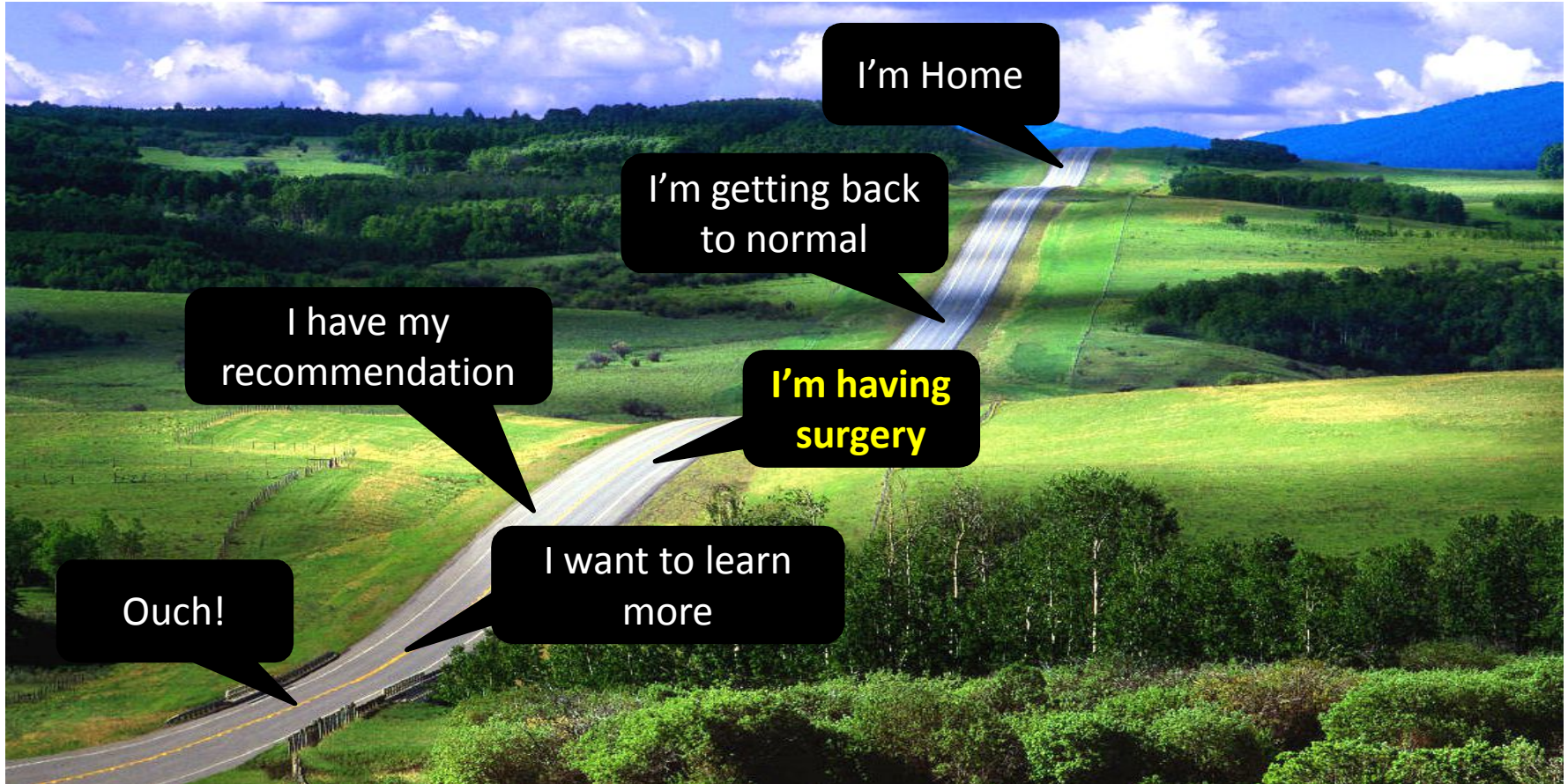
HCA / Virginia Mason / Premera Centers of Excellence Program

Lisa Silvestre, Vice President
National Account Operations



Premera, HCA, Virginia Mason had a common goal

Design around the customer experience

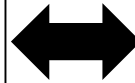


I'm Having Surgery

Customer journey map was created for each touch point

Customer Experience

- I know who my caregiver will be and they understand their responsibilities
- I understand my travel options and plans
- My home is ready for post-surgery recovery
- I have completed my pre-surgery requirements
- I know my pre-op and surgery dates and location
- I have my surgery
- My care companion is informed



Program Support

- Premera assists with all travel needs
- VM provides member with necessary information for surgery
- VM coordinates post-surgery planning
- VM calls member to remind them of their surgery and prep
- VM facilitates appropriate Durable Medical Equipment (DME)
- VM will provide post-surgery support (post-op, PT, Rx)
- Premera Health Navigator assists customers with any barriers

Program Recommendation:

Virginia Mason is primary contact for customers regarding clinical care

What we want customers to say:

I'm Taken Care Of!



What does the work look like?

Health Plan responsibilities

- Identification of prospective candidate
 - > Indicators and algorithm
 - > Outreach to potential customers
- Health Navigators
 - > Gather and coordinate medical records on behalf of the customer
 - > Coordinate with the care companion and follow-up on recovery
- Concierge Service Team
 - > Personal contact, website, and material to educate customer on benefit and program
 - > Make travel arrangements – air, ground, and hotel
- Billing and Invoicing
 - > Consolidate all expenses and invoice HCA
 - > Provide regular reporting to HCA including customer experience

Customer Quotes

What customers are actually saying about the COE benefit and experience

*This program will **save me money** * The first night after my surgery, I had the **best night of sleep** that I could remember * I received **great care** at Virginia Mason Medical Center * I am very happy with the **comprehensive package** * I was "tickled" to check into the hotel the night before so **I wasn't stressed** * Virginia Mason is **5 star quality** * I am **grateful for the benefit** **

*COE benefit is an **amazing benefit***

Questions?