

Value-Based Payment NEWS

6 Strategies for Building a Great Medicaid Provider Network

Medicaid markets require a different approach, but there are strategies payers can use to build comprehensive, high-quality provider networks in each of their markets. They can ensure all members have access to quality care -- and lower costs, helping them bring more great care to more members, even as Medicaid dollars are further squeezed.

by Marcel Tetzlaff

Ensuring members have ready access to care to prevent little health problems from becoming big, expensive ones is core to the success of any value-based healthcare strategy. But it's even more critical for Medicaid plans since members often face a variety of challenges, including lower health literacy or awareness, a lack of transportation and cultural norms, among others.

Here's what makes fulfilling that mission so challenging:

- Since Medicaid typically pays a fraction of what providers can receive from commercial payers, it can be difficult to convince them to sign on to deliver the Medicaid services you need to be able to provide full, convenient access to quality care.
- And that's not to mention meeting the "Quadruple Aim" of improving population health, improving the patient experience, reducing costs and improving provider satisfaction.

How do payers and managed care organizations meet this challenge while acting as good stewards of taxpayer money? By using digital-age technology -- including Big Data analytics -- to deliver a multi-pronged approach of incentives, payments and programs that encourage positive behaviors within your provider networks and align payers, providers and members in a way that optimizes spending.

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UnitedHealthcare Says Value-Based Care Program for Knee, Hip and Spine Procedures Demonstrates Improved Health Outcomes, Reduced Costs

The Spine and Joint Solution -- boasting total savings for participating employers of nearly \$18 million, an average of \$18,000 per procedure for employers and \$3,000 per procedure for individuals -- is "helping improve health outcomes for knee, hip and spinal surgeries," the company reports, "while reducing costs for employers and lowering out-of-pocket expenses for employees."

UnitedHealthcare's Spine and Joint Solution, a statement says, "has demonstrated 22% fewer hospital readmissions and 17% fewer complications following surgery, as compared to nonparticipating facilities." For spine surgeries, the company adds, "hospital readmissions were reduced by 10%, and there were 3.4% fewer complications, as compared to nonparticipating facilities." And since the program's introduction, "participating employers have realized an average savings of \$18,000 per operation when compared with median costs in the same metropolitan area," United says, "and eligible employees saved more than \$3,000 in out-of-pocket costs per procedure when accessing a participating facility rather than another in-network medical facility." Incentives included cash, gift cards, additional vacation days for recovery and health savings account contributions.

The program's bundled payment method "reimburses healthcare providers and facilities for a defined episode of care," the statement explains, "such as knee or hip replacement, under a single fee or payment" -- emphasizing that it's "a shift away from the traditional fee-for-service structure, in which a care provider is paid for each treatment, appointment or test, generating multiple claims within a single, broader episode of care." The Solution, the insurer adds, "has expanded nationwide to 46 participating healthcare facilities, with more than 115 employers enrolled and 3 million employees."

- It's available to companies of any size with self-funded health plans.
- It provides employees with access to surgeons and facilities that qualify as UnitedHealthcare Centers of Excellence and accept bundled case rates for knee and hip replacement, spinal fusion and spinal disc repair.
- All participating healthcare facilities have been independently evaluated for providing quality patient care and better outcomes.

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