

# The State of Delaware

Site of Care Steerage –  
Additional Centers of Excellence Opportunities  
SEBC Health Policy & Planning Subcommittee Meeting

January 22, 2024

# Disclaimer

Willis Towers Watson has prepared this information solely in our capacity as consultants under the terms of our engagement with you with knowledge and experience in the industry and not as legal advice. This information is exclusively for the State of Delaware's State Employee Benefits Committee to use in the management, oversight and administration of your state employee group health program. It may not be suitable for use in any other context or for any other purpose and we accept no responsibility for any such use.

Willis Towers Watson is not a law firm and therefore cannot provide legal or tax advice. This document was prepared for information purposes only and it should not be considered a substitute for specific professional advice. As such, we recommend that you discuss this document with your legal counsel and other relevant professional advisers before adopting or implementing its contents. This document is based on information available to Willis Towers Watson as of the date of delivery and does not account for subsequent developments after that date.

Willis Towers Watson shares available medical and pharmacy research and the views of our health management practitioners in our capacity as a benefits consultant. We do not practice medicine or provide medical, drug, or legal advice, and encourage our clients to consult with both their legal counsel and qualified health advisors as they consider implementing various health improvement and wellness initiatives.

This material was not prepared for use by any other party and may not address their needs, concerns or objectives. This document may not be reproduced, disclosed or distributed to any other party, whether in whole or in part, other than as agreed with you in writing, except as may be required by law.

We do not assume any responsibility, or accept any duty of care or liability to any other party who may obtain a copy of this material and any reliance placed by such party on it is entirely at their own risk.

# Site of care steerage to centers of excellence

## Overview

- Centers of excellence (“COEs”) are medical providers (i.e., facilities and professionals) that produce better health outcomes at a lower cost than in community/health plan networks for certain medical conditions and services
- Savings are achieved via discounted or bundled pricing and improved quality (e.g., fewer preventable readmissions, adverse events, and deaths)
- Steerage refers to directing members to certain preferred providers for care
- In the GHIP today, COEs are available to non-Medicare plan participants 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
- Since July 1, 2023, bariatric surgeries are only available as a covered benefit under the SurgeryPlus COE network – this is also referred to a bariatric coverage being “carved out” to SurgeryPlus

# Other carve-out opportunities through SurgeryPlus

- SurgeryPlus has provided savings estimates for two other carve-out opportunities for the State's consideration:
  - Elective spine procedures
  - Elective joint procedures – knee, hip, shoulder, etc.
- WTW is in the process of validating these savings estimates – results expected by late March 2024
- While this work is ongoing, there are other factors for the Subcommittees and SEBC to consider regarding these additional carve-out opportunities
- The following slide outlines these considerations in further detail

# Other carve-out opportunities through SurgeryPlus (continued)

## Considerations for implementation

- Members
  - Key messages to members should include emphasis on provider quality and affordability for members and the GHIP
  - Communications should describe any differences in clinical policy guidelines for carved-out services (if any) between SurgeryPlus and the medical TPAs and should clearly outline carved-in vs. carved out procedures for certain conditions
- Medical third-party administrators (TPAs)
  - Requires dialogue with Highmark and Aetna to determine ability to “turn off” coverage of carved-out elective procedures
  - Training required for member-facing customer service and care management representatives, including updated scripting for representatives who directly converse with plan participants
  - Requires update to plan documentation
- Provider community
  - May impact a larger number of providers compared to bariatric surgery carve-out (requires further analysis)
  - Consider notification of this change to most frequently utilized orthopedic surgeons, especially those in Delaware
- Other
  - Earliest possible effective date for any carve-out would likely be mid-FY25; WTW suggests coinciding with beginning of a plan year (i.e., 7/1/2025 for FY26)
  - Surgical prep times may be shorter than for bariatric surgery and, as a result, any changes to coverage may require longer lead time for employee communication

# Next steps

- WTW validation of SurgeryPlus savings estimates – results expected by late March 2024
- Subcommittees to consider factors associated with the plan's readiness to carve out additional procedures, including earliest estimated time for implementation

***Is there interest from Subcommittee members in continuing to evaluate the feasibility of carving out coverage of additional procedures to SurgeryPlus?***