

wellcentive

Journey to Value-Based Care — Experience and Expectations

Niki Buchanan
Philips Wellcentive
March 19-21, 2018

404-906-5172

I AM

Patient – Member - Consumer



What data do I need?

Demographics –

Member ID –

Mindshare



IP

AP

VC

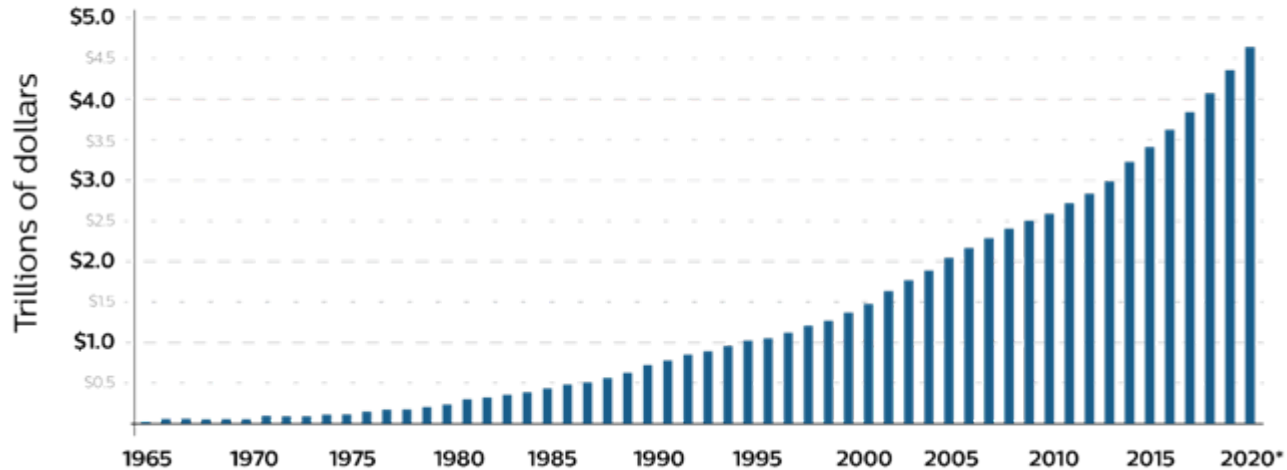


Let's reflect on a 250 years of
History

How we got here

- Fundamental problem is our spending - \$3.3 trillion and growing
- The runaway train needs to be slowed

Annual U.S. Expenditures on Healthcare



Source: U.S. Centers for Medicare & Medicaid Services



What we thought would happen

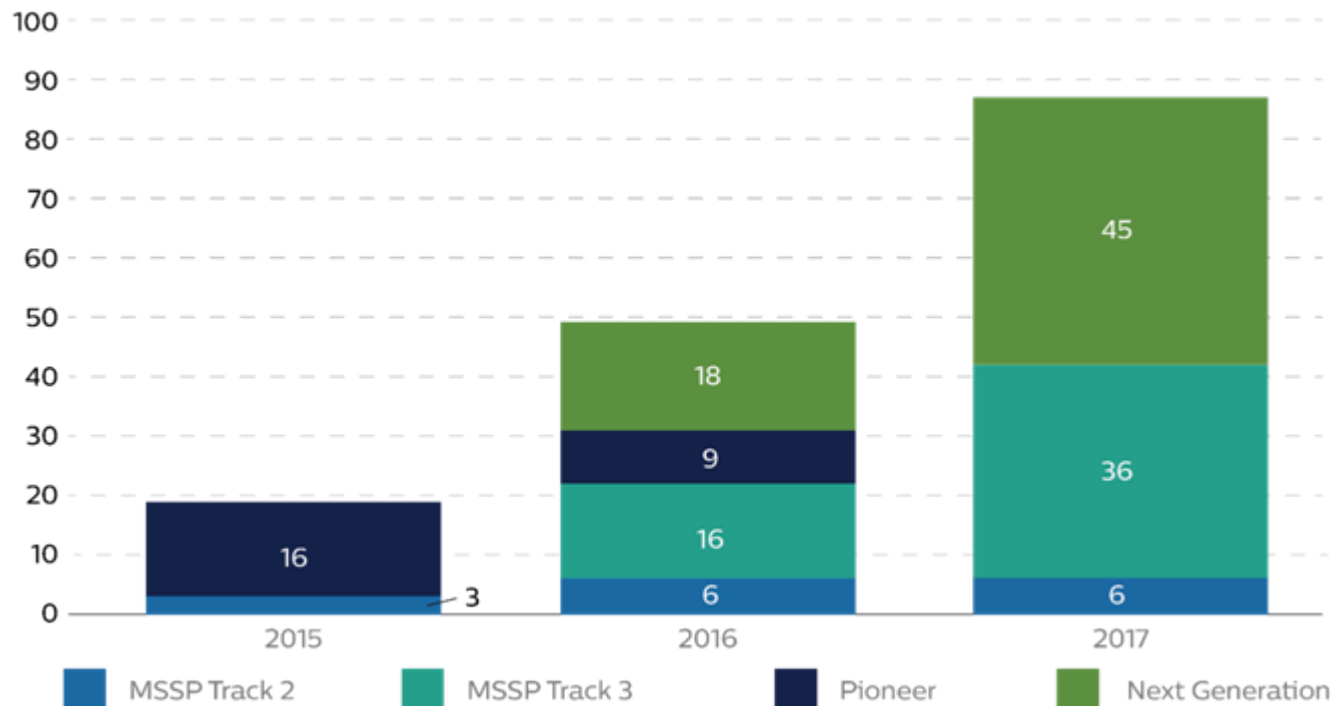
- Integration would be easier
- Physicians would align quickly to VBC
- Health systems would consolidate
- Greater care coordination and patient accountability



It's a journey – you can't flip a switch

- We largely have payment reform, not delivery reform
- Providers take on more risk – “payviders”
- CMS transition slower than expected but at the tipping point?
- Providers wait for penalties before they act

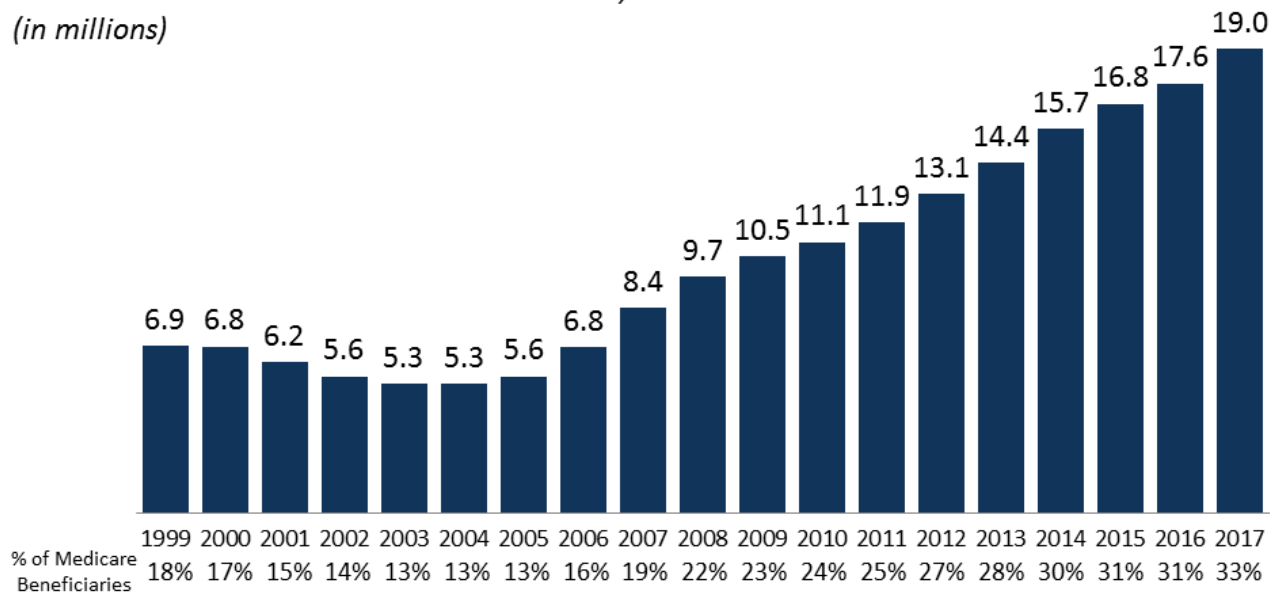
ACO Growth Over Time



Source: Avalere Health, LLC.

Enrollment in Medicare Advantage plans has steadily increased since 2004

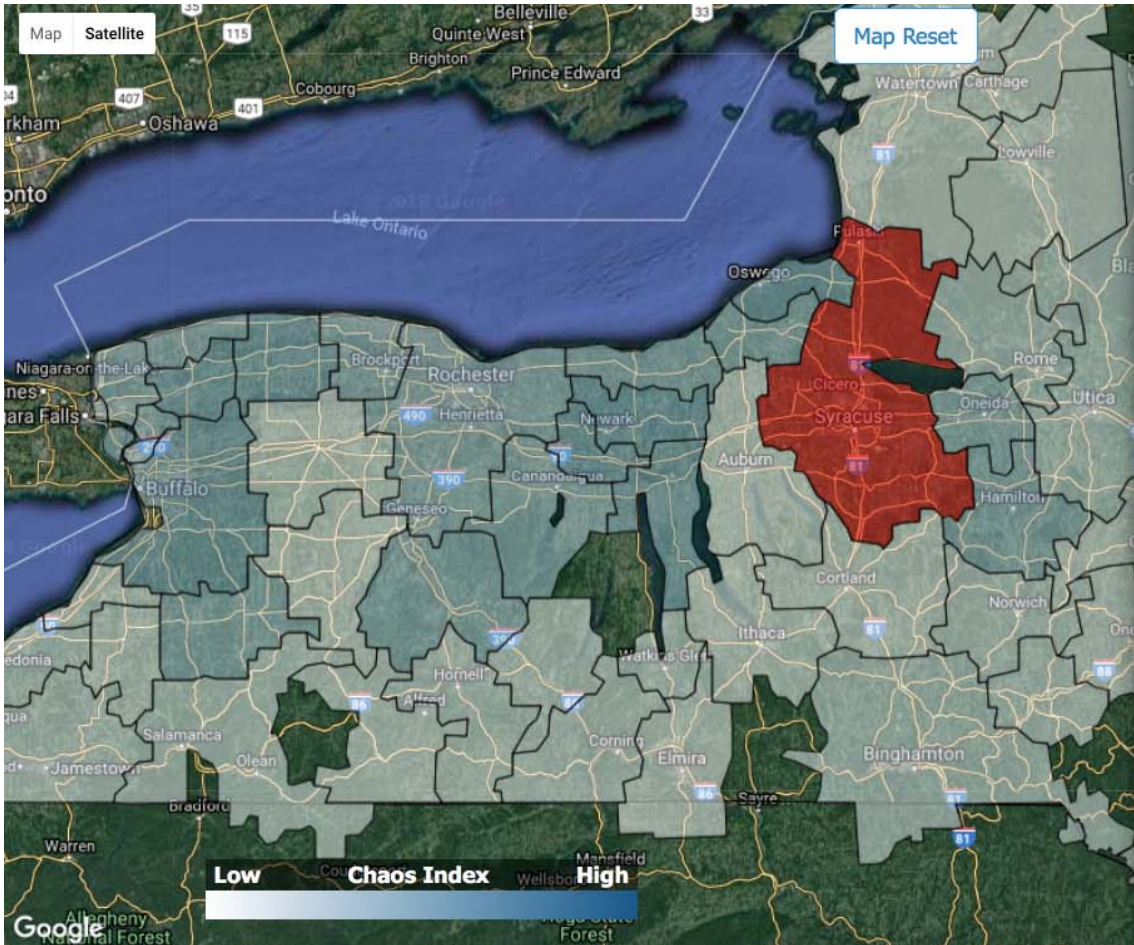
Total Medicare Private Health Plan Enrollment, 1999-2017
(in millions)



NOTE: Includes MSAs, cost plans, demonstration plans, and Special Needs Plans as well as other Medicare Advantage plans. Excludes beneficiaries with unknown county addresses and beneficiaries in territories other than Puerto Rico.

SOURCE: Authors' analysis of CMS Medicare Advantage enrollment files, 2008-2017, and MPR, "Tracking Medicare Health and Prescription Drug Plans Monthly Report," 1999-2007; enrollment numbers from March of the respective year, with the exception of 2006, which is from April.

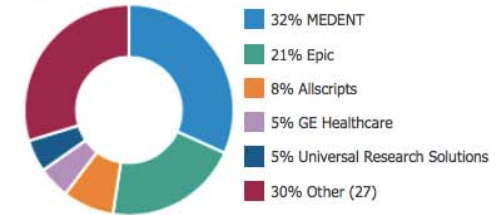




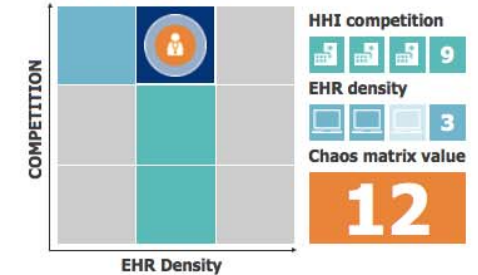
New York

Syracuse

EHR Landscape



HHI: EHR:
0.3 32%



i What does the score mean? Find out
Download a full report to see our methodology and get

An Apple a Day

- Healthcare industry has stood back and watched, fearing the end of life as they know it
- Bold steps from big players - outside the box disruption
- Employers and consumers – greater share of \$\$ = higher demands
- **We thought patients wanted quality and value; they really want convenience and trust**



amazon

BERKSHIRE HATHAWAY INC.

JPMORGAN CHASE & CO.

CVS Health® aetna

Quest Diagnostics™



The patient will see you now

- What's happening *outside* the clinical setting is huge
- Data expansion – understanding who to engage, how and where
- Patient tech and services – coaching, mobile tech
- Diagnostic tools in the palm of your hand – check your own metrics – ECG on an iPhone
- “**Consumeroperability**” will grow over time

There's hope,
there's VBC 1.0

The system is fragmented

- Philips goal: Seamlessly connect data, tech, people
- You have to have open inbound and outbound capabilities, to share consumer data across the ecosystem

Continuous health

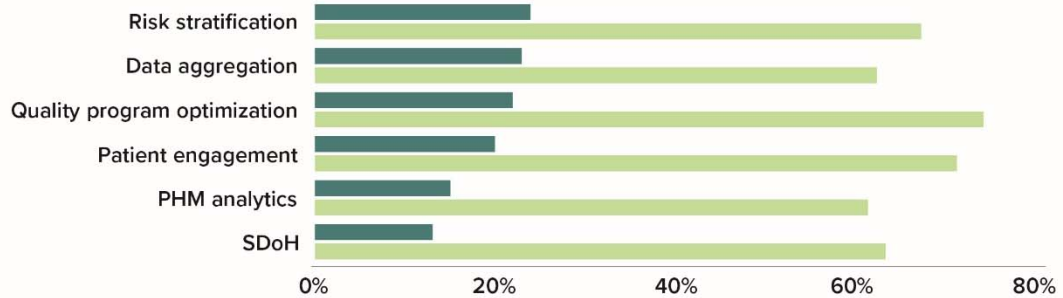


Working across the **full spectrum of where, when and how** health happens

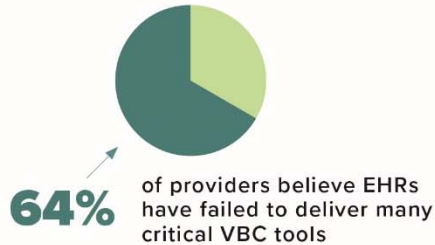
To transform, you need the right set of tools to support transformation

MOST EXECUTIVES SOLVE VBC CHALLENGES OUTSIDE THE EHR

■ EHR
■ Have/seeking solution outside the EHR

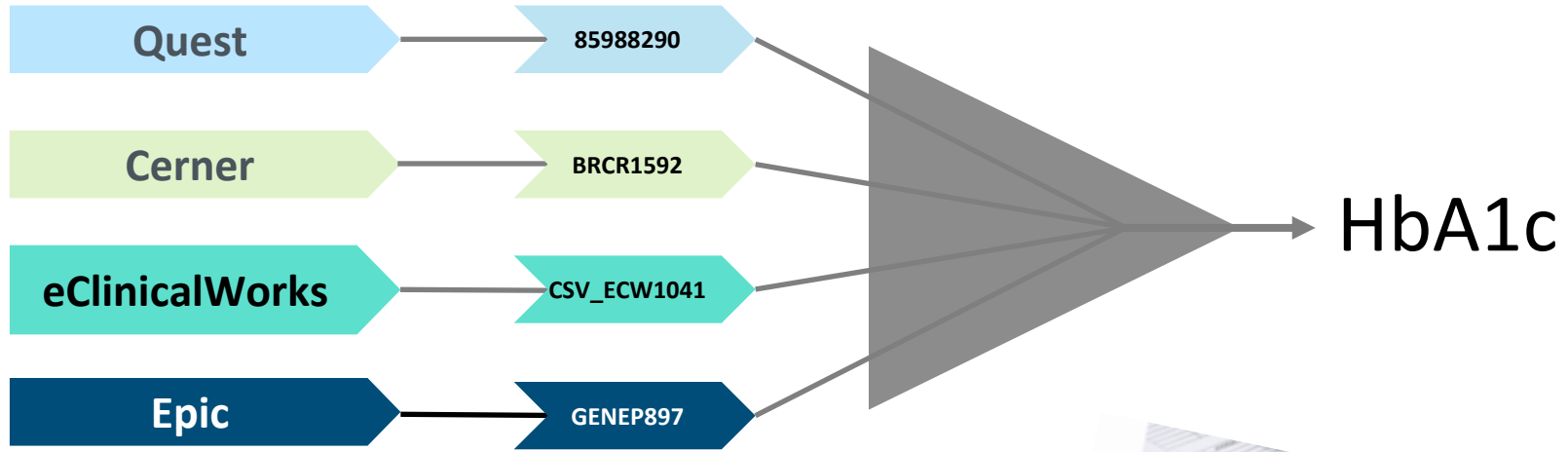


EHRs NOT DELIVERING ON VBC



60-75%
of providers are
are seeking VBC
solutions outside
their EHR

To compete, you need to transform the business



The business case for transformation

Value Based Care challenges:



Fee-for-service
revenue
optimization



Proactive
management of
rising risk
populations



Longitudinal
care
coordination



Discharge and
readmission
management



Network and
outreach
management



Post-acquisition
integration

Our population health management approach

Improve quality, revenue and outcomes using the power of actionable data

Data-driven Business Transformation

Monetize your data and uncover potential additional value

Data Hub

Access, organize and visualize data

Data Insights

Turn information into knowledge and knowledge into power

Care Management

Help turn insights into interventions

Reporting & Submission

Maximize value-based returns

Data Management

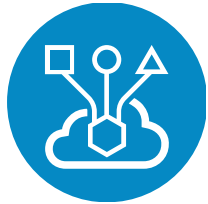
Take control of your data with one longitudinal patient record

Third-party solutions have to do the heavy lifting:

As defined by industry research leader KLAS

Aggregation

Compilation of disparate clinical/administrative data sources to support population health



- Aggregation from disparate sources
- Normalization of data
- Connecting to many data sources across settings

Analysis

Segmentation of aggregated data to communicate meaningful innovation



- Risk scoring
- Patient stratification
- Quality program optimization
- Program recommendations

Administrative/ Financial

Internal and external strategic program analysis



- Clinical quality reporting
- Financial outcomes reporting

Care Coordination/ Health Improvement

Scalable care management support for standardized interventions



- Care planning
- Coordination of care
- Providing evidence-based interventions

Patient Engagement

Patient-centric communication and alignment with health goals and improvement



- Patient-centric, goal-driven coaching
- Engagement programs to connect and motivate patients

Clinician Engagement

Actionable workflow integration for clinicians



- Connecting and supporting clinicians
- Actionable workflows

Reporting & Submission

Meeting population-based quality measures for ACO reporting

CHRISTUS Health

- Began with employee health plan, multiple lines of business across 7 states
- Consolidated from three separate ACOs to a single ACO entity across four states
- 85,000 covered lives
- GPRO submission

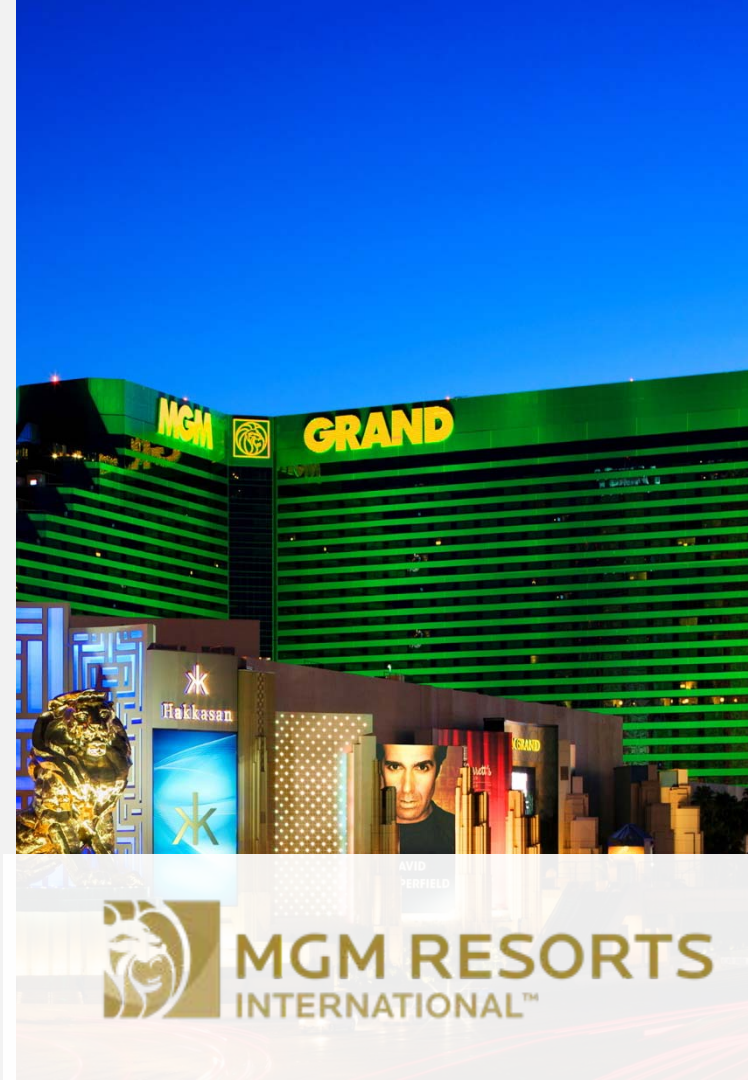


7 Years of Data Driven Insights

MGM's gamble on data-driven health management for employees pays off

MGM Resorts International leveraged Philips Wellcentive to successfully execute the Direct Care Health Plan offered to its 22,000 employees in Nevada

- Began with employee health plan
- Aggregated health data from 26 physicians in 20 PCP offices
- Organized data into actionable patient registries
- Helped improve and measure clinical outcomes



Own your VBC journey

VBC 2.0

A Health Eco System

The business case for transformation: A yearly plan

- The goal: move from fearing the cost of inaction to envisioning the opportunity of transformation
- \$700 million in value-based reimbursement for our customers each year
 - Continue to measure - there's value in FFS revenues on both sides of the risk spectrum; well visits, screenings, etc.
 - Increase revenues while improving quality metrics
- Identify high and rising risk populations – improve margins by preventing tomorrow's high utilizers
 - Save \$2,000 per patient per year by controlling diabetes, BMI, and blood pressure

Not a one-vendor strategy

- Must offer open-source solutions
- Must partner with/acquire innovators

hōlon.

Better delivery of data in the workflow – taps physicians on the shoulder during the patient visit.

 **FIBROBLAST**

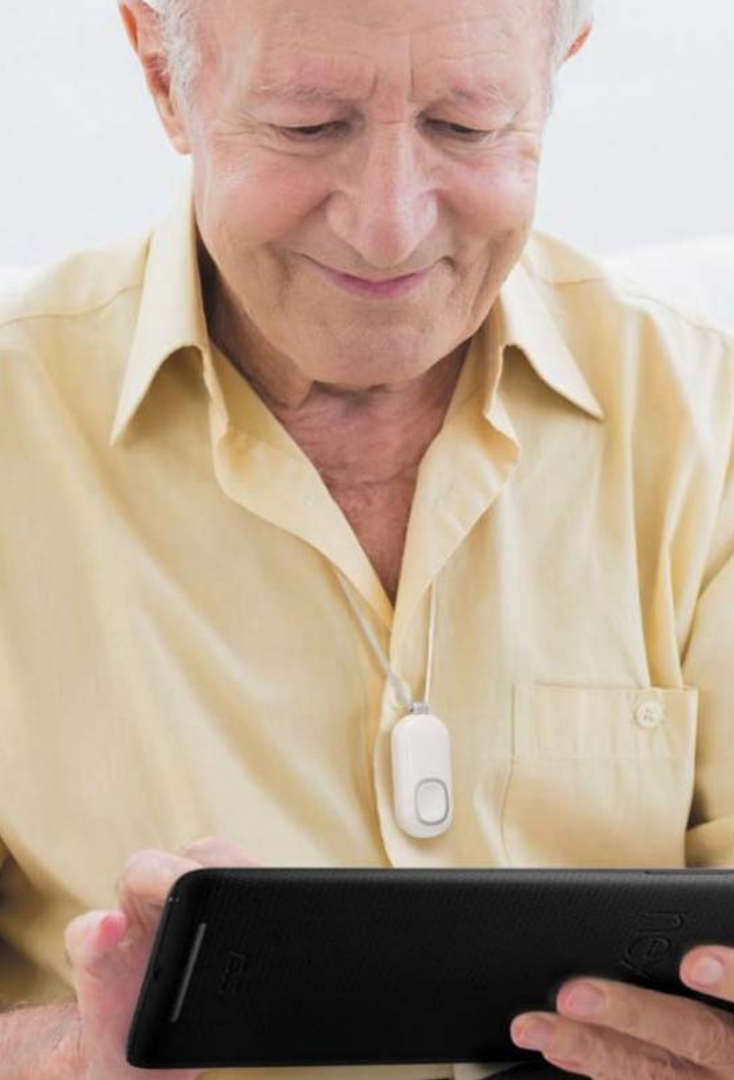
Care coordination and tracking patients - each CMS ACO patient referred out of network costs over \$5,000 in lost revenues

 **CentraForce Health™**
Precise. Predictive. Powerful.

Socio-behavioral data to enrich our understanding of patient behavior and how to improve health

VitalHealth
SOFTWARE

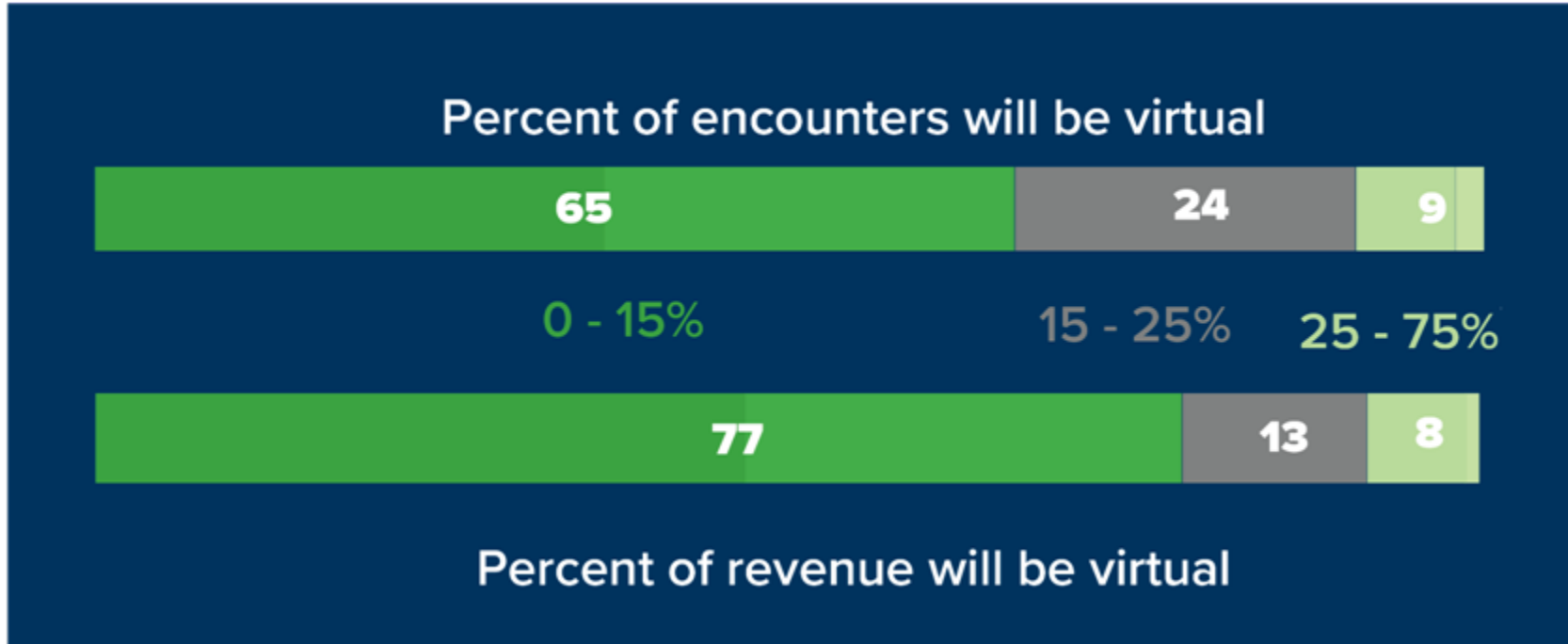
Manage chronic disease care pathways across multiple settings and disciplines while actively tracking patient-reported outcomes



Virtual care – bringing the doctor to the patient

- Lots of talk, finally some action?
- Lack of reimbursement is still a drag on adoption
- Medicare Advantage
- 2017 survey: 1 in 5 consumers willing to switch providers to get telehealth visits

Limited expectations for virtual care visits, revenues in next 3 years



Patient engagement: The next frontier



healthline

How can we help you? Search

DIABETES MINE A goldmine of straight talk and encouragement

Past AADE Leader Working Towards the "Netflix of Healthcare"

Written by Mike Hoskins | Published on November 21, 2017

Deborah Greenwood is no stranger to our D-Community, as the California diabetes educator actually served as president of the American Association of Diabetes Educators (AADE) a few years back and over the past decade, has helped lead the way for the diabetes patient community to become more



Mytonomy

conference this past August, and up company focused on building a "cloud" experience for patients heading into hospitals for procedures or care.



HealthData Management

HIT Think Why digital health and consumer engagement are top industry concerns

By John Kocznyk, Erena Logreas
Published July 28 2016, 4:21pm EDT

More in Patient engagement, Medical apps, Fitness apps

Print Report

... of the America's Health Insurance Plans, three central health impacts, consumer engagement trends, and business

... years from an industry perspective, the overall messages about the conference, as well some potential challenges

Healthcare IT News Retweeted

HIMSS @HIMSS · 17h

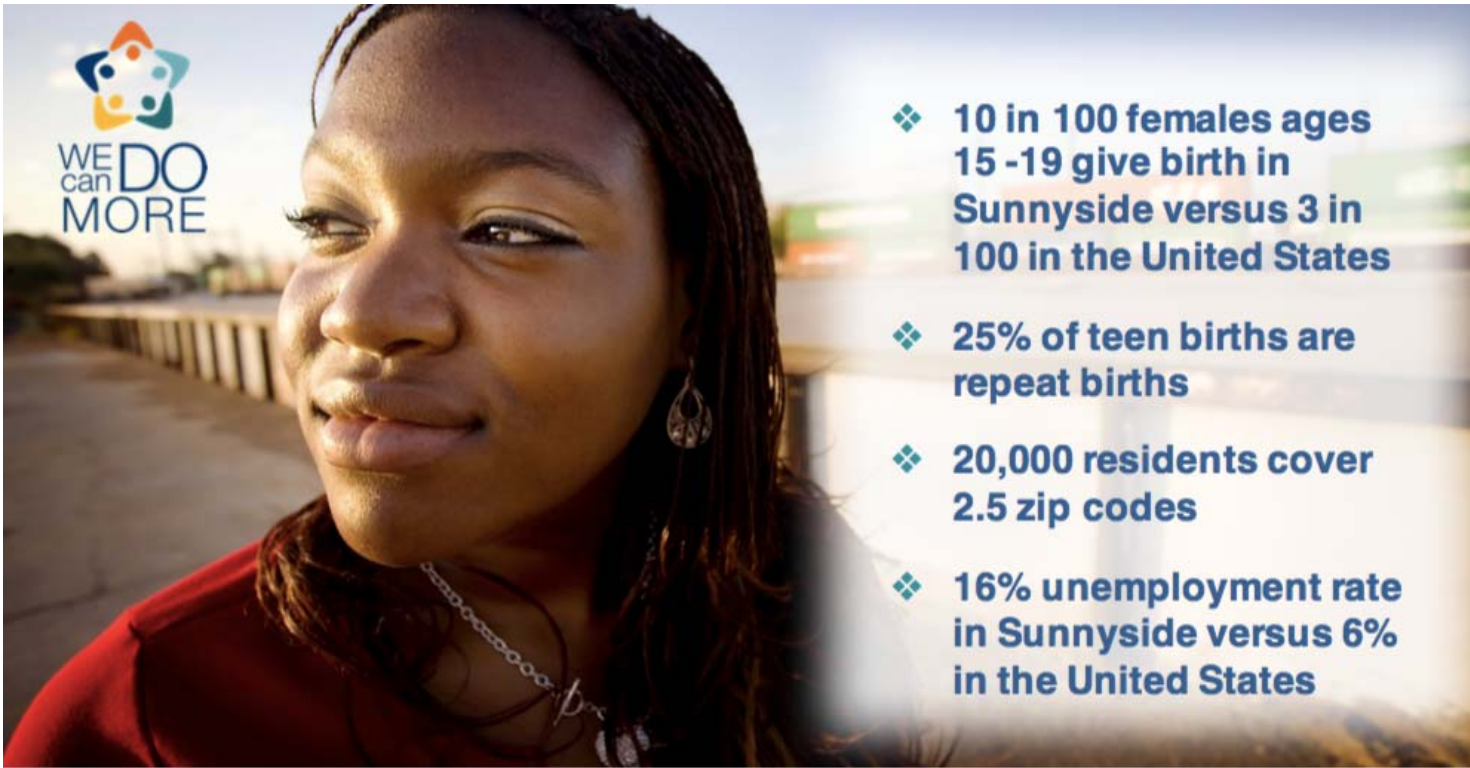
#HIMSS18 Highlight: @gnayyar posits that patient engagement is the pathway to healthcare's sustainability - and we need to rethink how to center systems around them. #Engage4Health

Catch more #HIMSS18 highlights on HIMSS.TV.



Geta Nayyar

14 13



- ❖ 10 in 100 females ages 15 -19 give birth in Sunnyside versus 3 in 100 in the United States
- ❖ 25% of teen births are repeat births
- ❖ 20,000 residents cover 2.5 zip codes
- ❖ 16% unemployment rate in Sunnyside versus 6% in the United States

**REDUCTION
in Teen
Pregnancy
by 20% over
3 years.**

Driving Behavioral Change in At-Risk Populations with Population-Centric Intelligence



Have a vision to solve the larger problems

- We're transforming by growing our portfolio:
 - Predictive algorithms – likelihood of frail seniors being admitted in next 30 days
 - Home Monitoring
 - Medication Adherence
- Consumers benefit
- Those that keep consumers, caregivers and patients in the focal point of their lens will survive

Disruptors of the 100-year-old
model will continue –

Consumers will win in the
Health ecosystem

You are

Consumer - Member - Patient

