CENTER *for* INTEGRATIVE HEALTH

insight to innovation

Convene.
Strategize.
Activate.

How to Build Value-based Payer Partnership:

An OPEN MINDS Executive Seminar – brought to you by Qualifacts

Best Practices in Marketing, Negotiating, and Contracting With Health Plans Developing & Negotiating Partnership Agreements With Health Plans

Deb Adler, Senior Associate, Open Minds

June 10, 2019

12:45pm – 1:30pm

qualifacts

CareLogic® Analytics

Transform Your Information Into Meaningful Insights and Actions

Qualifacts is proud to partner with *OPEN MINDS* in support of today's presentation.

The CareLogic EHR and CareLogic Analytics Suite provides multiple options for organizations to meet the clinical, financial, data, and reporting needs necessary to thrive in a value based market.

Connect with a Qualifacts team member after the session to schedule a personal tour of CareLogic Analytics Suite.

Best Practices In Health Plan Partnerships:
Deb Adler, Senior Associate, *OPEN MINDS*

Best Practices Building Successful Relationships With Health Plans

1 Have A Clear Value Proposition

Develop a brief (one or two slide) value story that describes how your organization's programs are differentiated in terms of quality and costs, and how you contribute to health care cost savings for the payer

2 Understand Payer Pain Points

Know the payer's pain points and needs, as well as important performance metrics

3 Have A Negotiation Plan

Know thyself and plan a formal negotiation strategy that identifies your "walk-away" position on pricing and service model elements

4 Build & Sustain The Relationship

Develop the relationship, at the highest level possible, and sustain that relationship intentionally

I. Have A Clear Value Proposition

Value Slide – What Is It?

- Highlights your organization's differentiators
- Resonates with payers – highlights quality and cost differences
- Includes metrics – those that payers are focused on – HEDIS, other customer requirements
- Able to visually convey your value proposition that accompanies your elevator pitch
- Other payer slides to consider:
  - member/consumer journey

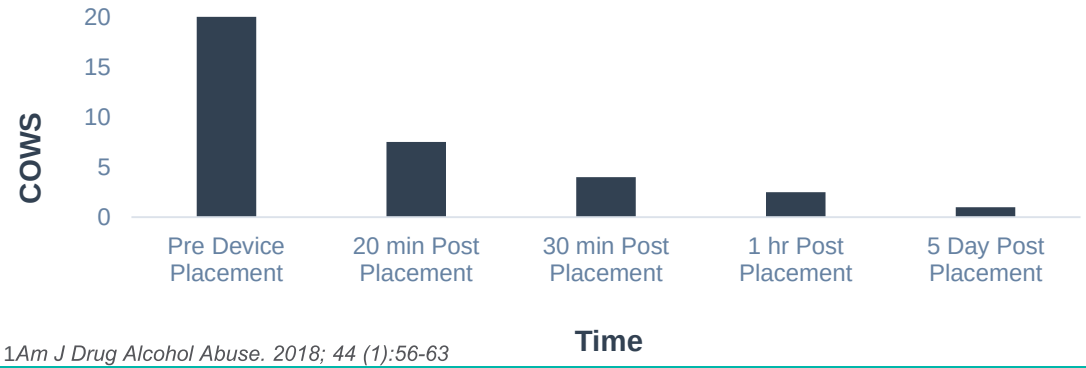
The Bridge: An Evidence-Based Approach To Reduce Withdrawal Symptoms In Opioid Use Disorder Patients

The only FDA-approved device shown to rapidly and effectively reduce symptoms of opioid withdrawal.[1]

The Quality Difference

84.6% Symptom reduction on the Clinical Opiate Withdrawal Scale (COWS) within **1 hour** post placement.

88.8% Transitioned to Medication Assisted Treatment.



The Cost Difference

83% Healthcare cost savings: Reduces detox stay from average of 7 days (1K/day) to $1100-$1200 (device cost of $700 and 5 days ambulatory monitoring (including tele-medicine option).
Example: $7K vs. $1200 detox episode cost

Opportunity to reduce Emergency Room Use, Hospital Days and Recidivism through broader adoption of local, MAT services.

1. 1*Am J Drug Alcohol Abuse. 2018; 44 (1):56-63*

Carolina Partners: Delivering High Quality Psychiatric Access and Outcomes

Your Access Solution

125
Behavioral Health Providers

57 Prescribers
13 Psychiatrists (including--2 Child & Adolescent Psychiatrists)
44 Nurses with Prescriptive Authority
Independently Licensed
3 Psychologists and 65 Master's Social Workers
30 Child and Adolescent Specialists

37
Locations

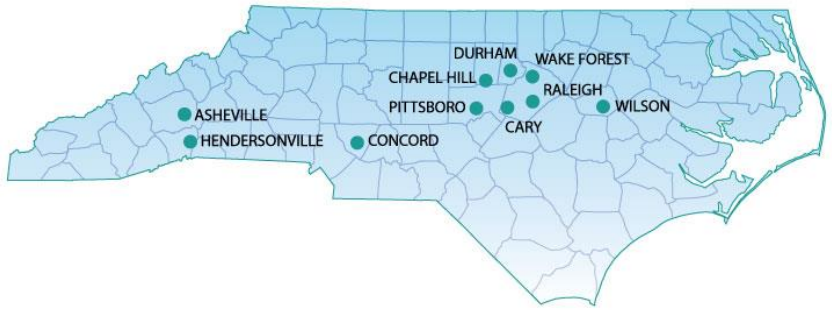
Statewide reach via secure telehealth platform

1 week
Centralized Scheduling

First Appointment Offered within 1 week of request

Telehealth

HIPAA-secure technology offers convenience and prompt access for your members



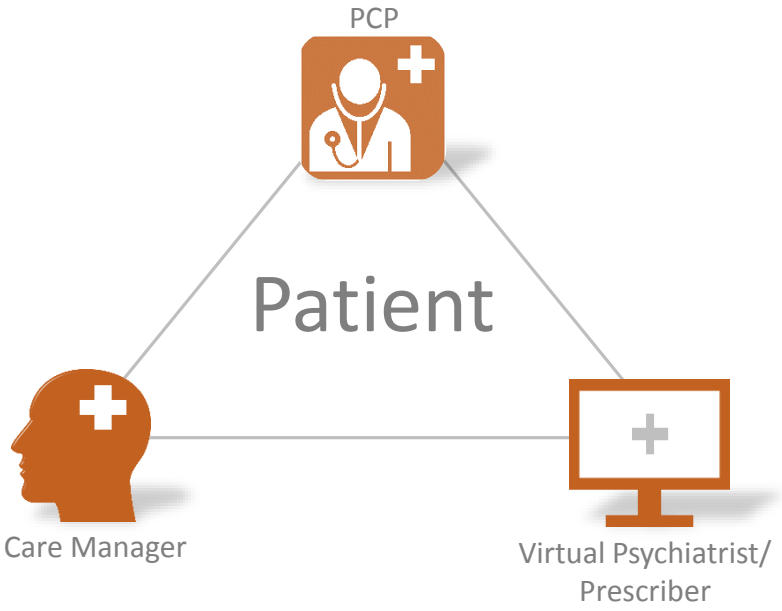
Our Evidence-Based Approach

Member Outcomes

Quick Access Assurance for our payers and patients seeking an appointment in 7-days post inpatient discharge

Integration

Actively engaged with PCPs and ACOs as the psychiatric consult and care coordination support for fully integrated Collaborative Care Model (CoCM)



Genetic Testing

Testing and evaluation of brain-based physical, neurological and psychiatric disorders. Genetic Testing to better pinpoint medication options.

Transcranial Magnetic Simulation (TMS)

An FDA-approved alternative for treatment resistive depressive disorder

Fairbanks Experts In Recovery

ACCESS SOLUTION

Full Continuum of Care allows entry at the right point of service guided by ASAM criteria. Provides gender and age specific programming through the full continuum.

Immediate Access to Evaluations

Our centralized schedulers offer same day evaluations, including walk ins, with most clients seen within 48 hours of request.

IOP and Outpatient Telehealth

HIPAA-secure technology offers convenience and prompt access for your members and reduces no show rates.

Specialty Programs

Outpatient co-occurring trauma and addictions program to address traumatic disorders in female patients. Young adult male program that addresses the transition to independence.

EVIDENCE-BASED PRACTICES

Value-Based Reimbursement

Experience with 3 payers and achievement of results.

Medication-Assisted Treatment (MAT)

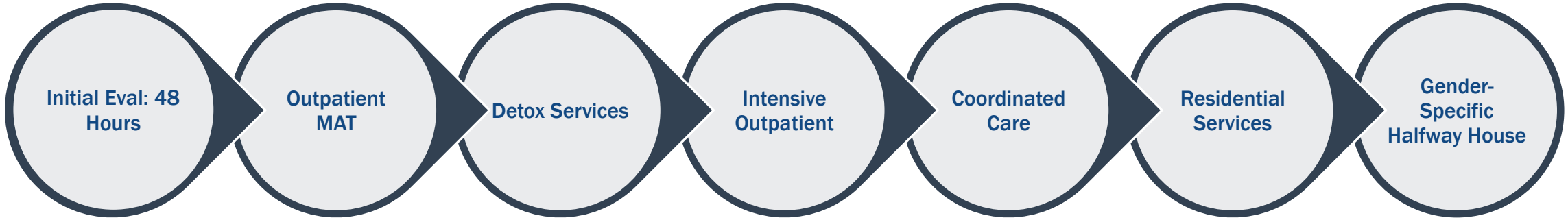
Offer SAMHSA-defined MAT program incorporates the 3 essential elements: Psychosocial Supports and Counseling, Medication (*Vivitrol or Suboxone as appropriate*) and Recovery Coaches.

Member Outcomes

Relapse rate within 90 days ranging from 11-14% demonstrate effectiveness of care and ongoing engagement.

Recovery Coaches

Peer-certified recovery coaches offer individual support and navigation, leveraging their "lived experience," free of charge to Fairbanks patients.



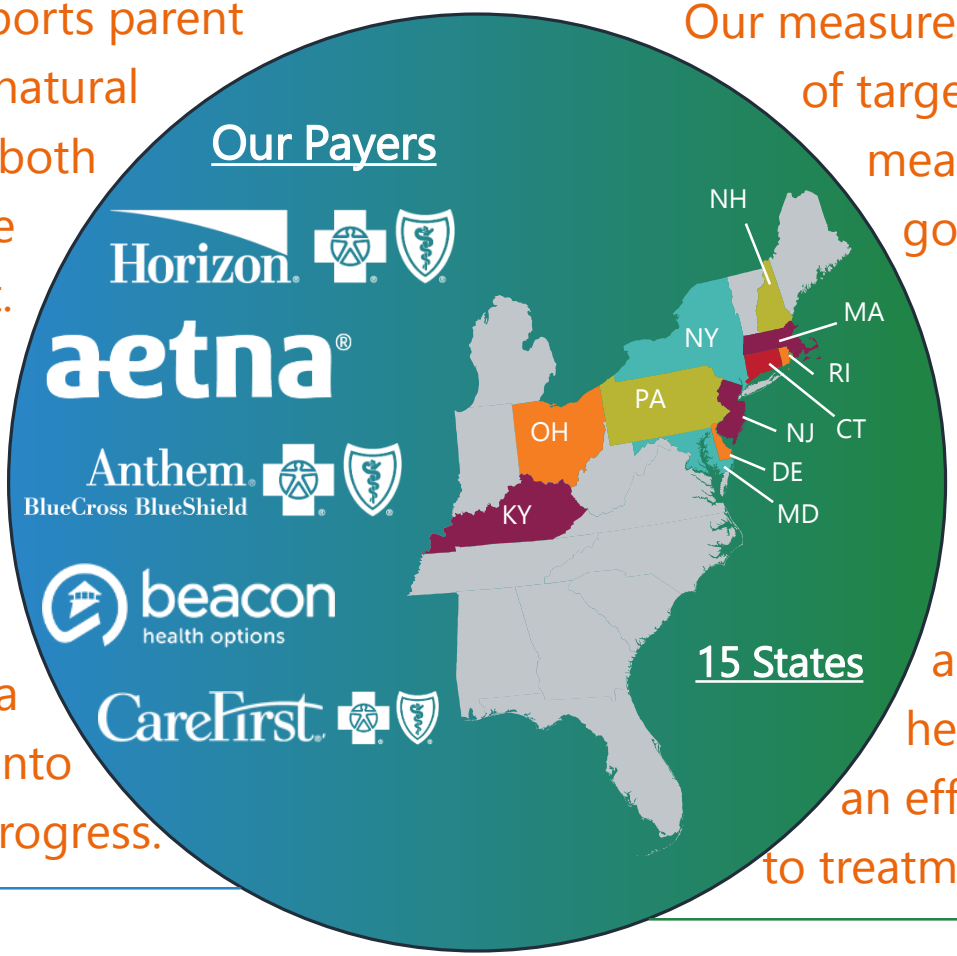
Applied Behavioral Mental Health Counseling:
An Evidence-Based & Home-Based Approach To Autism Services

The Quality Difference

Home-based approach supports parent involvement in a child's natural environment, offering both convenience and more accurate assessment.

Integrated services (occupational, physical, and/or speech therapy) assure coordinated care for the family.

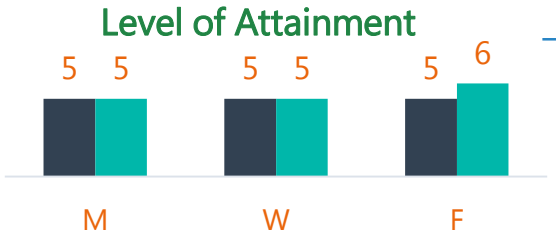
Our rule of 3 approach allows a quick, simple view into child's progress.



The Cost and Integration Difference

Our measurement of progress and use of targeted ABA intervention means faster achievement of goals and subsequently discharge and transition planning.

Our ability to integrate other services (e.g., speech therapy, physical therapy, and occupational therapy) and help the family navigate results in an efficient and effective approach to treatment.



II. Understand Payer Pain Points

Typical Payer Pain Points

- Quotas to achieve for value-based reimbursement penetration (e.g., medical spend)
- Access
- Access
- Access
- Key Metrics Performance (e.g., HEDIS)
- Innovation

Current Challenges & Solutions

National Psychiatry Shortage[1]

- The Health Resources and Services Administration recommends 1 psychiatrist per 30,000[2]
- Heightened shortages in child and adolescent specialists

Movement Toward Self-pay[1]

- Increasing movement of psychiatrists and more recently non-psychiatrists to self-pay only approaches.

- *Centripetal. (2017). Trends in behavioral health: A reference guide on the U.S. behavioral health financing and delivery system. Rockville, MD: Otsuka America Pharmaceutical, Inc. Retrieved from PsychU.org*
- *National Council. (2017). The psychiatric shortage: Causes and solutions. National Council Medical Director Institute. Retrieved from www.thenationalcouncil.org*

Solutions In Tackling Access Challenges: Psychiatry

Prescribers include:

- Nurses with prescriptive authority
- Prescribing psychologists where state regulations allow
- Physician Assistants with Psychiatric Certification
- Board Certified Psychiatric Pharmacists

Telemental Health

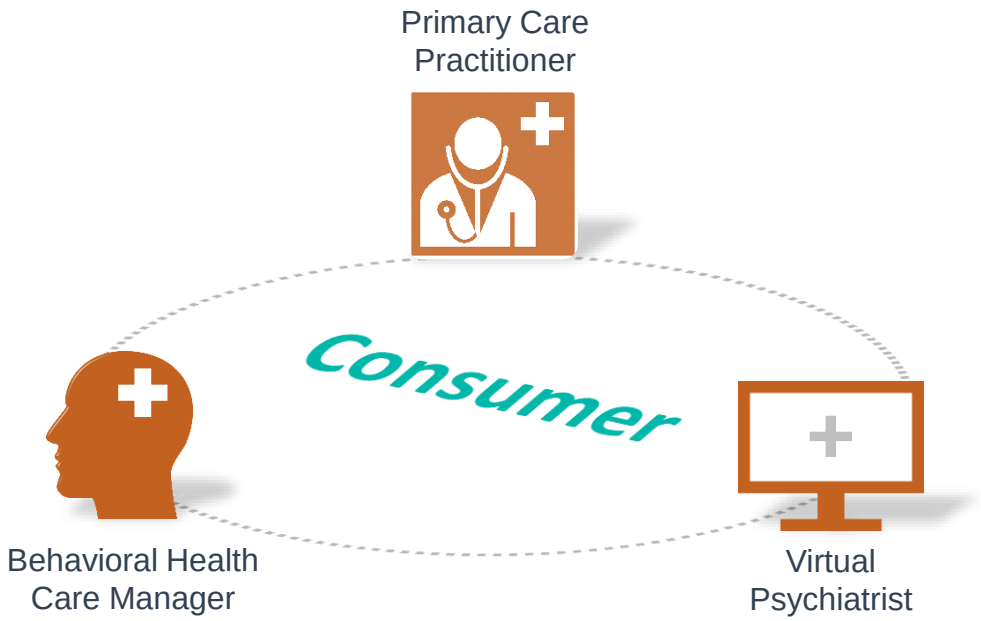
- Using HIPAA-secure technology to offer virtual psychiatric services within state regulatory confines

- *National Council. (2017). The psychiatric shortage: Causes and solutions. National Council Medical Director Institute. Retrieved from www.thenationalcouncil.org*

Collaborative Care Model (CoCM)

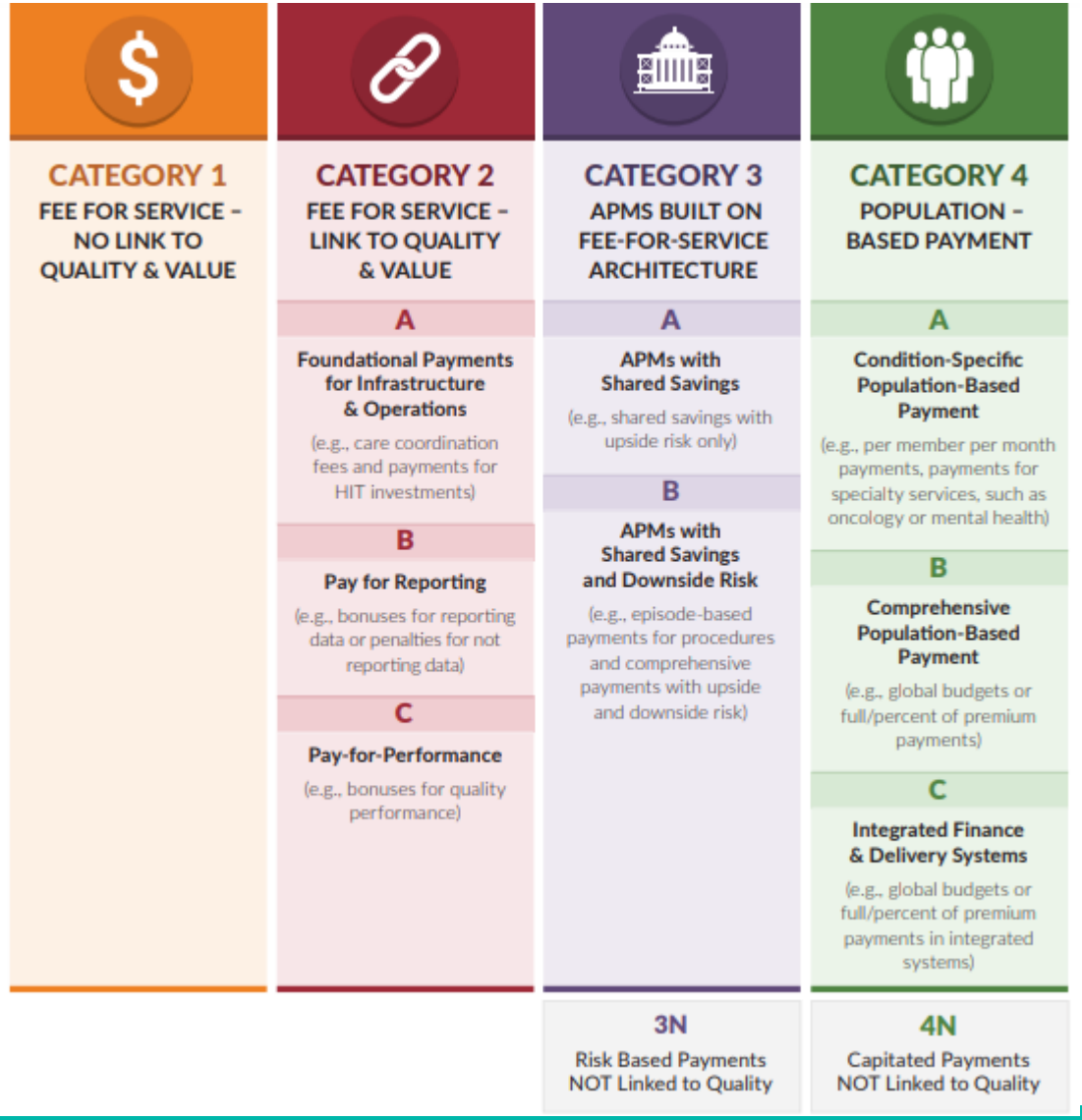
Collaborative Care Model (CoCM)

- Rewards PCP and multi-disciplinary treatment team to screen members for anxiety and depression
- Virtual psychiatrist provides consultation to PCP for complex cases
- Embedded care manager coordinates care and updates data register



Reimbursement Moving From Volume To Value

This Framework represents payments from public and private payers to provider organizations (including payments between the payment and delivery arms of highly integrated health systems). It is designed to accommodate payments in multiple categories that are made by a single payer, as well as single provider organizations that receive payments in different categories—potentially from the same payer. Although payments will be classified in discrete categories, the Framework captures a continuum of clinical and financial risk for provider organizations.



http://hcp-lan.org/workproducts/apm-framework-onepager.pdf

Most Commonly Used Performance Measures Of Specialty Provider Organizations, 2016-2018

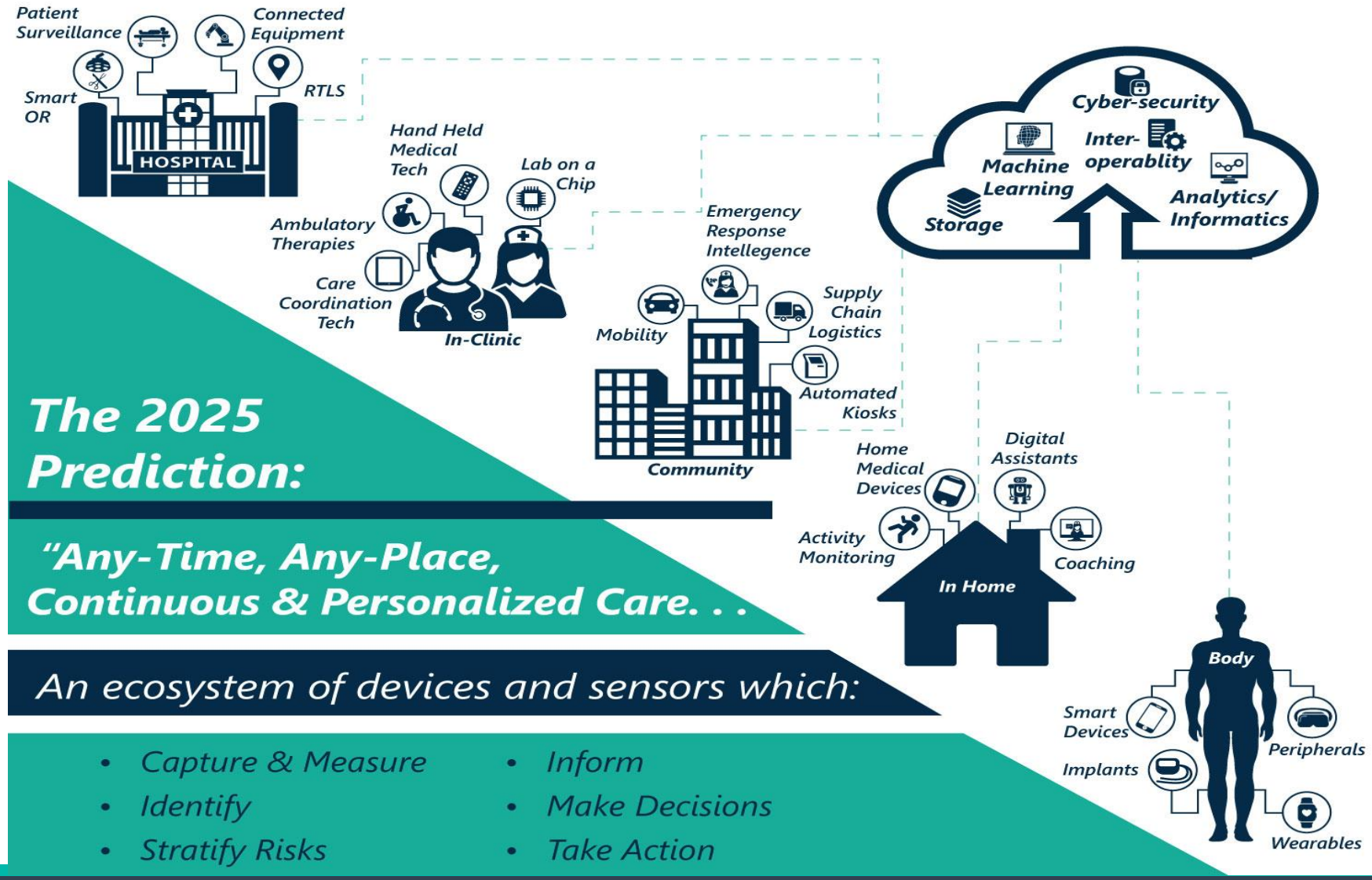
- Follow-up after hospitalization for mental illness
- Emergency room utilization
- Readmission rates
- Patient or consumer satisfaction
- Use of evidence-based care protocols
- Access to care measures
- Diabetes screening for people with Schizophrenia using an antipsychotic
- Antidepressant medication management
- Community Tenure
- Depression monitoring via PHQ-9
- Patient Reported Outcomes
- Involvement of family/significant other
- Initiation/ engagement of alcohol and other drugs
- Diabetes care – blood sugar controlled
- Adherence to antipsychotic medication for people with schizophrenia
- Use of depression screening and follow-up
- Risk adjusted ALOS

Net Promoter Score – How Likely Would You Recommend...

The Net Promoter Score (NPS) is a measure of the willingness of consumers to recommend an organization's products or services, usually obtained through continual surveying of consumer base

Index ranging from -100 to 100 Items score on a range from 0 to 10	Used to measure consumer overall satisfaction to products, services, and loyalty to organization brand	Calculated by subtracting the percentage of detractors (those who score the organization poorly) from promoters (those who score the organization highly)

Embrace Technology & Innovation



The Value Of Investing In Technology

Competitive Advantage Driven By Value To Payers & Consumers

$$\frac{\text{Product Benefit} + \text{Brand Equity} + \text{Marketing Benefit}}{\text{Price}} = \text{Value}$$

Strategic Quality Concept

Invest in “quality improvement” that differentiates you from competitors – and customer is willing to pay for the differential cost

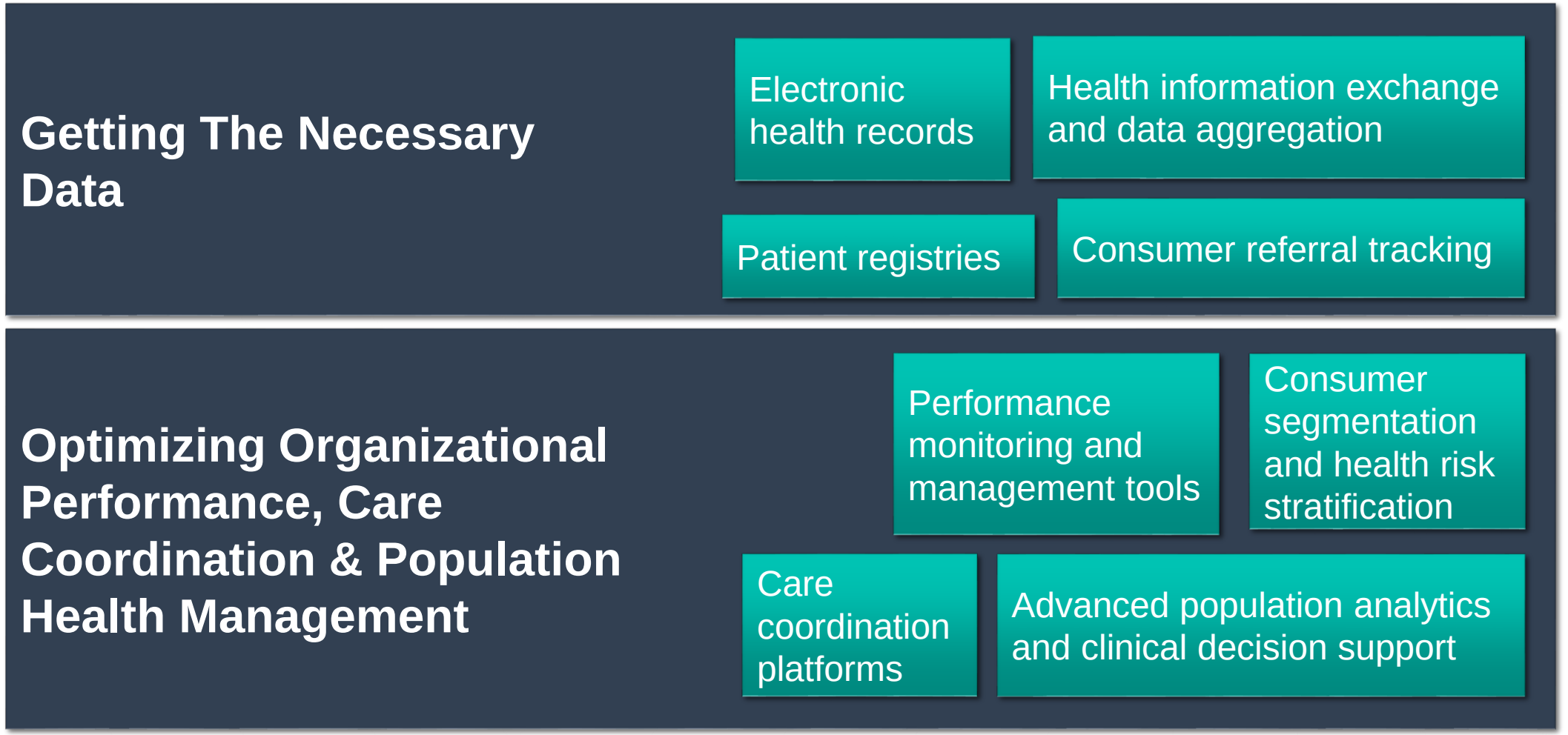
Requires an understanding of:

- Customer perceptions
- Customer segmentation
- Competitive offerings
- Customer perceptions of competitive offerings
- Price elasticity

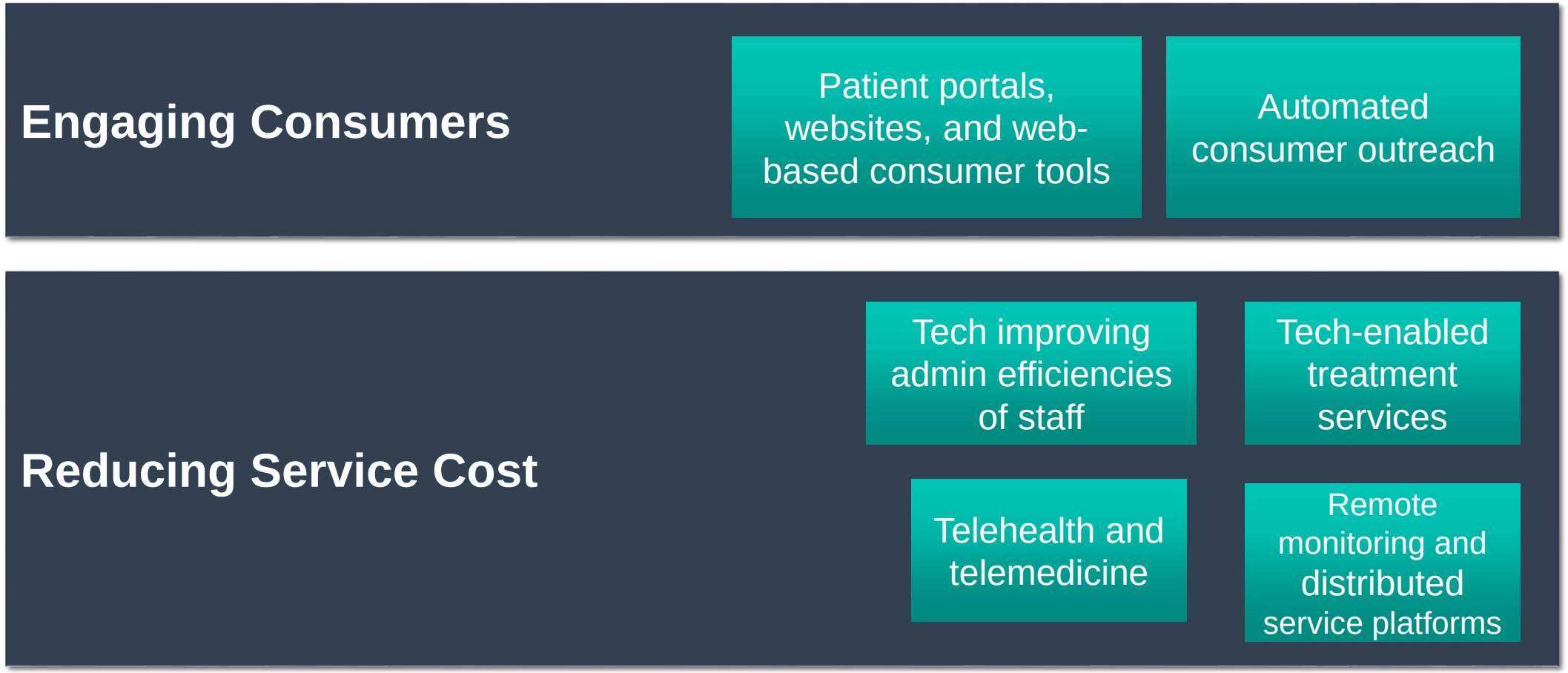
Eight Dimensions Of “Quality”

- Performance
- Features
- Reliability of service system
- Conformance to standards
- Durability and length of effect
- Serviceability and customer experience
- Aesthetics
- Perceived quality

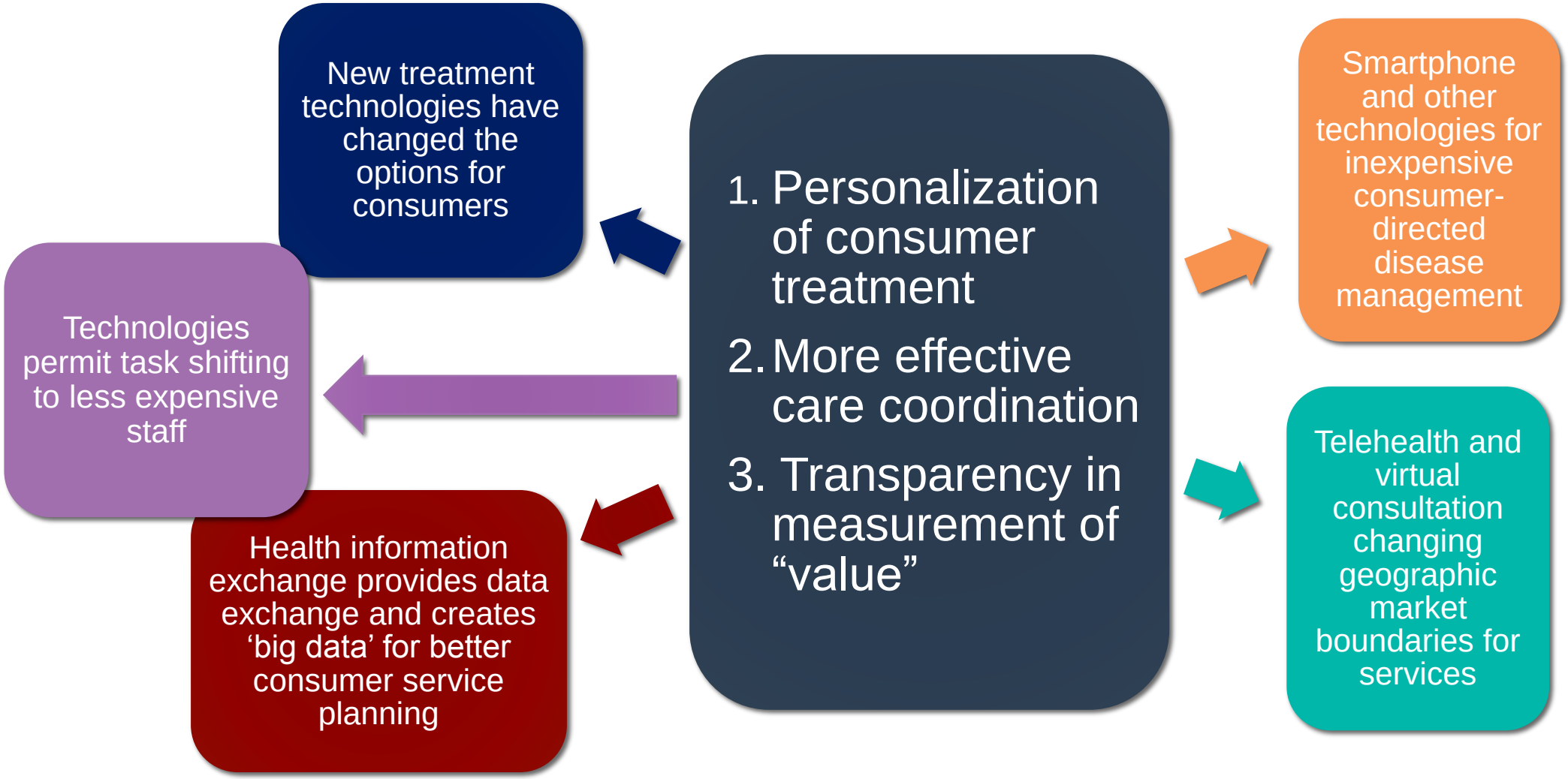
Technology Infrastructure To Support Performance Management



Technology Infrastructure To Optimize Value Of Consumer Care



Leverage Of Technology To Reinvent Services Key To Long-Term Sustainability



III. Have A Negotiation Plan

Key Negotiation Principles

Position Your Product & Service

Establish High Targets

Manage Information Skillfully

Understand Your Capabilities

Satisfy Customer Needs Over Customer Wants

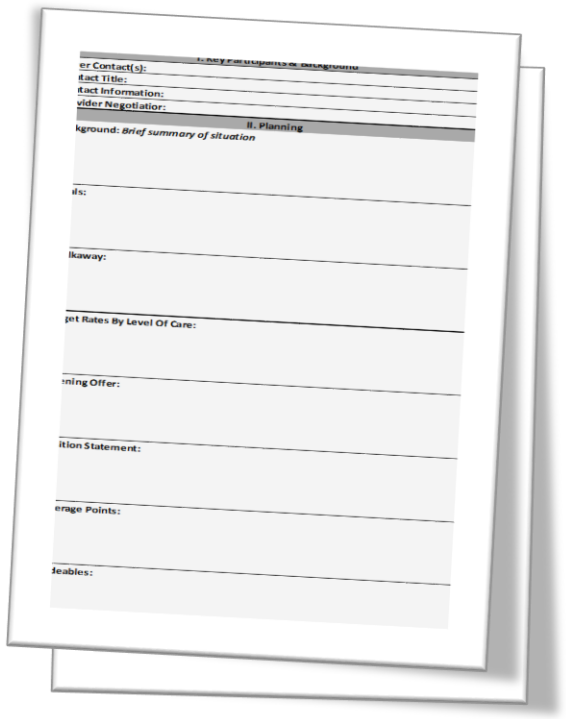
Concede According To Plan

Negotiation Planning Form: Key Participants & Background

Negotiation Form
I. Key Participants & Background
Payer Contact(s):
Contact Title:
Contact Information:
Provider Negotiatior:
II. Planning
Background: ***Brief summary of situation*** *Example: ABC provider is a non-participating facility in Optum's network seeking to be added to the panel at a rate that is at least comparable to highest payer rates (see attached).*
Goals: *Example 1: Increase contracted rate by 10% for all codes; 15% for H2019* *Example 2: Achieve in-network participation and single case agreement rates or equivalent to highest payer*
Walkaway: *Example: A deal that is less than current Single Case Agreement will not be accepted; minimal acceptable reimbursement is current SCA rates.*
Target Rates By Level Of Care: *Example: Current SCA rates or 20% above payer's standard rate structure.*
Opening Offer:
Position Statement: *Example: With a 15-state foot print and successful reputation for delivering home-based autism services in New York, I'm seeking a national contract at current New York market rates. Not only will member access expand, but this will diminish the administrative burden of the single case agreement process. Offering integrated services as needed to assure coordination of care, our formalized progress measurements result achieving goals and discharge planning in an efficient manner.*
Leverage Points: *Example: Use of NCQA-certified CVO means lower costs to add our 125 therapists; cultural relevance (Yiddish speaking therapists); current high volume of SCAs; access gaps in key some of the 15 states.*
Tradeables: *Example: Reduced rate if payer will offer all 15-states at a rate that is no more than 10% below NY rates.*

Negotiation Form
III. Negotiation Analysis
Questions To Ask: *Example: Will they allow for delegated credentialing? What are the current access needs in market X? Do they have a preference for home-based vs. agency-based services? How does the credentialing process work? Are there areas of the country with access needs? s national contract feasible? How to coordinate a contract when coverage is in 15 states?*
Other Information Needed: *Example: Clinical requirements including authorization practices. Senior level names (e.g., contract negotiator's supervisor and senior leadership).*
Favorable Factors That Might Influence Negotiation: *Example: High number of SCA's. Lack of home-based autism services with Yiddish speaking providers in targeted market. Long wait times to see a provider.*
Unfavorable Power Factors: *Example: Historical concerns regarding high rates; concerns about over-utilization of key codes in that geography.*
Position Statement:
Our Target: ***If Changes Occurred During Dialogues***
Customer Targets Based On Dialogues:
Next Steps:

Negotiation Planning Form: Planning



Background: Brief Summary of Situation

Example: Provider X is a non-participating facility in Cigna's network seeking to be added to the panel at a rate that is at least comparable to average of current payer rates.

Goals:

Example 1: Increase contracted rate by 10% for key codes : 90792, 90834, etc.
Example 2: Achieve in-network participation at single case agreement rates or equivalent to highest payer

Walkaway:

Example: A deal that is less than current Single Case Agreement will not be accepted; minimal acceptable reimbursement is current SCA rates.

Target Rates by Level of Care:

Example: Current SCA rates or 20% above payer's standard rate structure.

Opening Offer:

See attached rate proposal.

Position Statement:

Example: With a 15-state foot print and successful reputation for delivering services for the SPMI population, historically achieving both quality and cost savings for payers, (INCLUDE METRICS), I'm seeking a national contract at current New York market rates. Not only will member access expand, but this will diminish the administrative burden of the single case agreement process. Offering integrated services as needed to assure coordination of care, our formalized progress measurements result achieving goals and discharge planning in an efficient manner.

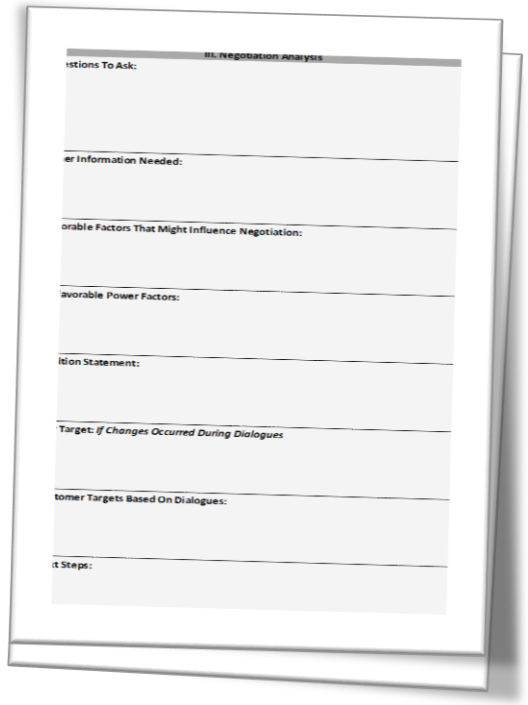
Leverage Points:

Example: Use of NCQA-certified CVO means lower costs to add our 125 therapists; current high volume of SCAs; access gaps in key some of the 15 states.

Tradeables:

Example: Reduced rate if payer will offer all 15-states at a rate that is no more than 10% below NY rates.

Negotiation Planning Form: Negotiation Analysis



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Example: Will they allow for delegated credentialing? What are the current access needs in market X? Do they have a preference for home-based vs. agency-based services? How does the credentialing process work? Are there areas of the country with access needs? s national contract feasible? How to coordinate a contract when coverage is in 15 states?

Other information Needed:

Example: Clinical requirements including authorization practices. Senior level names (e.g., contract negotiator's supervisor and senior leadership).

Favorable Factors that Might Influence Negotiation:

Example: High number of SCA's. Support of affordability targets. Closure of access gaps. Culturally relevant care. . Long wait times to see a provider.

Unfavorable Power Factors:

Example: Historical concerns regarding high rates; concerns about over-utilization of key codes in that geography.

Position Statement:

Enter text here.

Our Target: If Changes Occurred During Dialogues:

Enter text here

Customer Targets Based on Dialogues:

Enter text here.

Next Steps:

Enter text here

IV. Build & Sustain The Relationship

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CareLogic® Analytics

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