The State of Delaware

State Employee Benefits Committee (SEBC)
Strategic Framework

December 16, 2016

Willis Towers Watson

Today's discussion

- GHIP strategic position
- Strategic framework
  - Mission statement
  - Multi-year framework

GHIP Strategic Position

2015 Best Practices in Health Care survey results

Participation / Subsidization	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Offer a low-value plan option		24%	22%	30%
Use clinical-level data to inform program changes	✓	36%	55%	71%
Use spousal surcharges		13%	27%	32%
Structure employee contributions based on employees taking specific steps		17%	39%	53%
Use value-based benefit designs in our medical plan[2]		21%	11%	17%

Workforce Health	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Use fitness challenges or competitions between business locations or employee groups	✓	60%	64%	78%
Offer nutrition education or seminars		64%	57%	66%
Sponsor worksite well-being campaigns	✓	24%	30%	36%
Offer web-based/mobile lifestyle behavior coaching programs	✓	36%	58%	69%
Onsite or near-site health clinic		28%	32%	29%
Have an articulated measurement strategy that supports multiyear evaluation[3]		32%	39%	44%
Offer chronic condition (disease) management programs	✓	80%	86%	95%

✓ Your organization's recent focus

Potential initiative for GHIP

Comments

- Employers across the U.S. and the best performers group structure employee contributions based on employee participation in certain well-being activities, which will be evaluated as an incentive opportunity for GHIP participants
- While it remains to be seen whether spousal surcharges will be a near-term consideration for the GHIP, the State will evaluate opportunities to change certain plan inequities such as double state share
- The State will continue to evaluate the actuarial plan values.
- The feasibility of implementing value-based benefit designs by the GHIP is currently under evaluation
- The State is evaluating potential vendors' ability to offer educational programming on nutrition responses as part of the medical TPA RFP process
- The State will evaluate the feasibility of offering an onsite or near-site health clinic through a Request for Information this fall
- The goals outlined for the GHIP have incorporated SMART criteria that establishes how each goal will be measured across subsequent plan years

1. Best performing employers are 43 employers who saved on average $2,000 per employee per year and kept cost trends below benchmark
2. While centers of excellence (COEs) may be considered value-based benefit designs, this best practice area is focused on high performing and narrow networks (such as ACOs and PCMHs)
3. SEBC and SBO in process of developing overall strategic framework, of which, measuring the results of the goals will be articulated.

2015 Best Practices in Health Care survey results

Specific evidence of GHIP initiatives consistent with best practices

Participation and Subsidization			Data/Outcomes
■ Use clinical-level data to inform program changes	✓	▪ FY2015: The State moved Wellness and Disease Management Programs from Alere to Highmark and Aetna ▪ FY2017: High tech radiology copayment changed based on where care received (i.e., free-standing radiology center vs. outpatient hospital), as a result of clinical quality data — Quality not affected by moving procedure from hospital to an independent provider — Independent provider yielded more favorable financial results ▪ FY2017: Copayment changes based on emergency room and urgent care utilization data	Utilization shifts at freestanding and ER/Urgent Care available early CY2017 (for 1Q FY2017)
Workforce Health			**Data/Outcomes**
■ Use fitness challenges or competitions between business locations or employee groups	✓	Through the DelaWELL Health Management Program, SBO introduced the following initiatives: *Offered through SBO:* ▪ Governor' Cup 5K Run/Walk (administered through SBO) *Offered through Alere:* ▪ Wellness challenges (for example: weight loss programs)	Alere program participation low (in the hundreds)
■ Sponsor worksite well-being campaigns	✓	In partnership with other State organizations, SBO promoted the following initiatives through the DelaWELL Health Management Program by placing information on their website: ▪ Motivate The First State: Online activity tracker with point accumulation or "kudos" that turn into cash donations for charity ▪ Get Up and Do Something: Motivational and educational website	DelaWELL Health Management Program yielded incentive participation rates between 3% - 6% (wellness assessments, onsite screenings, etc.)
■ Offer web-based/mobile lifestyle behavior coaching programs	✓	Highmark provides State employees with access to: ▪ Health trackers: Tracks progress based on biometric data ▪ Health information: Health articles, e-newsletters, etc. ▪ Symptom checker: Symptom research and guidance to determine need for medical attention ▪ Get Up and Do Something: Motivational and educational site with Facebook page Aetna provides State employees with access to: ▪ Aetna secure member site (web and mobile app resources) ▪ Phone coaching sessions and support: Informed health line with 24/7 access to registered nurses ▪ Group coaching	Health Coaching reached 11.4% (6,366) and engaged 6.8% (3,820) of the adult population; 77% of engaged members successfully completed a goal. Estimated savings: $4.7m
■ Offer chronic condition (disease) management programs	✓	Highmark provides State employees with access to: ▪ Blues On Call Health Coaches (available 24/7) to assist with weight-loss, tobacco cessation and stress management, diabetes, heart disease and other disease management and information and support at no cost ▪ Baby Blue Prints Program: For expecting mothers and women planning to become pregnant Aetna provides State employees with access to: ▪ Healthy Lifestyle Coaching assigns a coach upon enrollment for more than 35 diseases and allows enrollee to set their own goals ▪ Aetna's Beginning Right maternity program for expecting mothers and women planning to become pregnant	

*Data/Outcomes shown for Highmark population only

Evidence of GHIP initiatives may not be exhaustive. Details added as examples of how GHIP aligns with best practices within each category.

2015 Best Practices in Health Care survey results

Vendor Partner Strategy	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Select health plan vendor based on availability ACO/PCMH		67%	36%	44%
Select health plan vendor based on willingness to partner with third parties	✓	67%	70%	83%
Formally monitor vendor performance through performance guarantees	✓	65%	74%	88%
Select health plan vendor based on availability of expanded centers of excellence (COEs)		75%	61%	71%
Involve all vendors in strategic planning[2]		30%	47%	54%

Engagement and Consumerism	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Use penalties for individuals who don't participate in well-being activities		4%	19%	29%
Financial incentive for the use of web-based/mobile lifestyle behavior coaching programs		0%	17%	33%
Financial incentive for the use of worksite biometric screening		13%	47%	54%
Focus on strategies to build a healthy workplace and culture to encourage healthy behaviors	✓	35%	34%	39%
Offer price/quality transparency tools	✓	46%	59%	68%
Have year-round communication strategy for High Deductible/Account Based Health Plans (ABHPs)		8%	30%	40%

✓ Your organization's recent focus

Potential initiative for GHIP

Comments

- The State is evaluating medical vendor capabilities to provide value-based care delivery models such as ACOs, PCMH and COEs through the medical TPA RFP
- Use of penalties and incentives are part of a broader evaluation of incentive opportunities, which is included as a recommended tactic within the GHIP strategic framework
- Providing ongoing education for GHIP participants on healthcare consumerism and the State's preventive care benefits, two tactics within the proposed GHIP strategic framework, are aligned with the development of a year-round communication strategy for ABHPs

1. Best performing employers are 43 employers who saved on average $2,000 per employee per year and kept cost trends below benchmark
2. Some vendors are involved in helping the SBO with strategic planning, not all

2015 Best Practices in Health Care survey results

Specific evidence of GHIP initiatives consistent with best practices

Vendor Partner Strategy			Data/Outcomes
■ Select health plan vendor based on willingness to partner with third parties	✓	The State contracts with Highmark, Aetna, Truven and ESI, all of which work with the Delaware Health Information Network (DHIN). Highmark, Aetna and Truven also engage with DCHI in various aspects.	No applicable outcome
■ Formally monitor vendor performance through performance guarantees	✓	The State requires medical vendors to put fees at risk for performance guarantees targeting the following areas: ▪ Claim Administration and Customer Service ▪ Account Management ▪ Network Management and Development ▪ Financial Guarantees For the Disease Management program, the State requires a guaranteed return on investment for proposed disease management programs based on a percent of the disease management administration fees, rather than the overall administration fee. Additionally, vendors must provide Operational Performance Measures that include activities related to member outreach and active engagement.	Performance guarantees monitored regularly
Engagement and Consumerism			**Data/Outcomes**
■ Focus on strategies to build a healthy workplace and culture to encourage healthy behaviors	✓	Through the DelaWELL Health Management Program, SBO has introduced initiatives and health resources such as: *Through SBO:* ▪ Governor's Cup 5K Run/Walk ▪ Gym discounts *Through Highmark and Aetna*: ▪ Wellness discounts (Highmark Blue 365 discount program, Aetna gym discounts, etc.) *In Partnership with other State organizations:* ▪ 5-2-1 Almost None ▪ Choose Health Delaware ▪ Get Up And Do Something ▪ Million Hearts Delaware (health coaching) ▪ Motivate The First State (health coaching) ▪ Safety Information	See page 4 for data/outcomes of wellness and health management programs
■ Offer price/quality transparency tools	✓	Provided through the State's medical vendors	Program offered

Evidence of GHIP initiatives may not be exhaustive. Details added as examples of how GHIP aligns with best practices within each category.

2015 Best Practices in Health Care survey results

Health Care Delivery	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Offer telemedicine for professional consultations	✓	25%	46%	50%
Provide lower copayment or charges for telemedicine consultations		13%	31%	38%
Offer medical tourism[2] services and cover employee expenses		17%	11%	17%
Differentiate cost sharing for use of high-performance networks		9%	12%	17%
Contract directly with provider(s) for services of ACOs		4%	7%	12%
Implement high-performance/narrow networks[3]		31%	20%	22%

Pharmacy	GHIP	Public Sector and Education	National Norm	Best Performers[1]
Adopt a high-performance formulary with very limited brand coverage across the therapy classes	✓	4%	14%	24%
Conduct an audit of your pharmacy benefit manager	✓	29%	30%	38%
Evaluate and address specialty drug costs and utilization performance through the medical benefit	✓	21%	26%	34%
Exclude compound drugs	✓	42%	39%	57%
Evaluate your pharmacy benefits contract terms	✓	50%	60%	79%

✓ Your organization's recent focus

Potential initiative for GHIP

Comments

- The State is currently evaluating various alternatives for supporting emerging health care delivery models
  - Includes plan design decisions such as aligning member cost sharing (i.e., copayments, coinsurance) with use of emerging or value-based care delivery models (e.g., telemedicine, high performance networks)
  - Includes vendor-delivered solutions such as ACOs and high performance / narrow networks

1. Best performing employers are 43 employers who saved on average $2,000 per employee per year and kept cost trends below benchmark
2. Medical tourism offers members a travel benefit to seek care outside of their region. This is generally to steer members to high quality, lower cost facilities. Members are often reimbursed for travel expenses.
3. Source: 2016 Willis Towers Watson Best Practices in Health Care Employer Survey. Implementation of high-performance/narrow networks category based on 2016 Best Practices in Health Care Survey Results

2015 Best Practices in Health Care survey results

Specific evidence of GHIP initiatives consistent with best practices

Health Care Delivery			Data/Outcomes
■ Offer telemedicine for professional consultations	✓	Telemedicine has been available for the State of Delaware's non-Medicare Health Plans, through Highmark Delaware as well as Aetna since 1/1/2016.	Number of utilizers since 1/1/2016: Highmark: 17 Aetna: 18
Pharmacy			**Data/Outcomes**
■ Adopt a high-performance formulary with very limited brand coverage across the therapy classes	✓	The State, in collaboration with Express Scripts (ESI), manages the pharmacy benefit through formulary changes to ensure appropriate and cost efficient member access to prescription drugs. For FY2016, the National Preferred Formulary (NPF) was adopted and a total of 85 drugs[1] were excluded in the 2017 formulary update (not all compounds).	Formulary savings since inception of NPF: - $5.3M (FY15) - $6.3M (FY16)
■ Conduct an audit of your pharmacy benefit manager	✓	Pharmacy benefit manager audit for FY14 and FY15 currently in progress. Previously, an implementation audit was completed in FY12.	Audit in progress
■ Evaluate and address specialty drug costs and utilization performance through the medical benefit	✓	The State continues to work with ESI to find financially sound ways to manage specialty drugs through prior authorization, step therapy, etc.	Evaluation of specialty drug programs done on an ongoing basis with ESI

■ Exclude compound drugs	✓	Compound drug management solution effective 9/15/2015 for the commercial population and 4/1/2015 for the EGWP population.
		The top 25 ingredients included in the ESI Compound Management exclusion list represent almost 80% of current compound spend across ESI's book of business and nearly 85% are utilized for a topical pain or a base (e.g., cream) for medication delivery
		- Plan does not cover compound prescription ingredients that:
		  - Are not approved by the FDA for use in compounds
		  - Have experienced significant unjustified cost increases, based on an evaluation conducted by ESI
			For the 12 month period immediately preceding implementation versus after the compound drug solution was put into place:
			
			Commercial: $4.4m reduced to $172k **($4m reduction)**
			EGWP: $693k reduced to $98k **($595k reduction)**

■ Evaluate your pharmacy benefits contract terms	✓	FY2015: The State released a Pharmacy Benefit Manager (PBM) request for proposal (RFP), and subsequently renegotiated its pharmacy agreement with ESI effective 7/1/2016.	Contract terms evaluated prior to 7/1/2016. Will be reevaluated at the end of the contract period.

Evidence of GHIP initiatives may not be exhaustive. Details added as examples of how GHIP aligns with best practices within each category.

1. Express Scripts: *"2017 National Preferred Formulary Update"*

Strategic Framework

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 mission statement

Approved by SEBC – *Core concepts defined*

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.

Core Concept	Definition	Benchmarking Metric	Benchmarking Example
Adequate access	Access to various types of healthcare providers that meets generally accepted industry standards (e.g., *x* number of *y* PCPs, specialists, hospitals within *z* miles of GHIP participant's home zip code).	Vendor-provided GeoAccess reporting indicating average distance to provider based on industry-standard access parameters	Vendor XYZ's network yields 99.8% access to in-network primary care providers.
High quality healthcare that produces good outcomes	Healthcare that meets nationally recognized standards of care established by various governmental and non-governmental health care organizations (e.g., AHRQ, NCQA, The Leapfrog Group).[1]	Metrics as provided by GHIP's TPAs which measure the effectiveness and quality of providers and care delivery within their given networks	Vendor XYZ's chronic disease management program is NCQA certified.
Affordable cost	Annual health care cost trend that is lower than national average for both GHIP participants and the State. For GHIP participants, at minimum, medical plans meet the minimum value and affordability requirements under PPACA; cost reflects both out-of-pocket cost sharing via plan features and employee payroll contributions. For the State, program costs are monitored and budgeted to promote greater fiscal certainty.	Participants: Plan actuarial value (AV) and affordability requirements under ACA State: Annual trend rate for GHIP program	All of the GHIP's plans meet the 60% AV and 9.5% affordability metrics set forth under the ACA. The GHIP's medical plan will achieve annual trend rate that is 2% less than the national average trend rate after plan design changes.
Healthy lifestyles	Combination of behaviors that reduce health risk factors, including regular exercise, proper nutrition, avoidance of tobacco, moderation of alcohol use, preventive care, and active management of chronic conditions.	Vendor-provided risk score, which measures the relative health status of the GHIP. A higher score indicates a sicker population.	The GHIP's risk score of actives is 1.41 (according to Truven-provided data: 1/15 – 12/15)
Engaged consumers	GHIP members who have taken ownership of their health by using all available resources provided by the State (e.g., provider cost/quality data, SBO consumerism website and online training course) to make informed decisions on how, where and when they seek care.	Emergency room visits per 1,000 and allowed amount ($) per visit	The GHIP's ER visits/1,000 is 239 (according to Truven). The Allowed amount per visit is $XYZ.

[1] AHRQ = Agency for Healthcare Research and Quality, a Federal agency within the U.S. Department of Health and Human Services (HHS).
NCQA = National Committee for Quality Assurance, a 501(c)(3) not-for-profit organization.
The Leapfrog Group is a nonprofit watchdog organization and a national advocate of hospital transparency in cost, quality and safety data to support informed decision-making among healthcare 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[1]
- GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020[2]

[1] 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).

[2] 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.

Framework for the health care marketplace

GHIP strategies – *Linked to GHIP goals*

	Health Care Services	Health Status of the Population
Providers	**Provider Care Delivery** ■ Evaluate the availability of VBCD models where GHIP participants reside ○ Continue managing medical TPA(s)	**Provider-led Health and Wellness Initiatives** ■ Leverage other health-related initiatives in Delaware ○ Continue managing medical TPA(s)
Participants	**Participant Care Consumption** ○ Implement changes to GHIP medical plan options and price tags ▲ Ensure members understand benefit offerings and value provided ▲ Offer meaningfully different medical plan options to meet the diverse needs of GHIP participants	**Participant Engagement in Health and Wellness** ○ Offer and promote resources that will support member efforts to improve and maintain their health ▲ Drive GHIP members' engagement in their health ■ Encourage member awareness of tools to evaluate provider quality

Group Health Insurance Program

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[1]
- ▲ GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020[2]

Supply

Demand

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	★ Evaluate local provider capabilities to deliver VBCD models via medical third party administrator (TPA) RFP • State-sponsored Health Clinic Request for Information (RFI) ★ Implementation of VBCD models from RFP (including COEs) • Evaluation of clinical data to implement more value-based chronic disease programs ★ Promote medical plan TPAs' provider cost/quality transparency tools	★ Implementation of VBCD models from RFP (including COEs) • Look for leveraging opportunities with the DCHI and DHIN to partner on promotion of value based networks (including APCD initiative) • Identify opportunities to partner and encourage participation in VBCD models using outside vendors, TPAs and DelaWELL • Educate GHIP population on other provider quality tools from CMS, Health Grades, Leapfrog, etc.	• Continue to monitor and evaluate VBCD opportunities
Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020	★ Negotiate strong financial performance guarantees ★ Select vendor(s) with most favorable provider contracting arrangements ★ Select vendor(s) that can best manage utilization and population health ★ Evaluate bidder capabilities surrounding Centers of Excellence via medical TPA RFP • Educate GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network) ★ Evaluate vendor capabilities surrounding UM/DM/CM* via medical TPA RFP • Evaluate feasibility of reducing plan options and/or replacing copays with coinsurance* • Educate GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., telemedicine, urgent care centers, retail clinics) • Evaluate incentive opportunities through incentive-based activities and/or challenges • Change certain plan inequities, e.g., double state share and Medicfill subsidy*	★ 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 • Explore avenues for building "culture of health" statewide • Continuation of education of GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network) • 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) • Continuation of the evaluation of feasibility of reducing plan options and/or replacing copays with coinsurance—based on emerging market and value-based design*	★ 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 • Continuation of education of GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network) • 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) • Continuation of the evaluation of feasibility of reducing plan options and/or replacing copays with coinsurance—based on emerging market and value-based design*
GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020	• Launch healthcare consumerism website • Roll out and promote SBO consumerism class to GHIP participants ★ 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	• Offer a medical plan selection decision support tool (e.g., Truven's "My Benefits Mentor" tool) ★ Promote cost transparency tools available through medical TPA(s) • Evaluate feasibility of offering incentives for engaging in wellness activities	• Change medical plan designs and employee/retiree contributions to further differentiate plan options* • Change the number of medical plans offered*

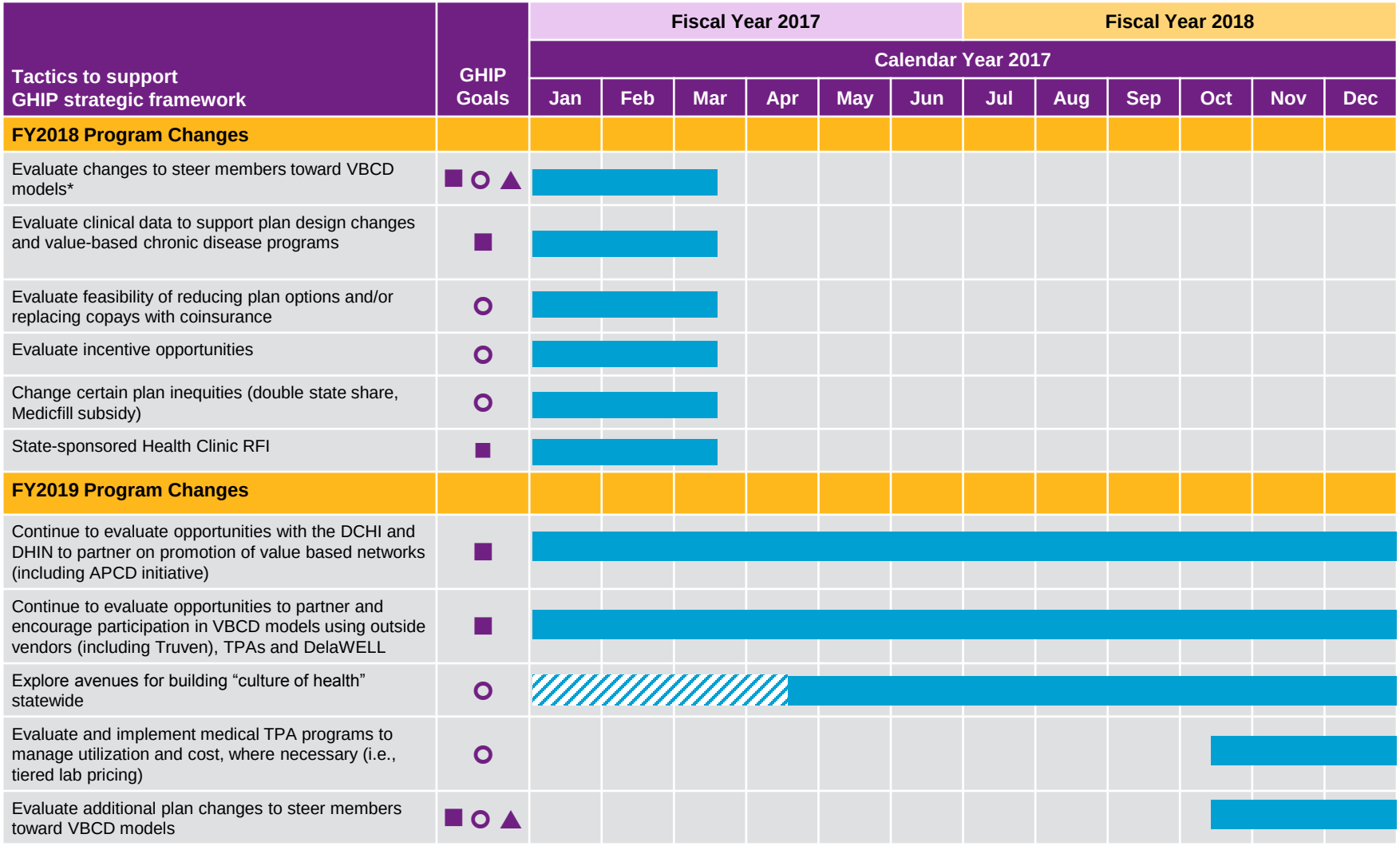
*May require changes to the Delaware Code

★ Denotes activity through TPA RFP process

Calendar of GHIP tactics – CY2017

Goals:

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



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)

Calendar of GHIP tactics – CY2017

Goals:

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

Tactics to support GHIP strategic framework	GHIP Goals	Fiscal Year 2017						Fiscal Year 2018					
		Calendar Year 2017											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Communications / Decision Support													
Ongoing communications on:													
• Medical TPAs' provider cost/quality transparency tools	■												
• Importance of preventive care and the State's preventive care benefits	○												
• Lower cost alternatives to the emergency room	○												
• Continued promotion of consumerism website and online course	▲												
Educate GHIP population on other provider quality tools from CMS, Health Grades, Leapfrog, etc.	■												
Offer a medical plan selection decision support tool (e.g., Truven's "My Benefits Mentor" tool)	▲												
Administered by the SBO													
Implement PRC recommendations from medical TPA RFP that were approved by the SEBC for FY2018	■ ○ ▲												
Negotiate strong financial performance guarantees with medical TPAs	○												
Execute communication campaign topics noted above	■ ○ ▲												

Activity period Activity if opportunities are identified or if time/bandwidth permits

Next steps

- Move forward with 2018 planning, incorporating incremental steps to drive strategic framework forward, inclusive of RFP decision
- Continued revisiting of strategic framework to ensure goals, strategies and tactics are still relevant

Appendix

About the 20th Annual Survey

487

Employers
(with at least 1,000 employees)
responded

15.1M

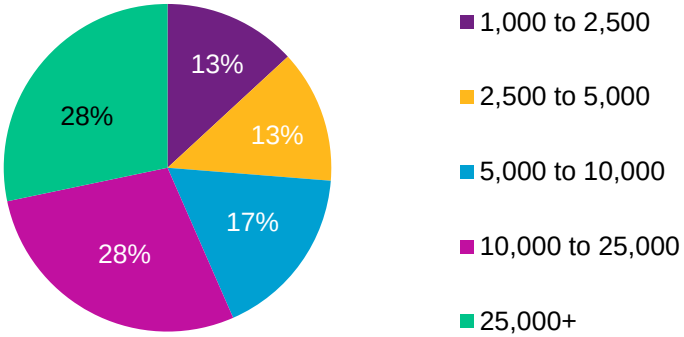
Respondents employ
15.1 million
full-time employees

12M

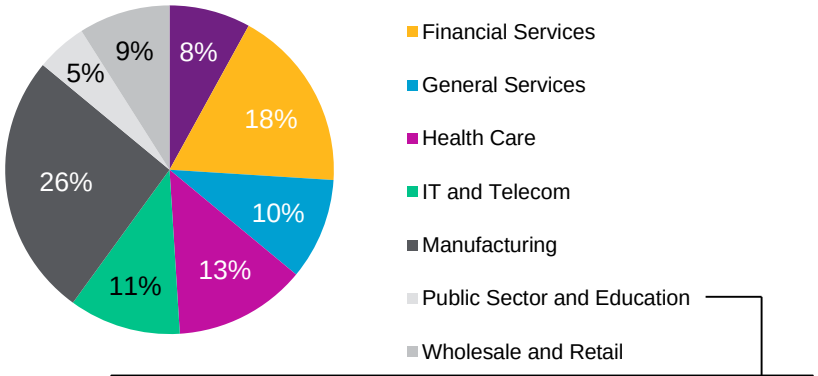
Respondents have 12 million
employees enrolled in their health
care programs

- Survey data collected between June and July 2015

Number of full-time workers employed by respondents



Industry groups



20% of the Public Sector and Education industry group represents states, counties and cities
These figures represent only the employer groups who participated in the Best Practices in Health Care survey. Willis Towers Watson has benchmarking and survey data through other tools that greatly expands upon this list.

Source: 2015 Willis Towers Watson/NBGH Best Practices in Health Care Employer Survey.

Proposed GHIP strategies and tactics

Goal: Addition of at least net 1 value-based care delivery (VBCD) model by end of FY2018

	Strategies	Tactics
Supply	**Evaluate the availability of VBCD models where GHIP participants reside**	Evaluate local provider capabilities to deliver VBCD models via medical third party administrator (TPA) RFP
		Implementation of VBCD models from RFP (including COEs)
		State-sponsored Health Clinic Request for Information (RFI)
		Evaluation of clinical data to implement more value-based chronic disease programs
Supply	**Leverage other health-related initiatives in Delaware to drive better outcomes**	Look for leveraging opportunities with the DCHI and DHIN to partner on promotion of value based networks (including APCD initiative)
		Identify opportunities to partner and encourage participation in value-based care delivery model using outside vendors, TPAs and DelaWELL
Demand	**Encourage member awareness of tools to evaluate provider quality**	Promote medical plan TPAs' provider cost/quality transparency tools
		Educate GHIP population on other provider quality tools from CMS, Health Grades, Leapfrog, etc.

Value-based Care Delivery (VBCD) Models

- Center of Excellence (COE)
- High Performance Network (HPN) and Narrow Networks
- Advanced Primary Care / Patient-centered Medical Home (PCMH)
- Accountable Care Organization (ACO)

Proposed GHIP strategies and tactics

Goal: Reduction of gross GHIP medical and prescription drug trend by 2% by end of FY2020

	Strategies	Tactics
Supply	Continue managing medical TPA(s)	Negotiate strong financial performance guarantees
		Select vendor(s) with most favorable provider contracting arrangements
		Select vendor(s) that can best manage utilization and population health
Demand	Implement changes to GHIP medical plan options and pricetags	Evaluate bidder capabilities surrounding Centers of Excellence via medical TPA RFP
		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
		Evaluate feasibility of reducing plan options and/or replacing copays with coinsurance
		Change certain plan inequities, e.g., double state share and Medicfill subsidy
	Offer and promote resources that will support member efforts to improve and maintain their health	Educate GHIP members on the importance of preventive care and the State's preventive care benefits (covered at 100% in-network)
		Evaluate vendor capabilities surrounding UM/DM/CM* via medical TPA RFP
		Promote wellness tools and resources available through the GHIP medical TPA(s) (e.g., tobacco cessation, DelaWELL resources)
		Educate GHIP members on lower cost alternatives to seek care outside of the emergency room (i.e., urgent care centers, retail clinics, telemedicine)
		Evaluate incentive opportunities through incentive-based activities and/or challenges
		Explore avenues to building of "culture of health" statewide

*UM = Utilization Management | DM = Disease Management | CM = Case Management

Proposed GHIP strategies and tactics

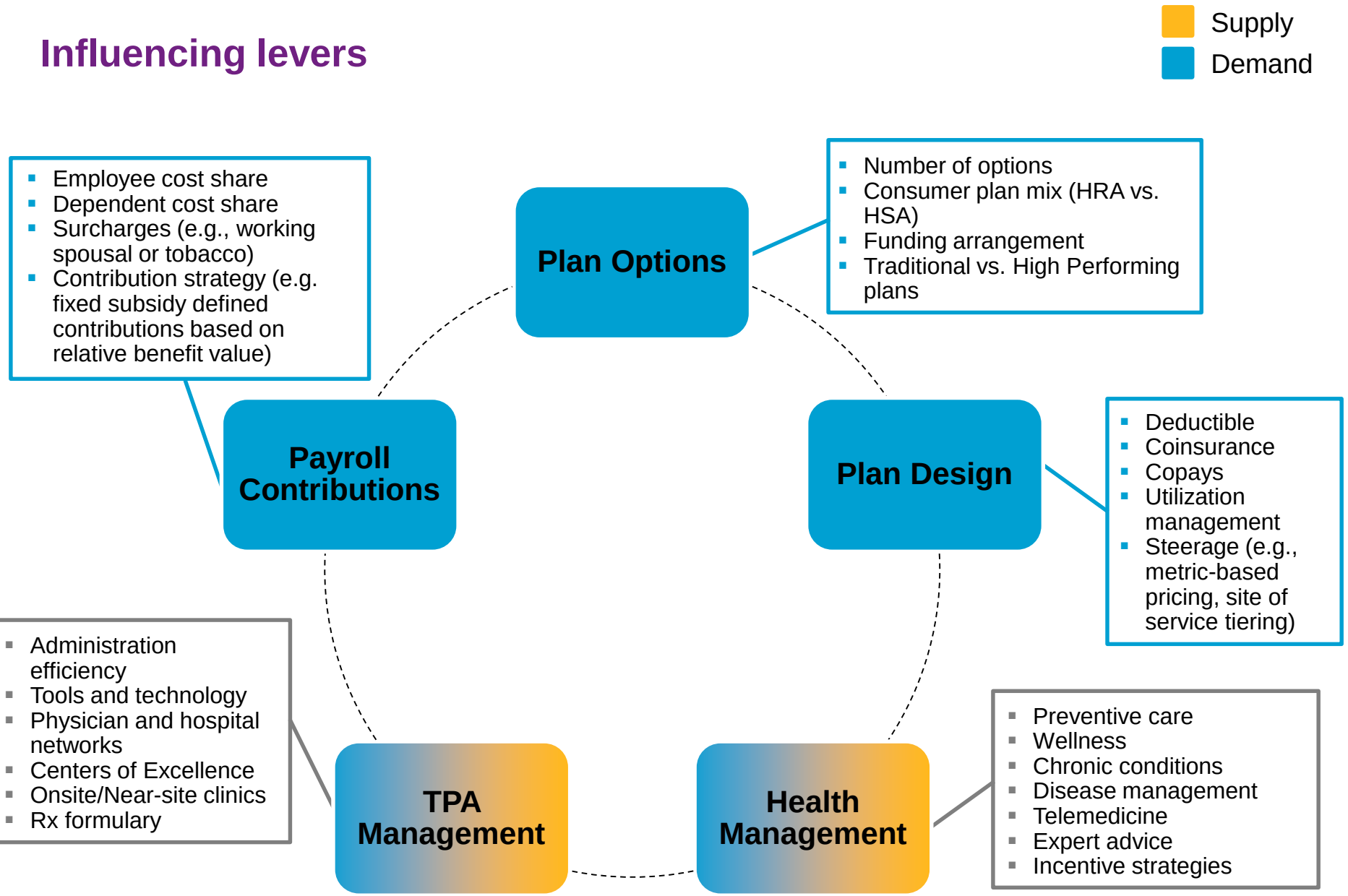
Goal: GHIP membership enrollment in a consumer-driven or value-based plan exceeding 25% of total population by end of FY2020

Demand

Strategies	Tactics
Ensure members understand benefit offerings and value provided	Launch healthcare consumerism website
	Roll out and promote SBO consumerism class to GHIP participants
	Offer a medical plan selection decision support tool (e.g., Truven's "My Benefits Mentor" tool)
	Promote cost transparency tools available through medical TPA(s)
Offer meaningfully different plan options to meet the diverse participant needs	Change medical plan designs and employee/retiree contributions to further differentiate plan options*
	Change the number of medical plans offered*
	Communicate plan offerings, in conjunction with decision support tool to guide members into appropriate plans
Drive GHIP members' engagement in their health	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
	Evaluate feasibility of offering incentives for engaging in wellness activities

*May require changes to the Delaware Code

Influencing levers



Confines of strategic development

Requirements of legislation

Potential tactic to address strategy	Illustrative example(s)	Requires legislative change?
Traditional plan design changes	Increase deductible by $100	No
Non-traditional plan design changes	Implement reference-based pricing Add a third coverage tier for a narrow network	No
Adding a new medical plan	Adding CDHP/HSA or adding a PPO option that has a narrow network	No*
Removing a plan option specified by the Delaware Code	Removing the First State Basic plan	Yes**
Freezing enrollment in a medical plan	1. Freeze to new entrants 2. Freeze to new hires	Yes
Adding a vendor	Wellness vendor or engagement vendor	No
Adjustments in employee cost share	Increasing the payroll contribution for an employee from 12% to 15%	Yes
Adjustments in dependent cost share	Increasing the dependent cost sharing by 10%	Yes
Addition of surcharges	1. Add a tobacco and/or spousal surcharge 2. Wellness “dis-incentive” for non-participation	Yes
Addition of an incentive program	Paying an employee $100 to get their biometric screening from their PCP	No
Implement a medical or Rx utilization management programs	1. Implement high cost radiology management program 2. Discontinue coverage of certain high cost specialty drugs and/or compound drugs	No

*Procurement would be involved in reviewing any amendments to vendor contracts for the new plan(s). Additionally, cost share would have to fit within one of the existing plans to avoid legislative change.
**May require legal input regarding Delaware Code.

Note: *Italicized* words refer to other terms defined in this glossary.

State of Delaware health care initiatives

Terminology	Acronym	Explanation	Goal
All Payers' Claims Database	APCD	A large scale database created by state mandate that systematically collects medical claims, pharmacy claims, dental claims (typically, but not always), and eligibility and provider files from private and public payers. The Governor of Delaware recently signed an APCD into law.	To fill critical information gaps for state agencies, to support health care and payment reform initiatives, and to address the need for transparency in health care at the state-level to support consumer, purchaser, and state agency reform efforts. Additionally, to provide comprehensive, multipayer data that allows the state and other stakeholders to understand the cost, quality, and utilization of health care for their citizens.
Delaware Center for Health Innovation	DCHI	Created to develop, facilitate, and oversee the implementation of collaborative efforts aimed at transforming the delivery of health care services in the State. The DCHI has been convening stakeholders to establish goals for primary care transformation as a key element of *Delaware's Health Innovation Plan*.	To encourage payers to offer Total Cost of Care or Pay-for-Value models to primary care providers, to base outcomes measurement on quality and efficiency measures primarily from the DCHI Common Scorecard, and to support practice transformation and care coordination to help PCPs to be successful in outcomes-based payment models.
Delaware Health Information Network	DHIN	The State of Delaware's *Health Information Exchange (HIE)*. One of the most advanced *Health Information Exchanges* (HIE) in the country, DHIN has a high rate of adoption among providers and hospitals and communicates lab findings and imaging reports along with hospital Admission Discharge Transfer reports and medication history.	To give providers an enhanced patient view to improve efficiency and effectiveness of care.

State of Delaware health care initiatives

Terminology	Acronym	Explanation	Goal
DelaWELL Health Management Program	DelaWELL	The DelaWELL Health Management Program is designed through the State of Delaware and Aetna to address specific health and wellness needs. The program reflects the State's commitment to healthy lifestyles. Eligible participants include benefit-eligible employees (state agency, school district, charter school, higher education and participating groups), state non-Medicare eligible pensioners, and their spouses and dependents over the age of 18 who are currently enrolled in a State of Delaware Group Health Plan. While there are no cash incentives (the reward is good health) for participation, and participation in DelaWell is voluntary, it is strongly encouraged.	Through wellness and disease management programs, DelaWELL aims to help participants become more involved in their health and make real health improvements. By encouraging participants to be proactive about wellness, engage in preventive care, control chronic conditions, and be a wise health care consumer, the State hopes to control health care costs.
Health Information Exchange	HIE	The electronic movement of health-related information among organizations which allows doctors, nurses, pharmacists, other health care providers and patients to appropriately access and securely share a patient's vital medical information electronically—improving the speed, quality, safety and cost of patient care.	To allow health care professionals to collaborate in delivering the best possible care to patients. This electronic collaboration can improve the completeness of patient's records, (which can have a big effect on care), as past history, current medications and other information is jointly reviewed during visits.
Healthy Neighborhood Campaign	n/a	A program supported by the Delaware Center for Health Innovation (DCHI) that will design and implement locally tailored solutions to some of the State's most pressing health needs including: healthy lifestyles, maternal and child health, mental health and addiction, and chronic disease and prevention. The State has been split up into ten Healthy Neighborhoods and three local Healthy Neighborhoods councils will be launched during 2016.	To bring local communities together to harness the collective resources of all of the organizations in their community to enable healthy behavior, improve prevention, and enable better access to primary care for their residents.

National health care initiatives

Terminology	Acronym	Explanation	Goal
Medicare Shared Savings Program	MSSP	Established by the Affordable Care Act, the Medicare Shared Savings Program is a key component of the Medicare delivery system reform initiatives included in the Affordable Care Act and is a new approach to the delivery of health care which includes facilitating coordination and cooperation among providers to improve the quality of care for Medicare Fee-For-Service beneficiaries and reduce unnecessary costs. Eligible providers, hospitals, and supplier may participate in the program by creating or participating in ACOs. The Program will reward ACOs that lower their growth in health care costs while meeting performance standard on quality of care and putting patients first. Participation in an ACO is purely voluntary.	To improve beneficiary outcomes and increase value of care by providing better care for individuals, better health for populations, and lowering growth in expenditures by reducing unnecessary costs.
State Health Care Innovation Plan	SHCIP	Developed by the State in February 2013 after being awarded a *SIM* grant, the program develops and implements a plan for broad-based health system transformation including new payment and delivery models. This health transformation will be organized into six work streams: delivery system, population health, payment model, data and analytics, workforce, and policy.	To improve the health of Delawareans, improve the patient experience of care, and reduce health care costs.
State Innovation Models	SIM	A national grant program administered by the Center for Medicare and Medicaid Innovation to support states to move toward value-based payment models and to improve population health. The State was awarded a "design grant" in February 2013 to fund the development of the *State Health Care Innovation Plan* and received an additional grant in July of 2014 to support the implementation and testing of the *State Health Care Innovation Plan*.	To encourage states to move towards value-based payment models in order to reduce unnecessary costs while improving population health.

Desired end state

Mission Statement

- Statement articulating GHIP purpose
- Varying level of specificity (can be a single statement or multiple bulleted missions)
- *Example: "Offer State of Delaware employees and retirees access to care that produces high quality outcomes at an affordable cost"*

Program Goals

- Provides an outline of what the GHIP strives to accomplish over the 3-5 year time period
- Goals will be SMART (Specific, Measureable, Attainable, Relevant and Time-bound)
- *Example: "GHIP employee enrollment in a consumer-driven health plan exceeding 25% of total population by EOY 2019"*

Strategies

- Advances the goals
- Strategies will tie specifically to goals (each may advance >1 goal)
- *Example: "Utilize incentives (financial or otherwise) to drive behavior change"*

Tactics

- Action-items intended to advance a specific strategy
- Tactics are a means of achieving program goals through furthering specific strategies
- *Example: "Health Insurance Request-for-Proposal"*

Desired end state includes all four components above and should be revisited on an ongoing basis to ensure continued applicability based on GHIP objectives and experience