

Value-Based Care – An ACO Perspective NCIOM Task Force on Accountable Care Communities January 24, 2018

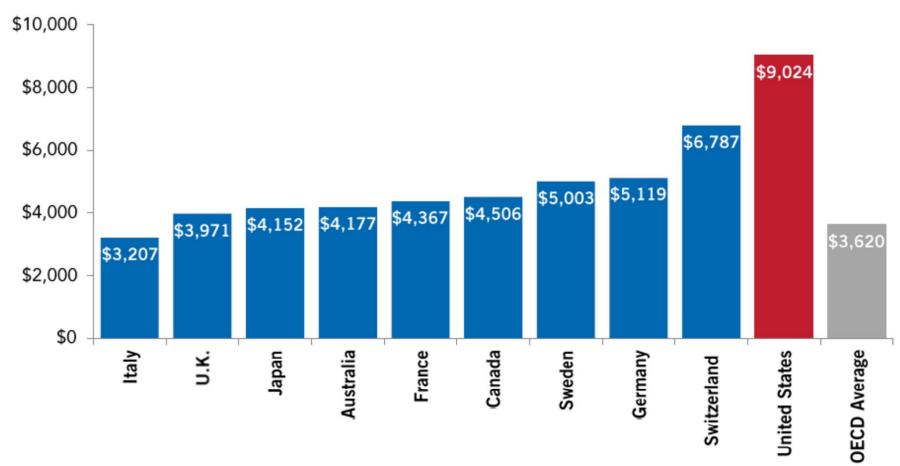
Steve Neorr Chief Administrative Officer

www.TriadHealthCareNetwork.com



United States per capita healthcare spending is more than twice the average of other developed countries

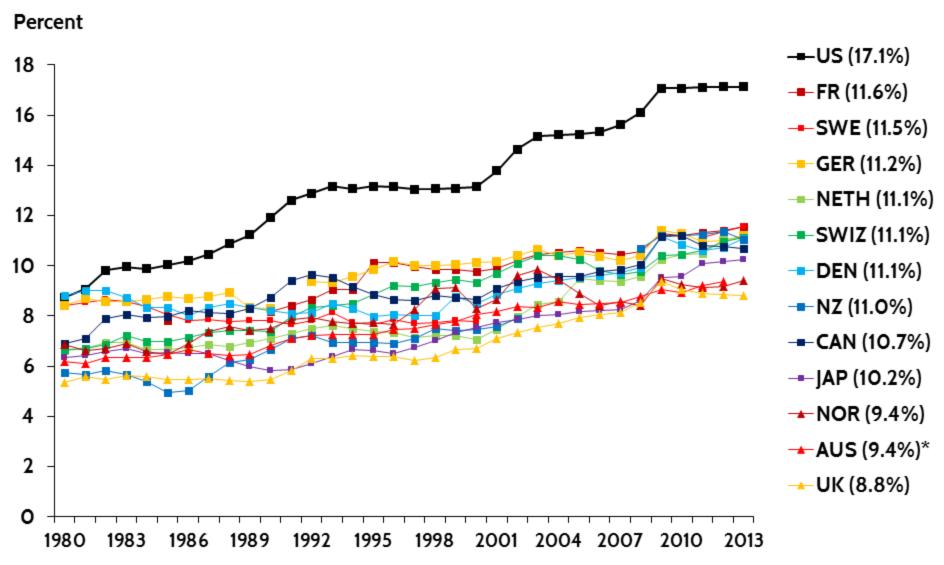
HEALTHCARE COSTS PER CAPITA (DOLLARS)



SOURCE: Organization for Economic Cooperation and Development, OECD Health Statistics 2016, June 2016. Compiled by PGPF. NOTE: Data are for 2014 or latest available. Chart uses purchasing power parities to convert data into U.S. dollars.

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Exhibit 1. Health Care Spending as a Percentage of GDP, 1980-2013



* 2012.

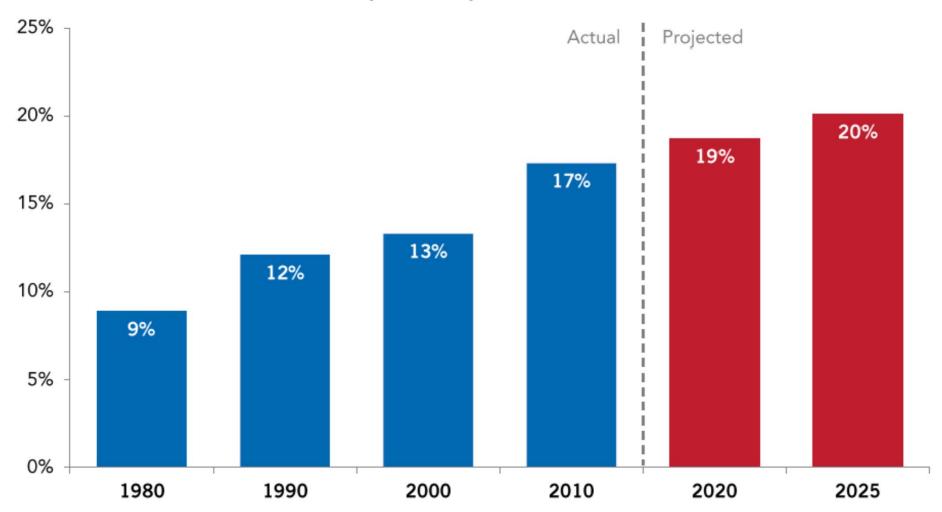
Notes: GDP refers to gross domestic product. Dutch and Swiss data are for current spending only, and exclude spending on capital formation of health care providers.

Source: OECD Health Data 2015.



Total U.S. health spending (both public and private) is projected to rise to one-fifth of the economy by 2025

NATIONAL HEALTH EXPENDITURES (% OF GDP)



SOURCE: Centers for Medicare and Medicaid Services, National Health Expenditures, July 2016. Compiled by PGPF.

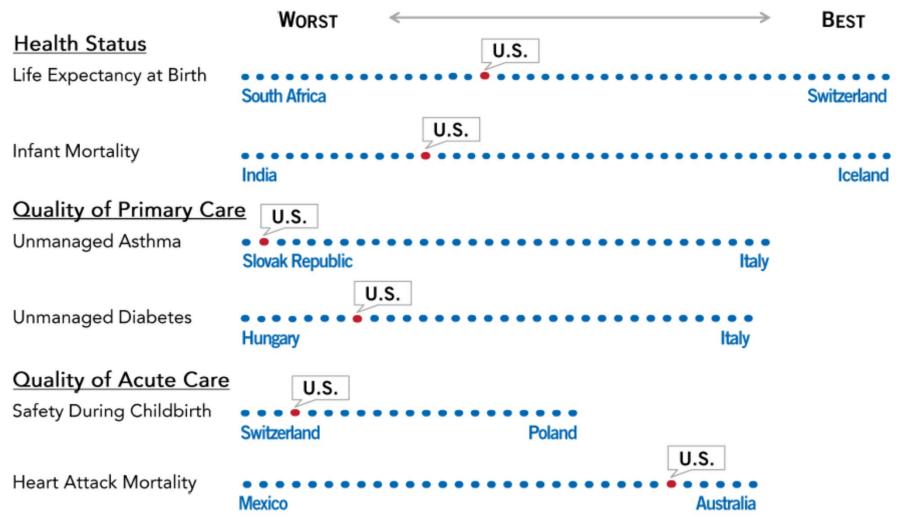
Composition of Federal Noninterest Spending Under CBO's Extended Baseline



Source: Banthin, Jessica. "Healthcare Spending Today and in the Future: Impacts on Federal Deficits and Debt" CBO.gov. CBO.gov, 18 July 2017. Web. 26 October 2017.



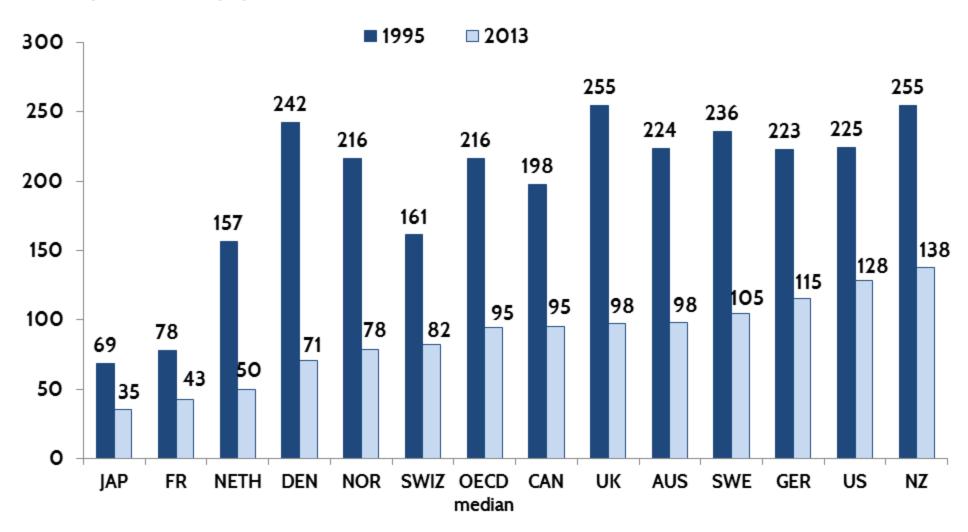
Although the United States spends more on healthcare than other developed countries, its health outcomes are generally no better



SOURCE: Organization for Economic Cooperation and Development, Health at a Glance 2015 OECD Indicators, November 2015. Compiled by PGPF. NOTE: Data are not available for all countries for all metrics; all published data are shown. Data are for 2013 or latest available.

Exhibit 11. Mortality as a Result of Ischemic Heart Disease, 1995 to 2013

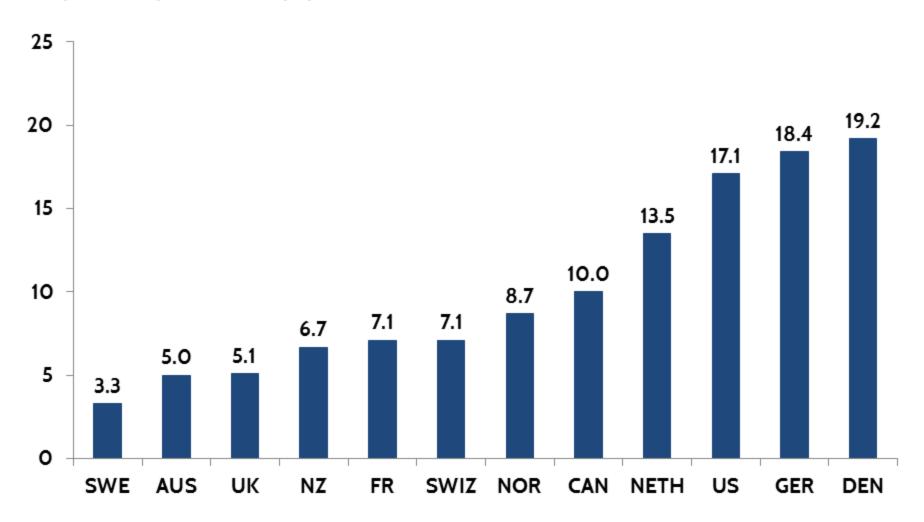
Deaths per 100,000 population



^{*} Data from 2012 for Denmark and Switzerland; 2011 for France, Canada, Australia, and New Zealand; and 2010 for the U.S. Source: OECD Health Data 2015.

Exhibit 12. Lower Extremity Amputations as a Result of Diabetes, 2011

Amputations per 100,000 population



^{*} Data from 2010 for the Netherlands, Switzerland, and the U.S.; and 2009 for Denmark. Source: OECD Health Data 2015.

Triad HealthCare Network Understanding the Impact of System Design

"Every system is perfectly designed to get the results it gets."

- Paul Batalden, M.D.

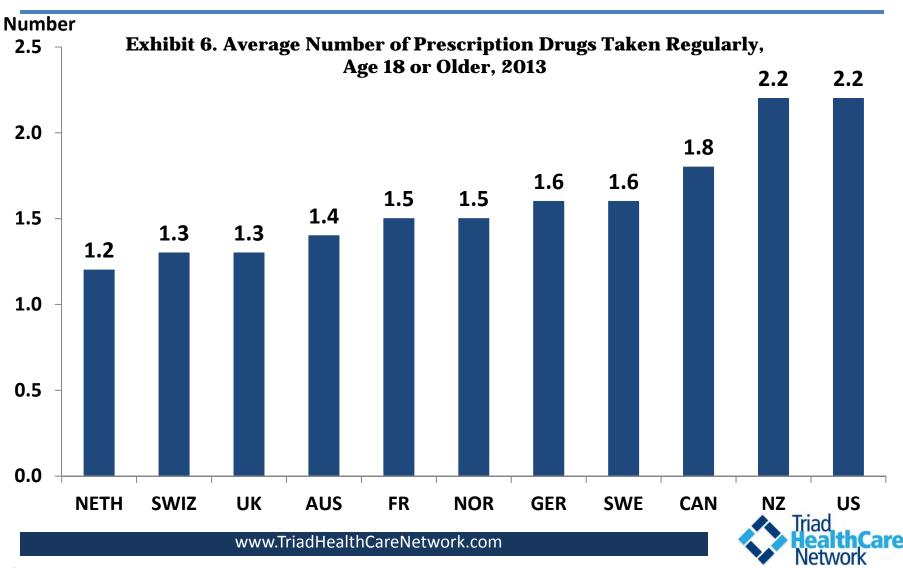
Dartmouth Medical School

"If we keep doing what we have been doing, we'll keep getting what we've always gotten"—an expensive, high-tech, inefficient health-care system. "The health-care system needs to be redesigned."

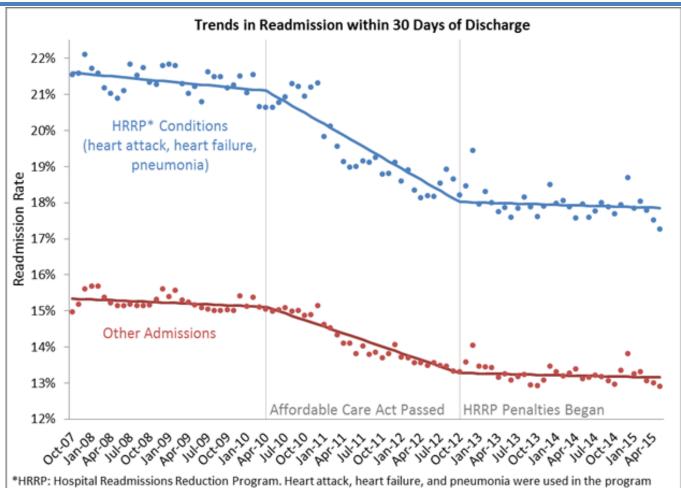
Dartmouth Medicine, Spring 2006



Triad HealthCare Network Understanding the Impact of System Design



Triad HealthCare Network Understanding the Impact of System Design



*HRRP: Hospital Readmissions Reduction Program. Heart attack, heart failure, and pneumonia were used in the program beginning in October 2013. Chronic obstructive pulmonary disease and hip and knee replacement were added in October 2015 and are not included in this graph.

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Triad HealthCare Network Two Roads....





Triad HealthCare Network Founding principles

- Empower physicians to lead and drive healthcare transformation
- Engage physicians to develop new, value-based models of care
- Provide resources to physicians to meet the growing demands of accountability and transparency
- Create greater collaboration and trust among physicians, hospitals, patients and payers
- Establish our brand as a clinically integrated system of care delivering superior value measured by high quality outcomes, affordability, and exceptional customer experience





Mission Statement:

We empower healthcare professionals to manage time, change, and complexity to deliver exceptional care.

What We Do: We provide tools, resources, and expertise to manage new reporting requirements and payment methods while improving quality and controlling costs of patient care.



Commander's Intent:

THN exists to lower the cost of care and improve the quality/outcomes of the populations we manage

Triad HealthCare Network Structure and Membership (as of January 2018)

- 1,200+ Affiliated physicians representing 100+ entities across four counties
 - 500 employed by Cone/ARMC
 - 60% independent community physicians
 - 30+ EHR platforms
- 400+ Primary Care Physicians (Adult and Peds)
- Cone Facilities
 - 6 Hospitals 1,342 Acute Care Beds
 - 2 Ambulatory Surgery Centers
 - 1 Nursing Home 92 Beds
 - 2 Freestanding Ambulatory Care Campuses, Inc a Freestanding ED



Triad HealthCare Network Current Contracts

		96,500 Members
•	Cigna Commercial ACO ⁶	9,500
•	HealthTeam Advantage PPO MA ⁵	14,000
•	Humana Medicare Advantage ⁴	12,000
•	United Medicare Advantage ³	11,000
•	Cone Health employees/dependents ²	18,000
•	Next Generation ACO ¹	32,000

¹ One of 58 Next Gen ACOs in the country selected by CMS in 2018; Take 100% risk

HealthCare Network

² Provide case management, disease management, wellness services

³ Converted to full risk 1/1/17

⁴ Take full global capitated risk on 10,000 Humana HMO Gold members; Shared savings agreement on 2,000 Humana Medicare Advantage PPO

⁵ Take capitated professional risk; Cone-based MA plan launched 1/1/16

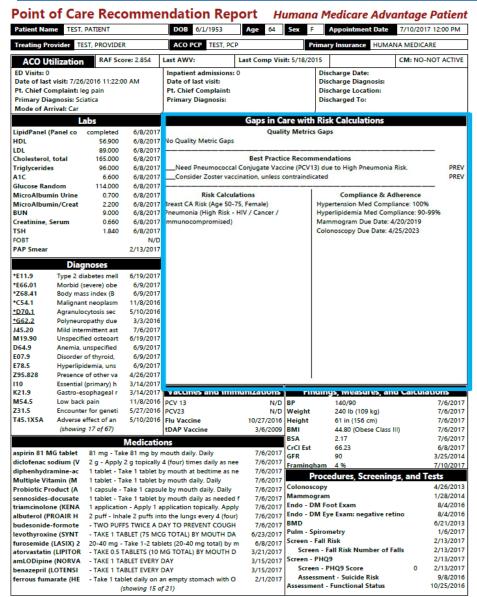
⁶ Effective 10/1/17; Upside savings only; No risk

Triad HealthCare Network Initial Steps Towards Population Health

- Deployment of advanced IT resources to support population management
 - Patient stratification
 - Quality Reporting
- Care Management team to support practices
- Assistance to achieve Patient-Centered Medical Home recognition and practice transformation
- Began to facilitate care process redesign through Quality
 Committee and physician specialty divisions
 - Care transitions, readmissions, chronic disease management



Triad HealthCare Network

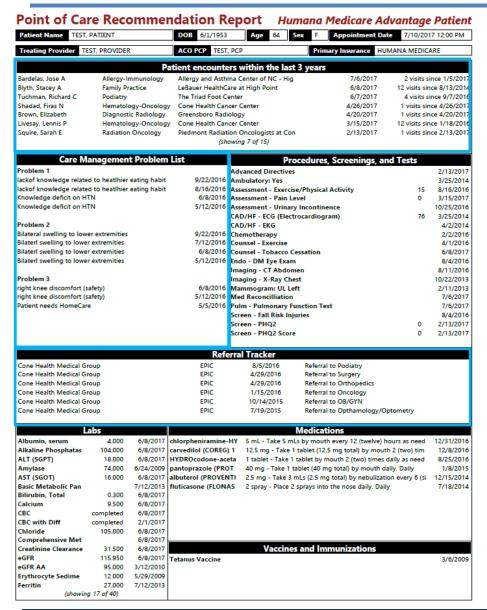


Gaps in Care

- Quality Metric Gaps
 - Displays gaps open based on the payer's quality metric guidelines (specific for each patient's insurance type).
- Best Practice Recommendations
 - Aggregated from multiple association sources, only suggestions to the provider.
- Risk Calculations
 - Calculated based upon patient's age, diagnoses, etc.
- Compliance & Adherence
 - Patient med adherence and compliance will display here for MA plans
 - Patient due dates for quality metric procedures (i.e. Mammogram, Colonoscopy etc.) will be displayed.



Triad HealthCare Network



Patient Encounters

 Displays patient's encounters within the last 3 years. Shows date, along with treating provider and practice name.

THN Care Management Problem List

Displays problem list populated by THN
 Care Management team, along with the
 date when problem was accessed.

Referral Tracker

Displays Patient's Referrals along with dates.



Triad HealthCare Network 2016 Projects to Manage Cost/Quality

- Congestive Heart Failure (CHF) patients
- COPD patients
- Sepsis (diagnosis, treatment, prevention)
- Transitions of Care (Inpatient to Outpatient)
- End of Life Planning
- Quality Metrics (HEDIS and Stars)
- Out of Network Utilization
- Skilled Nursing Facility Utilization
- Appropriate Coding (management of Risk Adjustment Factor ("RAF"))

Triad HealthCare Network 2016 Next Generation ACO Results

ACO Name	Total Aligned Beneficiaries ¹	Total Benchmark Expenditures ^{2, 3}	Total Actual Expenditures for Aligned Beneficiaries	Total Benchmark Expenditures Minus Total Aligned Beneficiary Expenditures ⁴	Total Benchmark Minus Aligned Beneficiary Expenditures as % of Total Benchmark ⁵	Earned Shared Savings Payments/Owe Losses ⁶
Baroma	26,839	\$409,714,191	\$394,083,864	\$15,630,327	3.8%	\$12,254,177
THN	27,780	\$265,825,827	\$254,870,817	\$10,955,011	4.1%	\$10,735,910
Iowa Health	67,919	\$615,801,716	\$602,373,441	\$13,428,275	2.2%	\$10,527,767
Trinity Health	52,104	\$561,821,289	\$553,493,134	\$8,328,156	1.5%	\$6,529,274
Deaconess	30,189	\$320,393,172	\$313,097,853	\$7,295,319	2.3%	\$5,719,530

- Triad Healthcare Network (THN) Was Number Two (2) Of All NGACOS For Total Shared Savings With A Savings Of \$10.7 Million.
 - (However, it is important to note that the #1 NGACO had a benchmark of over \$15,000 as compared to ours, which was about \$9,500.)
- THN was number (1) in the country for Total Savings Percentage with a savings rate of 4.1%



Triad HealthCare Network Learnings – Are we defining healthcare too narrowly?

Common Issues with High Utilizers – are these issues "healthcare"?

- Lack of social support
- Unsafe to remain at home
- Lack of transportation
- Financially challenged
- Health literacy and/or problem solving skills
- Family health education needs
- Chronic health condition with daily management challenges*
- Poly-pharmacy/ medication barrier issues*
- Patient linkage needed to community resources
- Lack of patient follow-up with a primary provider*

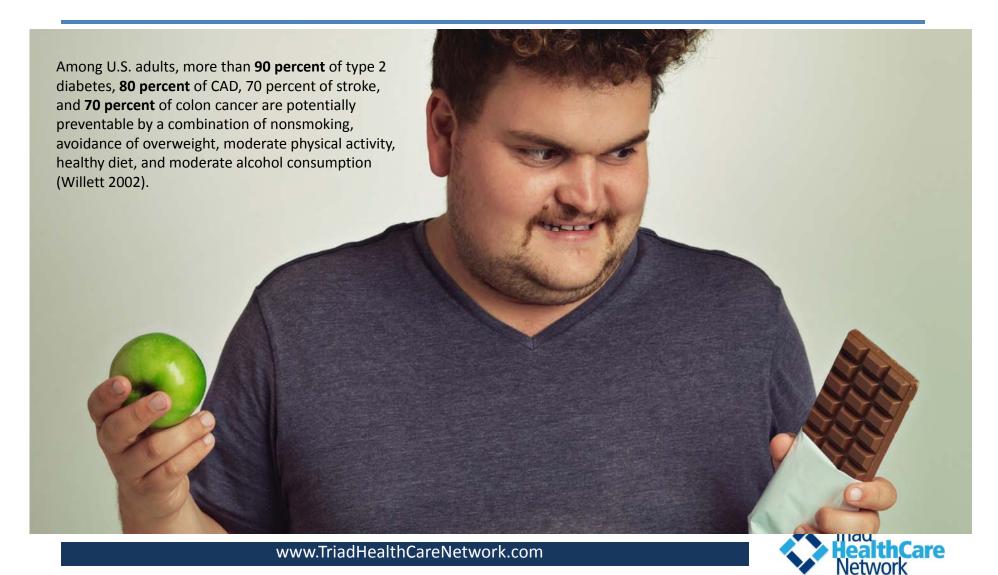


Triad HealthCare Network What is Driving Healthcare Costs?





Triad HealthCare Network What is Driving Healthcare Costs?



Triad HealthCare Network What is Driving Healthcare Costs?

What determines health?



How does the US view Social Services?

- Employment programs,
- Supportive housing and rent subsidies,
- Nutritional support and family assistance, and
- Other social services that exclude health benefits.





Triad HealthCare Network Healthcare versus Social Services

US History

Health care and social service sectors grew up fairly independent from one another

Health care grew professionalized and fit into a marketable, valued commodity for purchase





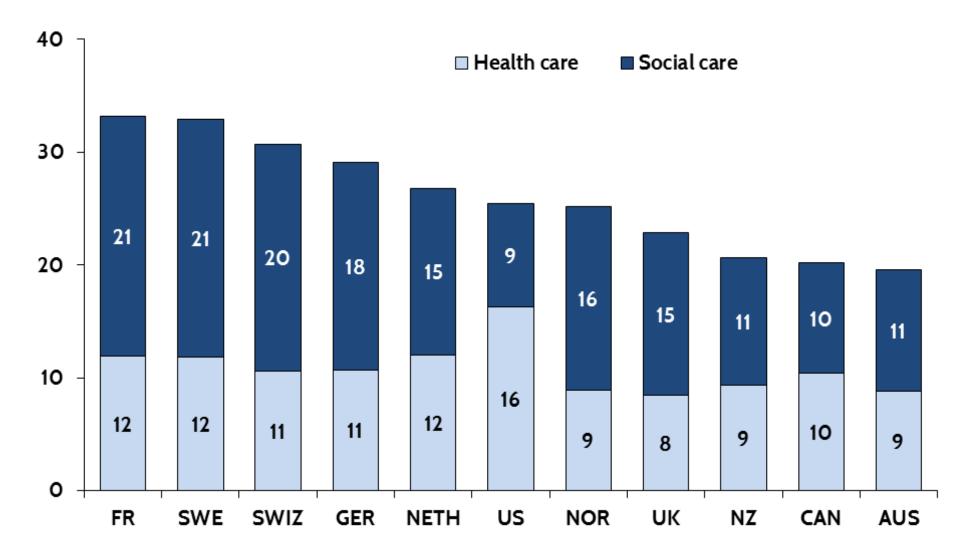
Social services were conceived of as being for "the poor" and an act of charity or government duty

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Exhibit 8. Health and Social Care Spending as a Percentage of GDP

Percent



Notes: GDP refers to gross domestic product.

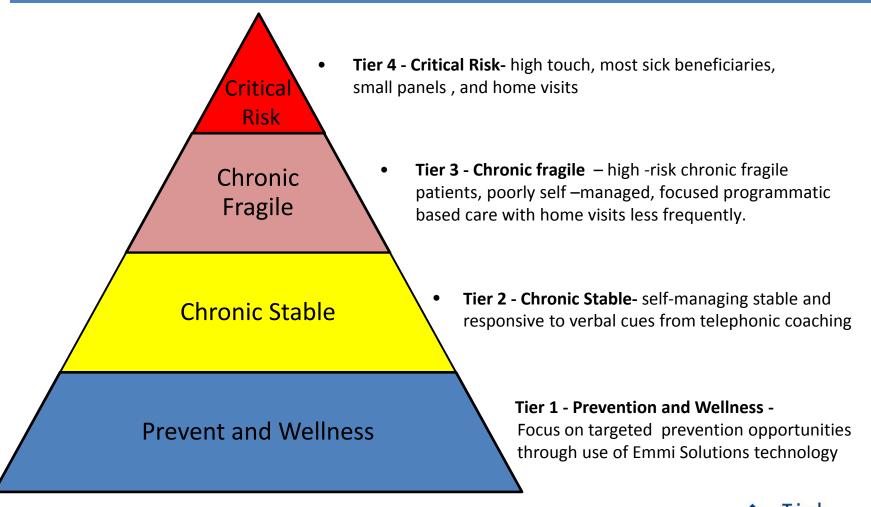
Source: E. H. Bradley and L. A. Taylor, *The American Health Care Paradox: Why Spending More Is Getting Us Less*, Public Affairs, 2013.

Triad HealthCare Network 2016/2017 NextGen Learnings

- If you want to lower costs, keep people out of the hospital
 - Admitted patients account for 17% of the population (5k), but 62% of costs
- CHF/COPD patients account for almost 40% of costs
- The Myth of the 5%
- Traditional Care Management has not been very effective for highest risk as deployed
- CARE COORDINATION IS KEY
- Must monitor patient engagement/ readiness to change

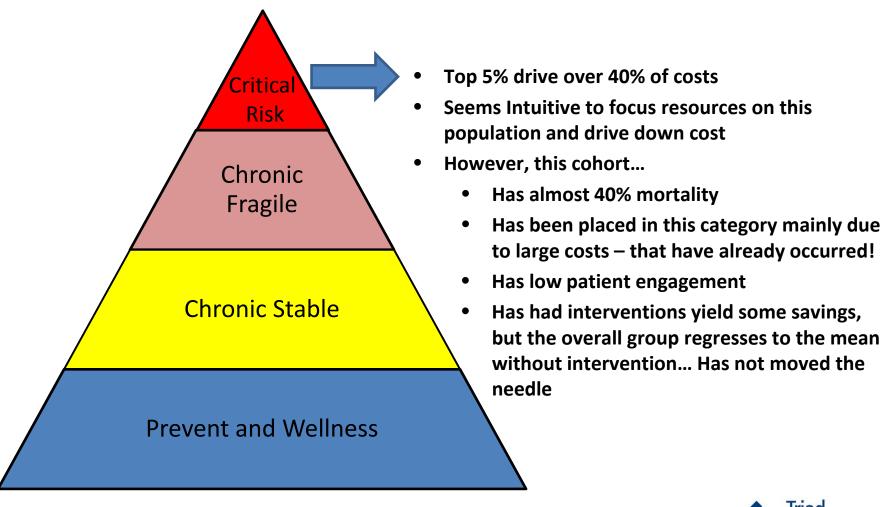


Triad HealthCare Network Patient Stratification Model



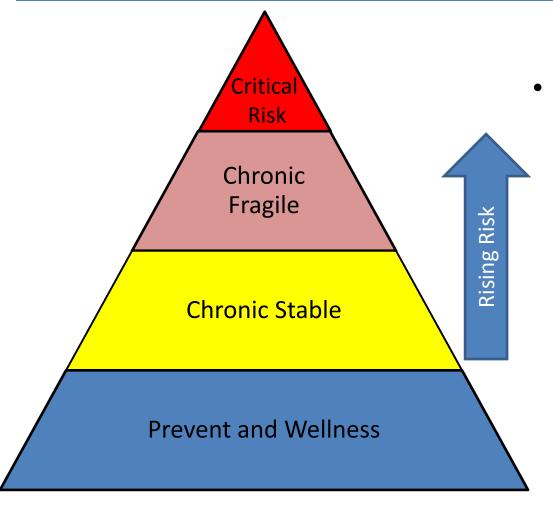


Triad HealthCare Network The Myth of the 5%





Triad HealthCare Network Focusing on the Rising Risk



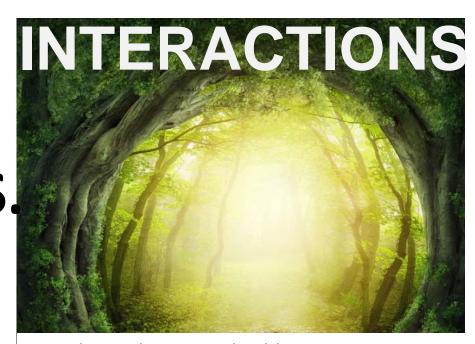
- Shifting efforts to address rising risk
 - Less high touch
 - More scalable
 - Use of technology
 - Proactive
 - Interactive
 - Greater focus on social economic, behavioral, and environmental impacts



Triad HealthCare Network Reimagining 'Care'?



- --Physician offices and clinics
- --Hospitals and EDs
- --Retail clinics & spaces
- --Pharmacies



- --On-demand access to health care
- --Meeting people where they are
- --Connecting to "people like me"
- -- Understanding and removing barriers

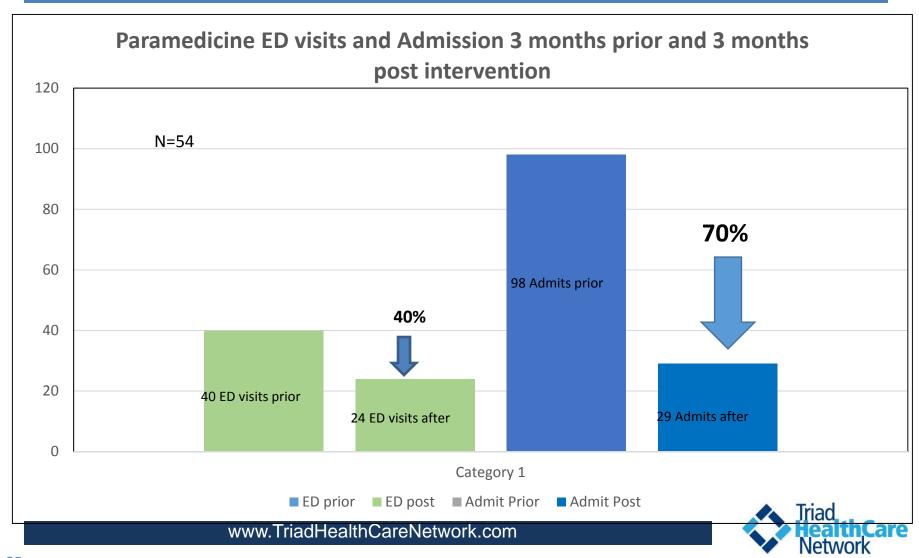


Triad HealthCare Network 2017 Pilot Projects

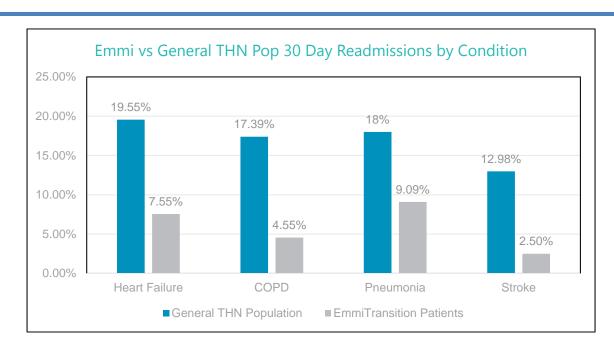
- Paramedicine EMS home visits for high complex
- Palliative Care Home Visits
- Telehealth Video Visits
- Behavioral Health Integration/Expansion
- EMMI/Transition of Care Outreach
- Automated Rx dispensing/reminders
- Medical Therapy Management Improve Compliance
- Post Acute Care Incentive Program
 - Population Based Payments
- Variation Reporting



Triad HealthCare Network Paramedicine Pilot



Triad HealthCare Network EMMI/TOC Outreach



Flu Vaccine Outcomes (6,743 patients in January 2017)

16%

Patients not reached by Emmi Call, and

Have documented flu vaccine 120 day post Emmi

30%

Patients who interacted with Emmi Call, and Have documented flu vaccine 120 day post Emmi Call

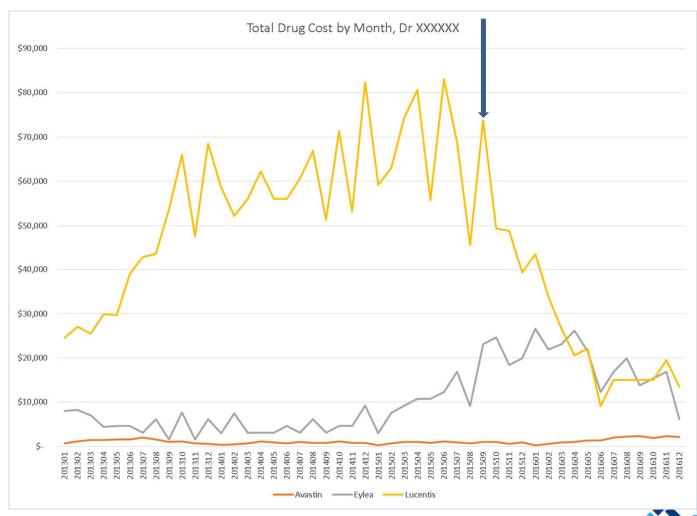


Triad HealthCare Network Medication Adherence

hello i'm spencer



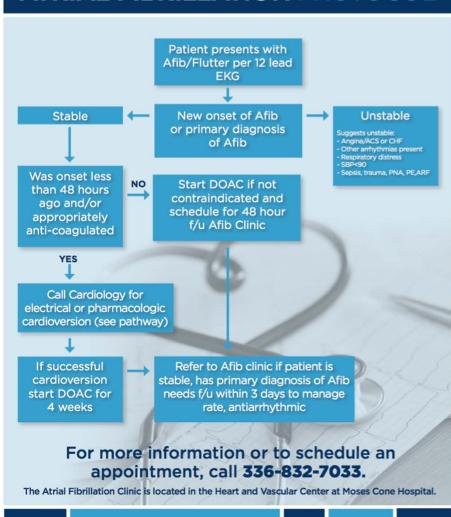
Triad HealthCare Network Variation Reporting

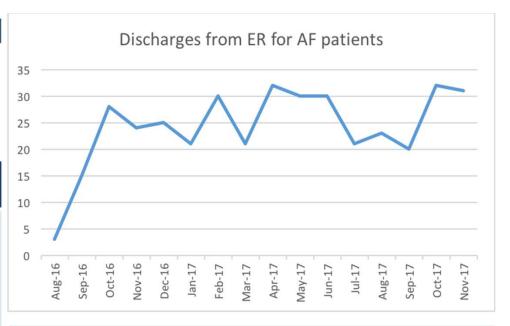






ATRIAL FIBRILLATION PROTOCOL





273 patients evaluated from 1/1/17 – 11/30/17

DCCV in ER	26%
Discharged on OAC	91%
Sinus rhythm at Discharge	96%
Follow up within 30 days	89.6%
30 day complications	none

ork.com



Triad HealthCare Network Vision for the Future

- Align provider behavior to improve quality, cost, and access
 - Develop and monitor outcomes that matter
 - Collaborate with physicians to improve efficiency across the continuum
 - Use incentives and capitation to promote innovation in care delivery
- Develop a high performing integrated network of preferred providers and community partners
- We believe that the highest quality and the most integrated care is, in fact, Exceptional Care!



Questions?

For further information, please visit www.TriadHealthCareNetwork.com

