

# The State of Delaware

**Centers of Excellence Administration for the GHIP**

Summary of RFP Results for the SEBC

October 23, 2023

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# Centers of Excellence (COEs) improve health outcomes and lower cost



COEs (medical facilities and professionals) provide employers and members with **better health outcomes** at a **lower cost** than in community/health plan networks



Savings are achieved via **discounted or bundled pricing** and **improved quality** (e.g., fewer preventable readmissions, adverse events, and deaths)



One well-recognized COE had **mortality rates** for cardiac bypass that were **3 – 5 times better** than the statewide hospital averages and those deaths are only the tip of the iceberg in poor care

## Then

Originally used for high-cost, specialized transplants (heart/lung/liver)

## Now

Broadly available today and used for a variety of care including heart and bariatric surgery, joint replacement, and expanding to include infertility, general surgery, designated ambulatory centers and non-surgical cancer treatment. Carriers are now moving towards pairing a panel of designated surgeons with their COE facilities.

# GHIP COE experience

- COEs are available through provider networks maintained by Highmark and Aetna, as well as through the GHIP’s third-party COE vendor, Employer Direct Healthcare, which administers the SurgeryPlus program
  - Members can choose between their medical carrier COEs or SurgeryPlus COEs
  - Beginning July 1, 2023, bariatric surgeries are only available as a covered benefit under the SurgeryPlus COE network
- The chart below reflects the total number of procedures completed each year for GHIP members through the SurgeryPlus program
  - Member utilization of SurgeryPlus as an option has progressively increased year-over-year

| Type of Procedure    | FY23       | FY22       | FY21       | FY20       |
|----------------------|------------|------------|------------|------------|
| Orthopedic           | 156        | 116        | 91         | 14         |
| Gastrointestinal     | 126        | 78         | 95         | 57         |
| General Surgery      | 49         | 28         | 21         | 8          |
| Pain Management      | 32         | 31         | 20         | 1          |
| Bariatric            | 45         | 23         | 32         | 8          |
| Ear, Nose and Throat | 13         | 5          | 6          | 3          |
| Gynecologic          | 9          | 9          | 5          | 6          |
| Spine                | 8          | 8          | 9          | 7          |
| Cardiac              | 1          | 0          | 0          | 0          |
| <b>Total</b>         | <b>439</b> | <b>298</b> | <b>279</b> | <b>104</b> |

Source: SurgeryPlus monthly reporting.

# Background on the 2023 COE RFP

- SEBC first implemented the SurgeryPlus program through Employer Direct Healthcare, a third-party administrator of COE services, effective July 1, 2019 (FY20), based on the SEBC's desire to:
  - maintain consistency in the GHIP non-Medicare member experience across all medical plans wherever possible; and
  - promote competition among the providers in Delaware to achieve the best possible pricing on medical services for non-Medicare plan participants as well as the GHIP
- These services are offered as a choice alongside Highmark and Aetna medical networks, with the exception of bariatric surgery which is only available through a SurgeryPlus COE provider (new as of July 1, 2023)
- SEBC's contract with Employer Direct Healthcare expires on June 30, 2024
- Current RFP is the second time that the SEBC has marketed this benefit (initially in 2018)

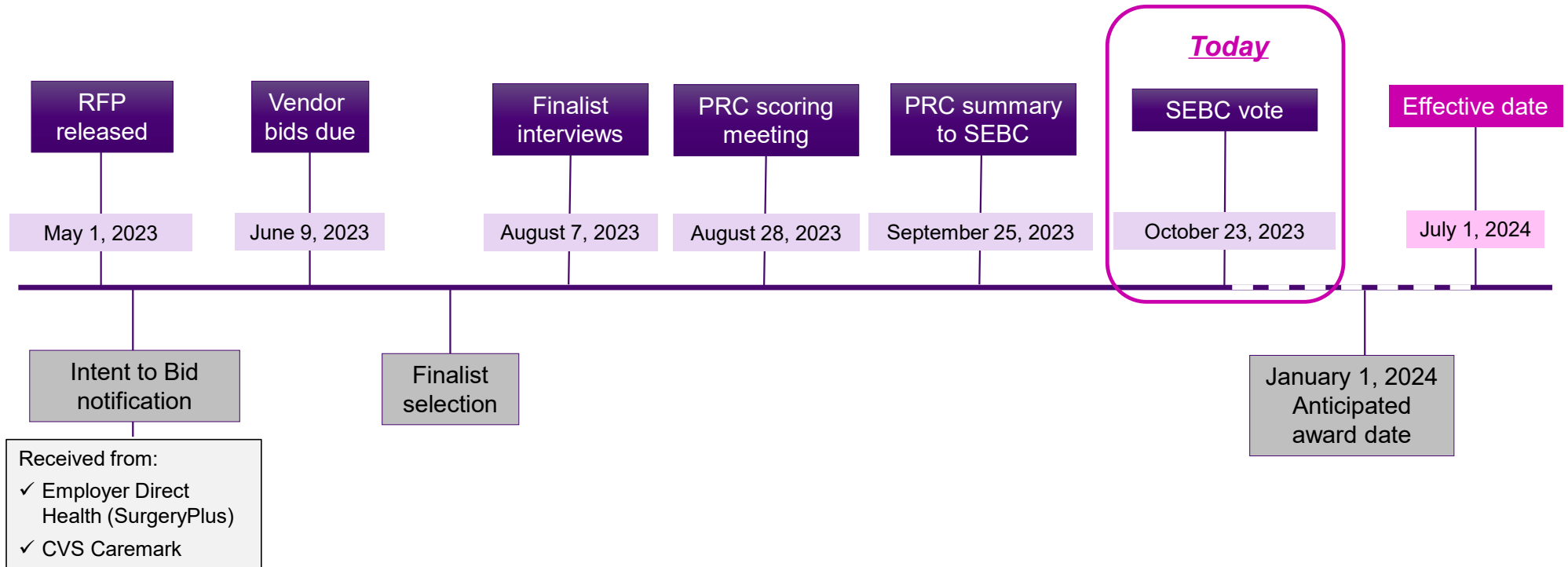
# COE RFP objectives

Identify third-party administrators of COE services that can deliver services that include, but are not limited to, the following:

- **Reduce total cost of care** for the GHIP and plan participants, without sacrificing quality of care delivered
- Facilitate choice of medical **providers who deliver high quality care** at a lower total cost of care
- Support financial rewards to medical providers who deliver high quality care at a lower total cost
- **Build and maintain a stable COE provider network\*** based on quality and cost efficiency across a variety of clinical procedures (e.g., orthopedic, spine, bariatric, cardiac)
- Frequently **monitor the quality** of providers within the COE network, using publicly available sources of quality and cost efficiency data
- Provide a **consistent user experience** for GHIP members regardless of medical plan selection
- **Collaborate** with other GHIP vendor partners (Aetna, Highmark, CVS) to deliver services to plan participants
- Articulate **experience** with various COE benefit designs, network offerings, claims adjudication, member incentives, care coordination, member education and other aspects of COE benefits administration
- **Provide excellent customer service** to GHIP participants, including concierge support for accessing COE services, and to the State as the plan sponsor
- Provide **competitive financial terms** and **performance guarantees**

\*Note: COE provider network defined in the RFP as both medical facilities and medical professionals.

# COE RFP timeline



# PRC scoring and recommendations

Please refer to the PRC recommendation for award of contract (dated October 2, 2023) for details on the outcomes of the PRC scoring meetings and recommendation to the SEBC