AMGA™

Advancing High Performance Health

AMGA Foundation

Acclaim Award
Lexington Clinic

2019 Honoree

Narrative: Proven Strategies for Implementing Direct-to-Employer Programs

Lexington Clinic: Advancing the Triple Aim Through Shared Provider, Patient, and Employer Risk

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In January of 2019, AMGA named Lexington Clinic as a 2019 Acclaim Award honoree. The Acclaim Award, supported by AMGA Foundation, the association's nonprofit arm, is designed to recognize and celebrate the successes that medical groups and other organized systems of care have achieved in improving the value—the quality and cost of care—of the healthcare services they provide to their communities. It honors organizations that are meeting the IOM Aims for Improvement and are taking the necessary steps to become a High-Performing Health System™ as defined by the AMGA.

As part of the Acclaim Award application process, the organization was asked to highlight narratives describing the design and deployment of major components—projects, phases, or tactical plans—that were part of their plan to transform the way they deliver health care in order to more fully achieve the AMGA High-Performing Health System™ attributes, improving both the quality and cost of care. Here, we share one of Lexington Clinic's narratives.

Proven Strategies for Implementing Direct-to-Employer Programs

Direct-to-employer (DTE) arrangements are a unique but growing element of value-based reimbursement. Through shared risk between employers and provider organizations are generating value through higher quality, lower costs and improved patient experience.

DTE arrangements between large organizations have made the news. Cleveland Clinic's arrangement with Lowe's,[1] Henry Ford Health System's agreement with General Motors,[2] and MemorialCare's engagement with Boeing[3] have received some significant attention due to the size and scope of their agreements.

Our model shows that the scope of the agreement can be different yet still accomplish the values espoused in the Triple Aim. We contract with regional and national employers who employ thousands of people and who have thousands more dependents, and we do so not only around certain high-cost specialty episodes; we do so around the total cost of care. When we engage employers, we do so using data that gives them actionable insight into their employee population's overall health.

DTE Engagements Begin with Data

When we enter a consultative discussion with an employer interested in DTE contracting, we mine our data and apply analytics to identify employees who have received care at our various locations. Using this data, we can provide the employer leadership with a low definition level of awareness of how healthy their employee population is and have a dialogue about what we might be able to do to improve their costs and their outcomes.

As we move further along the consultative process, the employer provides us with three years' worth of claims data that allows us to provide a deeper dive into their population's health needs and how our clinic would help them meet those needs. This data isn't normalized, but it allows us to describe how our future relationship would address approximately 30 indicators of health.

Using this data, we help them understand where they have opportunities for network improvement, where they can invest in prevention with a high likelihood of a return, and where they can focus to alleviate the risk associated with chronic illness. Within six months of the time the employer contracts with us, we will have normalized their data and are working under the correct constructs to reduce their costs and improve their quality through a high-definition understanding of addressing their population's health needs.

How DTE Achieves Better Care at Lower Costs

There are four foundational elements in the ways we reduce costs and improve quality:

1. Network design and management
2. Redirection of preventive care
3. Chronic disease management
4. Administrative services

Network design and management. From the beginning of the relationship we have with the employer, we are confident that we can provide them with an immediate 4%-5% savings in overall spend. We provide that savings through designing a premier network—whose costs we largely control.

Redirection of preventive care. Our member navigators and care coordinators work together to help members access the right care at the right moment and in the right setting. When those things happen, there is a higher likelihood that the care will be provided at the right price.

Chronic disease management. We also provide year-over-year savings when we help patients with high-cost chronic diseases better manage their conditions. The cost benefits of chronic disease management are well established.

Administrative services. We provide much of what employers have historically been purchasing through third-party administrators at a far lower cost.

These above four elements ensure that cost savings don't just happen once but are sustaining and ongoing, especially with an employee population. Large employer groups we work with average a 15% turnover. There will likely always be a segment of the population with poorly managed chronic illness or who are inefficient in their consumption of primary care.

Engaging Members Through Trusted Relationships

One critical element to the DTE program success is member engagement, and we make a consistent effort to engage members from the beginning of the agreement. A contingent from our clinic, including our member navigators, attend the employers' open enrollment meetings, where we introduce employees

to the high level of support they would receive should they choose to participate in our program, from member navigation and care management to benefit support and network support. Members also receive a welcome letter and packet that describe the services to which their employer has subscribed and how they can access those benefits.

Throughout the course of the year, they receive multiple newsletters from us on topics ranging from prevention to chronic illness management. We often provide them with mailings that include samples or coupons that relate to living a healthy lifestyle. In many cases, we also conduct health fairs, offer surveys, and provide members with convenient vaccination options.

Each member is assigned a specific member navigator and has an opportunity to meet the member navigator face-to-face during open enrollment. We consistently condition members to make their initial contact about health care to be their member navigator. Member navigators help members quickly make decisions about the kind of care they need. Armed with access to geo-access software, scheduling systems, and general member data, they use those tools to help the member or any dependents access the provider that can give the care needed, when it's needed. Doing so creates engagement over time. Members get healthy faster, they return to work faster, and they are engaging with us as a trusted resource. Anecdotally, we are finding that members, rather than set a follow-up appointment in person after a clinical visit, would rather contact the member navigator to set the appointment.

An Evidence-Based Program of Incentives and Network Management

One element often considered essential in these types of arrangements is a wellness program. We disagree; wellness programs are most often a waste of time and money. Wellness programs have not been shown to improve engagement, at least not the engagement that leads to better health. A recent RAND study concluded that there was no statistically significant decrease in costs or utilization when using contests, drawings or rewards for behaviors.

We believe that engagement and, ultimately, behavior change happens when members have "skin in the game." Rather, we create network constructs that incentivize access to high-quality physicians and services and generate sustainable engagement over time. Our disease management programs, network solutions, and preventive management programs do much more to impact population health.

As a multispecialty medical group, we have a strong handle on providing the clinical benefits our clients need. However, we rely on partners to help us meet the benefit management needs of our DTE clients. Our relationships with benefits consultants, third-party administrators, and pharmacy benefits managers are critical in design and developing a full benefit package and in adjudicating access to these benefits. Cultivating and maintaining these relationships helps us keep our operations running smoothly.

Adapted from the Acclaim Award application submitted by Eric Riley, chief administrative officer, and Andrew Henderson, M.D., chief executive officer, Lexington Clinic.

References

1. H. Specter. 2010. Lowe's-Cleveland Clinic Deal Could Be a Model for Health-Care Reform Through Competition: A Medical Checkup Column. *The Plain Dealer*, March 2, 2010. Accessed February 6, 2019 at cleveland.com/healthfit/index.ssf/2010/03/lowes-cleveland_clinic_deal_co.html.

2. N. Naughton. 2018. GM Inks Direct Contract with Henry Ford Health. *The Detroit News*, August 6, 2018. Accessed February 6, 2019 at detroitnews.com/story/business/autos/general-motors/2018/08/06/gm-inks-direct-contract-henry-ford-health/916830002.

3. L. Masterson. 2018. More Employers Go Direct to Providers, Sidestepping Payers. *Healthcare Dive*, March 14, 2018. Accessed February 6, 2019 at healthcaredive.com/news/more-employers-go-direct-to-providers-sidestepping-payers/518269.

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