



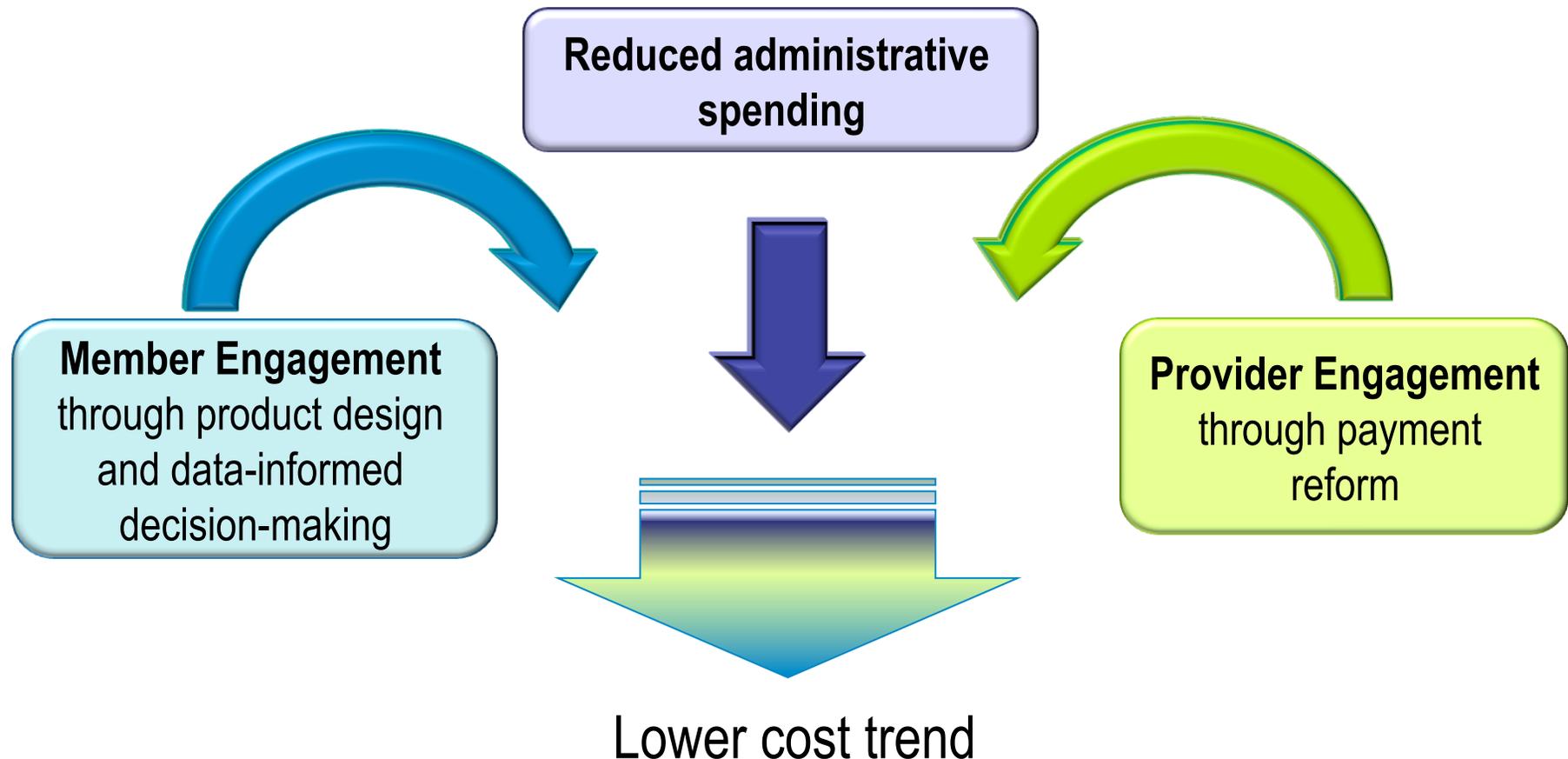
Introducing Tiered Networks: An Overview from BCBSMA

Dana Gelb Safran, Sc.D.
Senior Vice President
Performance Measurement and Improvement

Presented at:
NIHCM Foundation
Driving Value Webinar Series
27 May 2014

Aligning Provider and Member Incentives to Make Quality Health Care Affordable

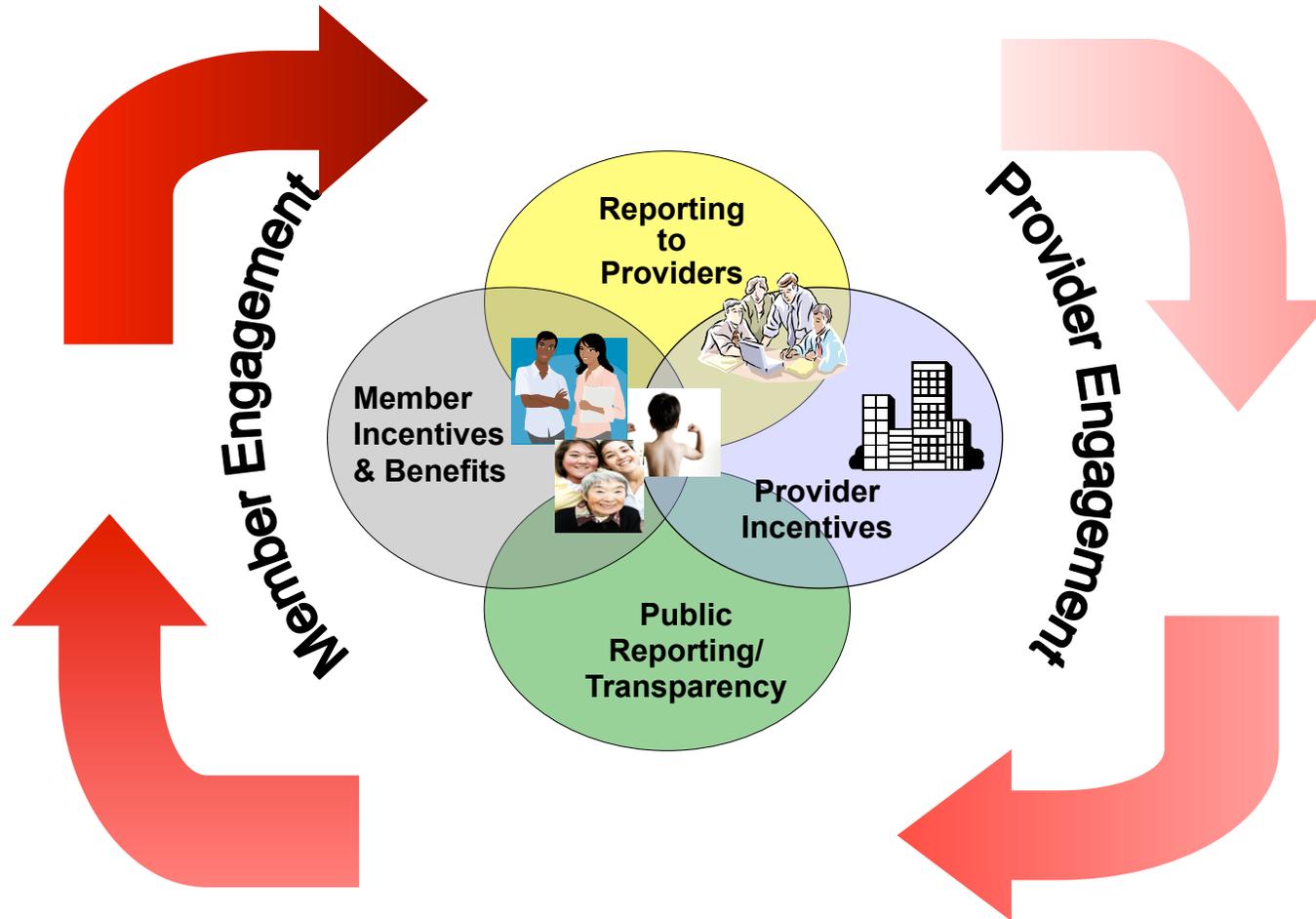
A multi-faceted strategy



Advancing Quality, Outcomes and Affordability: Aligning Member and Provider Engagement Strategies



MASSACHUSETTS



Guiding Principles in Selecting Performance Measures for “High Stakes” Use (Adopted Jan 2007)



MASSACHUSETTS

- Wherever possible, our measures should be drawn from nationally accepted standard measure sets.
- The measure must reflect something that is broadly accepted as clinically important.
- There must be empirical evidence that the measure provides stable and reliable information at the level at which it will be reported (i.e. individual, site, group, or institution) with available sample sizes and data sources.
- There must be sufficient variability on the measure across providers (or at the level at which data will be reported) to merit attention.
- There must be empirical evidence that the level of the system that will be held accountable (clinician, site, group, institution) accounts for substantial system-level variance in the measure.
- Providers should be exposed to information about the development and validation of the measures and given the opportunity to view their own performance, ideally for one measurement cycle, before the data are used for “high stakes” purposes.

Product Design Components



MASSACHUSETTS

Network Based

Provider selection
engagement through benefit
tiers, cost
and quality transparency

CDHP

Financial engagement
through deductibles and
spending accounts

Shared Supports

Personal Health Assessment
Biometric Screenings
Disease Management
Health Management
Utilization Management
Pharmacy Management
Transparency
Wellness Programming
Decision-Support Tools
Member Services
Employee Education
Informatics Reporting

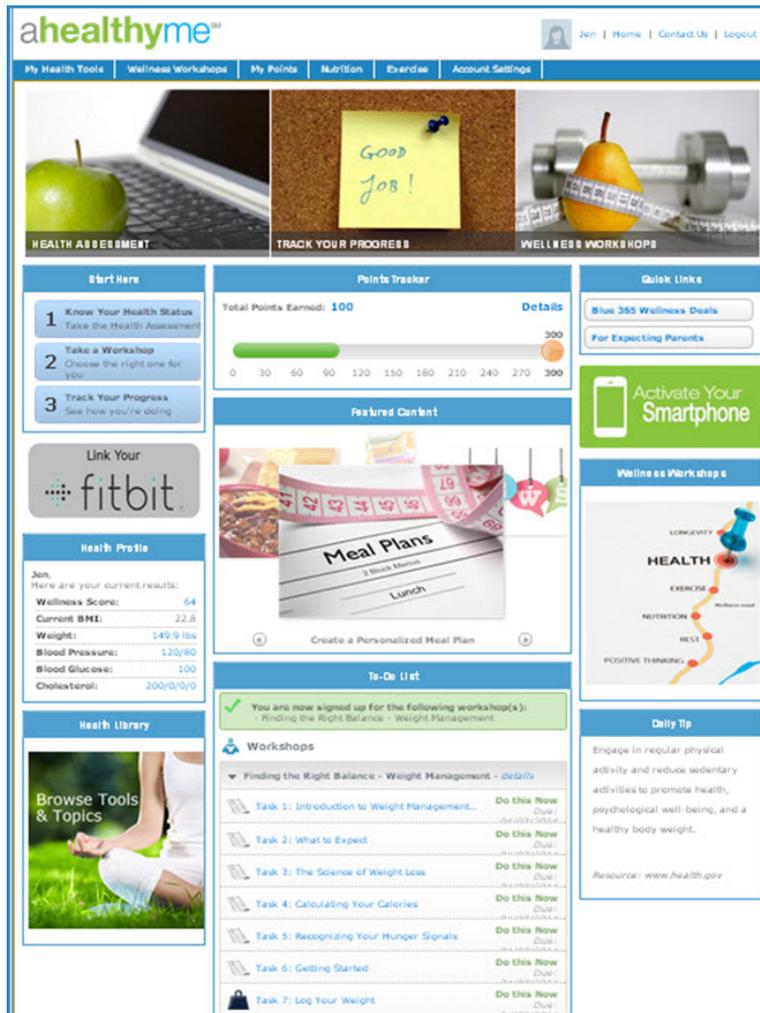
Value Based

Medical treatment utilization
engagement through
evidence-based benefit
changes

Healthy Behaviors

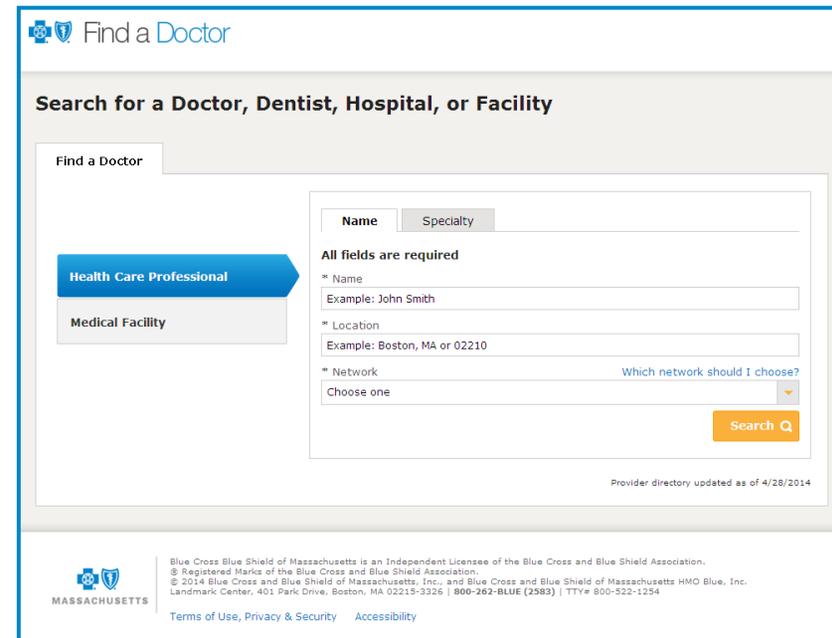
Health-focused behavior
engagement through incentives,
tools and resources

Member-Facing Tools



The screenshot shows the 'ahealthyme' member dashboard. At the top, there's a navigation bar with links for 'My Health Tools', 'Wellness Workshops', 'My Points', 'Nutrition', 'Exercise', and 'Account Settings'. Below this is a hero section with three main areas: 'HEALTH ASSESSMENT' (featuring a green apple), 'TRACK YOUR PROGRESS' (featuring a corkboard with a 'GOOD JOB!' note), and 'WELLNESS WORKSHOPS' (featuring a pear and a measuring tape). The dashboard is divided into several columns and sections:

- Start Here:** A list of three steps: 1. Know Your Health Status (Take the Health Assessment), 2. Take a Workshop (Choose the right one for you), and 3. Track Your Progress (See how you're doing).
- Points Tracker:** A progress bar showing 'Total Points Earned: 100' out of a goal of 300.
- Quick Links:** Buttons for 'Blue 365 Wellness Deals' and 'For Expecting Parents'.
- Featured Content:** A 'Meal Plans' section with a 'Create a Personalized Meal Plan' button.
- Wellness Workshops:** A section titled 'Finding the Right Balance - Weight Management' with a list of tasks:
 - Task 1: Introduction to Weight Management (Due: 04/03/2014)
 - Task 2: What to Expect (Due: 04/03/2014)
 - Task 3: The Science of Weight Loss (Due: 04/03/2014)
 - Task 4: Calculating Your Calories (Due: 04/03/2014)
 - Task 5: Recognizing Your Hunger Signals (Due: 04/03/2014)
 - Task 6: Getting Started (Due: 04/03/2014)
 - Task 7: Log Your Weight (Due: 04/03/2014)
- Health Profile:** A section for user 'Jan' showing current results: Wellness Score: 64, Current BMI: 22.6, Weight: 149.9 lbs, Blood Pressure: 120/80, Blood Glucose: 100, and Cholesterol: 200/0/0/0.
- Health Library:** A section titled 'Browse Tools & Topics' with an image of a person meditating.
- Fitbit Link:** A section titled 'Link Your fitbit'.
- Activate Your Smartphone:** A section with a smartphone icon.
- Wellness Workshop:** A section titled 'HEALTH' with a diagram showing 'LONGEVITY', 'EXERCISE', 'NUTRITION', and 'REST' leading to 'POSITIVE THINKING'.
- Daily Tip:** A section with the text: 'Engage in regular physical activity and reduce sedentary activities to promote health, psychological well-being, and a healthy body weight. Resource: www.health.gov'.

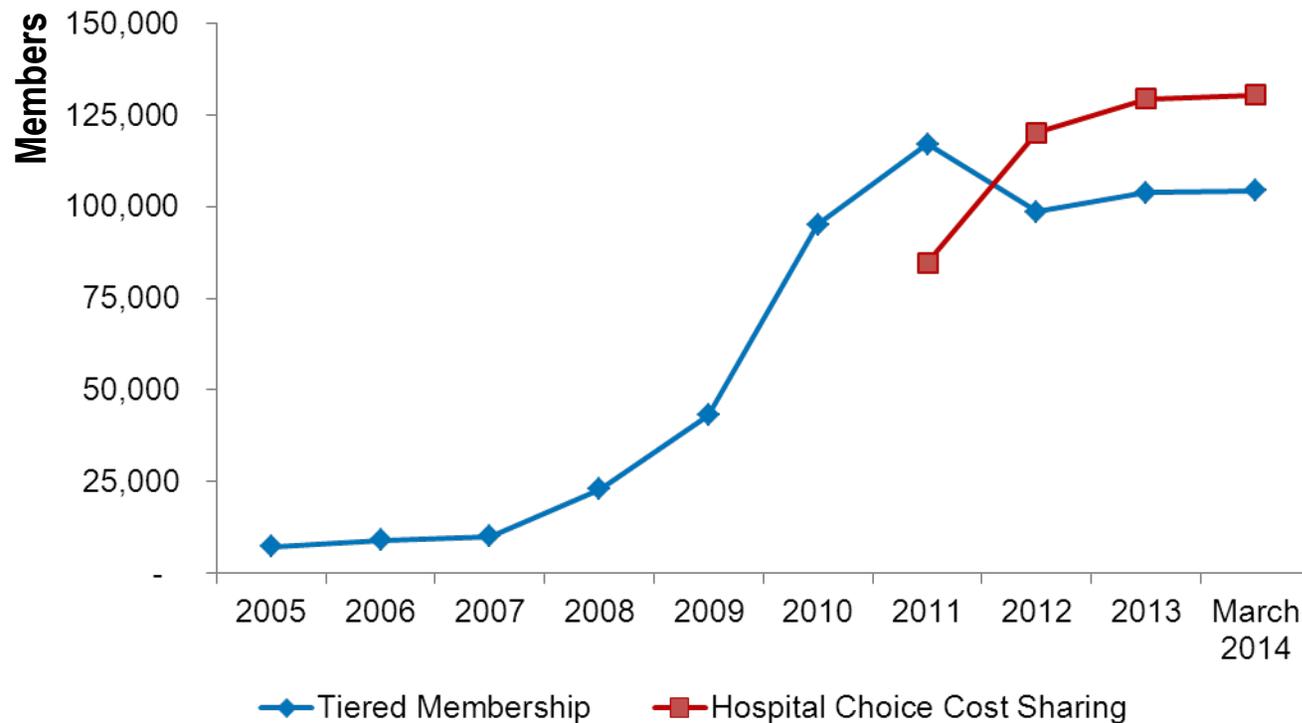


The screenshot shows the 'Find a Doctor' search interface. At the top, it says 'Find a Doctor' with a search icon. Below this is a search bar with the text 'Search for a Doctor, Dentist, Hospital, or Facility'. There are two tabs: 'Find a Doctor' (selected) and 'Medical Facility'. The search results are filtered to 'Health Care Professional'. The search criteria are: Name (Example: John Smith), Location (Example: Boston, MA or 02210), and Network (Choose one). A 'Search' button is at the bottom right. The footer contains the Blue Cross Blue Shield of Massachusetts logo and copyright information: '© 2014 Blue Cross and Blue Shield of Massachusetts, Inc., and Blue Cross and Blue Shield of Massachusetts HMO Blue, Inc. Landmark Center, 401 Park Drive, Boston, MA 02215-3326 | 800-262-BLUE (2583) | TTY# 800-522-1234'. It also includes links for 'Terms of Use, Privacy & Security' and 'Accessibility'.

Growth in Tiered Products Over Time



- Membership in tiered products has grown substantially over the past decade
- Blue Cross Blue Shield of MA offers two forms of value-based network products
- Combined, these two products cover more than 230,000 members



Guiding Principles in Establishing the Empirical Basis for Tiering



MASSACHUSETTS

Vision

To advance the system toward safe, effective, affordable, patient-centered care by offering members both information and financial incentives to choose providers that have demonstrated high performance on quality and favorable cost relative to their peers.

Principles

- No new measures. Wherever possible, measures used for tiering will be drawn from nationally accepted and widely used performance metrics. In all cases, measures will be familiar to physicians, and physicians will have seen results from at least one measurement cycle—ideally through BCBSMA incentive and/or reporting programs, but where necessary, through state or national reporting programs.
- Performance measures used to tier physicians or hospitals will reflect as broad a spectrum as possible of the care provided by that specialty or institution.
- The methodology for financial measures will afford meaningful cost differentiation for members and employers.
- For a measure to be included in the tiering of a physician, practice, or institution, available sample sizes must be sufficient to meet thresholds for measure reliability and stability.
- Where insufficient data exist to tier a physician, practice, or institution on either the cost/efficiency or quality domain, the tiering assignment will be made such that the entity is placed in a “neutral tier” for that domain.

Quality Measures for Hospital Tiering



| AMI Care | Surgical Care Improvement Project (SCIP) |
|-----------------------------------|--|
| Aspirin at Discharge | Perioperative beta-blocker |
| Health Failure Care | Urinary catheter removal |
| ACEI/ARB for LVSD | Appropriate VTE prophylaxis received |
| LVS function evaluation | VTE prophylaxis ordered |
| Discharge instructions | Antibiotic received |
| Community-Acquired Pneumonia Care | Antibiotic discontinued |
| Blood Culture | Received appropriate preventive antibiotic(s) |
| Antibiotic selection | Outcomes (AHRQ) |
| Outpatient Surgical Care | Post-operative Respiratory Failure |
| Prophylactic antibiotic selection | Post-operative PE/DVT |
| Timing of antibiotic prophylaxis | Accidental puncture or laceration |
| Patient Experience (HCAHPS) | Iatrogenic pneumothorax |
| Discharge Instructions | Obstetrics trauma--vaginal with instrument |
| Responsiveness of Staff | Obstetrics trauma--vaginal w/o instrument |
| Communication, doctors | Central venous catheter associated blood stream infections |
| Communication, nurses | |

Tiering Placement by Performance Categories

| Tier | Primary Care Provider | | |
|-----------------------|--|-----|--|
| | Quality | | Cost/Efficiency |
| Enhanced | Pass overall quality threshold | AND | Low cost relative to the regional network |
| Standard ¹ | Pass overall quality <u>or</u> insufficient data | AND | Average cost <u>or</u> insufficient data |
| Basic | Did not pass overall quality threshold | OR | High cost relative to the regional network |

Notes

1. In limited circumstances, to provide adequate geographic access for members, the Standard Tier includes certain providers whose scores would put them in the Basic Tier.

Member Cost by Tiering Placement



MASSACHUSETTS

| Tier | PPO ² | | | HMO Blue Deductible ³ | | |
|-----------------------|------------------------|---------------------|-------------------|----------------------------------|---|--|
| | PCP Visit ⁴ | Imaging at Hospital | Inpatient Surgery | PCP Visit ⁴ | Imaging at Hospital | Outpatient Day Surgery |
| Enhanced | \$15 | \$75 | \$250 | \$10 copay | Nothing | Nothing |
| Standard ¹ | \$25 | \$150 | \$500 | \$20 copay | Nothing after \$250 deductible | Nothing after \$250 deductible |
| Basic | \$45 | \$250 | \$1,000 | \$40 copay | \$450 copay per category of test, per service date after \$1,500 deductible | \$1,000 copay after \$1,500 deductible |

Notes

1. In limited circumstances, to provide adequate geographic access for members, the Standard Tier includes certain providers whose scores would put them in the Basic Tier.
2. Cost figures refer to PPO in-network coverage.
3. Figures reflect the HMO Blue New England Options Deductible product, for care within Massachusetts. The benefit content displayed above applies to the small group segment for 2014. The cost share amounts are different in the 51-99 and large group markets. Deductible figures assume an individual, not family, policy.
4. Preventive care is exempt from copays.

Summary



MASSACHUSETTS

- A blend of member-facing and provider-facing initiatives is valuable to the goals of improving quality, outcomes and affordability
- Tiered product designs are an approach that allows access to the full network while beginning to expose members to differences in provider cost and quality
- A rigorous measurement approach and methodology is critical both for provider engagement and to ensure that member steerage to preferred providers will have the desired effects
- Since the introduction of tiered product designs about a decade ago, uptake has grown steadily and is currently about 230,000 members
- A forthcoming evaluation of hospital choice for elective care demonstrates significant impact

For More Information



MASSACHUSETTS



Doctor and the Doll by Norman Rockwell

NR0007

©1987 CURTIS PUBLISHING CO./PINEAPPLE PUBLISHING & LICENSING, MANCHESTER CTRL, VT

PRINTED IN U.S.A.

dana.safran@bcbsma.com