



Simple, honest, affordable health insurance.



CO-OPs AND ALTERNATIVE CONTRACTS – A CASE STUDY

STRUCTURE SUPPORTS ALTERNATIVE CONTRACTING

- Structure
 - Heavy investment in Medical Management - 25% of FTE's
 - Built our own Network
 - In-source where possible, while “outsourcing” to Providers
 - Clinical Decision Support as a Core Function
 - Moving from reactive to proactive (gaps in care)
 - Moving from FFS to Value – better financial modeling
 - Ex: “Withdrawals” more than “Denials”
 - Benefit structure: Push Upstream (\$0 Copay for most generics)

COOP FUNDAMENTALS

- Strengths and Opportunities
 - Physician-led, strong relationships with Providers
 - Flexible with No Legacy Systems
 - Mission: Innovate
 - Not for Profit
 - “Fresh” Alternative
 - Start-up Culture, Risk-takers
 - Access to other COOP’s experiences

COOP FUNDAMENTALS

- Challenges
 - NEW:
 - No Market track record
 - Who are our members, where are they ?
 - Overcoming Network's confusion and ?'s of viability
 - Heavy lift to stand up a plan
 - Untested, new systems, i.e. Rostering
 - ENVIRONMENT:
 - "What is MLR?" – confusion among Providers
 - Medicaid Expansion
 - Providers' Risk-aversion in upended environment

KEY MESSAGING

- Messaging to Provider Organizations:
 - We are a Healthcare organization NOT a Financial one
 - Partnership NOT Transaction oriented
 - “Doctor-led” and Not for Profit
 - Virtuous Blurring of Lines b/w Payer and Provider
 - Free of Hospital / Corporate encumbrances
 - Clinical Organizations can manage ALL Risk
 - “We don’t need to insure everyone, just improve how all Health Plans work for everyone!”

PARTNERSHIPS - CONTRACTING

- Guiding Principles
 - Upside only to start, moving to shared risk, then full cap
 - High Performance Network vs. Narrow Network
 - Meet the Provider Organizations where they are
 - Co-creation
 - Support “Team-Based Care” in all venues
 - High touch – i.e. Auth Withdrawal vs Denial

CO-DESIGN SESSIONS

- Crawl, Walk
 - Engagement of FQHC Network
 - Program Design summit
 - Expert Vision – “It Can Be Done”
 - Co-design follow-up from our jump-off
 - Separate discussions with “A” players

ALTERNATIVE CONTRACT MODEL

- Structure
 - Investment
 - Incentive
 - Reward
- Rostering and Outreach
 - \$0 copay for “HCC visit”, separate from Annual Comp. Exam
 - Risk Adjustment Program

ALTERNATIVE CONTRACT MODEL

- Investment
 - PMPM based on PCMH designation (NCQA, JCAHO)
- Incentive – “Patient Centered Incentive Program” - PCIP
 - FFS for non-traditional activities, i.e. -
 - CHW calls, visits
 - “Late to Refill” calls
 - Post-hospitalization visits
 - “HCC visits”
- Reward
 - Savings, after 3 R’s
 - Overall MLR performance, not initially at Provider Organization level
- Performance Feedback

SCORECARD

NEW MEXICO HEALTH CONNECTIONS SHARED SAVINGS PLAN - INDIVIDUAL GROUP PERFORMANCE OVERVIEW *La Clinica de Nuevo Mexico*

Metric Group	Metric	Goal	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014	Total
Engagement	Enrolled CHW Cases	Yes	Yes	Yes	No		Yes
	Member Outreach	>= 50%	0%	0%	0%		0%
	PCIP Code Use	Yes	Yes	Yes	Yes		Yes
Emergency Departement (ED)	ED Visits per 1000 Members	151.5	48.2	110.2	96.6		93.9
Inpatient	Inpatient Admissions per 1000 Members	35.6	24.1	44.1	19.3		27.8
	Readmission within 30 Days	12%	0.0%	0.0%	0.0%		0.0%
Total Cost of Care (TCC)	TCC Members at SSP Organizations		\$96.09	\$126.23	\$144.27		\$131.62
	TCC Members Successfully Engaged in CHW		\$0.00	\$0.00	\$0.00		\$0.00

# CHW Enrolled Members:	2	2	0	4
# SSP Members Assigned:	166	363	621	729
# SSP Members With at Least One Claim Incurred in Quarter with Provider Group:	22	87	180	224



ASSESSMENT

- Year One assessment: “We crawled yet are walking now”
- Successes:
 - Early Utilization Measures favorable
 - Clarity on which Groups are engaged and capable
 - Demonstrated to market that we remain “on message” and “on task”
 - Sharing Performance Metrics
- Challenges:
 - ATTRIBUTION MODEL
 - Low program enrollment numbers early on
 - Provider distractions
 - Administrative workload
 - Member abrasion with outreach

FUTURE

- Next steps:
 - “Prune the tree” of Participants
 - Addition of Quality, Utilization, and “Administrative” Bonuses
 - Private Label Product with preferred tiering
 - Pro-Service Capitation for Multispecialty Group
 - With Age Banding
 - Ultimately Full Cap
 - Lukewarm on Bundles
 - “Butt Equity” – keep showing up



Simple, honest, affordable health insurance.