

# The State of Delaware

## State Employee Benefits Committee (SEBC) Strategic Framework – Final Approved

### GHIP mission statement

Approved by SEBC

**Offer State of Delaware employees, retirees and their dependents adequate access to high quality healthcare that produces good outcomes at an affordable cost, promotes healthy lifestyles, and helps them be engaged consumers.**

### GHIP goals – approved by SEBC

Tied to the GHIP mission statement

#### Mission Statement:

Offer State of Delaware employees, retirees and their dependents **adequate access to high quality healthcare that produces good outcomes...**

**at an affordable cost...**

promotes **healthy lifestyles**, and helps them be **engaged consumers**.

#### Goals:

- Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018
- Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020<sup>1</sup>
- GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020<sup>2</sup>

<sup>1</sup> Gross trend is inclusive of total increase to GHIP medical plan costs (both "employer" and "employee") and will be measured from a baseline average trend of 6% (based on a blend of the State's actual experience and Willis Towers Watson market data).  
<sup>2</sup> Note: To drive enrollment at this level, the State will need to make plan design and employee contribution changes that may require changes to the Delaware Code.

Legend:  
 ■ Addition of at least net 1 VBCD model by end of FY2018  
 ○ Reduction of gross GHIP medical by 2% by end of FY2020  
 ▲ Enrollment in a consumer-driven or value-based plan >25% by end of FY2020

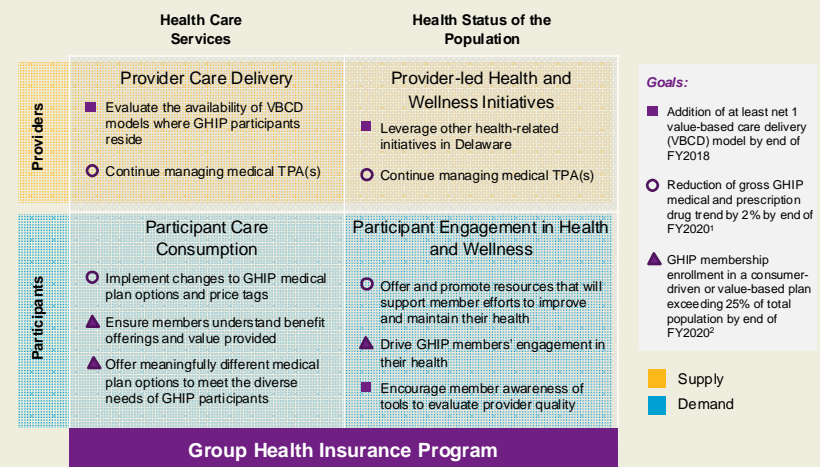
### Calendar of GHIP tactics – CY2017

| Tactics to support GHIP strategic framework  | GHIP Goals | Fiscal Year 2017   |     |     |     |     |     |     |     |     |     |     |     | Fiscal Year 2018   |     |     |     |     |     |     |     |     |     |     |     |
|--|------------|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  |            | Calendar Year 2017 |     |     |     |     |     |     |     |     |     |     |     | Calendar Year 2018 |     |     |     |     |     |     |     |     |     |     |     |
|  |            | Jan                | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan                | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| <b>FY2018 Program Changes</b>  |            |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate changes to steer members toward VBCD models*  | ■ ○ ▲      |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate clinical data to support plan design changes and value-based chronic disease programs   | ■          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate feasibility of reducing plan options and/or replacing copays with coinsurance   | ○          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate incentive opportunities   | ○          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Change certain plan inequities (double state share, Medicaid subsidy)  | ○          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| State-sponsored Health Clinic RFI  | ■          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| <b>FY2019 Program Changes</b>  |            |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Continue to evaluate opportunities with the DCHI and DHIN to partner on promotion of value-based networks (including APCD initiative)                | ■          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Continue to evaluate opportunities to partner and encourage participation in VBCD models using outside vendors (including Truven), TPAs and DelaWELL | ■          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Explore avenues for building "culture of health" statewide   | ○          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate and implement medical TPA programs to manage utilization and cost, where necessary (i.e., tiered lab pricing)                               | ○          |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |
| Evaluate additional plan changes to steer members toward VBCD models   | ■ ○ ▲      |                    |     |     |     |     |     |     |     |     |     |     |     |                    |     |     |     |     |     |     |     |     |     |     |     |

■ Activity period    ■ Activity if opportunities are identified or if time/bandwidth permits  
 \* This category encompasses many activities driven by medical TPA RFP (as noted by star icons on previous page)

### Framework for the health care marketplace

GHIP strategies – *Linked to GHIP goals*



### Multi-year framework

| Goal   | To prepare for 2018 and beyond (7/1/16 – 6/30/2017)   | To prepare for 2019 and beyond (7/1/17 – 6/30/2018)   | To prepare for 2020 and beyond (7/1/18 – 6/30/2019)   |
|--|---|---|---|
| Addition of at least 1 value-based care delivery (VBCD) model by end of FY2018   | <ul style="list-style-type: none"> <li>★ Evaluate local provider capabilities to deliver VBCD models via medical third party administrator (TPA) RFP</li> <li>★ State-sponsored Health Clinic Request for Information (RFI)</li> <li>★ Implementation of VBCD models from RFP (including COEs)</li> <li>★ Evaluation of clinical data to implement more value-based chronic disease programs</li> <li>★ Promote medical plan TPAs' provider cost/quality transparency tools</li> </ul>  | <ul style="list-style-type: none"> <li>★ Implementation of VBCD models from RFP (including COEs)</li> <li>★ Look for leveraging opportunities with the DCHI and DHIN to partner on promotion of value based networks (including APCD initiative)</li> <li>★ Identify opportunities to partner and encourage participation in VBCD models using outside vendors, TPAs and DelaWELL</li> <li>★ Educate GHIP population on other provider quality tools from CMS, Health Grades, Leapfrog, etc.</li> </ul>   | <ul style="list-style-type: none"> <li>★ Continue to monitor and evaluate VBCD opportunities</li> </ul>   |
| Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020                                     | <ul style="list-style-type: none"> <li>★ Negotiate strong financial performance guarantees</li> <li>★ Select vendor(s) with most favorable provider contracting arrangements</li> <li>★ Select vendor(s) that can best manage utilization and population health</li> <li>★ Evaluate bidder capabilities surrounding Centers of Excellence via medical TPA RFP</li> <li>★ Educate GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network)</li> <li>★ Evaluate vendor capabilities surrounding UM/DM/CM* via medical TPA RFP</li> <li>★ Evaluate feasibility of reducing plan options and/or replacing copays with coinsurance*</li> <li>★ Educate GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., telemedicine, urgent care centers, retail clinics)</li> <li>★ Evaluate incentive opportunities through incentive-based activities and/or challenges</li> <li>★ Change certain plan inequities, e.g., double state share and Medicaid subsidy*</li> </ul> | <ul style="list-style-type: none"> <li>★ Explore and implement medical TPA programs, such as tiered pricing for lab services, high cost radiology UM* and other medical and Rx UM programs, where necessary</li> <li>★ Explore avenues for building "culture of health" statewide</li> <li>★ Continuation of education of GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network)</li> <li>★ Continuation of education of GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., telemedicine, urgent care centers, retail clinics)</li> <li>★ Continuation of the evaluation of feasibility of reducing plan options and/or replacing copays with coinsurance—based on emerging market and value-based design*</li> </ul> | <ul style="list-style-type: none"> <li>★ Explore and implement medical TPA programs, such as tiered pricing for lab services, high cost radiology UM* and other medical and Rx UM programs, where necessary</li> <li>★ Continuation of education of GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network)</li> <li>★ Continuation of education of GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., telemedicine, urgent care centers, retail clinics)</li> <li>★ Continuation of the evaluation of feasibility of reducing plan options and/or replacing copays with coinsurance—based on emerging market and value-based design*</li> </ul> |
| GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020 | <ul style="list-style-type: none"> <li>★ Launch healthcare consumerism website</li> <li>★ Roll out and promote SBO consumerism class to GHIP participants</li> <li>★ Evaluate recommendations for creative ways to drive engagement and participation in consumer driven health plans via medical TPA RFP through leveraging vendor tools and technologies</li> </ul>   | <ul style="list-style-type: none"> <li>★ Offer a medical plan selection decision support tool (e.g., Truven's "My Benefits Mentor" tool)</li> <li>★ Promote cost transparency tools available through medical TPAs(s)</li> <li>★ Evaluate feasibility of offering incentives for engaging in wellness activities</li> </ul>   | <ul style="list-style-type: none"> <li>★ Change medical plan designs and employee/retiree contributions to further differentiate plan options*</li> <li>★ Change the number of medical plans offered*</li> </ul>  |

\* May require changes to the Delaware Code    ★ Denotes activity through TPA RFP process