Employer Initiatives in Disease Management

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Purchasers' Demand of Health Plans: Core Consumer Competencies

- Health promotion
- Risk reduction
- Self-care/triage
- Shared decision-making
- **Disease management**
- Provider & treatment option ratings
- Consumer engagement platform
- Benefit designs incenting "good citizenship"

Disease Management: Purchasers' "Best-in-Class" Expectations

- **Conditions targeted** based on program efficacy, condition cost and prevalence
- **Identification of members** using medical and Rx claims, nurse-line and case management information
- **Stratified members** to target highest clinical and efficiency gain matched to intervention
- **Targeted** recruitment, participation goals and incentives based on stratification
- **Clear provider-oriented interventions**
- **Net savings** and program cost-effectiveness quantified

Purchasers' Paths to Better Disease Management

- Accreditation
- Health Plan Purchasing Strategies
  - RFPs
  - Performance Standards
- Focused Audits/Inventories
- Employer-Specific Initiatives

Independent Review of Processes – Offered by NCQA, URAC and JCAHO

- Sample elements from NCQA
  - Program scope includes monitoring of member adherence and co-morbidities
  - Member identification & risk stratification for targeted interventions
  - Member engagement & program participation levels
  - Evaluate performance by measuring processes & outcomes

PBGH Negotiating Alliance – Using the eValue8 RFP

- Clinical Guidelines
- Disease Management Programs
  - Diabetes
  - Cardiovascular disease
  - Depression
  - Asthma (rotated for 2003)
- Health Promotion

PBGH & the University of California Requiring Premiums at Risk

- Promote opportunities for purchase/plan partnership
- Maintain plan accountability for quality & service improvement
- Develop longer-term perspective through multi-year agreements
- Expand focus on quality, care management, provider performance and consumer engagement
- Align measures for self-funded and HMO plans
  - Link ASO fees to quality and care management objectives

PBGH & UC Performance Domains

- Administration & services
- Member satisfaction
- Provider retention and access/member disruption management
- Behavioral health
- Provision of consumer decision support tools
- Data reporting

- Quality
  - **Health & disease management**
  - **HEDIS (outcomes measures/administrati data improvements)**
  - Pay-for-performance & provider-level measurement
  - Common provider metrics & quality transparency
  - Leapfrog patient safety measures

PBGH & UC Disease Management Performance Elements

- **Disease/Care Management**
  - Member identification
  - Member intervention
  - Data reporting, including disease-specific costs and strategies for program improvement
  - Outcomes as measured by reduced ER utilization or readmissions & member self-reported health status
- **HEDIS**
  - Focus on outcomes measures
  - Administrative results to incent data improvement

PBGH DM Effectiveness Project

- **DM programs reviewed in seven plans***
  - Diabetes-7 plans
  - Asthma-6 plans
  - Congestive Heart Failure-5 plans
  - Coronary Artery
  - disease-2 plans
  - Depression-none

*Plans include Aetna, Blue Cross, Blue Shield, Health Net, Kaiser North, Kaiser South and PacifiCare

- **Evaluation components**
  - Program duration
  - Scope of interventions
  - Clinical practice guidelines
  - Condition-specific registry
  - Population stratification
  - Enrollment
  - Care management services
  - Coordination of information
  - Provider feedback
  - Outcomes
  - Meeting special needs

Focused Audits: PBGH's Evaluation

General observation #1:
All health plans have made real DM investments

- Staff hired/assigned to manage programs
- Strategies to identify, stratify and track members
- Attempt to match interventions to population
- Information mailed and some self-management tools to identified members
- Often efforts to affect physician practice with feedback reports, patient-specific information

Focused Audits: PBGH's Evaluation

General Observation #2: Health plans have very different DM strategies

- Purpose and strategy for disease management
  - "Public health" vs. business decision
  - "Make" vs. "Buy"
- Strategies to influence physicians
  - Relationship: "mindshare," trust
  - Information tools of relevance to physicians
  - No coordination of feedback to MDs by multiple plans
- Variable outreach to members
  - General educational mailings
  - Telephonic coaching/assistance by care managers
  - No coordination with provider groups

Focused Audits: PBGH's Evaluation

General Observation #3:
Concurrent trends affect many DM programs

- Financial pressures in some health plans prevent up-front investments, absent short-term ROI
- Increased drug co-payments may create barrier for good self-care
- Physicians' overall distrust of managed care leads to poor integration of programs
- Consumer-directed health care could compromise or enhance efforts to coordinate care

Focused Audits: PBGH's Evaluation

Key Findings

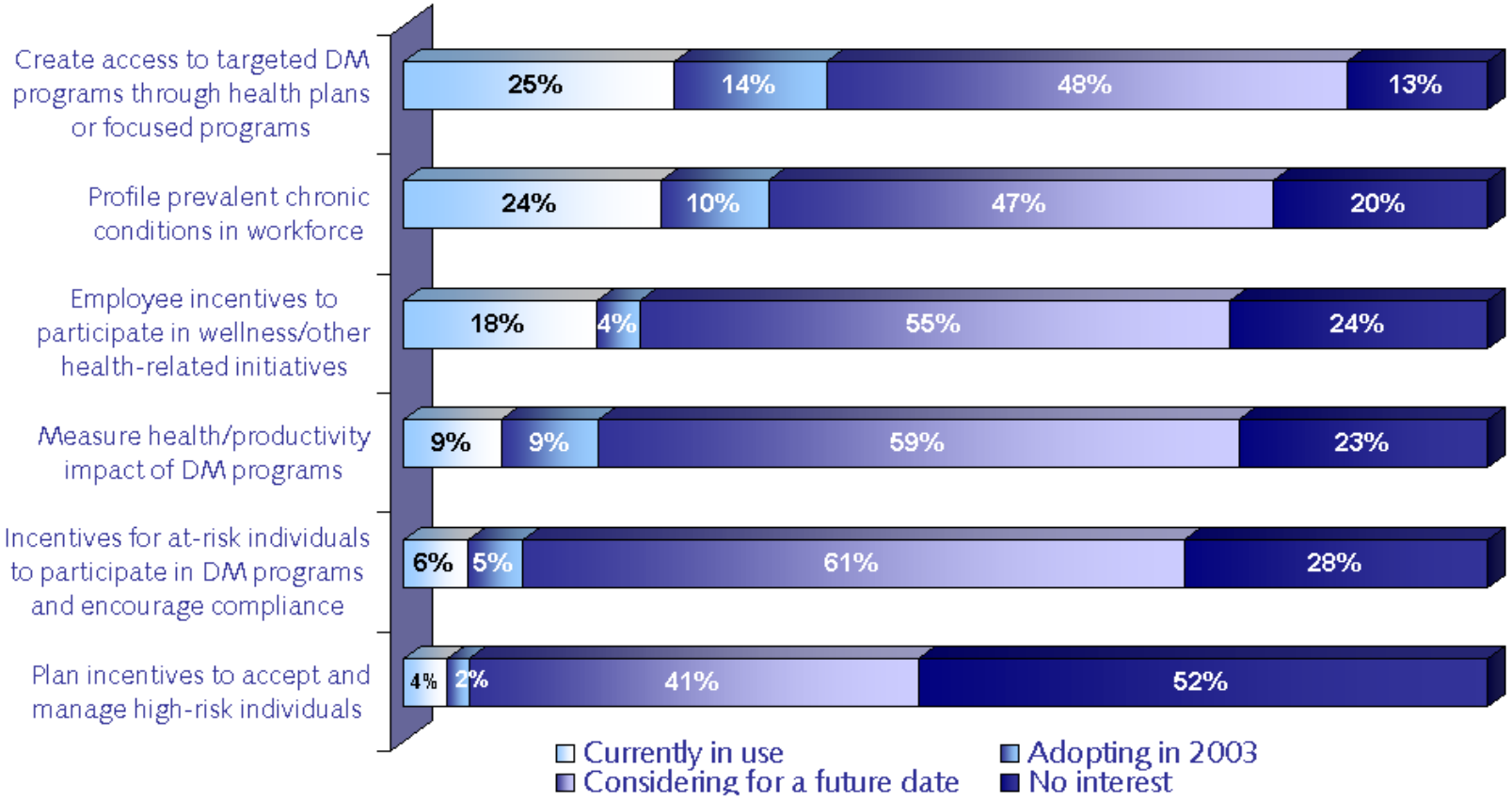
- Evaluation results correlated with diabetes HEDIS scores
- The majority of patients "enrolled" in disease management programs is only to receive only infrequent mailings
- Minimal measurement by **any plan** of efficacy and cost-effectiveness
- Plans unable to quantify program "reach"
- Plans with integrated delivery platforms have greater capability to deliver effective disease management services
- Vendor programs can be good solutions
- Physicians do not appear to use clinical information provided by health plans

Key Recommendations

- There is a huge need/opportunity for employers to push for new, population-based outcome measures
- Health plans and large medical groups need to be better aligned
  - Integrate feedback reporting to physicians
  - Recruit patients into disease management programs
  - Reinforce program messages
- Mechanisms are needed to reward performance
- Employer opportunities to become involved in disease management
  - Provide data on productivity/absenteeism
  - Worksite resources for care management, education
  - Provide financial incentives to employees to enroll in programs

Employer-Specific Initiatives

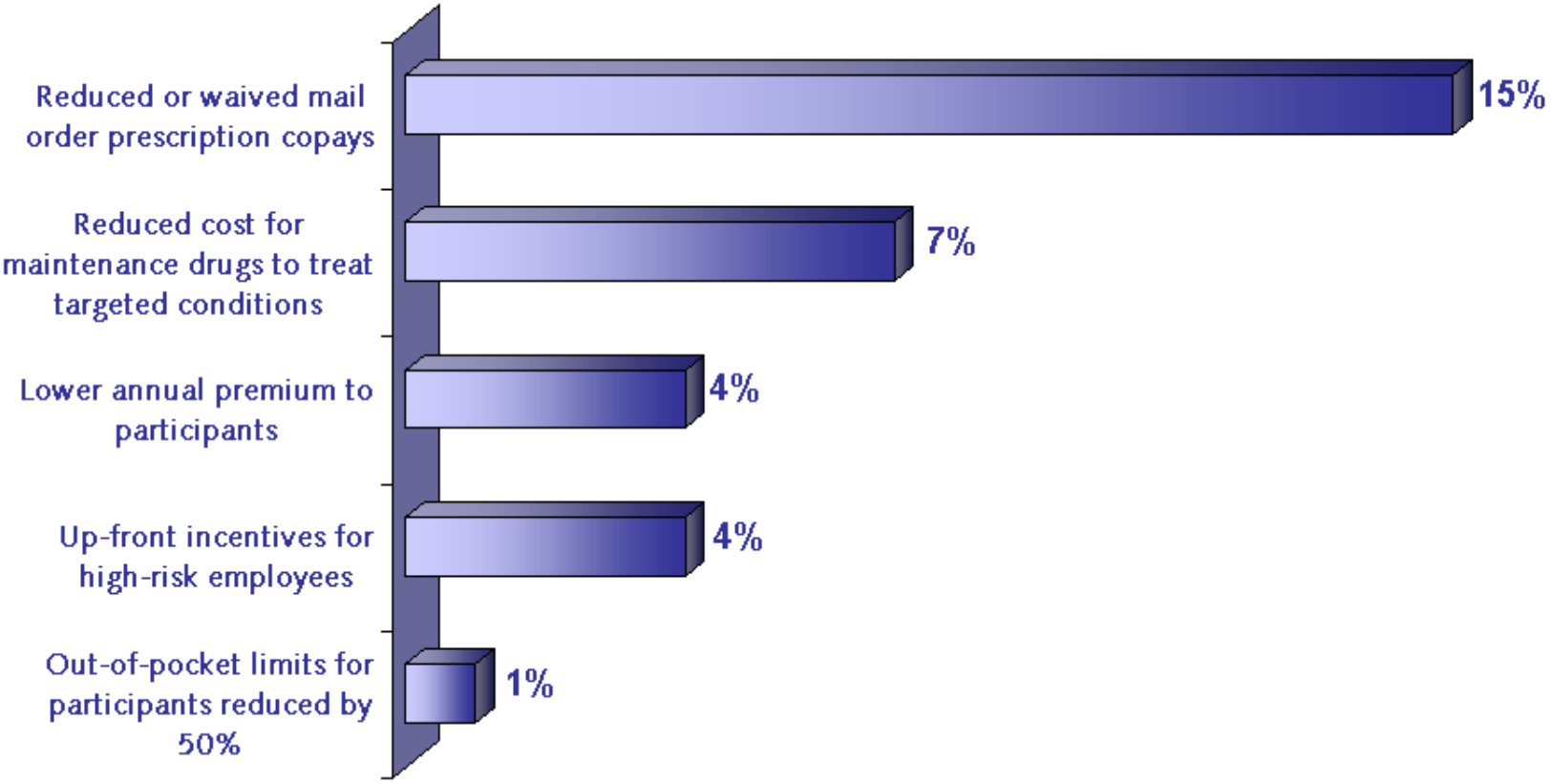
Employer Actions to Improve Outcomes and Lower Costs



Hewitt Survey Findings: Health Care Expectations,

Employer-Specific Initiatives

Types of Disease Management Incentives Offered



Hewitt Survey Findings: Health Care Expectations,

Pitney Bowes: Putting Disease Management to Work

- Health risk assessment
  - Additional FSA dollars incent completion
- Web tools promote access to health information and consumer engagement in self-care
- Predictive modeling and claims analysis to target member support and intervention
- Pharmacy benefit management
  - Coverage for chronic care medications in lowest cost tier
  - Pharmacy buy-up option available

Hughes Electronics: Putting Disease Management to Work

- Integration of cost and outcomes measurement for Workers Compensation, group health benefits, disability and disease management
- WorkWell health risk appraisal – incentives for member to participate in follow-up services
  - $200 reduction in health insurance contribution
  - 1st dollar coverage for preventive services
- DM programs for low-back pain, congestive heart failure, asthma and diabetes
  - Member education
  - RN telephone support
- ROI measurement
  - Reduction in health care costs
  - Increased workplace productivity and reduced absenteeism

To Learn More...

- www.pbgh.org—**an overview of PBGH programs and initiatives** (Disease Management Evaluation report available)
- www.healthscope.org—**consumer Web site with health plan and provider quality measurements**
- www.pacadvantage.org—**small group purchasing pool**
- chooser.pacadvantage.org—**assists in the selection of health plans and providers**
- www.diabetescqi.org—**Collaborative Diabetes CQI Project description and resources for plans & providers**

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