Harvard Pilgrim Health Care

Massachusetts Medical Society

Michael Sherman, MD
Jan Cook, MD
Patricia Toro, MD

January 22, 2020

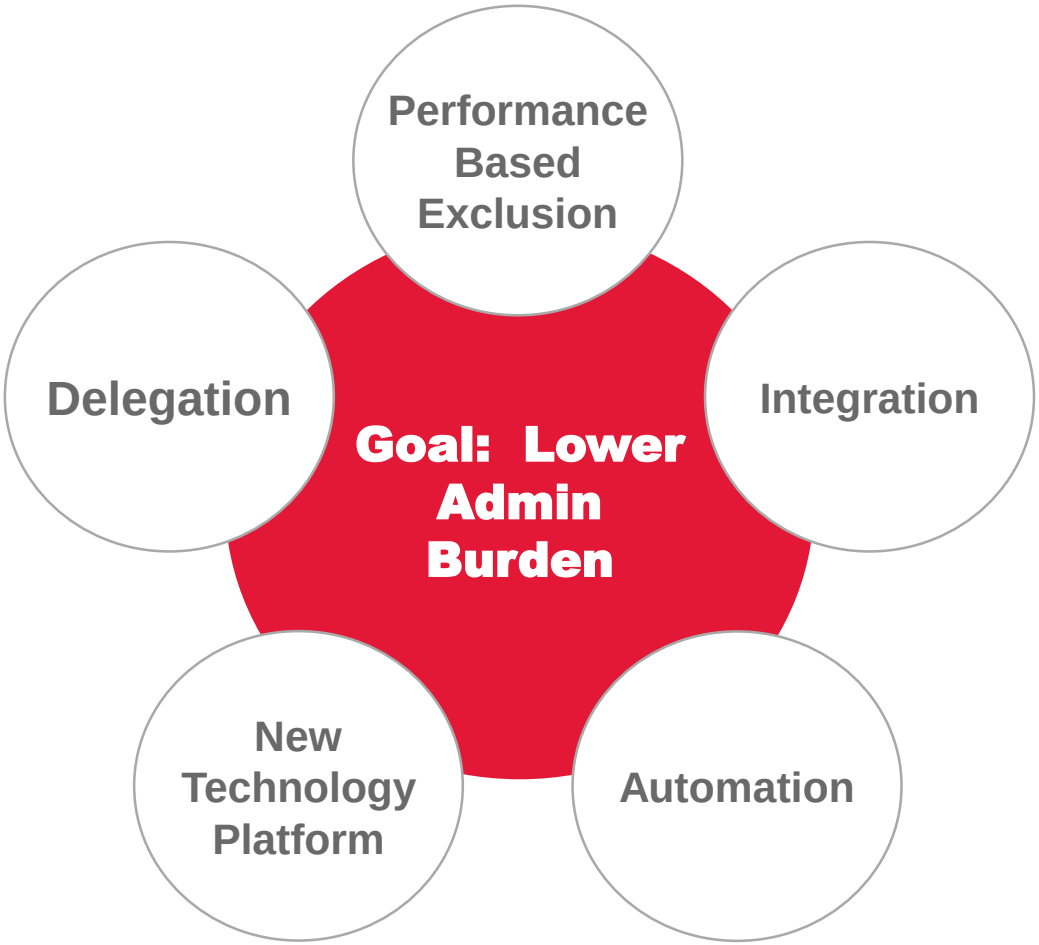
Agenda

1. Tufts Transaction Update – Michael Sherman
2. Prior Authorization- Jan Cook
3. Credentialing and Directory- Patricia Toro
4. Quality Measurement Reduction – Patricia Toro
5. Primary Care and Behavioral Health- Michael Sherman
6. Prescription Drug Costs- Michael Sherman

Tufts Transaction Update

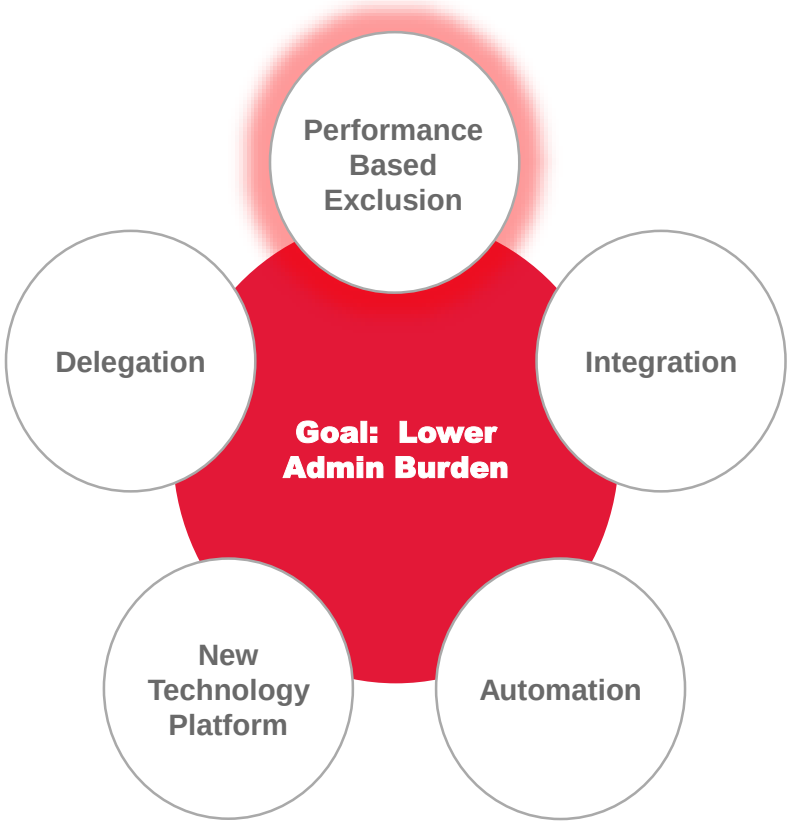
Prior Authorization

HPHC “Levers” to Lower Administrative Burden



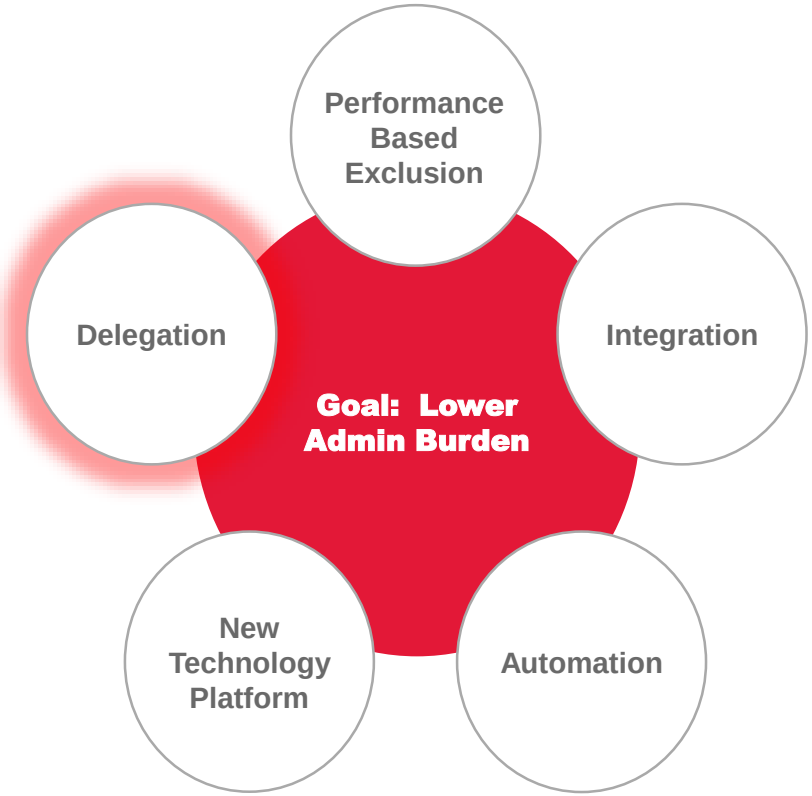
Performance Based Exclusions

- HPHC has criteria for those provider groups who demonstrate consistent compliance with appropriate use of health care resources are excused from the prior authorization programs.
- These providers are responsible for maintaining the performance level that allows these exclusions



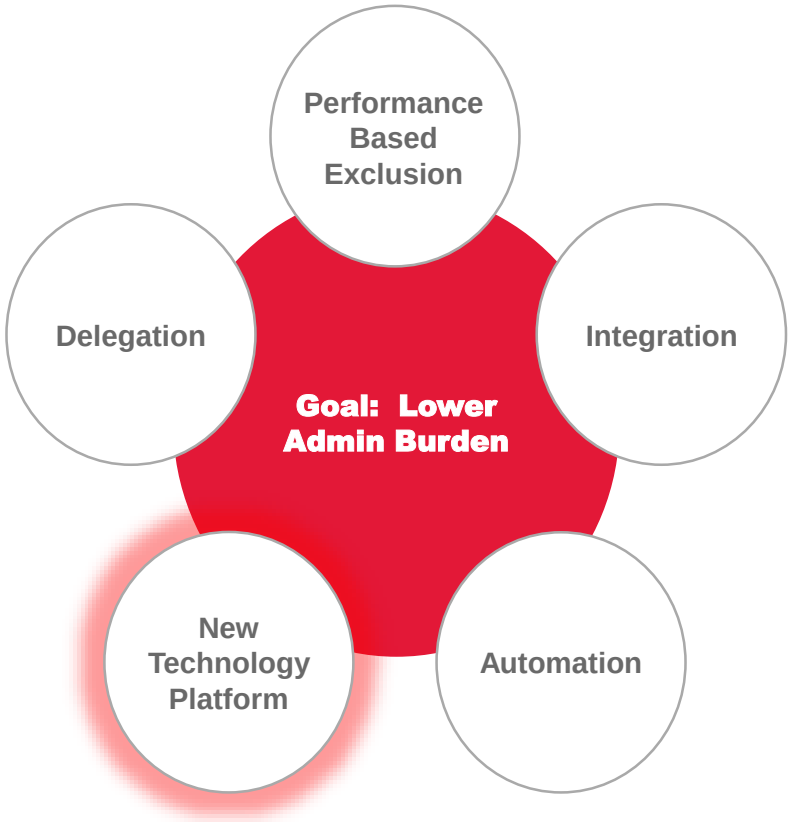
Delegation

- HPHC delegates UM activities to certain providers who are willing to take responsibility and financial risk for delivery of health care services.



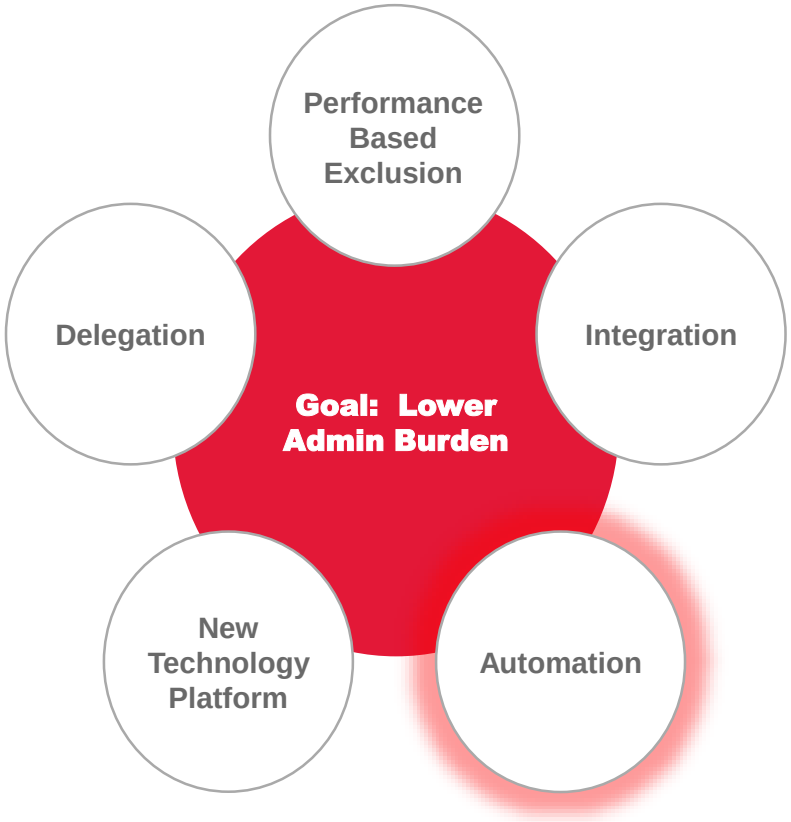
New Technology Platform

- In July 2019 HPHC launched its own automated UM decision making process for certain medical and surgical procedures via Healthtrio utilizing InterQual criteria



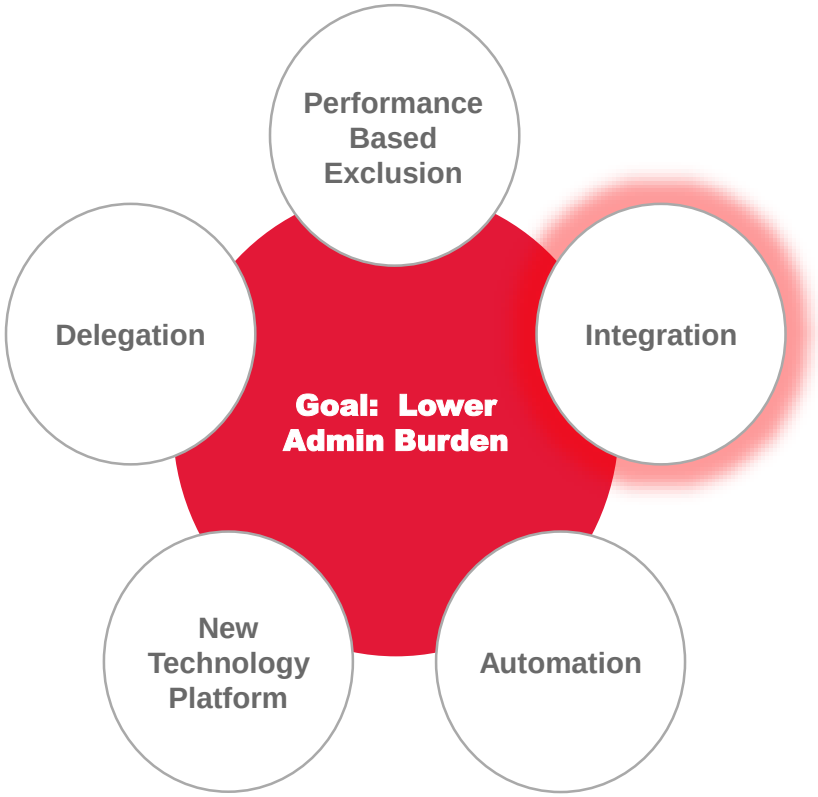
Automation

- HPHC partners with various vendors most of whom accept utilization management requests through web based applications
  - Some of these vendors are building direct connects to providers EMR. HPHC hopes to pilot some of these solutions in the future.



Integration

- HPHC has relationships with certain provider groups where HPHC has direct access to specific portions of their EMR
- Allows HPHC clinical associates to evaluate procedures using HPHC UM criteria.



Credentialing and Provider Directory

Credentialing & Provider Directory

- Credentialing
  - HPHC meets credentialing turn-around times @ 100%
- Provider Directory
  - Current State: Inaccurate data is an industry wide problem
  - Potential Solutions
    - HPHC has been engaged with CAQH since 8/2018
      - Goal: Finish network rollout by end of 2020
    - Non-CAQH: Quarterly reminders through Network Matters
    - Continuous physician outreach by HPHC Provider Relations
- Continued collaboration under Health Care Administrative Solutions group, with presentation in February 2020

Quality Measurement Reduction

Current Environment

- Multiple stakeholder groups are coming together to create measure alignment to reduce administrative burden
  - Examples – ICHOM, AHIP in collaboration with medical societies, and EOHHS
- Data indicates that there is heavy measure overlap between the three major payers
- Health plans collect data for many reasons, such as to improve quality or requirements (i.e. NCQA)

Current HPHC Program

- Participating in the EOHHS Measure Alignment Task Force since inception
  - HPHC program closely aligned with Task Force Core and Menu Measure Set
- P4P Program: average number of measures, based on membership size of the provider group, is 3-11
  - Includes patient experience (MHQP)
  - Menu style option which allows collaborative selection in measures

Working Towards Solutions

- Measure limitations do not reduce administrative burden due to HEDIS requirements for NCQA reporting
- Health plans are exploring direct access to EHR and other mechanisms to reduce reporting burdens
- Measure limitations reduce the ability of payers and providers to develop innovative solutions to improve care
- In some cases, providers are not supportive of restricting measures
  - Example: Mass General Brigham pushing for non-standard measures such as PROM they believe can improve care

Primary Care and Behavioral Health

Gov. Baker's Value Act

GOVERNOR'S TOP PRIORITIES:

- Investments in Primary Care and Behavioral Health
- Manage Health Care Cost Drivers
- Improving Access to High Quality, Coordinated Care
- Stabilize Distressed Community Hospitals and Health Centers
- Market Reforms

INITIAL PROPOSAL BY GOVERNOR:

- Subject to legislative review and revisions
- Governor's top priority is behavioral health
- Far more likely than not *something* addressing behavioral health passes

Legislative Investment in Primary Care and Behavioral Health

KEY FEATURES:

- Designed to **create financial incentives** for providers and insurers to rethink service delivery and investment decisions
- Encourages providers and insurers to **invest in behavioral health**, addiction and recovery, **primary care** and geriatric services
- Requires investments in behavioral and primary care and establishes a **statewide spending target**
- Providers and insurers, including MassHealth, required to **increase spending on behavioral health and primary care by 30%** over three years
- Calendar year 2019 spending will be baseline, and providers and insurers will be measured on their performance beginning in 2023
- No standard pathway for providers and insurers to achieve the target; providers and insurers will **report progress on an annual basis**
- If the target is not achieved, providers and insurers will be referred by CHIA to the HPC and may be subject to a **performance improvement plan**
- The legislation proposes increased investments within the parameters of the state-wide health care cost growth benchmark.

Prescription Drug Costs

We believe value must be demonstrated

Our nationally recognized, innovative, value-based drug agreements help us **ensure value.**

The future of medical value-based contracts

Expensive therapeutics with high up-front costs and variable results:

- Gene therapy
- Cancer
- Orphan diseases

Multi-year agreements for gene therapies with high cost, possible cost offsets, uncertain durability

Current State

- Harvard Pilgrim actively engaged with multiple innovative companies regarding innovating financing models – and recognizing that multiple permutations exist
- Medicaid Best Price being discussed but no clear solution in sight
- With multiple CAR/T treatments under development, at least some discussion around value-based agreements
- In US, various proposals create uncertainty for Life Sciences companies, as does the 2020 election cycle
- If stakeholders cannot develop solutions that appear fair to all parties, legislative solutions that may have unintended consequences are becoming more likely (example IPI)
- Particularly for therapeutics with seven-figure price tags, it is hard to justify cost when therapeutic is ineffective – and that requires more than 17 or 23% be placed at risk
- Despite much discussion, we are not close to a sustainable solution to finance cell and gene therapies

Questions?

Harvard Pilgrim Health Care

Thank You