The Integrated Healthcare Association (IHA)- a 501(c)6, NFP founded in 1994- advancing integrated care
AMP

- **Measures:** 50 highly aligned measures of clinical quality, utilization, total cost of care
- **Who’s Included:** Commercial HMO, commercial ACO, Medicare Advantage, and Managed Medi-Cal
- **What’s Viewable:** physician organization level performance

Atlas

- **Measures:** Over two dozen standardized measures of clinical quality, utilization, total cost of care
- **Who’s Included:** 29 million Californians inclusive of commercial HMO, PPO, Medicare FFS, Medicare Advantage and Medi-Cal
- **What’s Viewable:** geographic and product line performance information

Built on a single data platform with standardization throughout
Key Takeaways from Atlas and AMP Analysis

- There is wide variation in quality and cost in California that is persistent over time regardless of health plan product or provider delivery model
  - Northern California and urban areas generally perform better on quality
  - Southern California generally performs better on cost
  - Less variation in Medi-Cal; comparability to commercial and MA is limited

- Health plan products that use integrated networks show superior cost and quality overall and much lower patient cost sharing

- Financial risk sharing (capitation) between plans and providers tracks to higher quality and lower costs—the more capitation, the better the performance
  - Accountable Care Organizations ("ACOs") have variable cost and quality performance but are superior to non-integrated care networks

- Lack of Medi-Cal data limits Atlas’ ability to do comparable analysis
Chronic Care Management - Wide Variation*
same pattern for preventive health screenings

*commercial enrollees
Wide Variation in Cost within and between CA Regions* - available at the county or Covered CA regional level

*commercial enrollees
The Delivery Model Matters - Integrated Care Outperforms (typically HMO)*

78,500 More Diabetics with Blood Sugar Controlled

- Statewide Average: 47.11%
- Integrated Care Average: 55.65%
- Regional Average: 55.71%
- Highest Regional Average: 65.17%

18% difference

*commercial enrollees
Commercial Cost Breakdowns

- Total cost:
  - HMO: $4,529
  - PPO: $4,928

- Pharmacy costs:
  - HMO: $584
  - PPO: $980

- Member cost sharing:
  - HMO: $217
  - PPO: $837
Another View - Degree of Financial Risk Sharing Impact on Quality & Cost*

<table>
<thead>
<tr>
<th>Risk Level</th>
<th>Average Clinical Quality Rate (%)</th>
<th>Risk Adjusted TCC ($PMPY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Risk (FFS)</td>
<td>62</td>
<td>4,300</td>
</tr>
<tr>
<td>Professional Risk Only</td>
<td>63</td>
<td>4,400</td>
</tr>
<tr>
<td>Full Risk</td>
<td>64</td>
<td>4,500</td>
</tr>
</tbody>
</table>

*commercial enrollees
Medi-Cal Measurement - an Atlas Outlier Now

Measurement Data Submitted Across Product Lines
What Would High Value Care in California Deliver?

If care for all commercially insured Californians were provided at the same quality as the top-performing region:

- 205,000 more people would have been screened for colorectal cancer.
- 30,500 more women would have been screened for breast cancer.

If care were provided at the same cost as a relatively high-quality, low-cost region:

- Overall cost of care would decrease by an estimated $6.2 billion annually, a >10% decrease.

Atlas 3 will be released in early April, then annually going forward.
Possible Actions*

- Focus investments on geographies and conditions in most need of improvement
- Help define a uniform and practical definition of “value”
- Support higher value care through plan designs and provider networks
- Preferentially support integrated care models and financial risk sharing between plans and providers
- Drive full inclusion of Medi-Cal data into the Atlas program

*more complete list provided as a handout
Questions?