

Blue*Cares* for You

Disease Management in Managed Care

- Next generation of "Managed Care"
 - Disease Management for populations
 - Advanced Care Management for Individuals
- What kind of DM?
 - Analyze populations
 - Find out what your opportunities are
 - Diseases with high prevalence and medium to high cost, or maybe low prevalence and very high cost
 - Quality is lagging behind best practice



Disease Management in Managed Care

- What makes a good disease for management?
 - Consensus on treatment recommendations
 - Course of disease is modifiable
 - Gap between best and current practice
 - Large populations can be cost-effectively managed
- Most common DM programs:
 - Diabetes, CHF/CAD, Asthma/COPD
 - Rare diseases, cancer, neonatal, ESRD



Blue Cares for You Disease Management Programs

- Available to all Anthem West members as of 9/02
 - Diabetes
 - Coronary Artery Disease
 - Congestive Health Failure
 - End Stage Renal Disease (with subvendor)
- Goal: treat the WHOLE Person, rather than one specific disease with integrated programs



Blue*Cares* for You Program Highlights

- Offered to members at no additional charge
- Completely confidential and voluntary
- Delivered primarily through telephonic RN contact with the member
- Provides nurse access 24-hours, 7 days per week

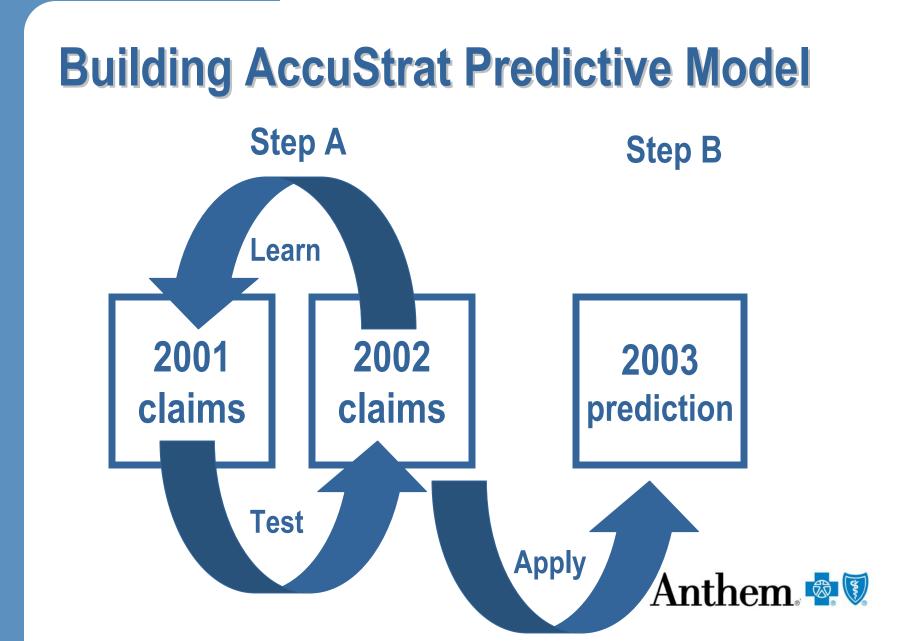


Identify the Right Members

AccuStrat^(sm) HMC's Predictive Model provides better allocation of resources to members who will benefit most.







Patient Management



How Do Members Enter the Program?

- Predictive Model utilizing claims data
- Medical Management (CM, UM) referrals
- Physician referrals
- Self-referral
- Service Operations referrals





Patient Communications

TOPICS

- 1. What is Diabetes?
- 2. Types of Diabetes
- 3. Signs and Symptoms
- 4. Risk Factors
- Medical Care
 Self-Care
- Self-Care
 Other Health Problems Related to I
- 8. Diabetic Emergencies

This brochure is not meant to take the place of excare or treatment. Follow your health care provid differs from what is given in this guide.

Diabetes Care Diary

- Broad-based communications
- Frequent delivery
- Content to impact outcomes
- Address co-morbids
- Prevention-focused



Intervention Plan

- Starts with thorough patient assessment
- Integrates the physician's plan of care
- Incorporates all dimensions of participant condition
- Focuses on participant barriers to adherence
- Establishes participant goals
- Targets interventions to achieve outcomes



Physician Communication

- Physician notified of member's participation in the program
- Nurses will work with the physician to promote and reinforce plan of care
- Program is a coordinated effort between
 physician and program Care Manager



Actionable Information for the Physician

- Physician Communication Tool
- Quarterly Actionable Reports
- Exception Reports
- Urgent Fax and Phone Alerts



Benefits to Physician

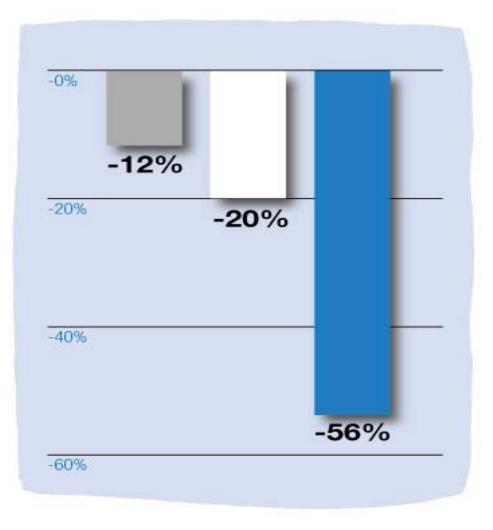
- Reinforces physician plan of care and improves compliance
- Provides additional resource for physicians and their patients
- Results in improved patient health outcomes



HMC's Impact on Outcomes



Diabetes Claims Reductions

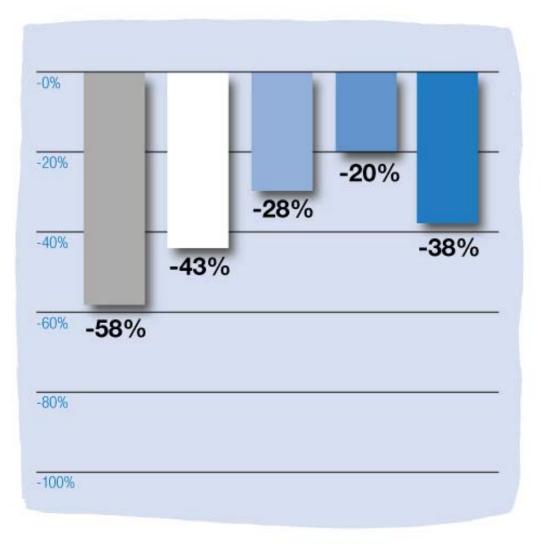


NOTE: Diabetes results were stable for outpatient facility claims and outpatient professional claims.



Source: 2001 Trigon internal study

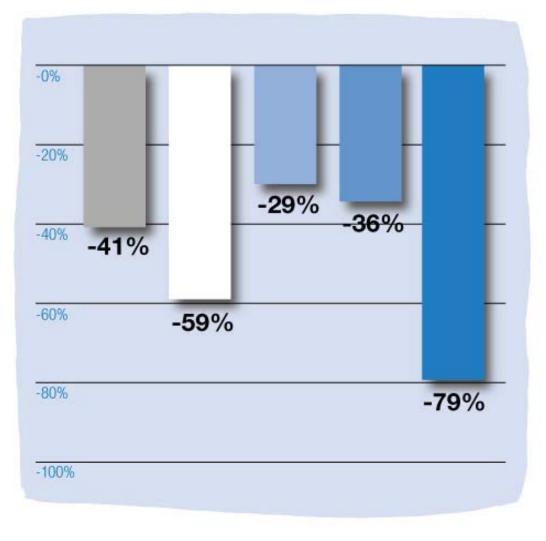
Congestive Heart Failure (CHF) Claims Reductions





Source: 2001 Trigon internal study

Coronary Artery Disease (CAD) Claims Reductions



Claims Reduction Categories



Inpatient Days

Inpatient Admissions

Outpatient Professional Claims



Outpatient Facility Claims

ER Visits

Source: 2001 Trigon internal study

Financial Models

- Payment of vendors vary from 0 risk to 100%+
 - Case rate
 - PPPM rate
 - PMPM rate
 - Gain share
- Generally the higher the risk, the higher the cost
- Financial and quality targets
- Align incentives between plan and vendor
 Anthem Image Stress Stress

Financial Analysis

- If no risk, internal ROI analysis
- If any risk, vendor/plan reconciliation
 - How to compare baseline and intervention group?
 - Claims: what's in/what's out
 - How to adjust for rising health care costs
 - Adjust for any changes in benefits/population etc.
- Best advice: KISS!





Blue*Cares* for You

Questions?