Managing Medicare Advantage Members Through Value-based Arrangements

Presented By:

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  - In the Event window, in the Panels drop-down list, select Q & A.
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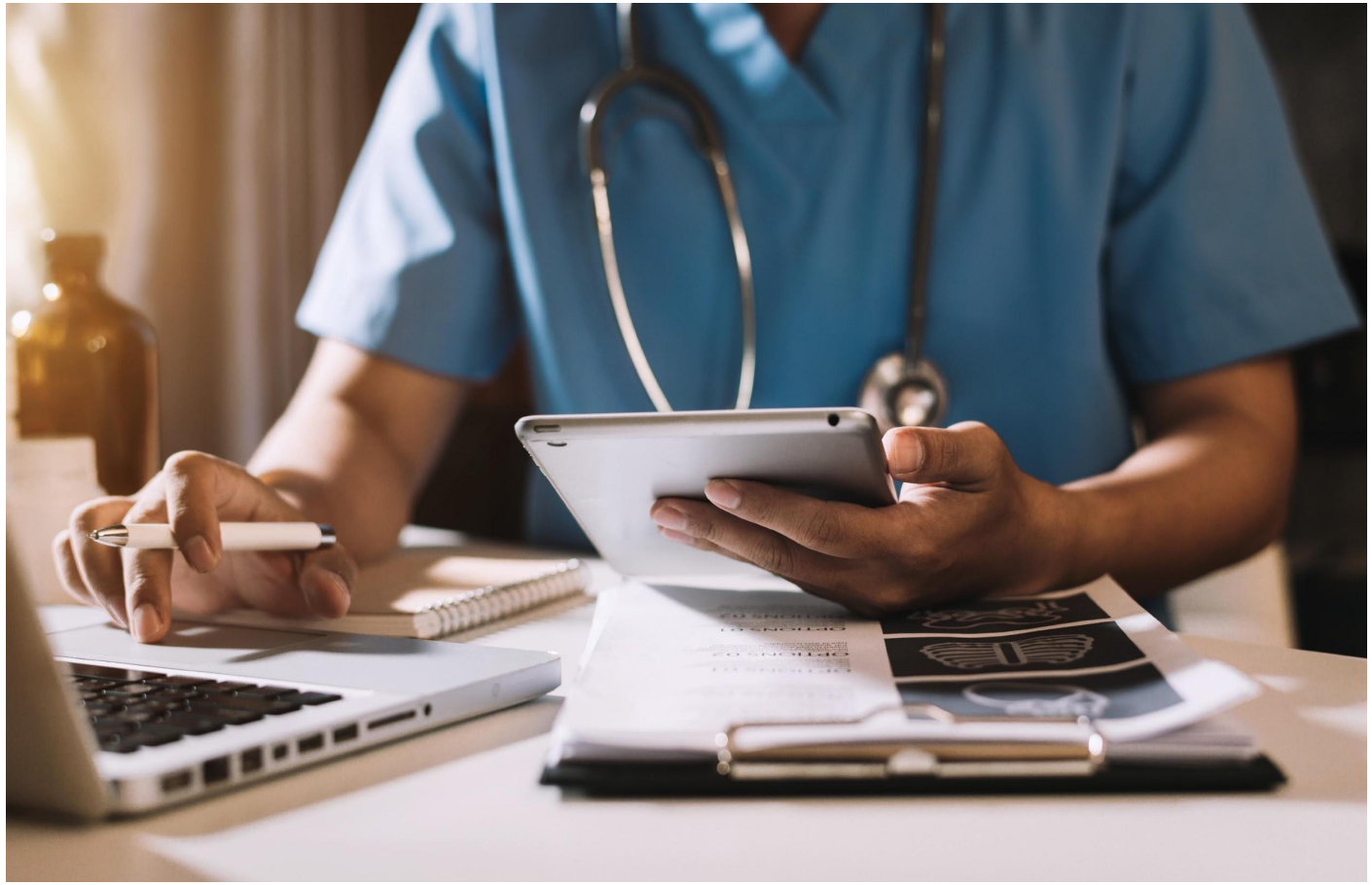
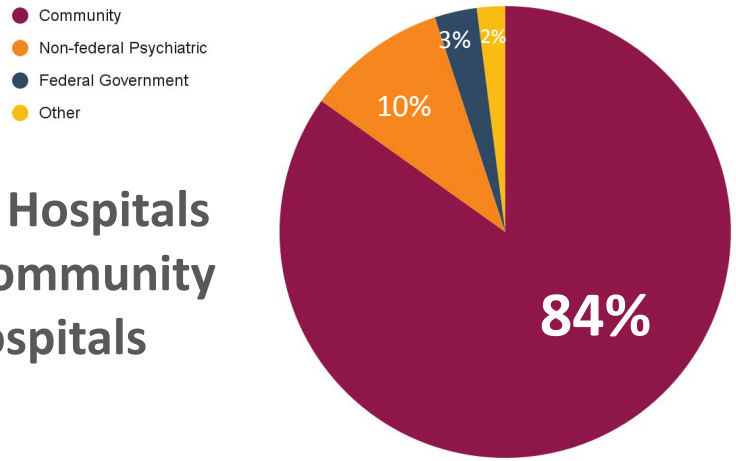
  - Click “Send”.

Challenges of the US healthcare system

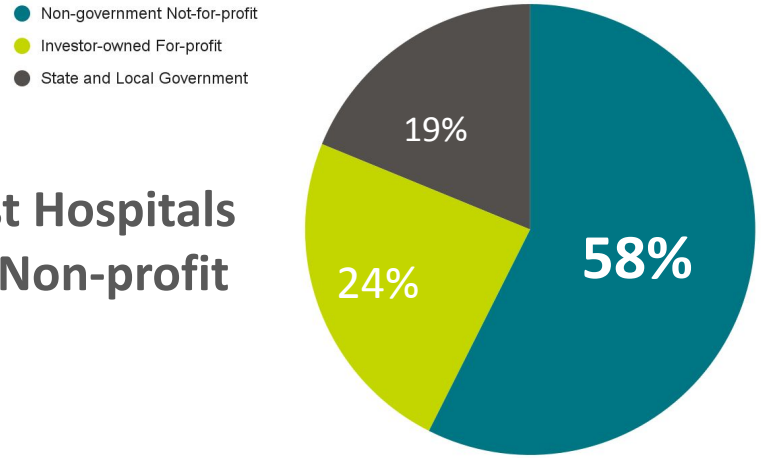


Hospitals are as diverse as their needs

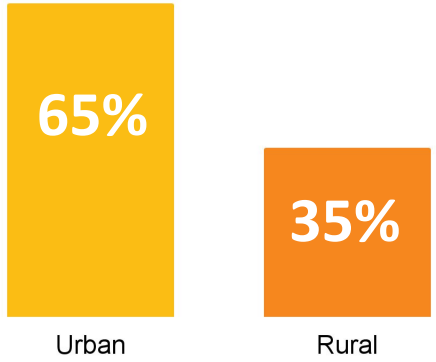
Most Hospitals are Community Hospitals



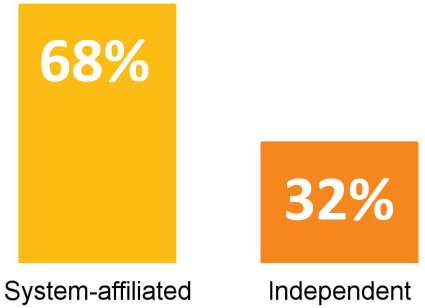
Most Hospitals are Non-profit



Two-thirds of Community Hospitals are Urban



Two-thirds of Community Hospitals are System-affiliated



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https://www.aha.org/infographics/2020-07-24-fast-facts-infographics

Using a variety of technologies

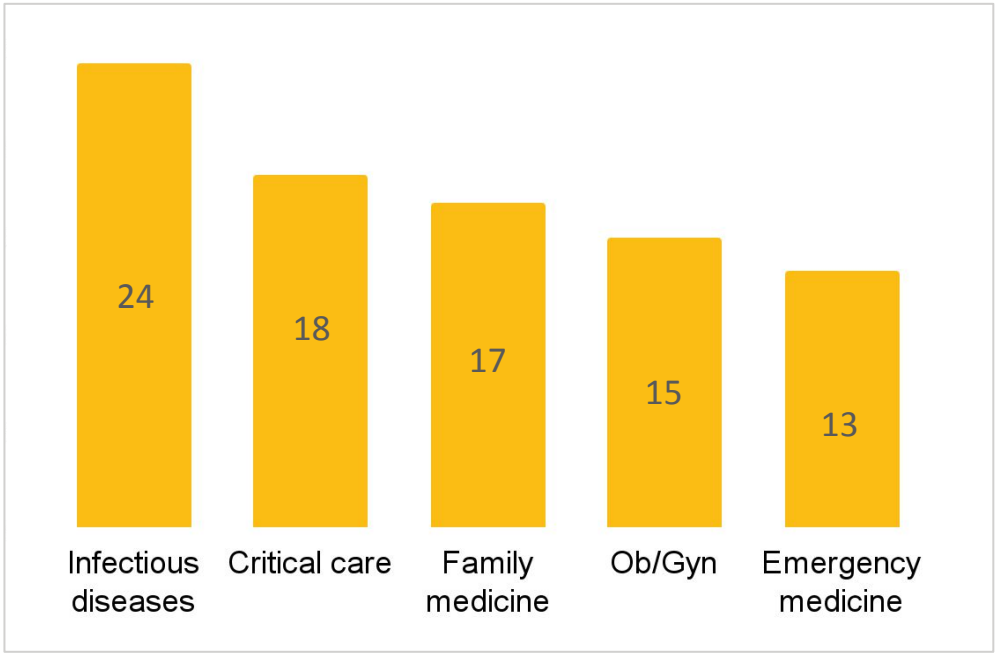
Top 5 inpatient EHR vendors by market share[1]

Rank	Vendor	# of installs	% of market share
1	Epic Systems Corporation	**2,709**	**39.52%**
2	Oracle Cerner	**1,576**	**22.99%**
3	MEDITECH	**895**	**13.06%**
4	Evident a CPSI Company	**498**	**7.26%**
5	MEDHOST	**263**	**3.84%**

Top 5 ambulatory EHR vendors by market share[1]

1	**eClinicalWorks**	**7,756**	**13.8%**
2	Epic Systems Corporation	**5,431**	**9.7%**
3	athenahealth	**4,183**	**7.4%**
4	NextGen Healthcare	**2,720**	**4.8%**
5	Practice Fusion, a Veradigm Co.	**2,699**	**4.8%**

Hours per week spent on paperwork[2]



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1. https://www.definitivehc.com/blog/top-ambulatory-ehr-systems
2. Data is from Medscape's Physician Compensation Report

Provider practices are consolidating

Continual shift to ownership by hospitals and away from private practices

- Hospitals afraid competitors will buy the practice
- Hospitals lose money on professional fees but presumably get referral increases
- Practices will make more money on higher rates
- Managing payers' regulatory and administrative requirements is burdensome
- Reducing costly resources

Exhibit 1. Distribution of physicians by practice ownership structure [1]

	2012	2014	2016	2018	2020	2022
Wholly owned by physicians (private practice)	60.1%[a]	56.8%	55.8%	54.0%[a]	49.1%[b]	46.7%[a]
At least some hospital ownership (hospital-owned)	23.4%[b]	25.6%	25.4%	26.7%[a]	30.5%	31.3%[a]
Wholly owned by hospital	14.7%	15.6%	16.1%	16.3%[a]	20.1%	20.1%[a]
Jointly owned by physicians and hospital	6.0%[b]	7.3%[c]	6.2%	6.8%	6.4%	6.7%
Unknown whether wholly or jointly owned [2]	2.6%	2.7%	3.1%	3.5%	3.9%	4.5%[a]
Direct hospital employee/contractor	5.6%[a]	7.2%	7.4%	8.0%[c]	9.3%	9.6%[a]
Wholly owned by not-for-profit foundation	6.5%	6.4%	6.7%	6.3%[a]	4.7%	5.2%[b]
Private equity	n/a	n/a	n/a	n/a	4.4%	4.5%
Other [3]	4.4%	4.0%	4.7%	4.9%[a]	2.0%[c]	2.6%[a]
	100%	100%	100%	100%	100%	100%
N	3466	3500	3500	3500	3500	3500

Source: Author's analysis of AMA Physician Practice Benchmark Surveys.

Notes: [1] Significance tests are for changes within ownership structure category. 'a' is $p<0.01$, 'b' is $p<0.05$, and 'c' is $p<0.10$. Indications in each column are for that year and the one following except in the 2022 column where they are for 2012 and 2022. [2]Physicians who indicated their practice type was a hospital and then clarified that their practice was owned by a hospital were not asked to select a practice ownership category. Thus, it is unknown whether their practice was wholly or jointly owned by a hospital. [3] Other includes wholly owned by an HMO/MCO and fill-in responses.

https://www.ama-assn.org/system/files/2022-prp-practice-arrangement.pdf

And practices are not always where the population is

Primary Care Physicians by Rural-Urban Commuting Area (RUCA) Designation

Rural Status	% of U.S. Population	Non-Primary Care	Primary Care	Family Medicine	Geriatrics	General Practice	Internal Medicine	Pediatrics
Urban	84.2%	**95.1%**	**91.8%**	**87.6%**	**95.9%**	**87.6%**	**94.7%**	**95.1%**
Large Rural	8.7%	**3.3%**	**4.5%**	**6.2%**	**2.3%**	**5.8%**	**3.3%**	**3.2%**
Small Rural	4.1%	**0.9%**	**2.2%**	**3.8%**	**0.9%**	**3.6%**	**1.1%**	**1.0%**
Isolated Rural	3.0%	**0.4%**	**1.1%**	**2.1%**	**0.6%**	**2.3%**	**0.5%**	**0.4%**

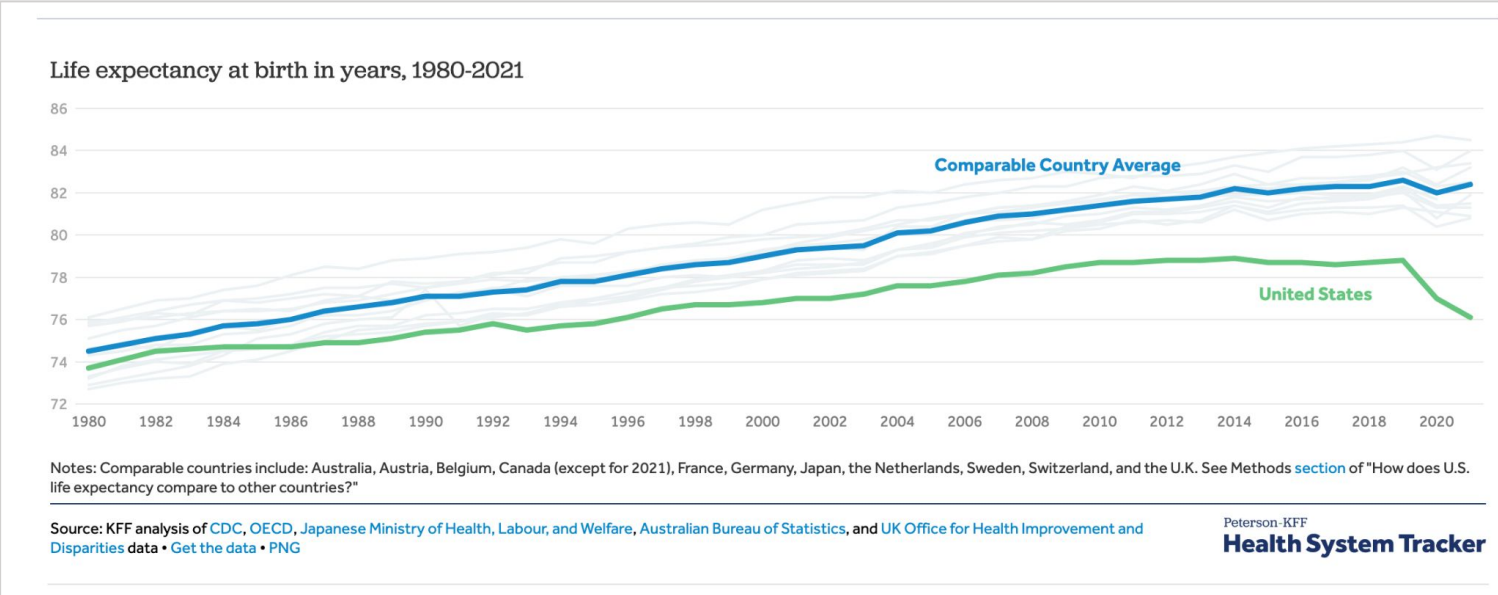
- Especially in geriatrics, rural markets are underserved by clinicians
- While Preventative visits are improving, they are lagging in the rural markets

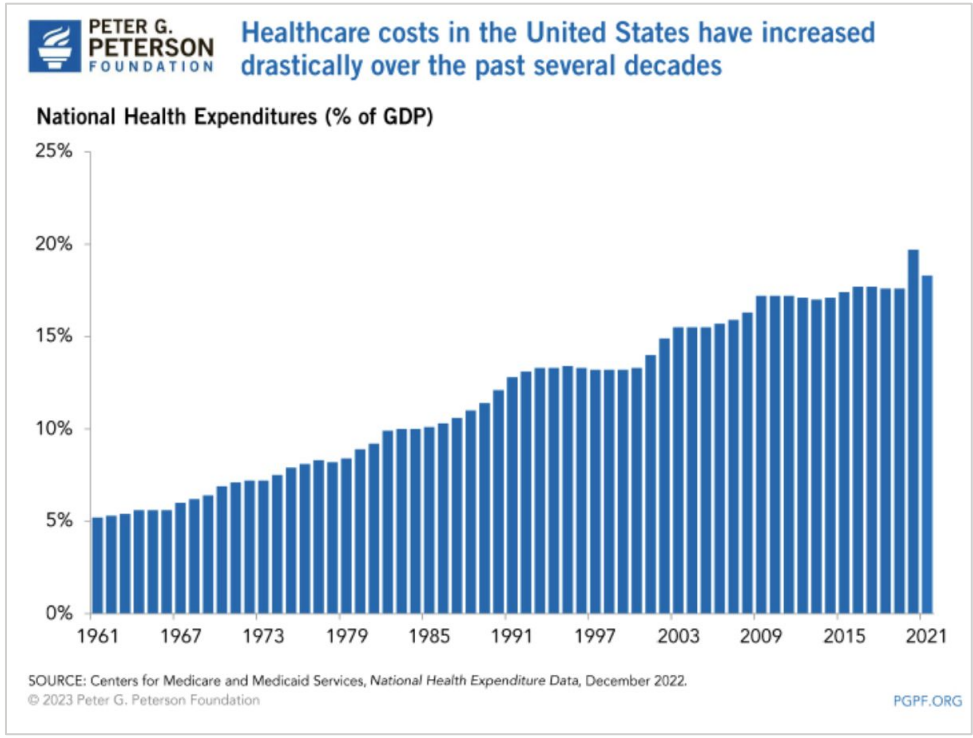
Rural vs Urban, U.S.

https://www.graham-center.org/content/dam/rgc/documents/publications-reports/reports/PrimaryCareChartbook2021.pdf

None of this leading to better outcomes or costs

Life expectancy in the US dropped to 76 in 2021 compared to over 82 in comparable countries





And continued increase in the % of the United States Gross Domestic Product

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https://www.healthsystemtracker.org/chart-collection/u-s-life-expectancy-compare-countries/
https://www.pgpf.org/blog/2023/07/why-are-americans-paying-more-for-healthcare

Not surprisingly leading to staffing shortages

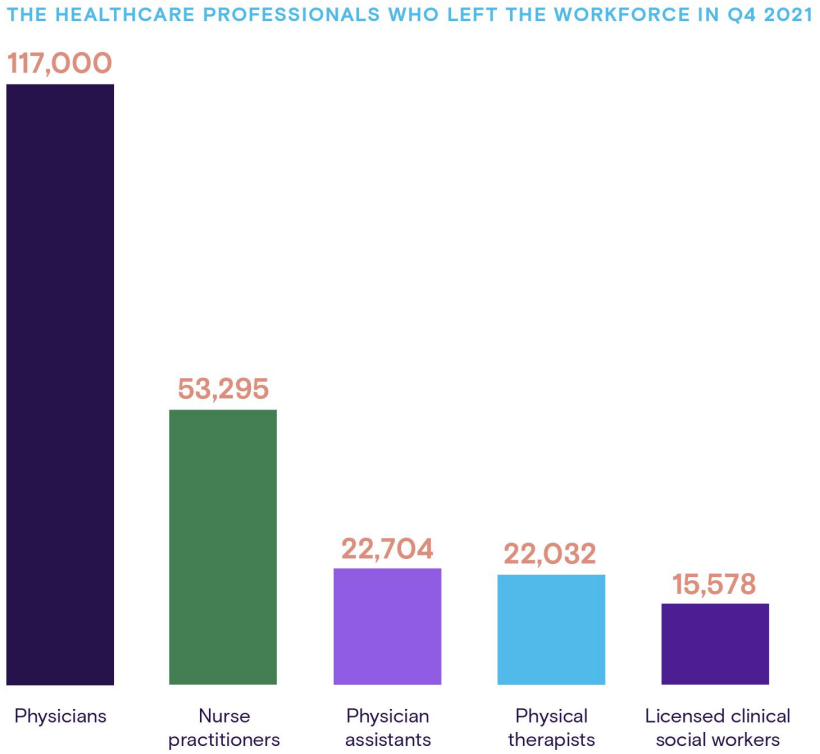


Fig. 1 Analysis of data from Definitive Healthcare's ClaimsMx and PhysicianView products. Based on the number of providers billing each year (by primary specialty on medical claims). Data accessed August 2022.

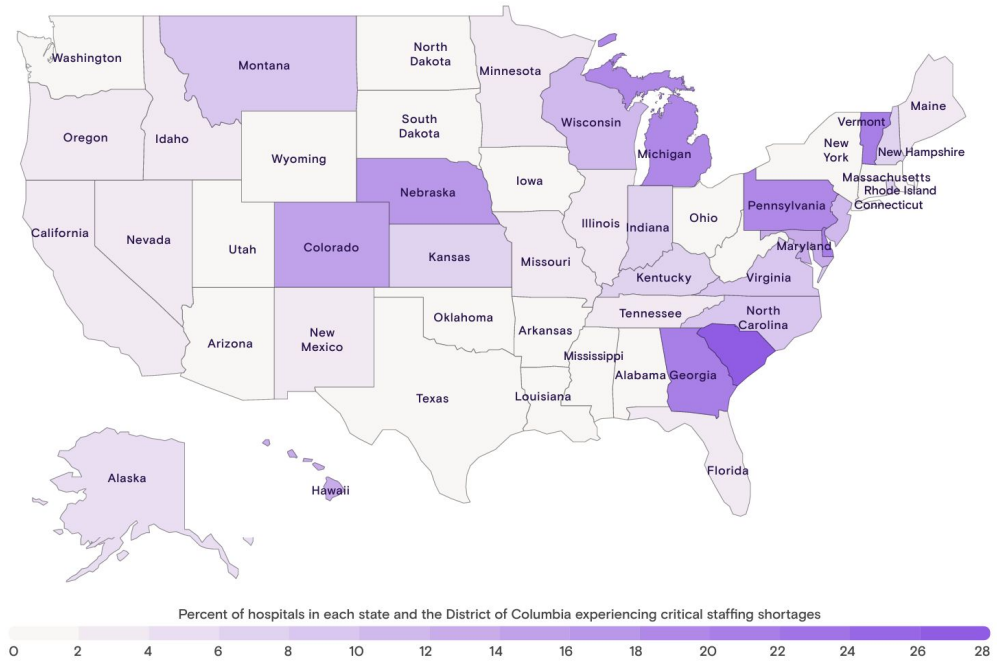


Fig. 3 Heatmap of the U.S. showing the percent of hospitals in each state and the District of Columbia experiencing critical staffing shortages. Data sourced from the U.S. Department of Health and Human Services. Data up to date as of August 2022. Some states do not report their numbers.

https://www.definitivehc.com/sites/default/files/resources/pdfs/Addressing-the_healthcare-staffing-shortage.pdf

Leading to value based care mandates

The current state of value-based care

Medicare will double in size in the next 10 years.

CMS wants every Medicare beneficiary in an accountable care plan by 2030.

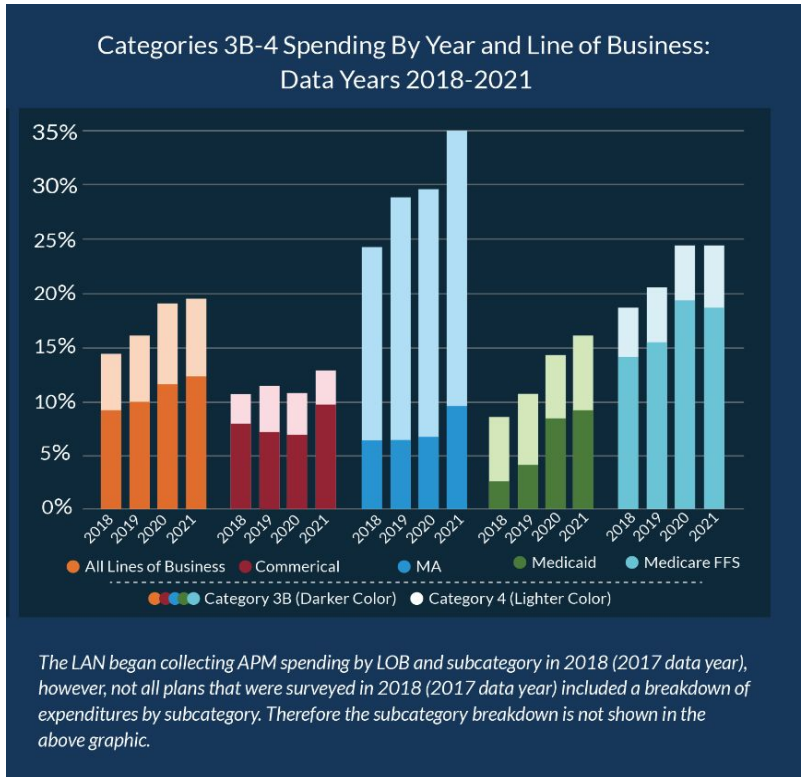
Vendors will organize physicians (with and without community hospitals) for 50% of shared savings.

Providers who don't take risk on Medicare will get paid 5-10% less than those that do.

CMS will push site neutral payments for hospitals.

CMS continues to drive strong incentives to push providers into Risk Based Arrangements. Participants must have skin in the game.

Participation in risk models



The LAN began collecting APM spending by LOB and subcategory in 2018 (2017 data year), however, not all plans that were surveyed in 2018 (2017 data year) included a breakdown of expenditures by subcategory. Therefore the subcategory breakdown is not shown in the above graphic.

Consistent growth in adoption of alternative payment models (APMs) from 2016 - 2022 across all business lines.

83% of payers believe APM adoption will continue to increase in the future.

Source: APM Measurement Effort - Trends over time. Health Care Payment Learning & Action Network. https://hcp-lan.org/apm-measurement-effort/2022-apm/2022-infographic/

Poll question #1

CMS wants every Medicare beneficiary in an accountable care plan by 2030. What do you see as the biggest challenge to reaching that goal?

1. Provider access or capacity
2. Enablement (analytics, workflow tools, etc.)
3. Patient engagement
4. Provider pushback on financial risk
5. Broader staffing concerns (Medical Assistants, scheduling support, population health, etc.)
6. Adequate time to implement

Current approaches to solving

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Leverage an Enabler

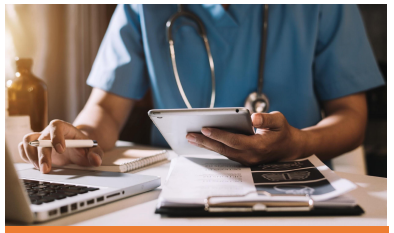
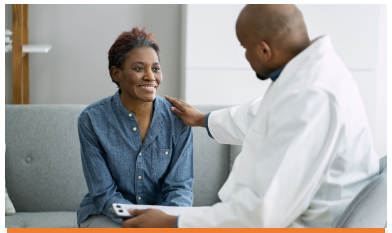
Single approach to risk lives management across multiple health plans and populations (MSSP, MA, Commercial, Medicaid, etc.)

Reduce or eliminate downside risk for risk averse provider organizations

Accelerate cash incentives to support prioritization

Best Practices and experience in managing risk-based populations

5 core competencies for an Enabler to be successful in accepting expanded risk

	 Annual Wellness Visits/Preventive Care	 Risk Adjustment Capture	 High Risk Patient Condition Management	 Quality goals achievement	 Savings achievement in low risk program
Goal	High % of AWV	Accurate and complete patient coding	Risk stratification to act on patients with highest needs	Optimize quality requirements whether MSSP or MA	MSSP progression to risk based on savings achievement
Expected Outcome	Correlation to reduced utilization Retain attribution of your patients and reduce leakage	Appropriate target pricing for patient based on conditions	Reduced acute care needs (admissions, emergency department, post acute care)	Full achievement of any financial implications of quality measure achievement	Success in MSSP supports success in more aggressive health plan contracts Efficient patient engagement across all contracts
Product Priorities	• Clinical data updating AWV completion real-time • EHR Direct Integration (e.g. Smart Alerts) • Enhanced data sharing capabilities (e.g. FHIR APIs)	• Expanding natural language processing (NLP) (e.g. SOAP notes) • Direct integration with other sites of service locations (e.g. In Home, Pharmacy, Lab, etc.)	• Expanded Direct Patient Engagement • Targeted partner programs for specific diseases (e.g. Advanced Care Planning, Post Acute)	• Expanded quality programs focused on MA • Enhanced targeted client specific goals within enablement approach	• Single panel experience for providers across all lines of business • Prioritized initiatives to support all risk contracts (e.g. AWV targeted initiatives)

Quality Measure Focus

Sample 2024 Quality Measures:

- Breast cancer screening (BCS-E)
- Care for older adults – pain assessment
- Colorectal cancer screening (COL)
- Eye exam for patients with diabetes (EED)
- **Hemoglobin A1c control for patients with diabetes (HBD)***
- **Medication adherence for cholesterol (statins)***
- **Medication adherence for diabetes medications***
- **Medication adherence for hypertension (RAS antagonists)***
- **Plan all-cause readmissions – PCR***
- Statin therapy for patients with cardiovascular disease (SPC)
- Statin use in persons with diabetes (SUPD)

Quality Payment Opportunity:

- Performance based PMPM payments
- Focused quality measures
- Direct incentives to practices

Meet members where they are

Poll question #2

What percentage of members return to their Primary Care Physician (PCP) within 30 days post-In-home Health Evaluation?

1. 0.9%
2. 9%
3. 19%
4. 29%
5. 39%

In-home access is key to understanding member health and coordinating appropriate care

Member demographics

Average Age: 71

Income: 39% below $50,000; 94% under $100,000

43% are non-white

11% don't have a Primary Care Physician

19% have a transportation need

11.5% of members receive some sort of case management referral

29% of members return to their PCP within 30 days post evaluation

Referrals

Care Coordination

Emergency

Elder abuse calls

Abnormal findings

Insights only attainable via in-home visit

Environmental

- Fall risks
- Food/heat insecurity
- Safety issues

Behavioral

- Mental health issues (hoarding, suicidal)
- Loneliness

Diet / Nutrition / Alcohol

Caregiver relationship

Value based care access: Case study

20%

of members Signify Health spoke with, during IHE follow-up call, were interested in learning more about the provider partner (and were transferred to a provider partner representative)

more than 50%

of members scheduled an appointment during their first call with the provider partner

Member Story Spotlight

"Thank you!"
Member who was struggling to find a PCP

Lack of PCP: Member called back to thank us for helping her connect with a PCP as she did not have one and was having trouble finding one

Barriers to Access: Member expressed gratitude to provider for providing her transportation to and from her appointment as that had been one of her main barriers to access previously

Select Member Feedback

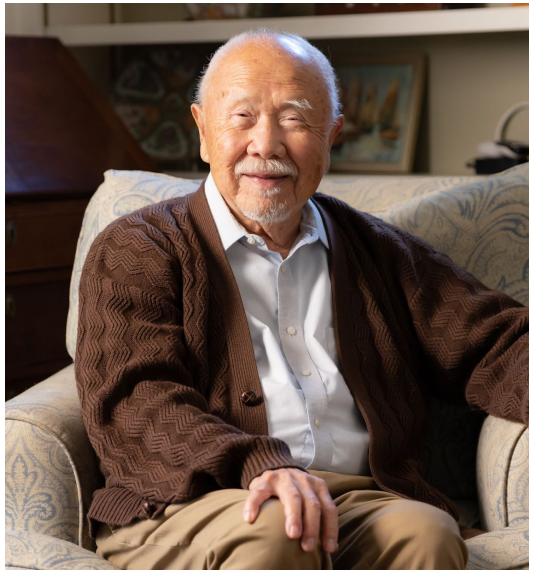
"This is perfect timing because my PCP is retiring next month. Would I be able to start coming in after that?"

"I've been thinking about seeing a [PCP] for a while because I've been having some trouble walking lately. I've been meaning to reach out to a doctor, so this is great."

"You have availability before my primary care provider does. I like my [current] doctor but she's always too busy."

How Signify Health can help

A leading solution for Medicare Advantage risk adjustment enablement



Data insights on more than

3 million

MA patients annually

Leading ACO enabler with more than **$585M savings** driven to Medicare

In-home drives engagement and risk alignment for total cost of care programs

Payer-agnostic technology suite drives provider behavior change to enable total cost of care risk

Proven model of **governance, accountability, and scale** necessary for achieving value-based success.

10+ years of experience in building and managing value-based care models with **$7B spend under management**

Post-acute and specialty services wrap around existing capabilities to contain cost

Your provider can confidently move into risk

Signify Health ACO participants do not take more than 0.5% downside risk

All payment and regulatory levers now tilted in favor of risk bearing providers

Risk-bearing providers get fee schedule update of 0.75% starting 2026

Signify Health will cover the majority of your providers risk in our 2024 model ACO

ACOs in downside risk are exempt from MIPS and qualify for special waivers including expanded telehealth, and beneficiary co-pay incentives

Value-based platform powers success across payer types

Aggregate provider networks

Establish a collaborative ACO, which allows for smaller volume providers to coordinate services and share risk across increasingly more of the patient population

Commercial fully insured & ASO

State Medicaid and Exchange

Medicare Advantage

Medicare Shared Savings Program / ACO reach

Enabled by our proprietary platform

Technology and services that drive outcomes and lower total costs

Value

Practice Transformation

Meeting the organization where they are to develop & execute on a plan

Inspira Health[1] **improved AWV rates by 73%**

Data-Driven Insights

Providing insights into cost saving opportunities & program success

Greater Regional Health[2] experienced a **50% reduction in ED visits**

Provider Enablement Platform

Identifying the right patient at the right time with the next best action to maximize care

The COPD SMS program **reduced inpatient/ED utilization by 7.5%** in 7 months

Wrap Around Services

Conducting direct patient outreach for important initiatives like ACP and Post Acute Care

Springhill Medical Center[3] improves **depression remission by 58%**

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1. Inspira Health is a network located throughout New Jersey and has been part of a Signify Health supported ACO since 2021.
2. Greater Regional Health is a healthcare system located in Union County, Iowa and has been part of a Signify Health supported ACO since 2016.
3. Springhill Medical Center is located in Springhill, Louisiana and has been part of a Signify Health supported ACO since 2018.

Two-pronged approach for transitioning providers into risk-bearing arrangements

Leverage our network and engage more members

Over 10,000 PCPs United States are already engaged through our network for MSSP

25-30% of a provider's patient panel will be Signify members, creating relevance in practice workflows

- End-to-end care management - Integrating In-home Health Evaluations (IHE) with providers helps drive meaningful member connections
- IHE, PCP in-person, and Annual Wellness Visit (AWV) extends your value to members and helps maintain continuity of care
- Convenient, holistic, coordinated care with minimal abrasion creates positive member experience and affinity for your brand
- Incentivized and invested stakeholders pursuing aligned quality and performance metrics

Aggregate providers and consolidate risk

Payer aims to expand risk-bearing agreements to more provider groups

Enable even the smallest providers to succeed means capturing **high need populations** across difficult to reach provider groups

- Proven enablement for many types of provider groups - small independents in rural areas, FQHCs in urban areas, IPAs, LPPs, CINs, Health Systems
- Enable provider groups to retain independence while bringing effective solutions to their problems
- Enable groups on best practice workflows to drive high-value care and operate efficiently and at top-of-licensure
- Utilization of Diverse and Unique Data - growing data set to proactively inform member care management

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THANK YOU