



Health Risk Assessment Within the Individual Exchange



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Wellpoint

Wellpoint

- ▶ Mission: Improve the lives of the people we serve and the health of our communities.
- ▶ Web Site: www.wellpoint.com
- ▶ Trading Symbol: NYSE: WLP
- ▶ Number of employees: 43,500
- ▶ 2012 Revenue: \$61.7 billion
- ▶ Membership: 36.1 million medical members with nearly 67 million individuals served through all subsidiaries
- ▶ Health care networks: Access up to:
 - ▶ 80% of nation's total primary care providers
 - ▶ 90% of nation's total hospitals
 - ▶ 80% of nation's total specialists

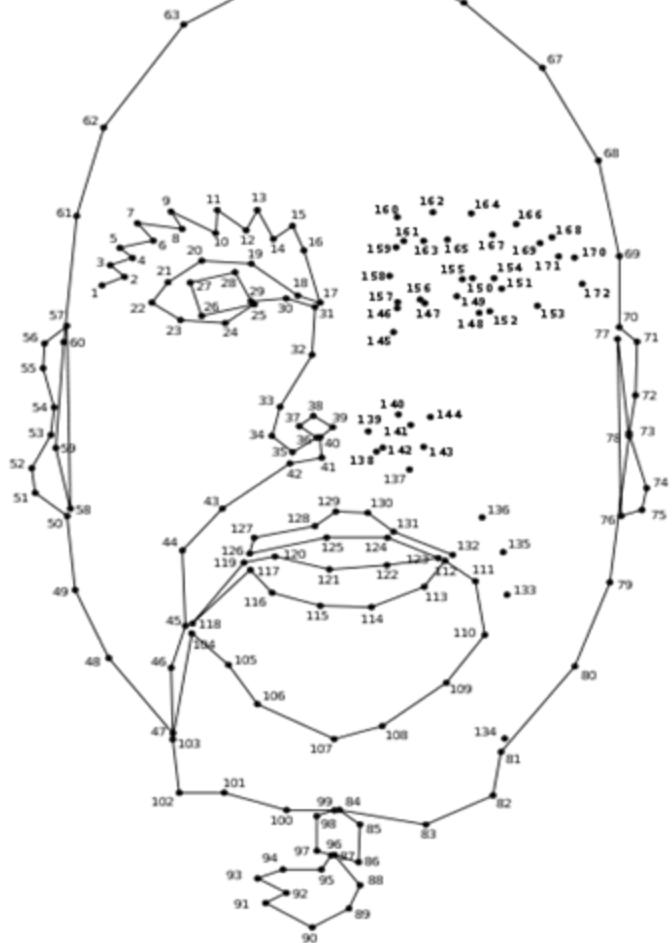
Welcome to the Unknown

Reading the Rune Stone

- ▶ Millions of newly insured
- ▶ States free to design exchanges
- ▶ Requirements emerging and subject to change
- ▶ Traditional guideposts have been removed



Who are the Newly Insured



Connecting the Dots

- ▶ +/-5% may be at risk vs. traditional 1-2%
- ▶ ~~Preexisting conditions~~
- ▶ ~~Prior claims~~
- ▶ Pent up demand
- ▶ Individuals at risk typically have a major health event with 6-12 months of coverage

Health Assessment & the Exchange

- ▶ Administered post enrollment
- ▶ Three functions
 - ▶ Risk Mitigation:
 - ▶ The Exchange has a pool of funds to subsidize premiums for high risk individuals.
 - ▶ Early care may prevent a catastrophic event
 - ▶ Identification of individuals in need
 - ▶ Referrals to medical or behavioral health programs
 - ▶ Assignment of a health coach
 - ▶ Addressing gaps in care
 - ▶ Annual wellness exam
 - ▶ Needed exams/tests

Now who are you? You are not the same!



Individual Focus

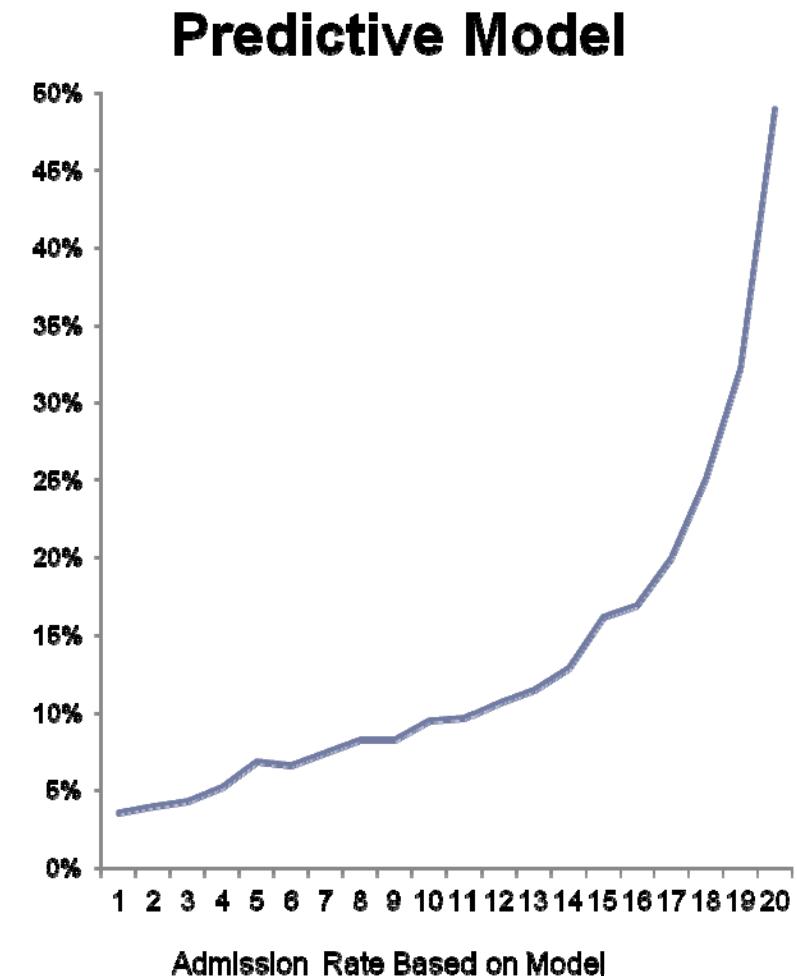
- ▶ Traditional HRAs look back
- ▶ Predicative models use history to predict health events (hospitalization)
- ▶ PAM measures competency and predicts utilization cost

Health Assessment Design

- ▶ Motivation and Ability – Determines the member's level of ability and motivation to manage their health.
- ▶ Overall Health – Members perception of their overall health and utilization of health
- ▶ Chronic conditions
- ▶ Biometric measures – The member's numbers
- ▶ Mobility and assistance issues
- ▶ Preventive measures – Current on exams/screenings.
- ▶ Lifestyle measures – Exercise and balanced diet.
- ▶ Social Measures - Shelter, food, etc.

Algorithm to Predict Risk

- ▶ Item responses are weighted
- ▶ Look back to determine true positives based on item responses
- ▶ Develop predictive model
- ▶ “Fit” new members to the model
- ▶ Determine risk level based on fit



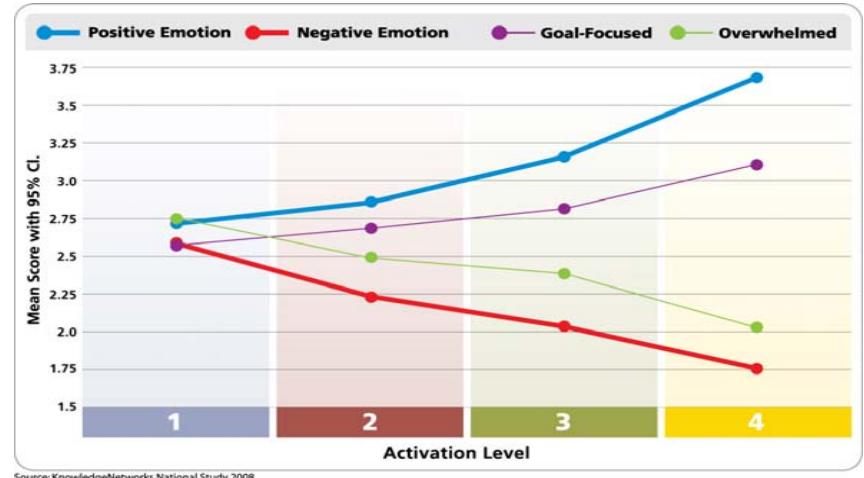
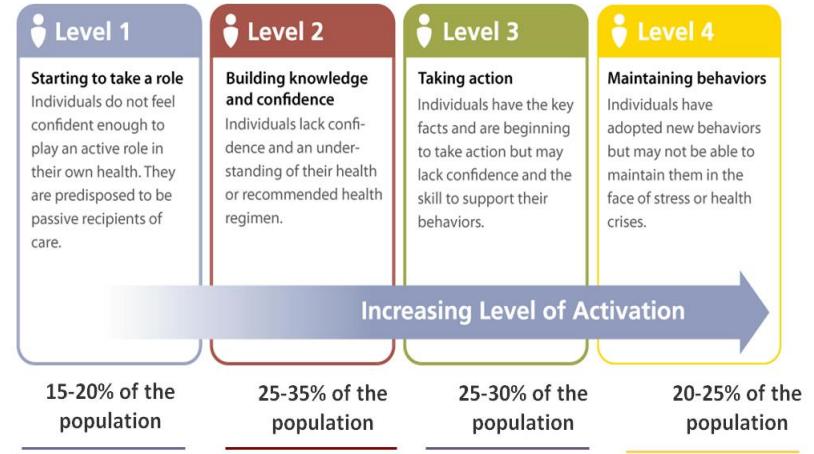
Model Development Assumptions

- ▶ Forensic and other behavioral modeling techniques provide a foundation
- ▶ Past behavior is best predictor of future health event
- ▶ PAM scores along with an individual's perception of their health are significant components of the model
 - ▶ PAM is a viable predictor of health utilization costs
- ▶ Traditional HRA factors like depression, completion of exams and biometrics are not valid predictors of risk
 - ▶ They are important within an intervention.

Awareness is the First Step

How do we intervene?

- ▶ Meet them where they are
- ▶ PAM score informs us on an approach and level of resources required
- ▶ Important as many interventions “assume” level 1 – wastes time and resources



Source: KnowledgeNetworks National Study 2008

Providing what one needs.

- ▶ Utilizing PAM scores to direct an intervention
 - ▶ Significantly higher satisfaction than similar interventions
 - ▶ Greater commitment to act
- ▶ Utilizing PAM scores to allocate resources
 - ▶ +50% reduction in resource cost
- ▶ PAM score also provides an important baseline to measure program effectiveness & gains

	% change for a 1 point change in PAM score	10 point gain impact 54 (L2) to 64 (L3)
Hospitalization	1.7% decline	17% decreased likelihood of hospitalization
Good A1c control (HgA1c<8%)	1.8% gain	18% greater likelihood of good glycemic control
A1c testing LDL-c testing	3.4% gain	34% improvement in testing

Source: Is Patient Activation Associated with Future Health Outcomes and Healthcare Utilization Among Patients with Diabetes? Journal of Ambulatory Care Management, Oct/Dec 2009.

Meeting NCQA Requirements

Element A: HA Components - 0.20 points

The organization's HA includes the following:

- ▶ 1. Questions on member demographics
- ▶ 2. Questions on personal health history, including chronic illness and current treatment
- ▶ 3. Questions on self-perceived health status
 - ▶ PAM score also relates to self awareness of health
- ▶ 4. Questions to identify effective behavioral change strategies
- ▶ 5. Questions to identify members with special needs in the areas of hearing impairment, vision impairment and language preference

Summary

- ▶ Risk Mitigation is key
- ▶ Tradition wellness focused HRA may not be effective
- ▶ We need to find individuals at risk and mitigate that risk within the first 45 days
- ▶ We are able to model risk
- ▶ PAM score tells us how to intervene and provides a baseline measure
- ▶ PAM also meets NCQA requirement for identifying behavior change strategies.