



**THE LEAPFROG GROUP**

Informing Choices. Rewarding Excellence.

**Getting Health Care Right.**

# **Leapfrog Hospital Rewards Program™**

## **Case Study II: New York, Capital District**

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# Overview

- Background
  - History and Stakeholders
  - Market Makeup
- Market Strategy
- Challenges Faced
- Next Steps

# Market Success Factors

- Critical mass of employer participation (covered lives) in specific markets
- Active employer and health plan participation in each market
- Market champion – Role for HCM / Business Lead
- High-level of awareness of LHRP and quality improvement goals among provider community
- Engagement of hospitals in market area
- Visibility of program and hospital status to consumers

# Upstate New York Regional Landscape

## Albany - Schenectady

- 11 Community Hospitals
- 3 large “Leapfrog” regional employers
  - GE
  - Hannaford Brothers
  - Verizon
- 2 Regional Health Plans: Capital District Health Plan and MVP Health Plan
- Over 24 month period employers represent
  - 716 admissions in 5 clinical categories
  - \$3.7MM in spend

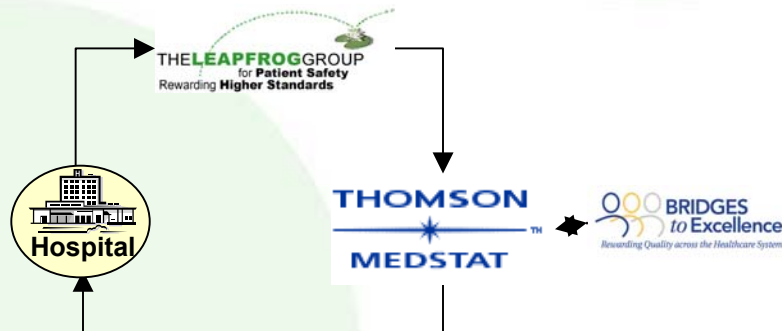
# **Albany/Sch'dy strategy has followed a measured pace**

- Determine the feasibility of Leapfrog Hospital Rewards Program implementation in Capital District
  - Engage Hospitals – all regional hospitals (11) have been informed and educated
  - Engage health plans – Capital District Physicians Health Plan and MVP Health Plan

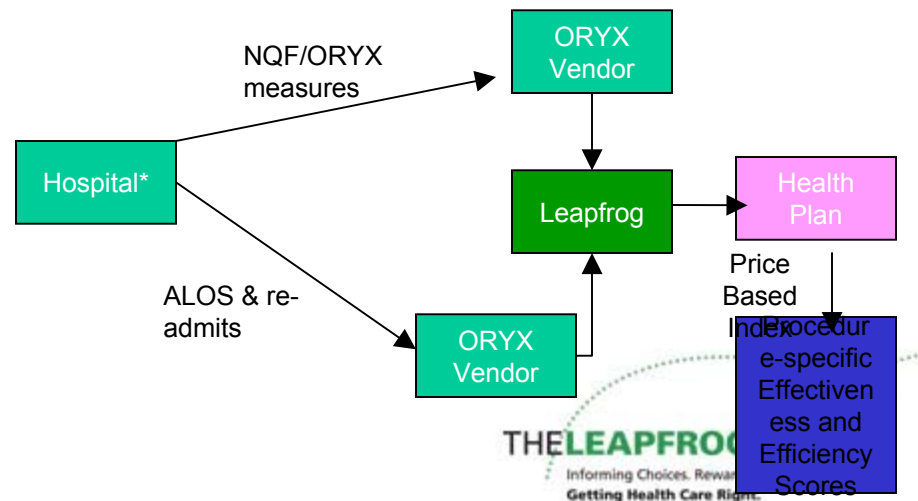
# LHRP Market Models

Before an administration model is chosen, interested employers need to explore a savings analysis, leveraging quality and efficiency data sets...

## Bridges to Excellence Model



## Health Plan Model



# Market-specific implementation strategies for purchasers to adopt

- Possible strategies
  - Information only
  - Information & rewards
  - Information & consumer incentives
  - Information, rewards & consumer incentives
- Hannaford
  - information & consumer incentives
- Verizon
  - Information and rewards
- GE
  - TBD – most likely rewards and consumer information

# Market Strategy: Hospital Engagement

- Employers required data for feasibility study
  - Determine potential for hospital improvement
  - Determine rewards potential
  - Health Plan assistance to gather data unavailable
- Leverage local Healthcare Champions to coordinate implementation
- Leverage National LF assistance (Measure sets, documentation etc.)



# Hospital Engagement

- Introduced LHRP in various direct outreach in late 2004 and throughout 2005
  - Leapfrog hosted webcast Feb / March to formally introduce the Program
  - Program follow-up and toolkit sent to hospital CEOs
  - Commitment Letter – April, 2005
  - Telephonic Outreach
  - Ad hoc meetings (in person)
  - ORYX Vendor outreach and alignment

# Hospital Engagement, Continued

- Incentives for participation
  - Ad hoc meetings and telephonic outreach
  - Waived participation fees
  - Data to remain confidential
  - Local Advertisement
  - Publicly available data scoring

# Implementation Challenges

- Critical mass of hospital participation
- ORYX Vendor participation
- Rewards not definitive
- Active health plan participation
- Engagement of Hospitals in market area
- Visibility of program and hospital status to consumers

# Planning for 2006

- Continue engagement with ORYX vendors
- Define clear and quantifiable rewards
- Leverage Health Plan
- Continue to work with hospitals to secure data submissions
- Leveraging the market dynamics will help gain momentum