Mid-South Medical Group Management Association
Mitch Graves, CEO
October 16, 2014

Who is HealthChoice
- Joint venture between Methodist Le Bonheur Healthcare and MetroCare
- MetroCare in an Independent Physician Association (IPA) 1800 physician
- Health Choice has been the managed care contracting entity for over 25 years
- Clinical data analytics, population health management strategies, and contracting that aligns payments

Vision
MetroCare Physicians, Methodist Le Bonheur Healthcare, and Health Choice have partnered to deliver highly integrated patient care that will improve patient outcomes and care experience while lowering the per capita cost of healthcare.

Value
“Price is what you pay. Value is what you get”
Warren Buffet
Why

- Healthcare cost approaching 20% GDP
- Highest cost in the world and we are not in the top for life expectancy
- Employers demanding (FedEx HDP)
- Consumerism (Castlight)
- Retain market share
- Waste is estimated to be 30% of spend
- Government down mandates

AON

- AON- 90% of large employers want to keep their own benefits plan as opposed to a public exchange
- AON- Of those 90%, 50% would expect to stay in self-insured model and 50% will go with a private exchange
- 42% of employees will buy down and 26% up

What is clinical integration

- Shift from repair to wellness
- Move from volume to value
- Use of clinical data to reduce variation, improve outcomes, and measure physician accountability
- Physician governed
- Chronic disease management
- High risk patient management
- Alignment of financial incentives

Having our own data

- First time ever for providers to have the full picture
- All network providers are required to submit claim data
- Real time reporting
- Disease registries for proactive reach outs
- Population health tools
- Risk adjusted for predictive modeling
- Marries demographics, medical, PBM, and lab data
- Patient and physician profiles
- Socio-economic data
**How Ci will work**

- Physician led through MetroCare QEC
- Identify initiatives
- Utilize best practices or EBMs determined by physicians
- Establish annual targets
- Provide support through data, education and training
- Physician accountability reporting
- Reward improvement, penalize poor performers
- Patient education

**Trilogy network goals**

- Agreed on CIN strategy
  - Low cost= inflation +1%
  - High Quality= Provider Accountability
  - High level of patient engagement

**MLH Health and Wellness Goals**

- Limit healthcare costs to no more than inflation + 2% (PMPM basis)
- Model health & wellness plan for the community by 2016
- Improve BMI across plan members
- Help associates and their families make good decisions about how to spend their and MLH’s healthcare dollars
- Focus on top 5% of utilizers of healthcare
- Reduce gaps in care
- To provide resources to Associates and their families that enable them to be informed consumers, be engaged and take personal responsibility for their overall well-being.

**Initiatives for MLH Health Plan**

- Focus on reducing ER visits – currently 262 per 1,000 covered lives
- Increase annual well visit to PCP – currently at 44.8%
- Increase mammography compliance rate – currently 70%, also review for race disparity
- Reduce pharmacy cost through generic use, step-therapy and reduce compound use
- Development of comprehensive diabetic plan
- Focus on top 900 high risk patients
- Physician and Patient education
Mitch’s worries

- Health of the community
  - #1 highest rate of obesity
  - #1 metropolitan city for hypertension
  - 12% of the population is diabetic
- Poverty level
- Have not solved the patient accountability
- Ability for physicians and health system to think as one
- Reimbursement reductions move faster
- MD adoption of tools and technology
- Pharmacy cost
- Trust and transparency with physician, patients, and payors

Mitch’s other thoughts

- Expanded Medicaid
- Pioneer ACO, MSSP, and BPCI
- Retail, E-visits, and employer clinic
- Theranos