How Employer/Purchasers Evaluate Delivery Systems & Provider Network Performance

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Today’s presenters

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Methodology & Participants

CAPP commissioned a researcher to moderate 5 listening sessions co-hosted by regional employer/purchasers and multi-stakeholder coalitions. Participants included public and private employer/purchasers from 100 covered members to 100,000+. 
Key Research Goals

1. Learn how employer/purchasers evaluate performance of delivery systems and provider networks to make purchasing decisions
2. Understand how current trends in care delivery reform are perceived
3. Understand employer/purchasers’ care delivery goals for their covered members
4. Identify the care delivery gaps between what the employer/purchaser wants and what they’re getting
5. Understand the barriers and constraints in actively shaping provider networks to solve problems
Today’s focus

- Factors that affect purchasing decisions and provider evaluation
- Gaps in care delivery and experience
- Challenges working with providers
Employer/purchasers’ health care goals

- All want coordination, seamless personalized patient experience
- Prevention instead of crisis
  - “system mostly works when you’re sick, but doesn’t keep you healthy”
- Access: want members to be able to get timely care, appt with PCP (especially in rural areas), behavioral health and specialists
- Total health: “holistic” includes behavioral health and how that impacts other health difficulties
- High quality, evidence-based care
- Affordability
Factors affecting purchasing decisions and provider evaluation
How employer/purchasers evaluate plans and networks

● Network design
  o Feel limited ability to create a custom provider network and change benefit design, therefore need consultants or rely on networks controlled by carriers
  o More feasible to use tiered networks or centers of excellence

● Measurement/quality
  o Most don't have data, staffing or resources to evaluate provider quality
  o Employer/purchasers focus on utilization, total cost, member feedback/satisfaction and geographic coverage in lieu of quality metrics
  o More comfortable adding new care options than removing ineffective ones
How employer/purchasers evaluate plans and networks cont’d

● Consultant relationship
  o Large public and private employer/purchasers are more involved with provider selection than small and mid-sized purchasers
  o Large employer/purchasers hire multiple consultants and some conduct in-house analyses to balance consultant bias
  o When asked if they trust consultants, expressed skepticism overall

● Often assess quality of providers the way patients do: Yelp, word of mouth.
  Do pay attention to local provider ads

● No way to assess what’s working; only what’s not

● Employer/purchasers want assurance that the payment aligns incentives properly

● Understand that FFS payment method is a problem
Gaps in care delivery and experience
Lack of care coordination

- People have problems managing their own care and navigating the system; employer/purchaser acting as patient care navigators
- Care coordination resonates with employer/purchasers as a “must have” but rarely delivered service
- Highlighted the need for navigators and advocates to assist members with both care/case and financial management
- Want physicians to navigate and coordinate care with benefits
- Want to better understand the local patient care journey
- Want concerns taken care of all at once; not through multiple appointments
Limited access

- Need better access to specialists, especially in rural areas
- While care needs vary based on workforce demographics, location, all identified a lack of access to behavioral health care that is growing worse
- Would like telehealth options when clinically appropriate, along with other convenient care options outside of regular business hours
Other gaps in care delivery

- Concerned about overtreatment: what drives overutilization?
- Employer/purchasers try to fill care gaps with third-party vendors, like patient advocacy services
Gaps in patient experience

● Want better ongoing relationships with care team
● Members cannot get the information they need when they need it
● Ease of appointments and wait times
● Employer/purchasers and covered members can't determine costs; why all the variability in cost?
● Want simplified billing, with upfront estimates of out-of-pocket costs for recommended care, no surprises and easy-to-understand

It's not easy for them to understand, who is a quality provider? Because unlike in other industries, you can't associate cost with quality.
Challenges working with providers: What employer/purchasers and coalitions can do
Barriers and constraints

External
- Lack of trust with all players
- Lack of metrics and knowledge
- Gag clauses
- Market dominance by health systems and/or insurance carriers

Internal
- Pressure to provide the broadest choice and network(s) possible
- Barriers to telemedicine adoption
- Members often don’t want their employer or labor union trust to have detailed health info about them
- Collective bargaining may constrain rapid decision making and innovation
Opportunities for employer/purchasers

Benefit design
● Is your benefit design aligned with your goals for access, convenience, clinical quality, managing overutilization, etc.?
● Try out high-performing networks through “tiering” and “steering”

Vendors
● Are your vendor “add ons” valuable? Can providers offer these services at point of care, as part of an integrated care experience?
● Physician partners might help you select high-value vendors but be wary of provider-owned that they may be “self-promoting”
● Request proposals from local physician groups when looking for new services or solutions
Opportunities for employer/purchasers cont’d

Get to know providers directly
- Build relationships with physician groups based on mutual transparency and then engage physician leaders directly to evaluate cost and quality data
- Ask physician groups if they can extend their models to serve smaller towns/population centers
- Joint management-labor action: involve employer/union leaders in data analysis and evaluation; consider joint visits to physician groups and health systems
Opportunities for coalitions

● Provide opportunities for members and physician groups to have transparent conversation
● Educate and guide to find high-value providers, local innovations and share information on quality, cost, national trends
● Help design alternative payment models with common quality measures, definitions
● Support finding vendors and negotiating price
Questions?

Please submit through the questions box