VALUE-BASED HEALTH CARE

How Florida Blue is using Accountable Care Organizations and Patient-Centered Medical Homes to help businesses and consumers save money and improve their health care experience.

Florida Blue is an Independent Licensee of the Blue Cross and Blue Shield Association
Moving from Sick Care to Health Care

Health care in the United States has never been as much in the spotlight as it is today, and the desire to provide the highest quality care at an affordable price is the central question in most discussions. Higher health care costs put a strain on the national and state economies, as well as our businesses and personal finances.

The dual challenge - quality and affordability - has led to the rapid development of new, value-based health care models among health care professionals and health insurance providers. The most commonly mentioned new models are Accountable Care Organizations (ACOs), Patient-Centered Medical Homes (PCMHs) and Bundled Payment Arrangements, and other new approaches are being tested every day.

Though the value-based health care model is not new, the Patient Protection and Affordable Care Act (PPACA) drew more attention to this concept as a type of health care delivery reform. Today, payment reform is widely seen as a way to both reduce the cost and improve the quality of health care in the U.S. which will, in turn, reduce health insurance premiums.

These programs are a partnership between insurers and physicians and other health care professionals, and the consumer ultimately receives the benefits. They foster a change from “sick care” to “health care” and have been shown to greatly improve patient satisfaction with their health care experience.

According to the Gallup-Healthways Well-Being Index, a survey of 94,000 people in 14 occupations across the country...

...found that 77% of them were either overweight or had chronic health conditions.

Chronic health conditions included:
- asthma
- cancer
- obesity
- high blood pressure
- depression
- diabetes
- heart attack
- high cholesterol

Annual health care costs due to lost productivity and absenteeism for this group were:

$84 Billion

Source: The Gallup-Healthways Well-Being Index was conducted from Jan - Sept, 2012, and findings were released in May 2013.
Collectively, value-based health care programs, like ACOs and PCMHs, sharpen the focus on the coordination of patients’ health care. The focus on value and quality in health care is also changing the relationship that doctors have with their patients. Now, doctors are helping patients optimize their health by coordinating care with specialists and other providers, holding costs down with operational efficiency and creating better health outcomes for patients.

Florida Blue is actively forming relationships with physicians and other health care professionals across the state to ensure that our members can benefit from the positive results generated by this new way of delivering care to patients.

With value-based programs, Florida Blue is building innovative care models that facilitate partnerships between patients and their doctors, fostering better-coordinated and more cost-effective care. And by broadening our scope and continuing to evolve, we have more flexibility to make a greater impact on as many people as possible.

**Goals of Value-Based Health Care Programs**

- Focus on optimizing patient wellness
- Expanded access to care
- Seamless coordination of care among health care professionals leading to improved patient experience
- Higher-quality medical care
- Hospital-physician-specialist integration
- Ultimately…reduced health care costs and insurance premiums
Florida Blue is working with physicians, hospitals and other health care professionals across the state to increase our network of innovative value-based health care programs. This new care delivery model aligns with our corporate vision.

Our vision:
To be a leading innovator enabling healthy communities.

Florida Blue operates several of the leading types of value-based health care programs, including:

- Patient-Centered Medical Home and Comprehensive Primary Care Programs
- Condition-Specific and Population-Based Accountable Care Organizations
- Performance-Based Hospital Contracting
- Blue Distinction Specialty Programs
- Bundled and Episodic Payment Pilots
- The Medicare Collaborative Care Model

Accountable Care Organization and Patient-Centered Medical Home Locations

- Florida Blue has the largest PCMH network in Florida
- The Blue Cross and Blue Shield system of plans collectively has the largest PCMH network in the country
- Florida Blue created the first cancer-based ACOs in the country
- More than 4,500 physicians participating in Florida Blue PCMHs and ACOs
- More than 719,000 Florida Blue members being treated by PCMH participating physicians
- Expanded office hours by PCMH providers creates better patient access

As of March 2015

*CP2 is a PCMH-like model for small practices.
Innovative Health Solutions from Florida Blue

The video below illustrates how ACOs benefit Florida Blue members by creating a personalized health care team for each person. It shows how each member’s physicians and specialists share information and collaborate to help patients optimize their health and get the most value from their health coverage.

What is an ACO?

Value-Based Health Care in Action

Florida Blue has an agreement with Mayo Clinic Florida to provide a knee replacement surgery bundled payment to our members. Members who have had the procedure have listed quality of care, access to Mayo Clinic programs and fewer post-surgical complications as benefits. Click on the link (above) to hear from a member who has taken advantage of this offering.

Ann Marie Miska, Florida Blue Member

The Evolution of Health Care Reimbursement

New payment and care delivery models are essential to support more coordinated, efficient and quality-driven health care. The illustration below shows the progression of how health care reimbursement is evolving.

Accountable care at the episode level

- Fragmented Fee-for-Service
- Pay-for-Performance
- Bundled Payments
- PCMH and ACO Shared Savings

Accountable care at the population level

- ACO Partial Risk
- ACO Full Risk

Note how moving incrementally away from traditional fee-for-service reimbursement models and toward more quality- and outcome-focused models delivers greater value for our members.

Florida Blue, Florida’s Blue Cross and Blue Shield Company.
Patient-Centered Medical Homes

PCMHs are like having a “home base” for your health care needs. In this model, a primary care physician serves as a care coordinator for patients by organizing and managing health care, disease prevention, wellness and treatment plan compliance. PCMH physicians are accredited or nationally recognized by a third-party PCMH program. In addition to extended office hours, the PCMH doctor’s offices must also utilize an e-prescribing tool with decision support. Florida Blue members have access to the industry’s largest PCMH program in the state and nationally through the Blue Cross Blue Shield system of plans.* Our PCMH program recognizes and rewards primary care physicians for delivering high-quality care and excellent service to our members.

Results

Florida Blue’s PCMH Programs Produce Results

- Emergency Room visits reduced by 15%
- Potentially preventable hospital admissions 5.8% lower with PCMH physicians
- Potentially preventable re-admissions 4% lower with PCMH physicians
- Overall $14 less expensive monthly per member (ROI of 2.8 to 1)
- Participating physicians’ quality performance was equal to or greater than their peers in 100% of cases

These results were observed for a sample of Florida Blue members who saw PCMH providers compared to a sample of members who saw non-PCMH providers for the same time period. These results should be considered illustrative and are not guaranteed.

*Source: Blue Cross and Blue Shield 2014 Plan Care Delivery Survey

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Accountable Care Organizations

An ACO is a group of physicians and hospitals that work together to coordinate care and deliver quality-based outcomes for a population of patients. Compared to a PCMH, an ACO can be seen as a “medical neighborhood.” These programs are patient-centered and are comprised of hospital systems, independent physician groups and/or multi-specialty groups. Nationally, ACOs are being formed at a fast pace, and Florida Blue is a leader in this type of arrangement in Florida.

FLORIDA BLUE HAS ACO ARRANGEMENTS WITH FLORIDA’S LEADING HEALTH CARE SYSTEMS

Cancer Care Programs:
- Baptist Health South Florida/Advanced Medical Specialties (Miami-Dade County)
- H. Lee Moffitt (Hillsborough County)

Population-Based Programs:
- Naples Community Hospital (Collier County)
- Holy Cross Physician Partners (Broward County)
- BayCare Physician Partners (Hillsborough, Pinellas and Pasco Counties)
- Cleveland Clinic Weston (Broward County)
- Wuesthoff (Brevard County)
- Orlando Health Physician Partners (Lake, Orange, Osceola, and Seminole Counties)
- First Coast Health Alliance (Flagler, St. Johns, Putnam)
- Memorial Health Network (Broward, Miami-Dade, Palm Beach Counties)
- Baptist Health Quality Network (Broward & Miami-Dade Counties)
- Physician Health Partners at Munroe Regional (Marion County)
- Advantage Health Network (Broward, Miami-Dade, Palm Beach Counties)
- Baptist Health Care Corporation (Escambia, Okaloosa, and Santa Rosa Counties)
- University of Florida Health (Alachua, Levy, Marion, Dixie, Columbia & Gilchrist)
- Hospital Corporation of America (Duval, Clay, St. Johns, Alachua, Levy, Marion & Columbia)
- Integrated Care of Sarasota (Sarasota, Manatee)
- Tampa Bay Integrated Healthcare Network (Hillsborough, Pasco, Pinellas, Hernando)

More than 7,000 providers are participating in these programs. Two to three additional ACO collaborative relationships throughout the state are targeted for completion by 2016.

Bundled Payment Arrangements

Bundled Payment Arrangements are agreements between the insurance company and the physician or health care provider to perform certain medical procedures at one cost to the patient. For example, a single fee for a knee replacement would cover the surgery and its related follow-up appointments, rehabilitation and medication.

With this model, the primary physician coordinates with any other specialists to ensure high-quality health care and positive outcomes. The patient enjoys ease of scheduling, continuous communication among the various health care professionals they will see during treatment and, typically, lower out of pocket costs than with traditional care models.

“Florida Blue and NCH Healthcare are both sharply focused on innovation and collaboration. Through our ACO relationship, we are able to serve more of Florida Blue’s members with high quality healthcare at lower costs. As we continue to improve value in this way, everyone benefits, including patients, caregivers and our healthcare system as a whole.”

Allen Weiss
MD, CEO of NCH Healthcare

Florida Blue Bundled Payment Arrangements

- Mobile Surgical International (Miami-Dade County) – Prostate Biopsy and Radical Prostatectomy
- Florida Orthopedic Institute (Hillsborough County) – Knee Replacement
- Mayo Clinic Florida (Duval County) – Knee Replacement

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For Employers, Healthy Employees = Healthy Bottom Line

Value-based health care programs, like ACO and PCMH models, benefit employers because they are focused on keeping employee group members healthy rather than only treating them after they get sick. Combining this type of benefit with an onsite employee wellness program from Florida Blue will double the effort to create healthy lifestyles for employees, take care of any transient health issues and better manage and coordinate care for chronic conditions.

Benefits

ACOs and PCMHs Can Benefit Overall Employee Health and Productivity

- Enhanced wellness and disease prevention
- Increased productivity and reduced absenteeism due to illness
- Improved access to PCMH physicians during expanded office hours
- Can lead to lower total net health benefit costs

Florida Blue, Florida’s Blue Cross and Blue Shield Company.
We Make It Easy for Employees to Find a PCMH and ACO Provider

It is easy for our members to find a PCMH- or ACO-participating doctor and establish a medical home. Florida Blue has an extensive and easy-to-navigate Online Provider Directory, where PCMH- and ACO-participating doctors are identified with an icon beside their name (see graphics below for examples.) Our customer service team can also help members identify and connect with PCMH and ACO physician groups and other participating health care professionals. This service will become more vital as our network of value-based health care providers continues to grow.

Additional Resources

Florida Blue’s value-based health care programs benefit both the individual member and the employer with their focus on promoting wellness and prevention and fostering more trusting relationships between patients and their doctors. If you would like to learn more about our ACOs and PCMHs, you can:

Talk to an expert.
Your Florida Blue sales representative has the latest information on how these programs can benefit your specific group.

Visit our website.
Search the Online Provider Directory to find out if your doctor participates in a PCMH or an ACO with Florida Blue.