JMOC

March 2015

CareSource™

WHO IS CARESOURCE?

Headquartered in downtown Dayton with additional offices in Columbus, Cleveland, Kentucky and Indiana, CareSource has ***been making a lasting difference in our members' lives by improving their health and well-being*** since 1989.

CareSource™
Health Care with Heart

1.4M
members

490
Jobs generated in 2014

90%
Revenue spent on medical services

Consumer Advocacy
CX

$10M
Foundation grants

2015 & Beyond

- CareSource Medicaid (Ohio)
- MyCare Ohio
- Humana – CareSource™
- CareSource Just4Me™
- Ohio Home Care Waiver

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Agenda

YESTERDAY

- What we've done in past and learned

TODAY

- What we're doing now…still learning

TOMORROW

- What does the future hold?

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Yesterday

YESTERDAY

- **Fee for service**
  - Pay bills without knowing if care was good
- **“Pay for performance”**
- **Patient Centered Medical Home pilot**
- **Risk contracting**
- ***Payers and providers focused on who can get the best deal***

TODAY

TOMORROW

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Paying for Events

Incentivized primary care providers to provide more well visits…didn't work

		7/07 - 6/08	9/08 - 8/09		4/09 - 3/10		2/10 - 1/11	
Measure	**Category**	**Program Baseline**	**Period 1 Rate**	**Baseline to Period 1**	**Period 2 Rate**	**Baseline to Period 2**	**Period 3 Rate**	**Baseline to Period 3**
Well Visits	Incentivized PCPs	76.1%	75.2%	↓	68.1%	↓	70.0%	↓
(3 - 6 year olds)	Non-Incentivized PCPs	74.6%	73.2%	↓	61.9%	↓	65.3%	↓
Well Visits in First 15 months	Incentivized PCPs	47.2%	47.8%	↑	49.7%	↑	64.6%	↑
(6 or more visits)	Non-Incentivized PCPs	43.8%	47.3%	↑	45.6%	↑	62.0%	↑
Adolescent Well Visits	Incentivized PCPs	54.6%	44.5%	↓	45.9%	↓	45.7%	↓
(12 - 21 year olds)	Non-Incentivized PCPs	49.5%	39.7%	↓	38.7%	↓	37.8%	↓

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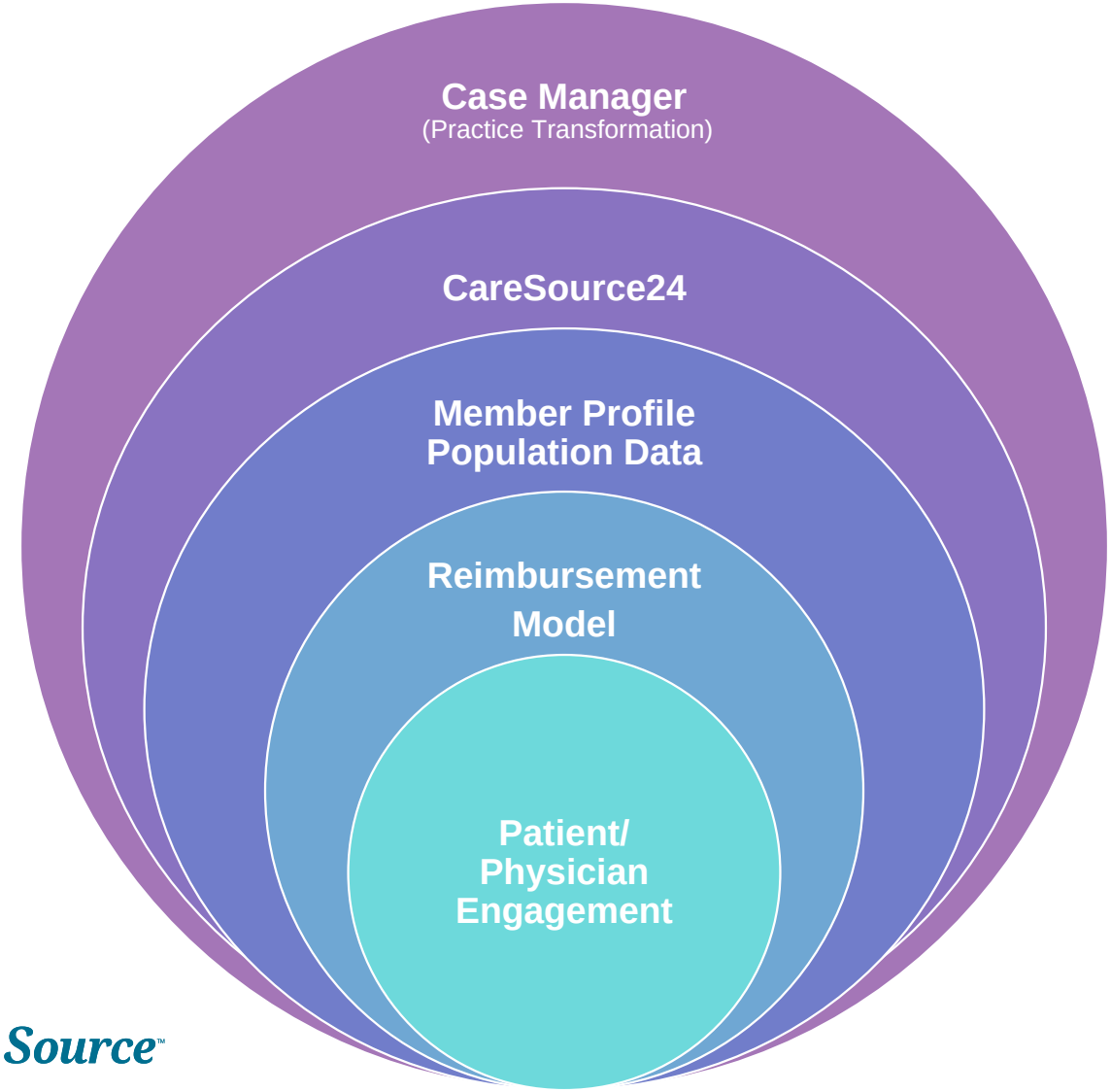
Medical Home Pilot



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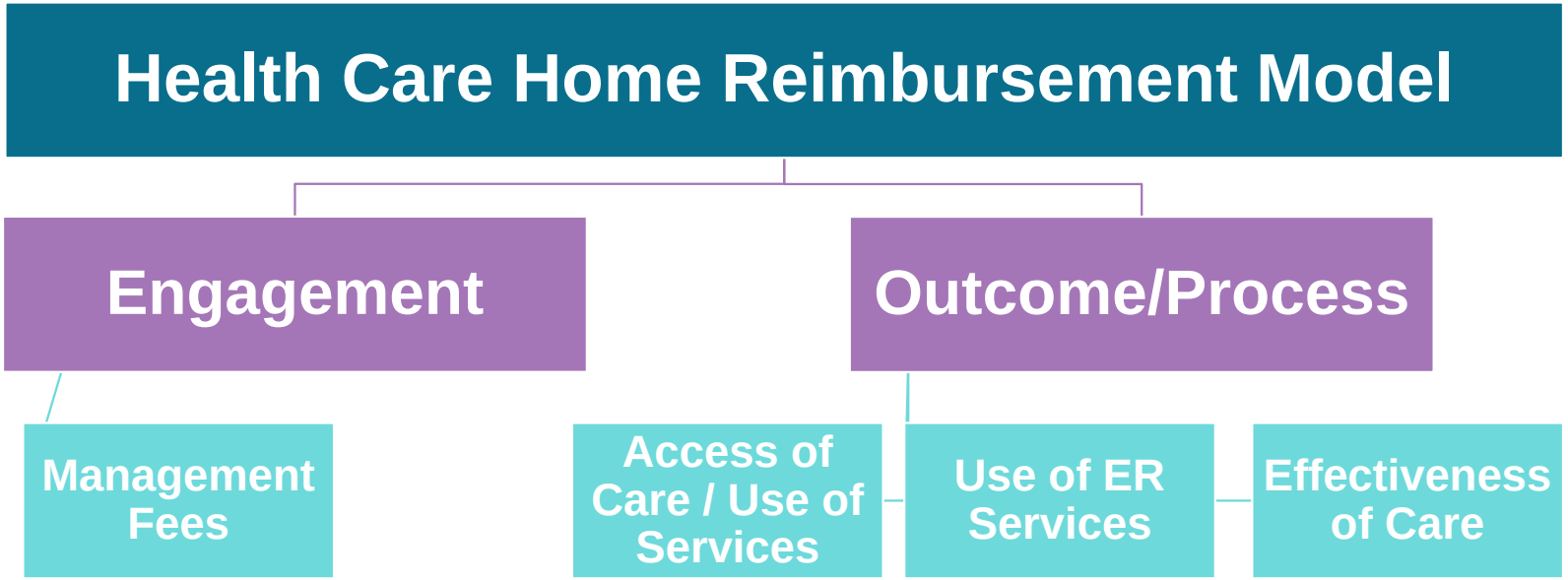
Health Care Home Reimbursement Model



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Medical Home Results

Modest improvement in quality outcomes

No increase in member engagement or savings

What did we learn?

- Need to pay for improvement
- Critical mass essential
- Operational infrastructure needed - bilaterally
- Cultural shift…not ready for it yet
- This is not easy

Today

YESTERDAY

TODAY

- **Improvement-based quality incentives**
- **ER and pharmacy Shared savings**
- **State Innovation Model (SIM)**
- **Comprehensive Primary Care (CPC)**
  - $PMPM → shared savings, quality
- **Cultural shift beginning**
  - Between payors and providers
  - Between payors
  - Between payors and regulators

TOMORROW

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What's Evident

1. **FFS will be replaced by *multiple* value-based reimbursement models**
    - Not a one size fits all solution
    - Significant investments from payers and providers required
2. **Real collaboration necessary**
3. **Data sharing (interoperability) key**
4. **Upside with downside incentives work**

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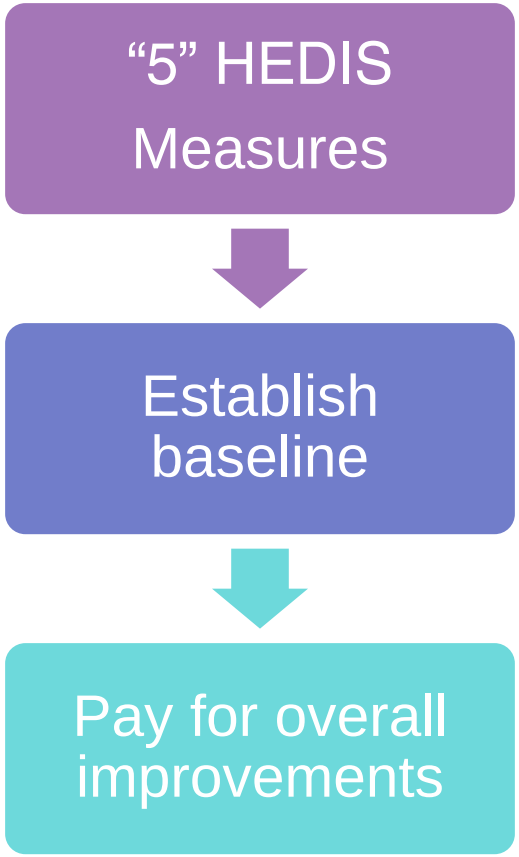
Quality



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What Would Make it Work Better?

It's just beginning:

- **Data Sharing/Automated**
- **Liaison**
- **Establish Champions in Practices**
- **Best Practice**
- **Engagement Strategies @ Staff Levels**

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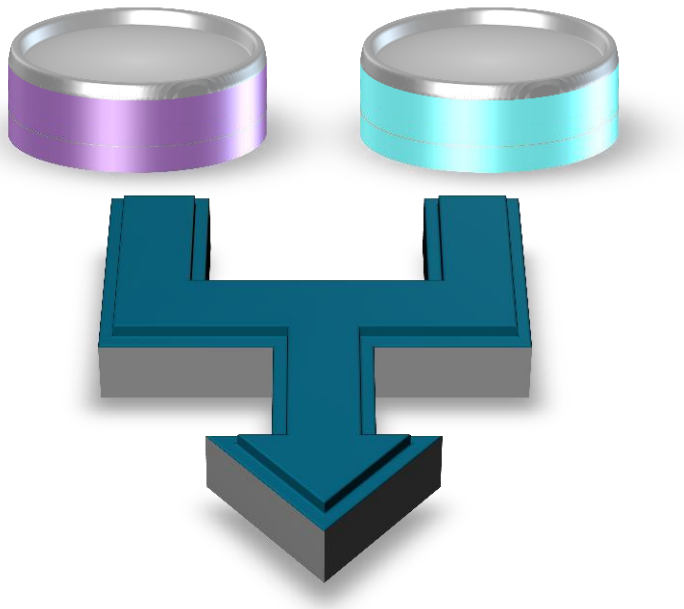
Shared Savings

ER
Utilization Reduction



Pharmacy
Savings

Percentage of Savings Based on PMPM

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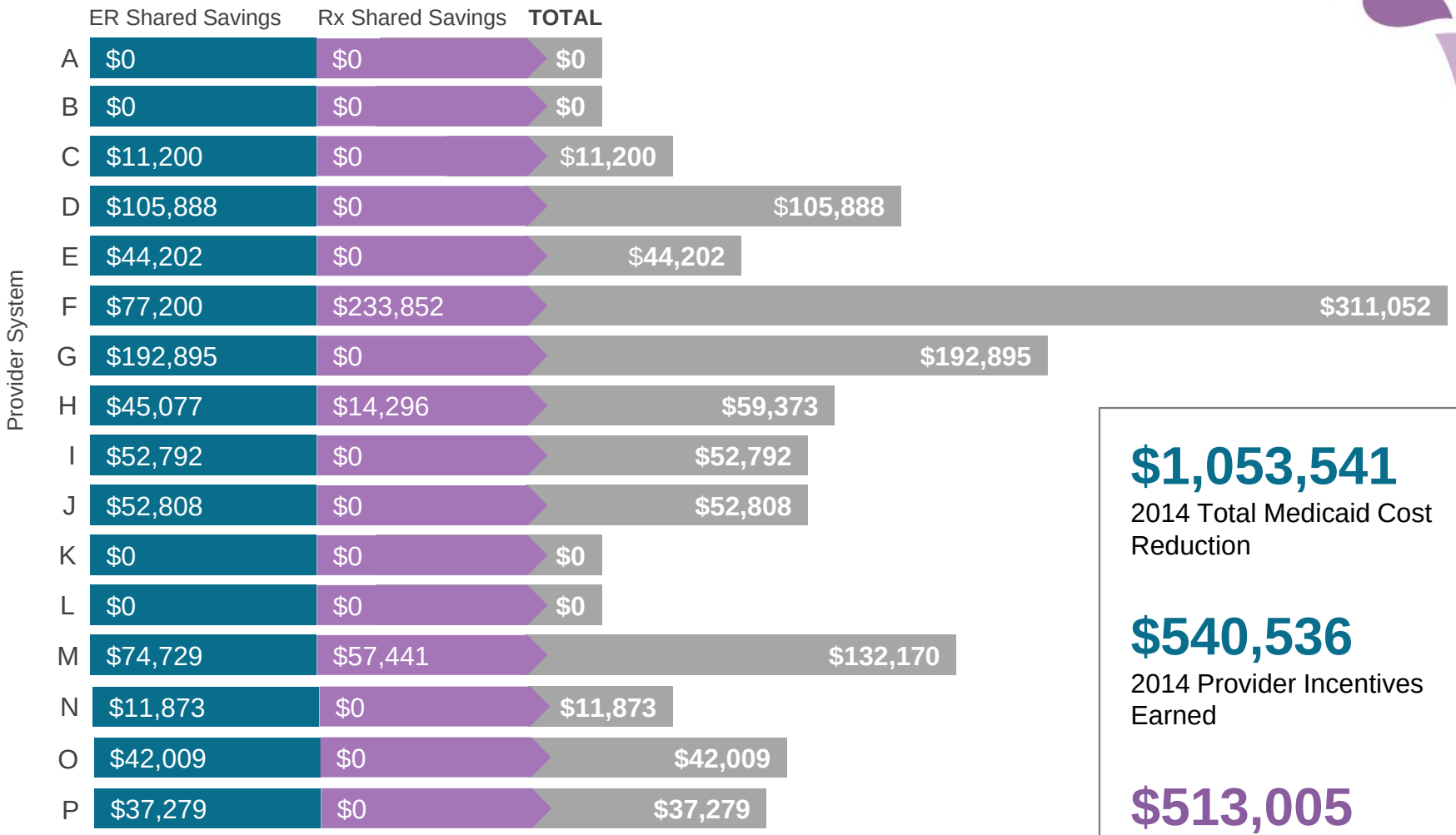
Results



$1,053,541
2014 Total Medicaid Cost Reduction

$540,536
2014 Provider Incentives Earned

$513,005
CareSource Savings

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Comprehensive Primary Care (CPC) Initiative

- Ohio is one of only seven CPC sites nationally
- Multi-payer: Medicare, Medicaid, nine commercial insurance plans
- Bonus payments to primary care doctors who better coordinate care
- 75 primary care practices (261 providers) serving 44,500 Medicare enrollees in 4 Kentucky and 14 Ohio counties (Dayton to Cincinnati)
- Practices were selected based on their use of HIT, advanced primary care recognition, and participation in practice improvement activities
- Supported by a unique regional collaborative

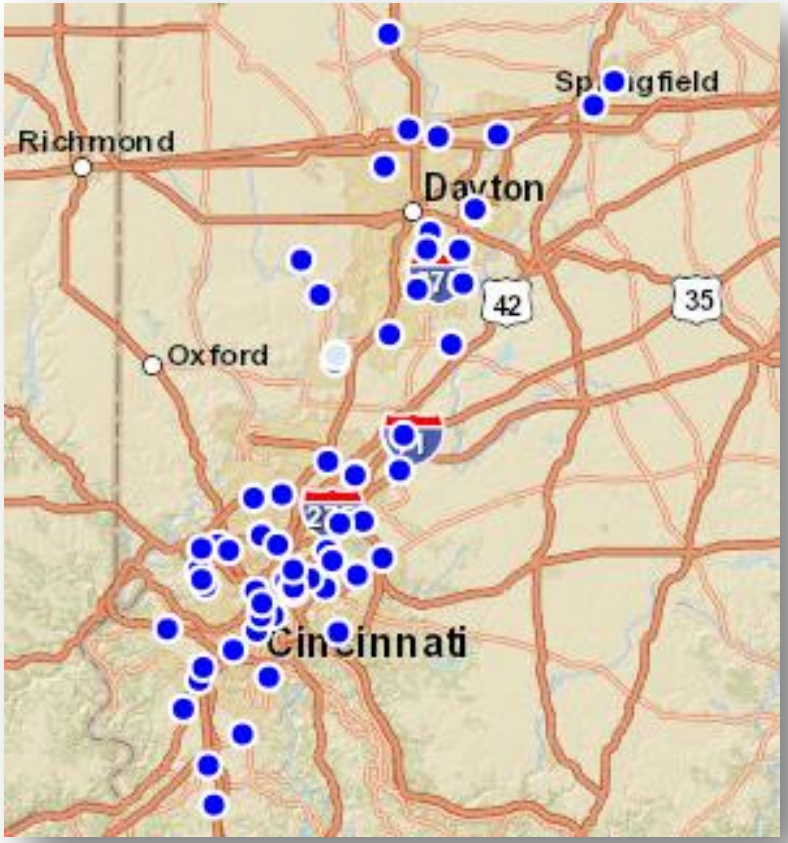
The goal is to learn from CPC in developing an approach to roll out PCMH statewide

GREATER CINCINNATI HEALTH COUNCIL
Creating connections. Improving care.

the Health Collaborative

HealthBridge
Better information. Better care. Better outcomes.

Cincinnati/Dayton/ Northern Kentucky Market



Participating Primary Care Practices

Ohio & Kentucky: Cincinnati-Dayton Region

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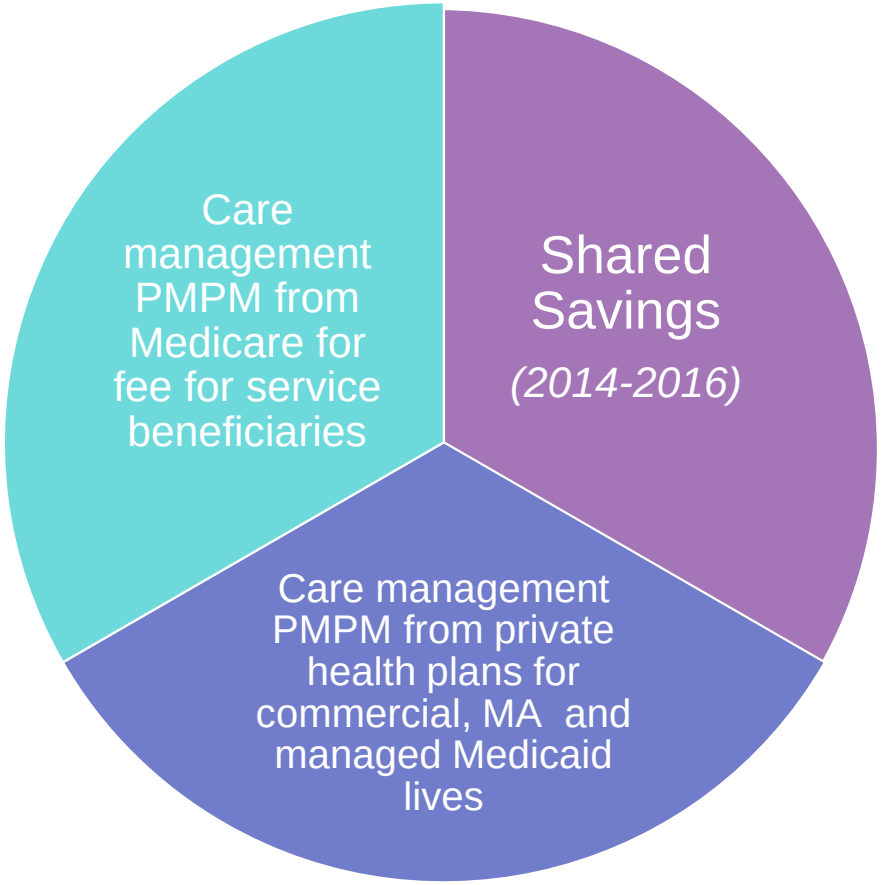
CPC Payment Model



Fee for Service + PMPM + Shared Savings = Total Reimbursement

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the Health Collaborative

EPISODE of CARE PAYMENT REPORT

PERINATAL | REPORTING PERIOD: July 1st, 2013 to June 30th, 2014

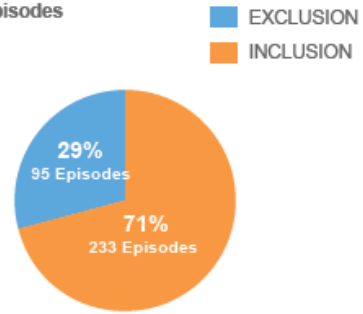
PAYOR NAME : Medicaid, Ohio | PROVIDER CODE : HGY28731 | PROVIDER NAME : John Smith

Reporting period covering episodes that occurred between **July, 1st, 2013 and June 30th, 2014**

You would have been eligible for gain sharing of **$14,563**

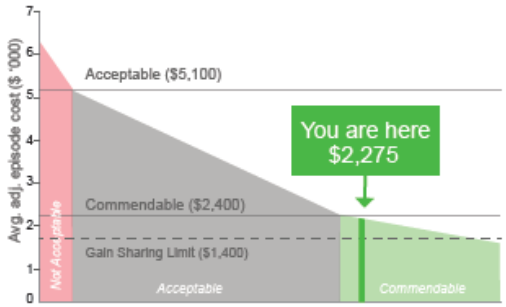
Episodes inclusion and exclusion

Total: 328 Episodes



Risk adjusted average cost per episode

Distribution of provider average episode cost (risk adj.)



Episodes risk adjustment

25% of your episodes have been risk adjusted

Quality metrics

You achieved 3 of 3 quality metrics linked to gain sharing

HIV Screening	99%	✓
GBS screening	87%	✓
Chlamydia screening	90%	✓

Potential gain/risk share

If you had performed in the top quartile, your gain sharing would have been between **$18,500** and **$53,000**

Anthem
aetna
UnitedHealthcare
MEDICAL MUTUAL
CareSource
MOLINA HEALTHCARE
Buckeye Community Health Plan
PARAMOUNT ADVANTAGE

This is a sample report.

Ohio | Governor's Office of Health Transformation

Tomorrow

YESTERDAY

TODAY

TOMORROW

- **FFS will be replaced by *multiple* value based reimbursement models**
  - One size does not fit all
  - Significant investments: payors and providers
- **Real collaboration necessary**
- **Data interoperability**
- **Upside with downside opportunity motivates**

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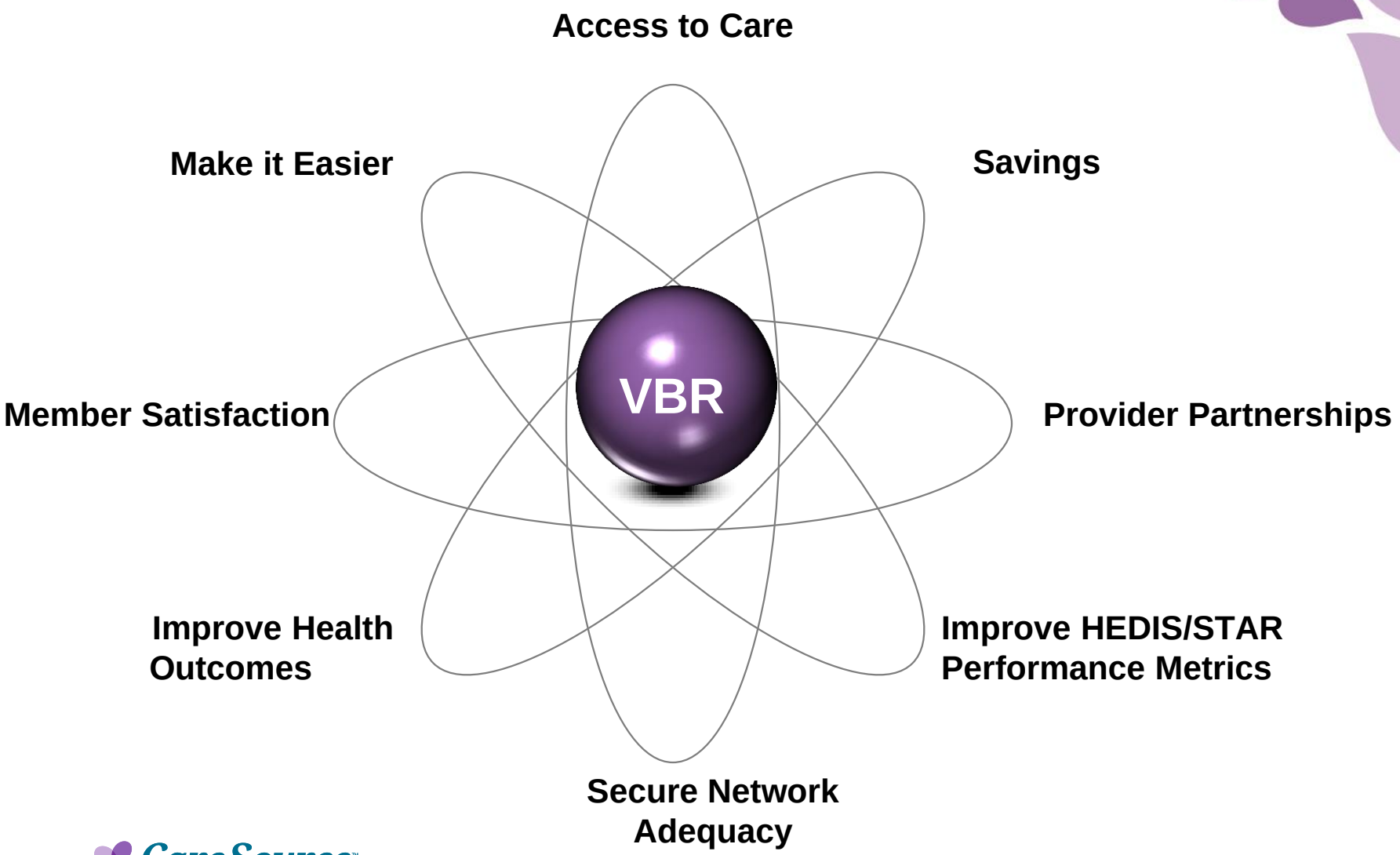
Value-Based Reimbursement



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Is This Really Going to Work?

Financials Based on Premiums

- Transition will be painful

Time

- Operational infrastructures need to be built

Changing Roles

- Payors becoming providers, providers becoming payers (opportunity or issue?)

Lack of Common Goals and Flexibility

- Everyone needs to adjust

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In The Pipeline

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Catalysts

- “First one out”→ market size
- New entrants focused on convenience
  - Retail, telemedicine
- Health Information exchanges
- Administrative actions (e.g., SIM)
- Common measures, critical mass
- Partnering!

Change!

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Appendix

ER Management

Shared Savings Program

Incentive Program

- Provider funding based on shared savings on PMPM cost for ER benefits for assigned population

Plan Role

- Identification of frequent flyers
- Actionable and timely data to providers on ER utilization
- Electronic member profiles
- EDD Program
- 24 Hour Nurse Line

Provider Role

- Provider outreach to members
- Collaboration to develop combined resources of plan and providers
- Provider Champion – use data to improve performance
- Increased access to include after hour care

Desired Outcome

- Reduced cost
- Reduction in ER visits
- Develop PCP/Medical Homes relationship for member
- More appropriate care
- Improved health management

Drug Utilization Management

Shared Savings Program

Incentive Program

- Funding based on shared savings on PMPM cost for RX benefit for assigned population
- Qualifying measures
  - Generic utilization and formulary compliance equal to or better than prior period

Plan Role

- Analyze and report patterns, frequency and cost
- Retrospective UR – analyze clinical prescribing by provider
- MTM – Medical Therapy Management Program
- Drug Utilization Management – PA and Gold Carding

Provider Role

- Provider champion – utilize data to improve performance
- Use generics first
- Medical reconciliation to ensure appropriate utilization
- Use Specialty Pharmacy and Plan Formulary

Desired Outcome

- Reduced cost
- Increased generic %
- Improved Health Management


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