

A decorative graphic in the top left corner consisting of a solid blue horizontal bar and a series of blue circles of varying sizes arranged in a descending arc from left to right.

Managing Multiple ACOs

**2015 LAN Summit
October 26, 2015**

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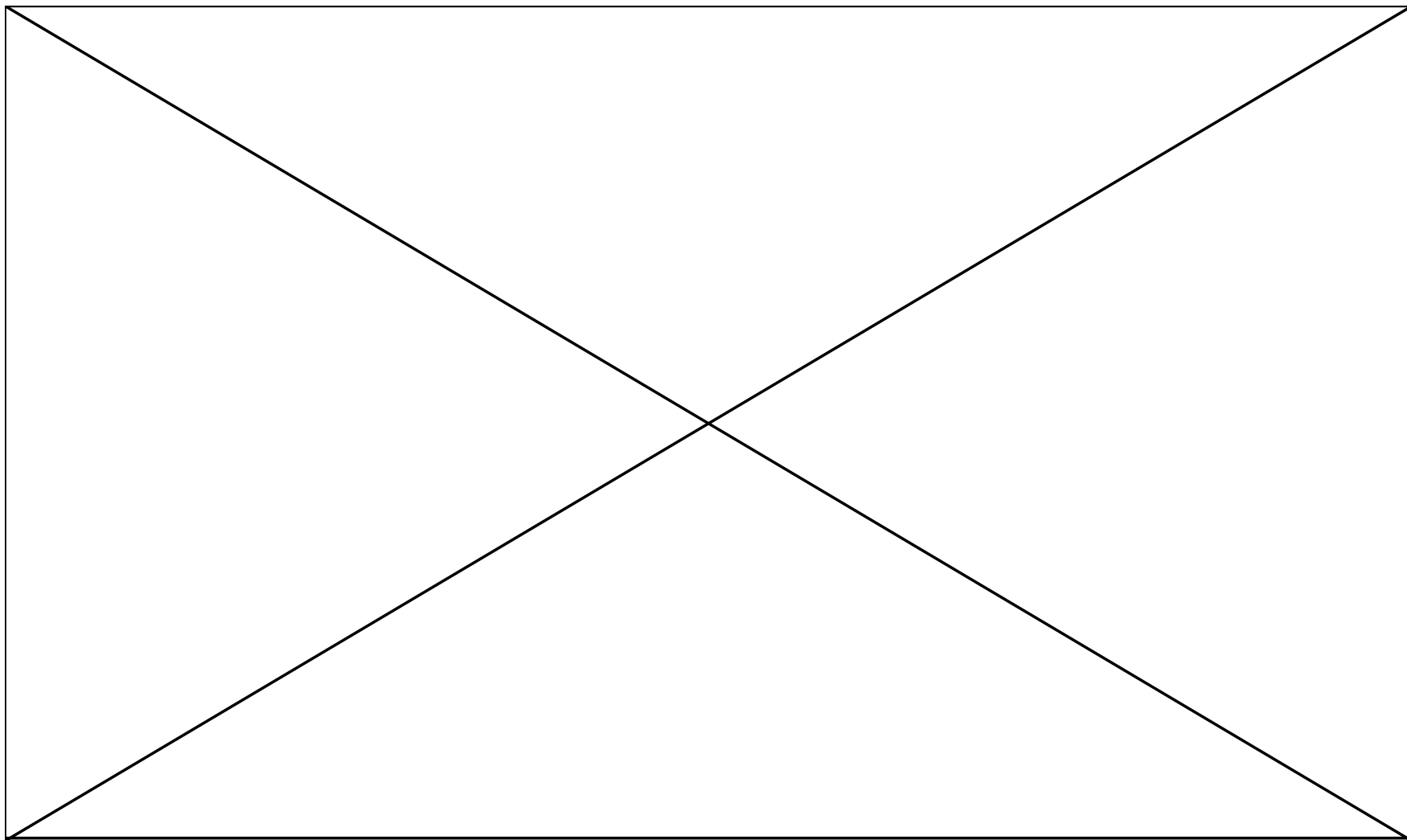
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Lehigh Valley Health Network



Populytics®

- Established December 2013
- Population health management and advanced analytics firm with a rich foundation of health plan administration experience

Integrates:

- Health plan management
- Clinical care delivery and
- Advanced information technology and analytics



Supported by experts in:

- Payer & Provider Informatics
- Medical Management, including Wellness Services
- Benefit Plan Design and Administration
- Marketing, Sales & Business Development
- Insurance and Risk Management

Our Journey to Value



Fee-for-Service

Providers paid for treating an **individual's** health problem

Present

QUALITY INCENTIVES

FEE-FOR-SERVICE

Near-Term

SHARED SAVINGS

FEE-FOR-SERVICE

Future

GLOBAL RISK CONTRACTING

FEE-FOR-SERVICE



Fee-for-Value

Providers paid for proactively keeping **populations** healthy

Old Approach to Value Based Contracts



Current Value-Based Contracts

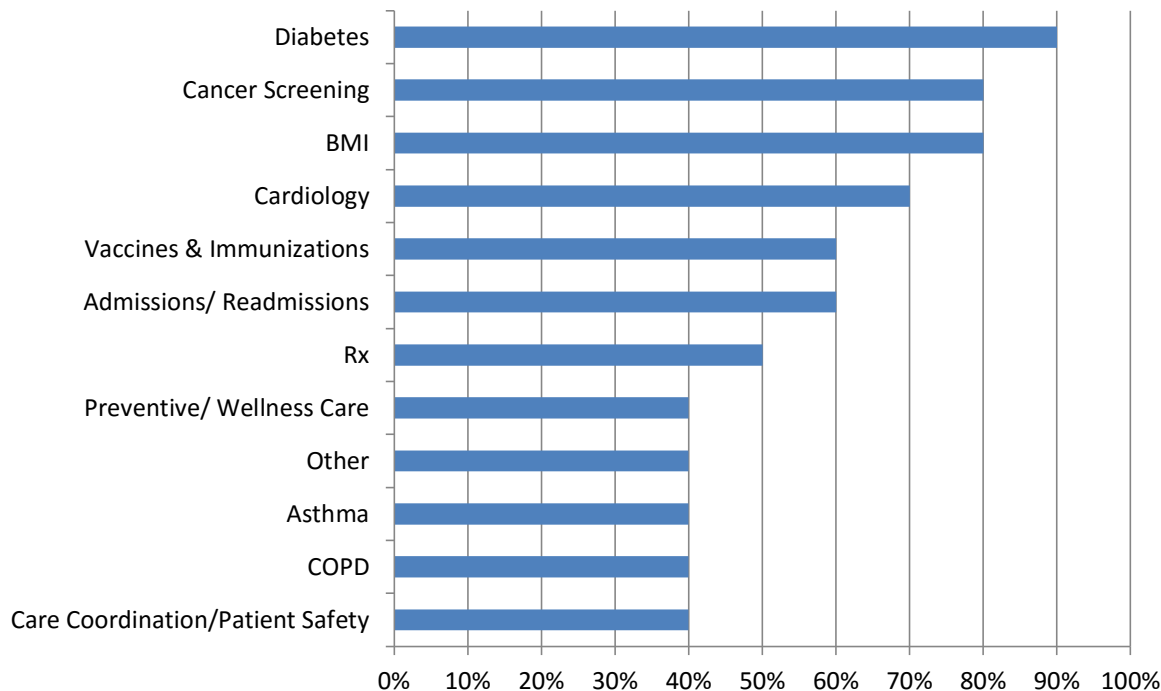
- Today LVHN has ~70,000 lives under management, including Medicare and private payers
 - >100,000 lives in the pipeline
- Characteristics of Value-Based Contracts:
 - Cost and utilization targets
 - EX: Utilization trend must be lower than the “trend”
 - Quality targets
 - EX: Must exceed quality benchmarks or show improvement on defined quality measures

Populytics merges claims and clinical data to manage these contracts and inform care delivery.

Overview of Value Based Contracts

In Spring 2014, we reviewed 10 value-based contracts.

Most Popular Measure Domains



148 Quality Measures
29 Utilization Measures

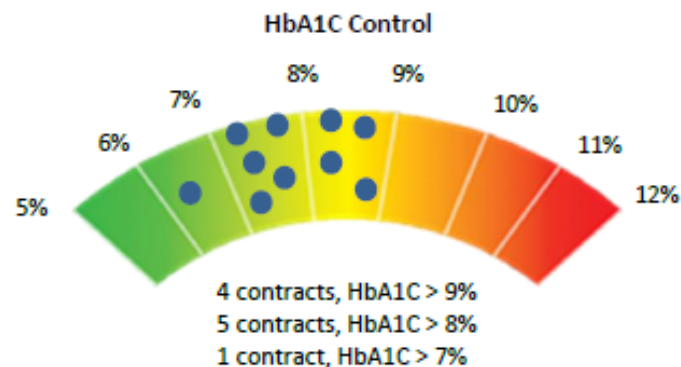
177 Total Measures in 10
Contracts

Complications with Value Based Contracts

1. Some measures are similar but use slightly different definitions.

For example, all 10 contracts reviewed measure HbA1C contract, but use three different definitions.

2. Measures are not consistent across contracts. There are only a few categories that most contracts score, e.g., Diabetes.



	Percent Unique Measures	Unique QUALITY Measures	Unique UTILIZATION Measures	Total Measures in Contract
Contract 1	73%	3	5	11
Contract 2	69%	31	2	48
Contract 3	55%	36	6	77
Contract 4	48%	16	7	48
Contract 5	33%	0	4	12
Contract 6	21%	7	0	33
Contract 7	9%	2	0	22

New Approach to Value Based Contracts



Align Quality & Utilization Measures

LVHN champions 30 priority measures using 3 primary tactics:

- Physician Incentive Program – *Achieving Clinical Excellence*®
- Analytics based on claims and clinical analytic information
- Consistent care management strategy

Powered by  Populytics



Lehigh Valley Physician Group...In the Beginning

- Incorporated in 1993
- Not-for-profit subsidiary of Lehigh Valley Health Network
- Began with 23 physicians
- Primary focus was LVHN's educational mission and to provide care for the entire community

Lehigh Valley Physician Group...Today

- One of the largest medical groups in the U.S.
- 1,100+practioners and 3,000 colleagues
 - Physicians (700+ FTEs) & APCs (400+ FTEs)
- 45+ specialties
- 145+ practice sites
- 2 million visits/year
- 400,000 patients
(>1/2 Lehigh Valley's population)
- \$450M operating budget
- Growing 10-15%/year



Lehigh Valley PHO

- Created in 1993
- Dual ownership of Greater Lehigh Valley IPA and Lehigh Valley Hospital
- Today encompasses all members of LVHN medical staff
- >12 years of incentivizing providers and forms the clinically integrated engine

LVPHO Achieving Clinical Excellence® (ACE) Physician Incentive Program

- Semi-annual practice-based group incentive plan
- Measurement Categories
 - **Better Care:** CG CAHPs participation, Meaningful Use standards
 - **Better Cost:** Risk Adjusted ALOS, Risk Adjusted Episode Cost, Risk Adjusted Admissions, Readmissions, ED visits, and generic Rx Utilization
 - **Better Health:** Evidence-based Quality Measures, QI Projects
- Funding sources include employee health plan, shared savings from payers, and LVPHO Clinical Integration funds
- Utilizes medical and pharmacy claims and EMR data for employee population and shared risk arrangements
- Administered with internally developed software application



Sample Primary Care Group Results

Your Group's ACE Rank for this Cycle: 7 / 91 PCP Groups
Average Points: 82.92

Quality and Efficiency Goals	Available	Earned
Average Length of Stay	0	0
Episode Cost Points	5	5
Pharmacy Utilization	15	15
Diabetes Outcome/Quality Measures	12	5.14
CAD Outcome/Quality Measures	6	3.32
CHF Outcome/Quality Measures	6	1.98
Asthma Outcome/Quality Measures	7	2.31
Preventive Outcome/Quality Measures	12	9.09
Pediatric Preventive Outcome/Quality Measures	7	7
Health Information Management	35	35
ED Visits Per 1000	5	5
Admits Per 1000	5	5
Readmits Per 1000	5	5
Total Points	120	98.84

Sample Allergy Group Results

Your Group's ACE Rank for this Cycle: 81/126 SCP Groups
Average Points: 79.08

Quality and Efficiency Goals	Available	Earned
Average Length of Stay	0	0
Episode Cost Points	35	35
Pharmacy Utilization	20	8
Diabetes Outcome/Quality Measures	0	0
CAD Outcome/Quality Measures	0	0
CHF Outcome/Quality Measures	0	0
Asthma Outcome/Quality Measures	30	15
Preventive Outcome/Quality Measures	0	0
Pediatric Preventive Outcome/Quality Measures	0	0
Health Information Management	15	15
ED Visits Per 1000	0	0
Admits Per 1000	0	0
Readmits Per 1000	0	0
Total Points	100	73

Sample Cardiology Group Results

Your Group's ACE Rank for this Cycle: 56/126 SCP Groups
Average Points: 79.08

Quality and Efficiency Goals	Available	Earned
Average Length of Stay	15	15
Episode Cost Points	25	25
Pharmacy Utilization	25	25
Diabetes Outcome/Quality Measures	0	0
CAD Outcome/Quality Measures	10	0
CHF Outcome/Quality Measures	10	1.1
Asthma Outcome/Quality Measures	0	0
Preventive Outcome/Quality Measures	0	0
Pediatric Preventive Outcome/Quality Measures	0	0
Health Information Management	15	15
ED Visits Per 1000	0	0
Admits Per 1000	0	0
Readmits Per 1000	0	0
Total Points	100	81.1

Relative Episode Cost

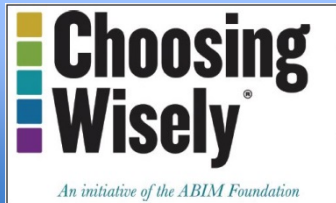
- Use Episode Grouping tool and rolling 12 months of medical & pharmacy claims
- Episode costs are compared to commercial claims database of 42 M lives
- Identify five most common episode base classes for each specialty
- Each practice is scored on their relative costs of care for the common episodes
- Episodes are risk-adjusted for severity, comorbidities, complications, and treatment



Comparison Data for Episode Costs

1. Run comparison claims dataset thru our risk analytics engine to create risk-adjusted Episode Treatment Groups (ETGs)
2. Adjust resulting data for inflation
3. Apply natural logarithm to the inflation-adjusted data to eliminate positive skew
4. The comparison data average cost and standard deviation is stored for each risk-adjusted, inflation-adjusted, transformed ETG.
5. Points are awarded based on difference from the comparison data.

Choosing Wisely® Campaign



- Launched in 2012 by ABIM Foundation with coalition of medical specialty societies and Consumer Reports
- Identifies hundreds of tests, treatments, and procedures to question or avoid
- Encourages conversations between physicians and patients about overuse in health care
- Supports physician efforts to help patients make smart and effective choices
- Ideas from Choosing Wisely increasing being used in strategies for value-based benefit design

Typical Choosing Wisely Brochure

Choosing Wisely[®]

An initiative of the ABIM Foundation

ConsumerReportsHealth



AMERICAN ACADEMY OF
FAMILY PHYSICIANS



Imaging tests for lower-back pain

You probably do not need an X-ray, CT scan, or MRI

X-rays, CT scans, and MRIs are called imaging tests because they take pictures, or images, of the inside of the body. You may think you need one of these tests to find out what is causing your back pain. But these tests usually do not help. Here's why:

The tests do not help you feel better faster. Most people with lower-back pain feel better in about a month, whether or not they have an imaging test.

People who get an imaging test for their back pain do not get better faster. And sometimes they feel worse than people who took over-the-counter pain medicine and followed simple steps, like walking, to help their pain.

Imaging tests can also lead to surgery and other treatments that you do not need. In one study, people who had an MRI were much more likely to have surgery than people who did not have an MRI. But the surgery did not help them get better any faster.

Imaging test have risks.

X-rays and CT scans use radiation. Radiation has harmful effects that can add up. It is best to avoid radiation when you can.



Imaging tests are expensive.

The chart below shows the costs of imaging tests according to [HealthcareBlueBook.com](#). Why waste money on tests when they do not help your pain? And if the tests lead to surgery, the costs can be much higher.

Imaging Test	Price Range
X-rays of the lower back	\$200 to \$290
MRI of the lower back	\$880 to \$1,230
CT scan of the lower back	\$1,080 to \$1,520

When are imaging tests a good idea?

In some cases you may need an imaging test right away. Talk to your doctor if you have back pain with any of the following symptoms:

- Weight loss that you cannot explain
- Fever over 102° F
- Loss of control of your bowel or bladder
- Loss of feeling or strength in your legs
- Problems with your reflexes
- A history of cancer

These symptoms can be signs of nerve damage or a serious problem such as cancer or an infection in the spine.

If you do not have any of these symptoms, we recommend waiting a few weeks. Before you have a test, try the self-care steps in the blue box.

This report is for you to use when talking with your health-care provider. It is not a substitute for medical advice and treatment. Use of this report is at your own risk.

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04/2012

Advice from Consumer Reports

How to treat lower-back pain

Many people get over lower-back pain in a few weeks by following these self-care steps:

Stay active. Walking is a good way to ease lower-back pain. If you stay in bed, it can take longer to get better. If you stay in bed more than a day or two, you can get stiff, weak, and even depressed. Get up and move.



Use heat. Heat relaxes your muscles. Try a heating pad, electric blanket, warm bath, or shower.

Take over-the-counter medicines. To help relieve pain and reduce swelling, try pain relievers or drugs that reduce swelling (called anti-inflammatory drugs). Remember, generic medicines cost less than brand names, but work just as well.

- Generic acetaminophen (brand name Tylenol)
- Generic ibuprofen (brand name Advil)
- Generic naproxen (brand name Aleve)

Sleep on your side or on your back. Lie on your side with a pillow between your knees. Or lie on your back with one or more pillows under your knees.

Talk to your doctor. If your pain is very bad, ask about prescription pain medicines. If they do not help within a few days, talk with your doctor again. Ask if the pain might be caused by a serious health problem.

Find out about other ways to treat back pain. If you still have pain after a few weeks, you may want to ask your doctor about other treatments for lower-back pain. Treatments include:

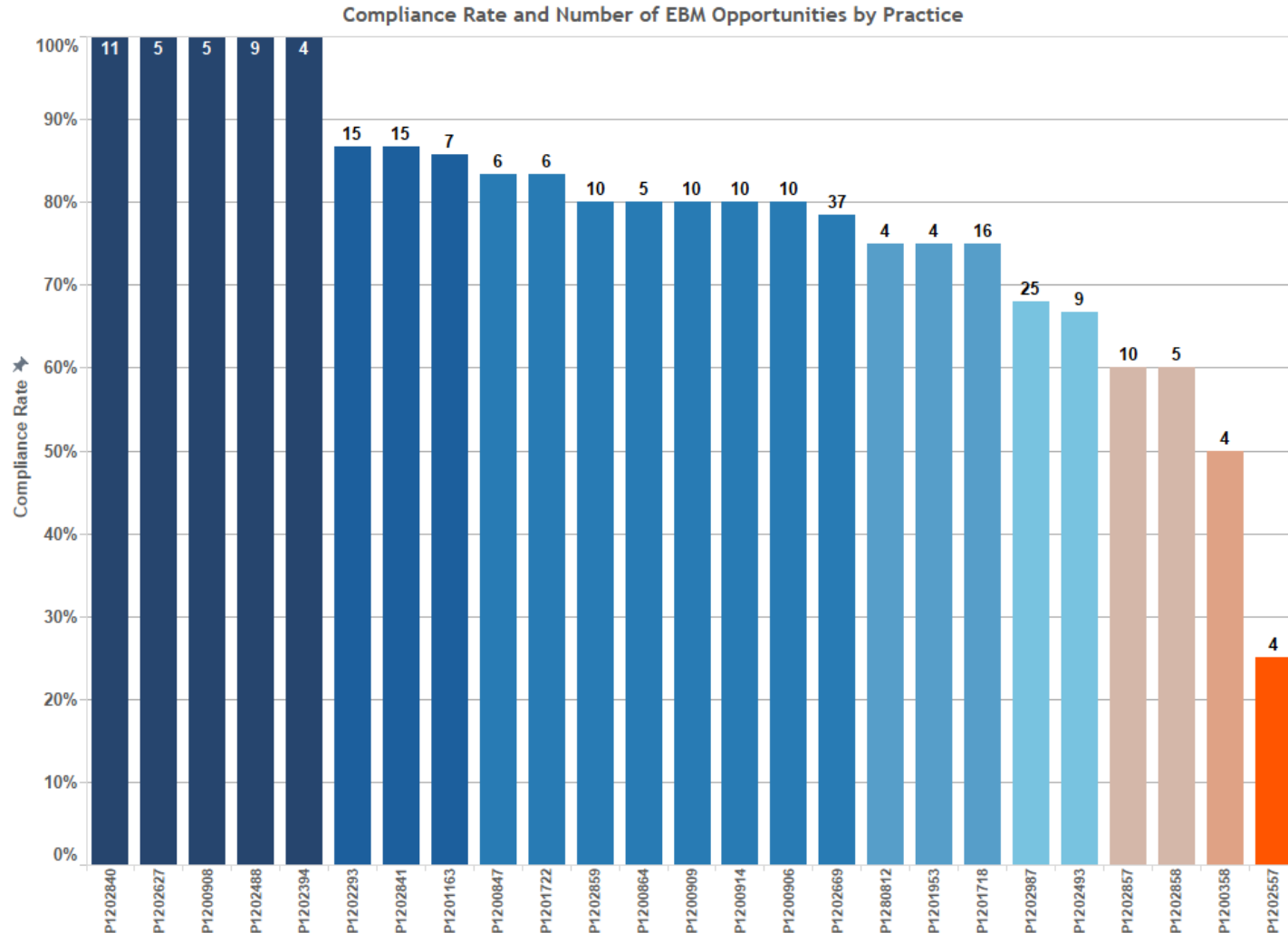
- Physical therapy
- Chiropractic care
- Acupuncture
- Yoga
- Massage
- Cognitive-behavioral therapy
- Progressive muscle relaxation

Find out if your health insurance pays for any of these treatments.

Surgery is a last choice. Surgery usually does not help very much. It has risks, and it costs a lot. Think about surgery only if other treatments do not help your pain.

Low Back Pain Compliance

EBM Rule: Patients with low back pain should not have imaging studies unless there are specific indications.



Changes to ACE for CY16

- CG-CAHPS: participation -> results
- Episode cost score: more episodes included
- Quality measures: chart audits -> EMR
- Begin rewarding care gap closure projects
- Results: Paper reports -> Web portal
- Further alignment of quality measures with ACO and all shared risk arrangements
- Adding metrics for knowledge of and compliance with Choosing Wisely principles



Questions & Discussion