


Health plan incentives and support for the medical home

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PriorityHealth 

A background image of a bright blue sky filled with large, fluffy white clouds. The clouds are scattered across the frame, with some appearing closer and more detailed, while others are further away and less distinct. The overall scene is bright and airy.

Priority Health provides access to affordable and excellent health care in order to improve the health and lives of our members.

Who is Priority Health?

- ★ Group commercial, individual, Medicare and Medicaid products
- ★ More than 560,000 members, **95% in a medical home**
- ★ More than 12,000 employer groups
- ★ More than 27,500 health care providers and over 114 acute-care hospitals
- ★ Part of the Spectrum Health system, an integrated delivery system

Goal: Achieving the triple aim

The best health care results for populations require achieving the optimal balance



How we plan to achieve the Triple Aim

- ✓ Change how we pay for care
- ✓ Support purposeful patient-centered partnerships
- ✓ Reduce variation of care
- ✓ Create greater coordination and integration of care

Accountability and payment reform: changing how we pay for care

The supply of comprehensive ambulatory services, including prevention, acute care and chronic disease management, is at the core of efforts to address health reform.



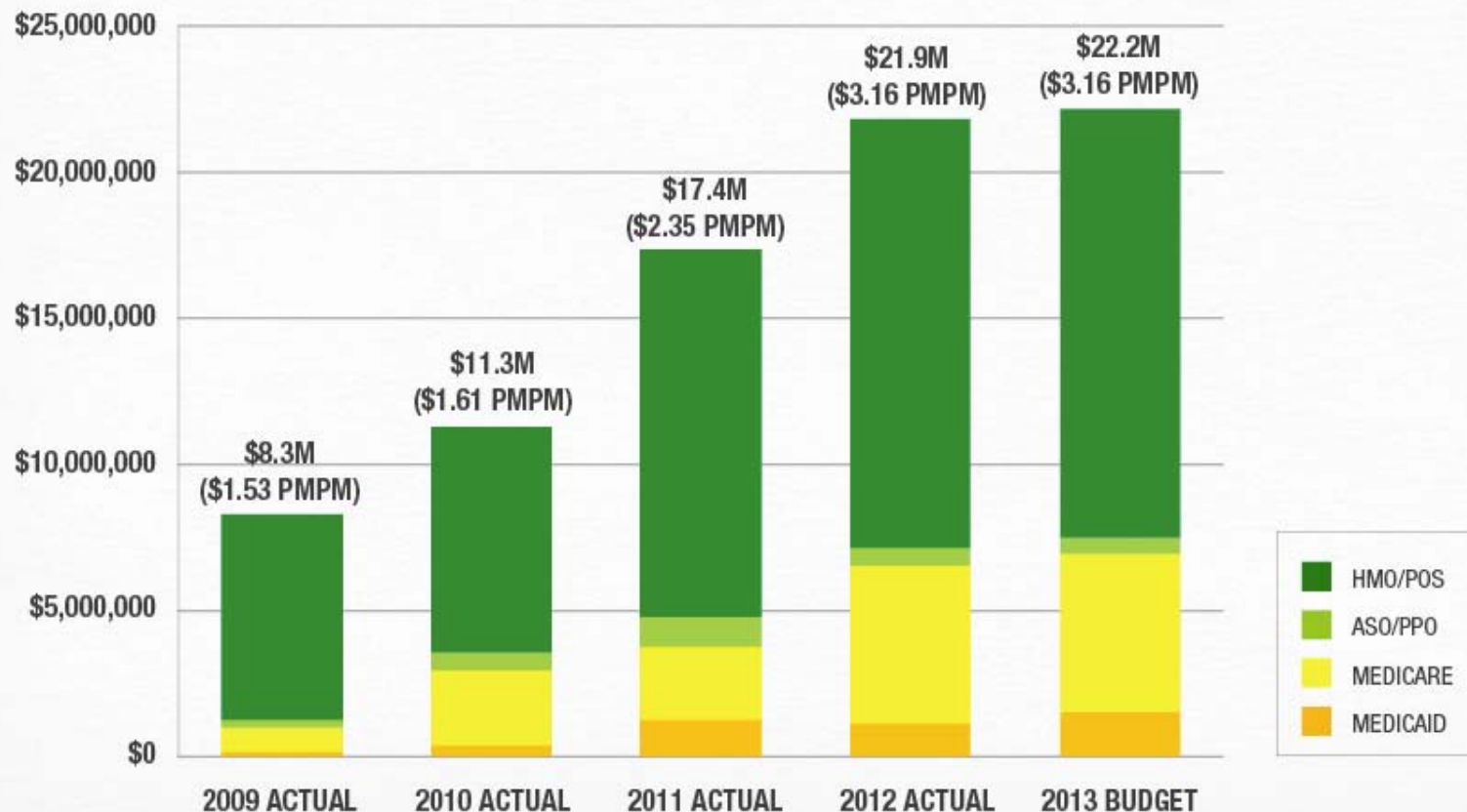
Health reform cannot succeed without payment reform.

Support for the medical home

Our improved and expanded Partners in Performance (PIP) program supports delivery of excellent, high quality and cost-effective care.



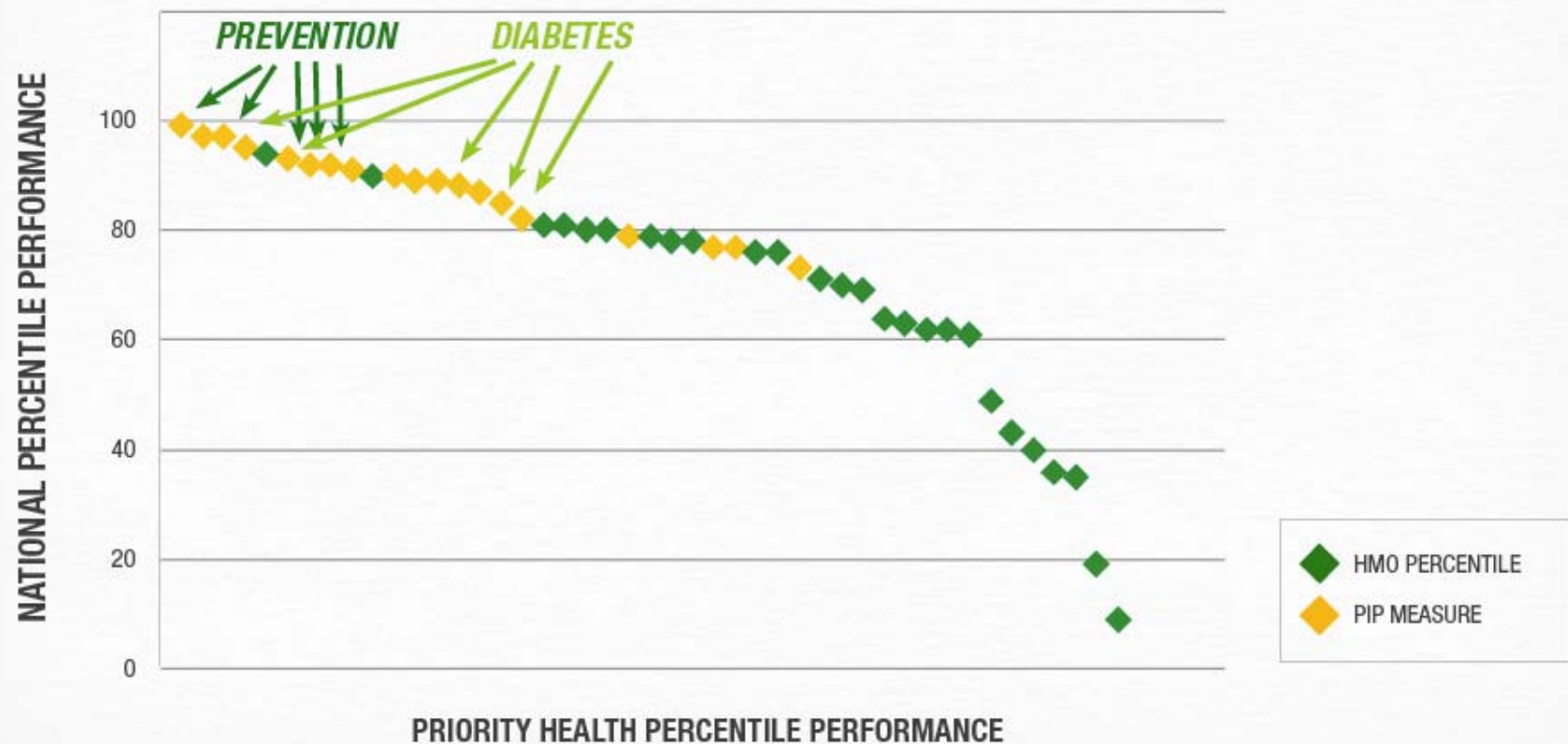
PIP incentive payments by business category



PIP incentive payments by measure category

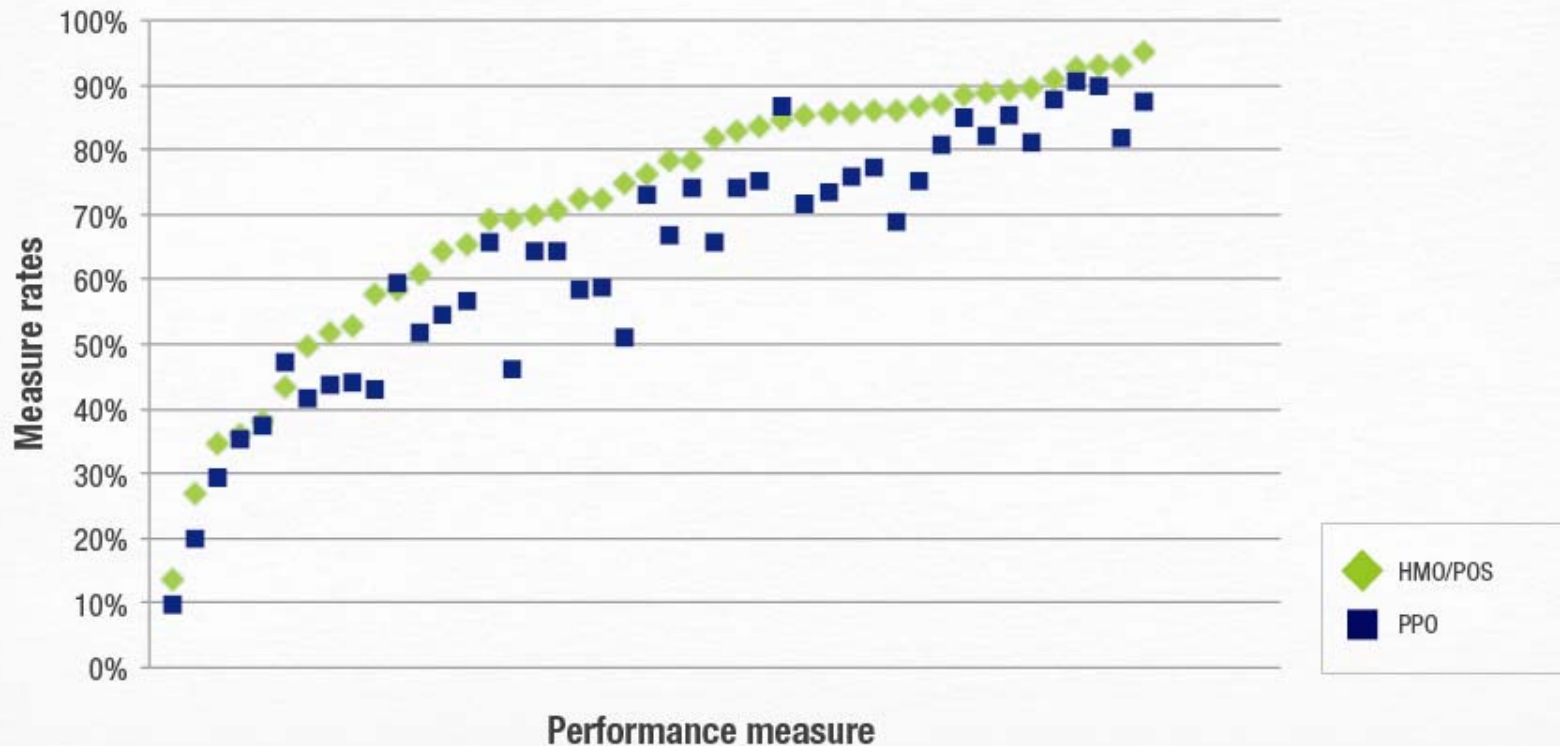


PIP improves our national performance measures



Results of supporting a medical home

Distribution of measure performance



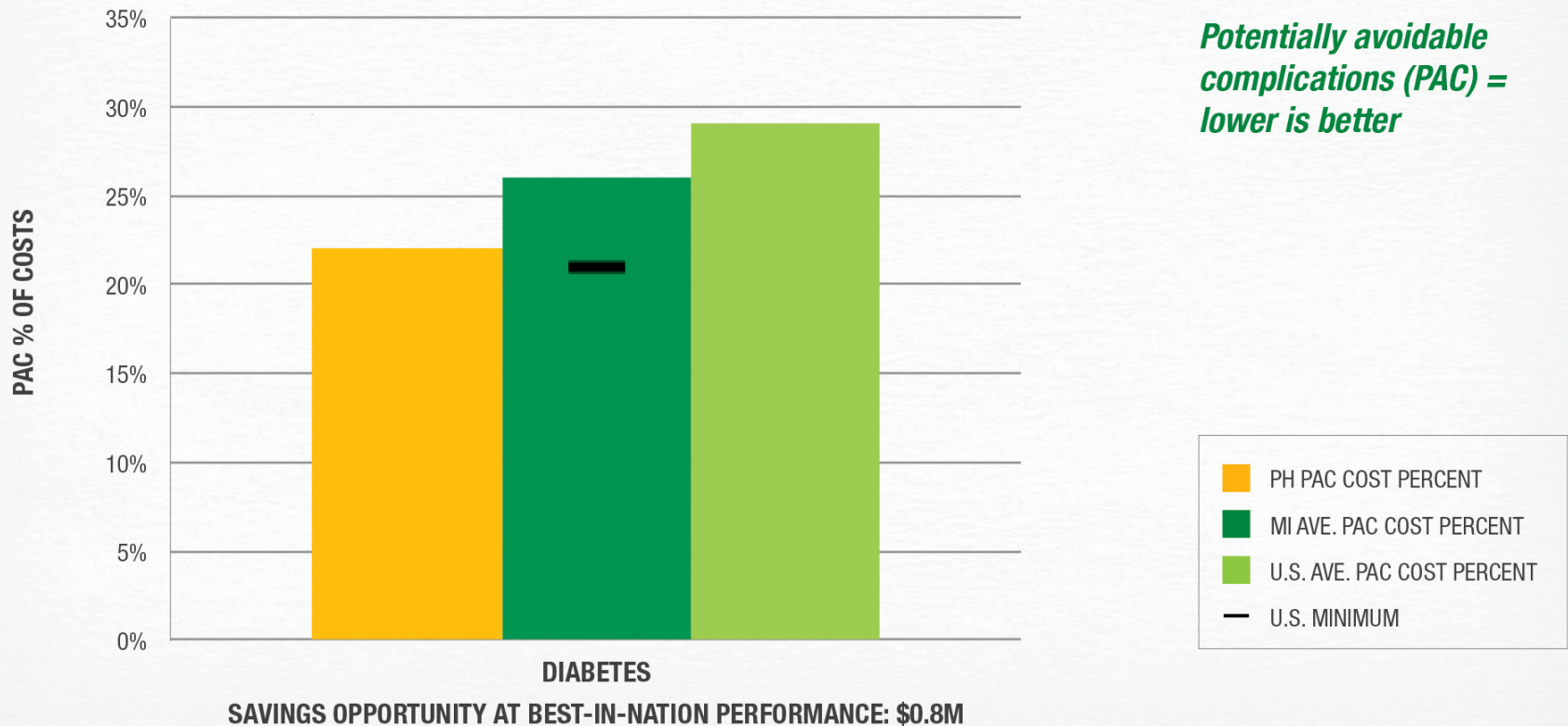
ACN accountability for total cost of care

	ACCOUNTABLE CARE NETWORK				HEALTH PLAN			
	12 Months Ending June 2011		12 Months Ending June 2010		12 Months Ending June 2011		12 Months Ending June 2010	
	Current Period	Percent Change	Current Period	Percent Change	Current Period	Percent Change	Current Period	Percent Change
Average Member/ID	\$7,596	(14%)	\$8,496	(17%)	\$7,515	(11%)	\$8,340	(10%)
Actual Risk Score, National Norm	1.03	0%	1.03	0%	1.03	0%	1.03	0%
Relative Risk Score, Priority Health Norm	1.08	0%	1.00	0%	1.00	0%	1.00	0%
Inpatient Facility Cost PMPM	\$38.27	(1%)	\$38.79	(1%)	\$38.50	(1%)	\$38.50	(1%)
Outpatient Facility Cost PMPM	\$92.55	10%	\$79.84	2%	\$92.55	10%	\$79.84	2%
Professional Cost PMPM	\$91.62	0%	\$91.62	0%	\$91.62	0%	\$91.62	0%
Medical injectable Cost PMPM	\$7.60	10%	\$6.92	(6%)	\$7.60	10%	\$6.92	(6%)
Pharmacy Cost PMPM	\$59.93	4%	\$57.96	3%	\$59.93	4%	\$57.96	3%
Other Cost PMPM	\$8.65	0%	\$8.65	0%	\$8.65	0%	\$8.65	0%
Primary Care Incentives PMPM	\$4.69	10%	\$4.69	10%	\$4.69	10%	\$4.69	10%
Physician Organization Infrastructure Payments PMPM	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Total Cost of Care PMPM	\$303.30	4%	\$286.86	0%	\$303.30	4%	\$286.86	0%
OP Surgery Cost PMPM	\$57.49	12%	\$51.16	2%	\$57.49	12%	\$51.16	2%
OP ER Cost PMPM	\$13.49	12%	\$12.04	0%	\$13.49	12%	\$12.04	0%
OP Lab Cost PMPM	\$18.96	10%	\$17.07	0%	\$18.96	10%	\$17.07	0%
OP Imaging Cost PMPM	\$18.75	10%	\$17.00	0%	\$18.75	10%	\$17.00	0%
Primary Care Professional Cost PMPM	\$19.52	(1%)	\$19.60	0%	\$19.52	(1%)	\$19.60	0%
Specialty Care Professional Cost PMPM	\$74.25	2%	\$72.46	2%	\$74.25	2%	\$72.46	2%
IP Admissions / 1,000	53	(10%)	59	(10%)	53	0%	59	(10%)
OP Surgeries / 1,000	179	(7%)	185	0%	179	0%	185	0%
OP ER Visits / 1,000	226	0%	225	0%	226	0%	225	0%
OP Lab Services / 1,000	6,130	0%	6,026	(1%)	6,130	0%	6,026	(1%)
OP High-Tech Imaging / 1,000	180	(10%)	181	(10%)	180	0%	181	(10%)
Percent of PCP Visits or M-Physician Office Visits	47%	(2%)	48%	(1%)	47%	0%	48%	(1%)
30 Day All Cause Readmission Rate	2%	(1%)	2%	0%	2%	0%	2%	0%
Total Cost per IP Admission	\$11,219	8%	\$10,453	10%	\$11,219	8%	\$10,453	10%
Facility Cost per IP Admission	\$6,689	10%	\$7,864	10%	\$6,689	10%	\$7,864	10%
Cost per OP ER Visit	\$1,350	12%	\$1,115	0%	\$1,350	12%	\$1,115	0%
Available ER Visits / 1,000	69	(10%)	73	0%	69	0%	73	0%

Inpatient facility cost PMPM	\$38.27
Outpatient facility cost PMPM	\$92.55
Professional cost PMPM	\$91.62
Medical injectable cost PMPM	\$7.60
Pharmacy cost PMPM	\$59.93
Other cost PMPM	\$8.65
Primary care incentives PMPM	\$4.69
Physician organization infrastructure payments PMPM	\$0.00
Total cost of care PMPM	\$303.30

IP admissions/1,000	53
OP surgeries/1,000	179
OP ER visits/1,000	226
OP lab services/1,000	6,130

High quality care and better management reduces avoidable cost



Patient-centered medical homes survey results

- ✓ We create a purposeful, patient-centered experience
- ✓ Patient experience significantly improved across practices over both survey periods.
- ✓ Staff experience significantly improved across practices over both periods of the survey. Individual practices either had stable or improved trends in patient experience.
- ✓ Provider experience had an initial positive trend and was stable in the second survey period.*

**The sample size was small due to a relatively small number of participating physicians in the pilot.*



Priority Health plans rank in the top 10% in the nation

- ★ **Medicare:** Top 3%
- ★ **Medicaid:** Top 4%
- ★ **Commercial HMO/POS:** Top 9%
- ★ **Commercial PPO:** Top 48%

The building blocks for future improvements in accountable care

- Partnering with large Accountable Care Networks (ACN)
- Integration with the Spectrum Health delivery system
- Attacking chronic conditions
- Cost transparency
- Post-acute care

New and continued initiatives focus on Triple Aim goals

- Build physician and clinician engagement
- Test new care model and payment concepts
 - Home-based care
 - Center for Integrative Medicine
 - Children's Healthcare Access Program
 - Bundled payments
 - ACN risk shares

Collaboration will bring about change

ACHP leads the transformation of health care

- 23 community-based health plans
- Leaders in affordability, quality of care, patient care coordination and use of technology
- Nonprofit orientation benefits the community

ACHP plans deliver value to patients

7 of the 11 plans awarded 5 stars in the Medicare Star Rating Program are ACHP plans

16 ACHP Medicare plans are ranked among the top 20 in the country by NCQA

17 ACHP commercial plans are ranked among the top 25 in the country by NCQA

by focusing on a shared mission

Address the health of their populations



Deliver optimal patient experience and outcomes



Assure the affordability of care

and a shared approach

Partnering with providers based on trust & accountability

Committed to their markets for the long term

Trusted by patients to deliver quality experience and outcomes

Innovative & nimble to drive care improvements

Invested in communities for better health and health care

We create a more vibrant future when we work together in support of the Triple Aim

- ✓ Better partnerships
- ✓ Better programs
- ✓ Better outcomes

THANK YOU