



Advanced Strategies in Creating and Managing Narrow, Tiered and High Performance Networks

The Fourteenth National Value-Based Payment and Pay for Performance Summit

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Today's Panel



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Plans Use Network Design to Reduce Costs and Improve Quality

Cost



Quality

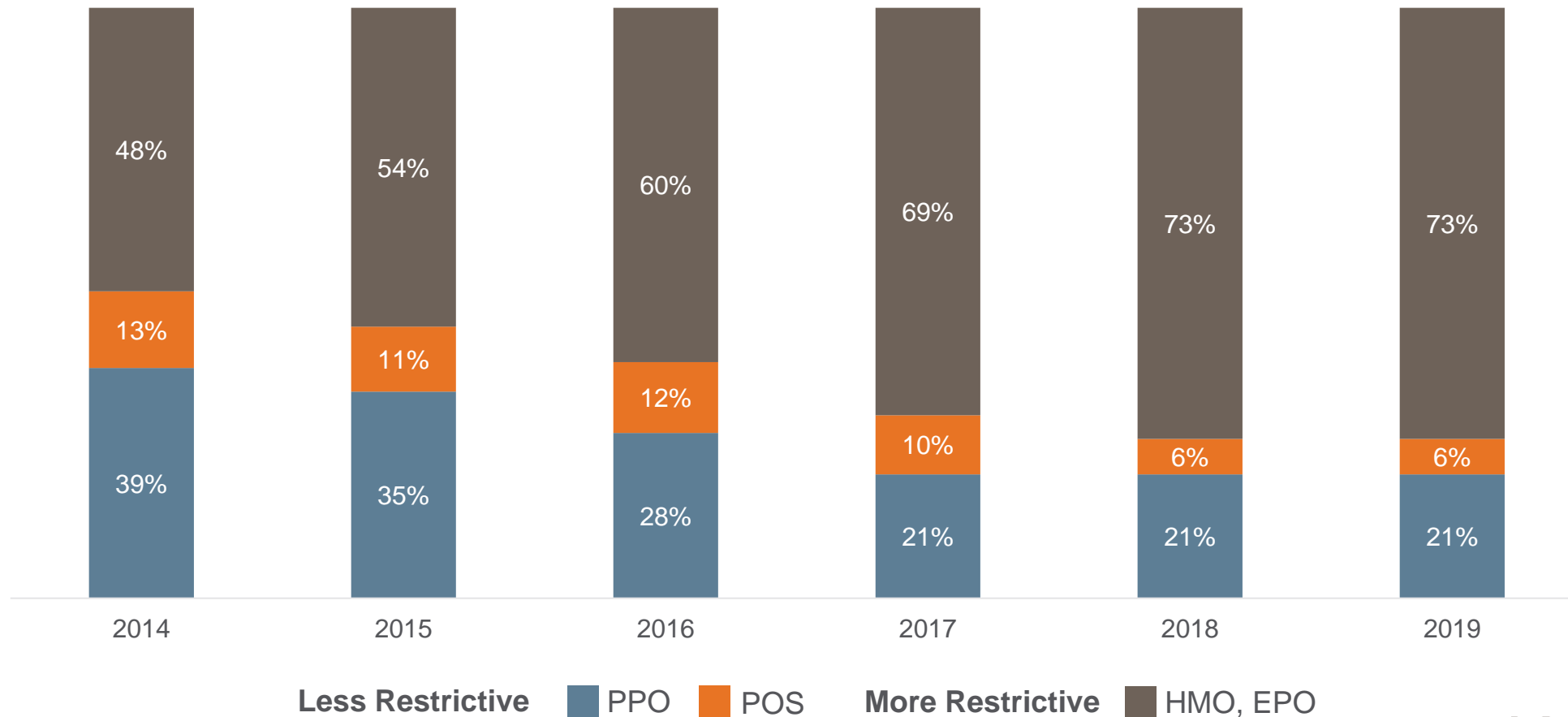


ACA Plans Have Shifted Significantly Toward Narrow Networks



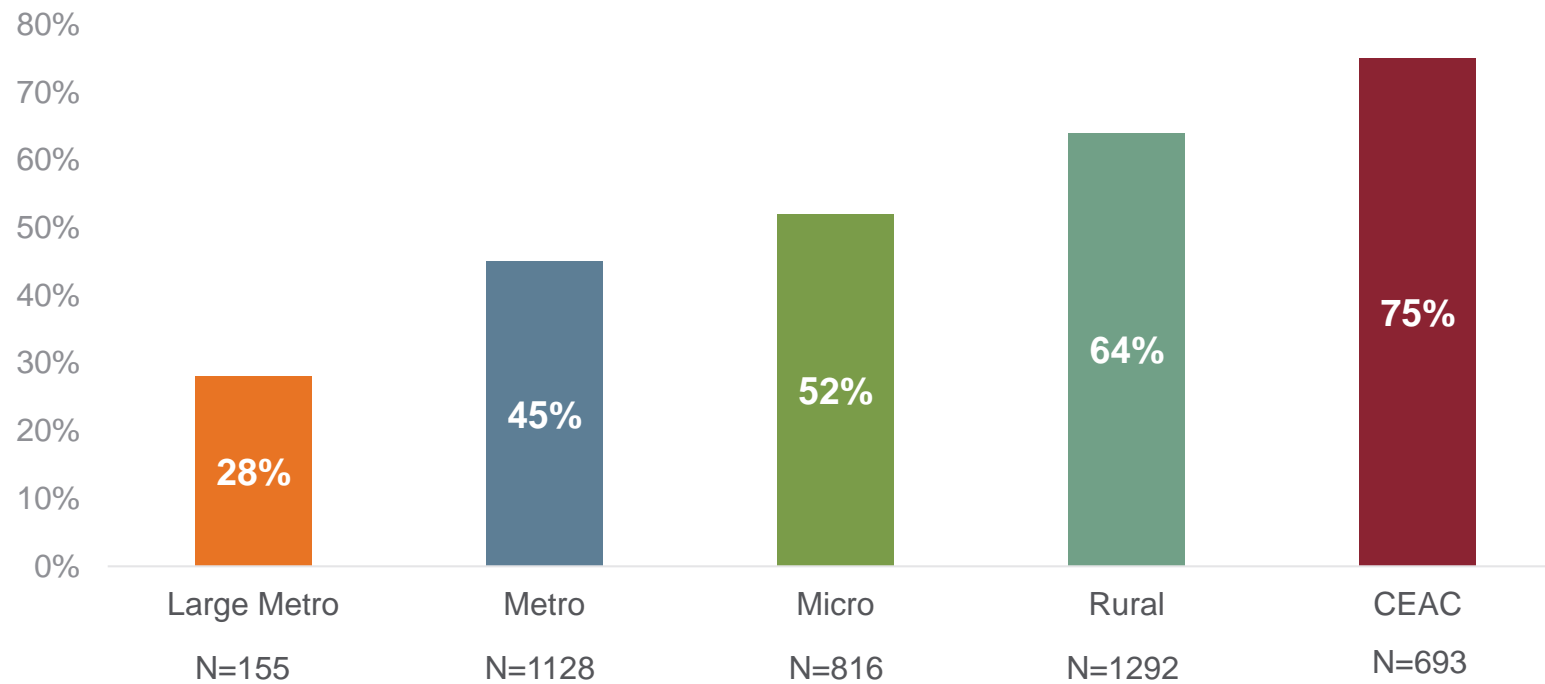
Narrow network products enable insurers to offer lower-premium plans and may limit risk selection

Network Design for Exchange Plans



Average ACA Networks Include About 42% of Providers, but It Is Harder to Build Networks in Rural Areas

Median ACA Network Breadth for Physicians,
By County Type



In metro and large metro areas, plan networks within one standard deviation vary from covering just 21% of physicians to 63% of all physicians.

Less Provider Supply & Less Population

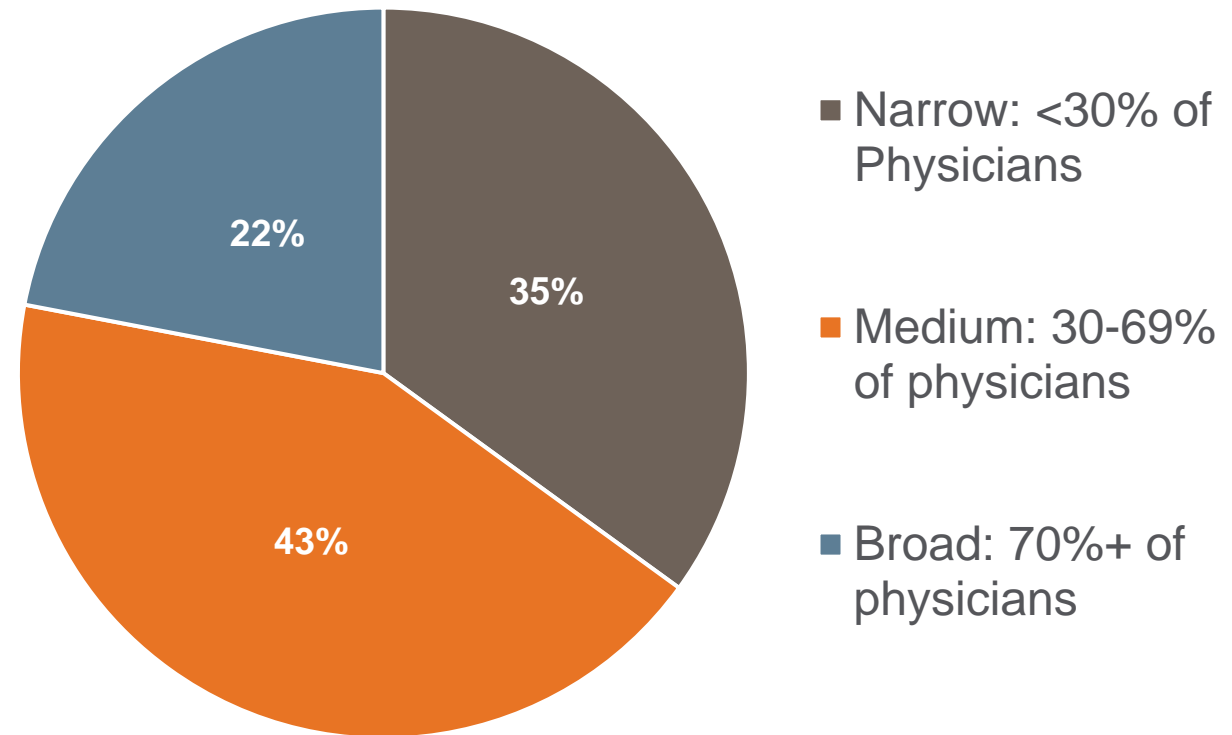
Similar Network Trends Now Dominate the Medicare Advantage Market



Average MA plans covered 46% of all physicians in a given county in 2015.

Narrow network plans have lower average premiums.

Distribution of Medicare Advantage Enrollees By Size of Plans' Networks, 2015



Discussion Topics

Design

What conditions are required for narrow network product designs?

How do today's narrow networks differ from those of the past?

Quality

What role does quality play in network design today?

What role should it play in the future?

Consumers

How do consumers perceive narrow networks?

How does network size impact risk selection?

Regulation

Are current network adequacy rules sufficient to protect consumers?

How could policy encourage higher-quality network design?

Questions for the Panel?



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Additional Resources

- [Narrow Networks: Does Limited Choice of Hospitals Affect Quality in Covered California?](#)
- [Provider Networks – Actuarial Perspective on Performance In and Out of Exchanges](#)
- [The Wide World of Narrow Networks: How Health Care Providers Can Adapt and Succeed](#)

Thank You!



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