



State Employee Benefits Committee Initiatives
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Today's Discussion

Goal: Provide overview of State Employee Benefits Committee's focus on value-based contracting and improving access to primary care

- Overview of GHIP strategic framework
- Recent initiatives – 2017 – 2019
- Future plans – 2020+

Components of the Group Health Insurance Program (GHIP) Strategic Framework



Original strategic framework including all four components above was approved by the SEBC in December 2016

GHIP 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.

Approved by the SEBC in December 2016

GHIP Goals

- 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.***

Original 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



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

Recent Initiatives: 2017 – 2019

- Contracted with State Group Health plan's medical TPAs, Highmark and Aetna, for advanced care management/coordination programs and other value-based care delivery models
- Based on continued measurement of GHIP medical spend, implemented programs and changes to drive efficiencies in spend
- Engaged SEBC in discussions of an framework for advanced payment models to understand current Delaware providers' engagement in upside/downside risk sharing arrangements

State Group Health Plan Contracts

Highmark

- Enhanced care management program provides clinical advocacy, navigation support and assistance with closing gaps in care
 - Performance guarantees based on member engagement, clinical outcomes and trend
- True Performance program promotes payment-for-value delivered by primary care physicians via shared savings arrangements
- Limited availability of other value-based care models in Delaware for commercially insured population
 - Other models (e.g., accountable care organizations) exist in Pennsylvania and other surrounding states

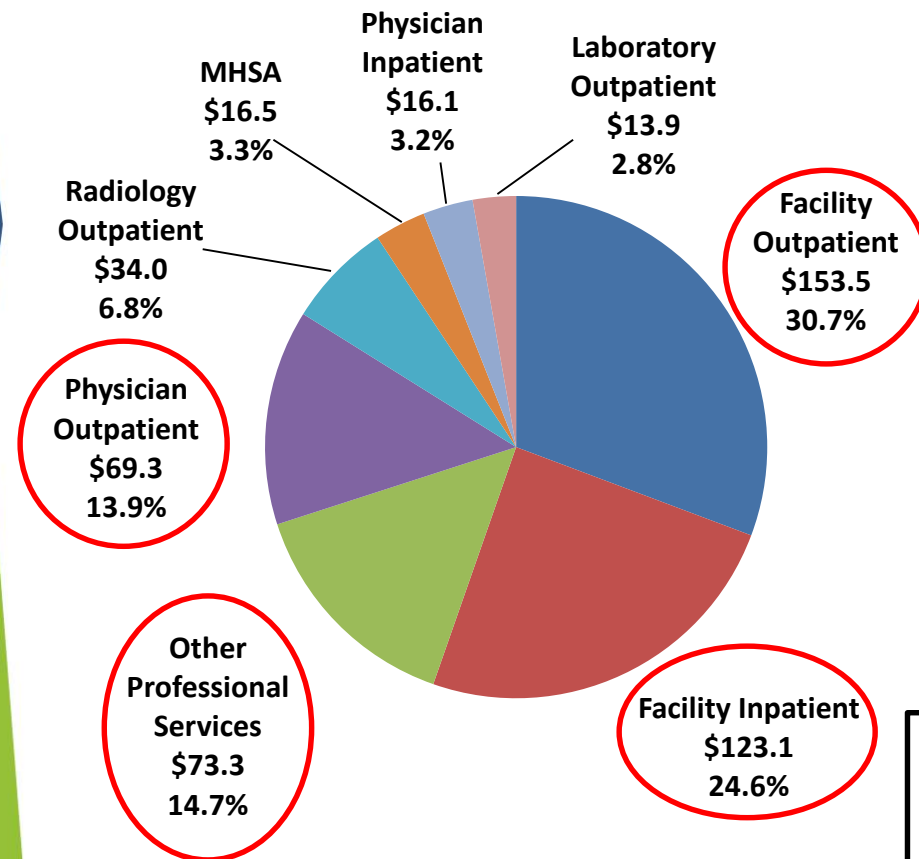
Aetna

- Advanced care management and primary care coordination for HMO in partnership with ChristianaCare's CareVio program
 - Includes financial risk-sharing with CareVio for managing population health and reducing trend
- Contract also includes bundled payments for select services with local hospital system
- Other value-based care models in Delaware are limited to patient-centered medical homes with primary care providers


Other Actions Taken to Drive Efficiencies in GHIP Spend

GHIP net payments for service category groups, medical costs only (\$millions)

Delaware payroll groups only; includes active employees, non-Medicare retirees and Medicare retirees and their dependents
Incurred July 1, 2018 – June 30, 2019



Trend PEPM	
Facility Outpatient	4.6%
Facility Inpatient	-0.6%
Other Professional Services	8.4%
Physician Outpatient	4.0%
Radiology Outpatient	10.2%
MHA	3.1%
Physician Inpatient	-1.4%
Laboratory Outpatient	3.0%

 = top areas of concern

**Primary Care only
(conservative estimate)
\$19.0 (3.8%)**

Actions taken:

- Participation in RAND study
- Direct provider contracting via SurgeryPlus surgeons of excellence
- Greater steerage toward lower cost/higher quality sites of care
- Evaluating market readiness to move further into advanced APMs
- Evaluating options for expanding access to primary care

Alternative Payment Model (APM) Framework

- Established to track progress toward payment reform, and developed by the Health Care Payment Learning & Action Network (LAN) (launched by US Department of Health and Human Services)

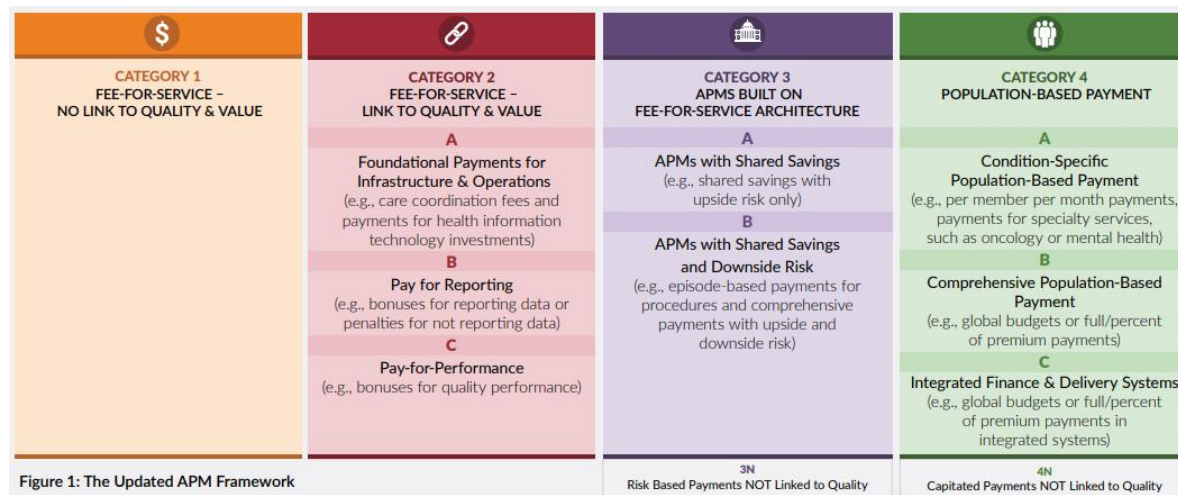


Figure 1: The Updated APM Framework

As payments move away from fee-for-service and towards pay-for-value...



Total cost of care



Quality of care



Overview of provider contracting provided to SEBC on 8/26/19 defined APMs using the above framework as a guide

Future Work of the SEBC: 2020+

- Revisions to GHIP strategic framework goals, with the following themes:
 - Using the APM framework to increase GHIP spend through advanced APMs (Category 3 and 4 models)
 - Reduction in GHIP diabetic member cost per-member-per-month
 - Limit total cost of care inflation for GHIP participants at a level commensurate with the Health Care Spending Benchmark by focusing on specific components, inclusive but not limited to inpatient and outpatient facility costs and pharmaceutical costs
 - In light of the GHIP’s changing demographic profile, strive for incremental annual increase in unique users of a specific “point-of-enrollment” and/or “point-of-care” engagement platform or consumerism tool
- Evaluating readiness of Delaware market to provide innovative approaches to reducing GHIP total cost of care
- Exploring opportunities to expand access to primary care in Delaware

Health Care Stakeholder Request for Information (RFI)

- Request for information from providers and other health care stakeholders to gather best practices in cooperative approaches and innovative solutions to reducing the total cost of care for the GHIP
- Interest in gaining a better understanding of provider partnerships and opportunities within the market to implement more advanced APMs
 - Focus on capabilities to help the SEBC promote innovation around reduction in total cost of care, without sacrificing quality of care
 - Understand ability for providers/other stakeholders to operate as a standalone solution

Health Care Stakeholder Request for Information (RFI)

Goals

1. Gather best practices in cooperative approaches and innovative solutions to reducing the total cost of care for the GHIP
 2. Gain a better understanding of the interest from, and readiness of, the Delaware market to go deeper into more advanced categories of the APM framework
 3. Identify third party providers that could play a role in the Delaware health care marketplace to support the goals of the SEBC
- Responses to the RFI will be used to shape the development of the medical TPA RFP, which will kick off internally within the Statewide Benefits Office in January 2021

Expanding Primary Care Access in Delaware

- Topic is currently being explored by the Health Policy & Planning Subcommittee of the State Employee Benefits Committee, including review of:
 - Research on access to primary care in Delaware and efforts by the Primary Care Collaborative
 - GHIP member utilization of primary care providers
 - Results from SBO survey of GHIP members' preferences, access to and use of primary care providers
 - Considerations associated with potential options for addressing primary care access, two of which resonated most strongly with Subcommittee members:
 - Enhance telemedicine offerings via advanced technology solutions
 - Contract with a third-party vendor to add primary care provider options in Delaware
 - In-person presentations by several third-party providers of primary care services and/or telehealth technology: R-Health, Cerner, American Well
- Further discussion of this topic will continue with the Subcommittee into the foreseeable future
- Responses to the health care stakeholder RFI may further inform this discussion

Next Steps

- Engage the local provider community and other health care stakeholders in exploring ways to drive innovation and reduce GHIP total cost of care
- Continue evaluating other opportunities to drive further investments in primary care
- Ongoing review of other data sources for health care provider cost and quality data, e.g., Delaware Health Information Network (DHIN)
 - Further participation by other self-funded employers voluntarily providing their claim data to the DHIN would enhance the robustness of the dataset

Thank You



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