

## **The Florida Alliance’s 26th Annual “Best of the Best” Showcased Innovation in Achieving Value in Employer-Sponsored Healthcare**

The Florida Alliance for Healthcare Value held its 26th annual “Best of the Best” event virtually on November 30, 2021. Sponsored by Florida Alliance affiliate members Marathon Health, Pfizer, Vida Health, and Centivo, this year’s event featured innovative ideas and real-world best practices from employer healthcare purchaser leaders who have designed and implemented programs and services that are providing high value for their plan members.

### **Most Engaged Employer Award**

The event opened with the presentation of the “Most Engaged Employer Award,” sponsored this year by Memorial Healthcare System (MHS), a healthcare advisory council member of the Florida Alliance. The award was presented by Matt Muhart, Executive Vice President and Chief Strategy Officer at MHS, to **The School District of Palm Beach County** for their high level of commitment to the Florida Alliance for Healthcare Value’s efforts to drive value in health care. Dianne Howard, Director of Risk and Benefit for the District, accepted the award. An employer member since 2004 and a nationally recognized leader in benefit design strategy, The School District of Palm Beach County demonstrated an exceptional level of participation in many of the Florida Alliance for Healthcare Value projects and events in 2021, including the RAND Hospital Price Transparency Study, a National Employer Initiative on Specialty Drugs, advisory boards on various topics including the Patient Centered Outcomes Research Institute Employer Advisory Council, and a Biosimilars Roundtable.

### **A Fireside Chat with Jason Parrott, MBA, MS**

Jason Parrott is a well-known and respected early adopter of integrated mental and physical health programs and services as well as an innovative leader in pharmacy management while serving in benefits leadership roles at The Boeing Company and AT&T. While Jason was the Senior Manager of Global Healthcare and Wellbeing Strategy at Boeing he also chaired the Board of Directors of the Midwest Business Group on Health for several years. Jason brings the employer perspective to his new position as Senior Vice President of Enterprise Growth and Partnerships for Vida Health, a virtual care company that combines a human-centric approach with technology to address chronic and co-occurring physical and behavioral health conditions.

During his “Best of the Best” conversation with Florida Alliance for Healthcare Value President Karen van Caulil, PhD, Jason shared a number of insights and recommendations for employers that focus on reducing healthcare spending while increasing quality, enhancing the employee healthcare experience, and improving engagement:

- **Take back control of pharmacy benefits management**, including auditing rights and direct contracting. At Boeing, they created their own customized model that served their specific interests and aimed to achieve a waste-free formulary. Over time, this action resulted in a downward trend on pharmacy spend.

- **Consult reports from the Institute for Clinical and Economic Review (ICER) when making decisions within the drug space** as they provide valued intellectual perspectives and analysis, especially with regard to exceedingly high drug pricing. The goal should be to ensure employees have access to the right drug at the right time at the right cost.
- **Utilize resources like the Employer Health Innovation Roundtable (EHIR) to simplify the often-overwhelming process of evaluating innovators and vendors.** EHIR provides objective support in assessing and identifying the top emerging solutions.
- **When adding innovators to the mix, try to collaborate with your existing partners and vendors** to achieve quicker adoption and implementation.
- **Take advantage of employer tool kits such as those created by the Florida Alliance for Healthcare Value, the National Alliance of Healthcare Purchaser Coalitions and sister coalitions like the Midwest Business Group on Health** to develop an action plan for achieving better outcomes and to help sort through the maze of new opportunities in areas like biosimilars and precision medicine.
- **Look for solutions that integrate mental and physical health as well as partners who are focused on value and willing to put 100 percent of fees at risk.** Jason shared that approximately 70-80 percent of individuals with chronic conditions also have mental health challenges and conditions. In 2015, Boeing identified the high demand and low supply for mental health services as a priority within their company and wanted to simplify the process for their employees, increasing accessibility and affordability. After an extensive review process, in 2018 they adopted Vida Health, a wholly integrated solution that simplified the patient experience and allowed them to improve outcomes and sustain engagement. Vida treats underlying behaviors to achieve best-in-class clinical outcomes within a number of areas, including weight loss, diabetes, hypertension, depression and anxiety.
- **Seek solutions that proactively address diversity, equity, and inclusion**, providing employees with choices that give them control and will enhance their engagement.

“With the current focus on healthcare innovation, there is no better time than now to drive change and demand value,” said Jason. “Employers must adopt integrated solutions that simplify the complex benefit supply chain and eliminate the silos.”

### **Executing High Performance Healthcare: Northwestern Mutual/Business Health Care Group Case Study**

Centivo’s Head of Strategic Alliances Laurel Pickering, MPH, moderated a discussion with Jeffrey Kluever, MS, Executive Director, Business Health Care Group (BHCG) and Janet Lucas-Taylor, Senior Director of Employee Benefits at Northwestern Mutual. Based in Wisconsin, the BHCG is offering a high-performance network solution/health plan offering for their members. It is a primary care centered model with three network options (broad, intermediate, and narrow). The providers have demonstrated high quality and affordability. Janet serves on BHCG’s executive steering committee and is an early adopter of this high-performance network solution at her company.

Laurel opened the discussion by sharing some conventional wisdom about health care and challenging employers to view each of these points as myths that should be busted:

- Human resources often seeks the path of least resistance and opts for status quo over disruption
- You can't get employers to agree on a single health plan/product offering
- The "BUCAs" (Blue Cross Blue Shield, United, Cigna and Aetna) get the best deals because their volume gives them real leverage
- You can't determine the quality and cost efficiency of individual physicians
- People don't want to have their health care coordinated by a primary care physician (PCP)
- People don't want to be confined to a narrow network
- Traditional consultant request for proposal (RFP) questions, interpretation and scoring is the best way to evaluate health plan options

Throughout the presentation, Janet and Jeff described how their new solution counters each one of these myths.

"In the RAND studies, healthcare costs in Wisconsin have been among the highest in the country," explained Jeff. "Frustrated with the status quo, we embarked upon developing a new solution with the assistance of three leading consulting houses. After careful study and examination of market options, including the major carriers, the group unanimously determined that a high-performance primary care-centered model was the right thing to do and that Centivo was the best partner to provide this model."

BHCG had three primary program objectives which resulted in the selection of Centivo as the solution for driving healthcare value with their members:

- **Achieve best-in-market contract terms**, including value-based provisions and the ability to steer toward higher performers.
- **Provide employer flexibility**, including PCP-centered plans.
- **Secure total transparency and incentive alignment**, including plan sponsor access to contracted payment terms and pre-negotiated administrative services only (ASO) fees with no hidden costs or add-ons.

"There are **two things that really make this offering unique: leveraging the purchasing power of BHCG and absolute transparency**," said Laurel. "In addition, while we have carefully curated the physician network within the high-value health system, we are also collaborating to raise the level of the low-performing physicians with a goal of 100 percent of PCPs meeting high-performance criteria."

Janet shared that Northwestern Mutual's goals are to provide their employees with the highest quality care and providers, to support their wellbeing and to offer comprehensive coverage. Over the last decade, they had made a number of changes to manage overall healthcare costs, including changing employee cost share and modifying their plan design, but nothing was achieving the movement they desired. For 2022, Northwestern Mutual has offered the new Centivo/BHCG plan alongside its current plan. 42% of their eligible employees selected the Centivo/BHCG plan, making it the most selected plan for next year. Janet credits this uptake to extensive education and communication efforts with employees.

"We spent a lot of time educating our employees about what is wrong in health care and shared with them our commitment to helping them move through this new model of having a high-quality PCP who serves as their personal healthcare guide," explained Janet. "Unlike health maintenance organizations of the past, the incentives are not to deny care, but to coordinate care, and the PCPs are accountable for health outcomes. We have always believed quality and value are the keys to the equation. Cost savings will follow if we do everything else right."

#### **Public Sector Innovation — Metro Nashville Public Schools**

Another early adopter of innovative approaches to benefit design and programs, David Hines serves as Executive Director of Employee Benefits at Metro Nashville Public Schools (MNPS), and his effective work to drive value in health care for the District was highlighted as an example of public sector innovation in the **Catalyst for Payment Reform Tampa-Orlando Market Assessment** on value-based payment reform shared at the Florida Alliance for Healthcare Value's Annual Meeting earlier this year. David shared his experience with a number of initiatives, including on-site clinics and bundled payments.

David's work focuses on managing the teachers' health, which covers 9,200 active and retired teachers. Since 2009, a cornerstone of the school district's health benefit design has been its **onsite health centers** which are located 15 minutes from each worksite and offer free, same-day access to care. These centers have been instrumental in **providing teachers with a medical home and attachment to care** while also **resulting in \$2.5 to \$3 million in annual savings on healthcare costs**. In addition, MNPS took the cost savings they achieved and reinvested it with no debt into an integrated employee wellness center that offers a number of services, including mental health care, physical therapy, pharmacy, and chiropractic services.

Additional cornerstones of David's approach include offering a simple, low-cost health plan, actively utilizing an integrated data warehouse, providing value-based benefits, and focusing on population health.

"We've found that people don't need a bunch of health plan options," said David. "They really just need one plan with low out-of-pocket costs. That approach allows us to focus our energy on understanding our population and improving their overall health. We have learned that attachment to primary care is critical in achieving that goal and connecting our members to primary care also slows the rate of cost increases for our medical, pharmacy and dental benefits."

Some of the district's additional health benefit initiatives include the following:

- **Proactively addressing health equity and screening for social determinants of health**
- **Expanding access to value-based specialty care through targeted telehealth options as well as onsite screenings and services at the clinics.**
- **Establishing a comprehensive, custom-designed maternity bundle** with Vanderbilt Health that has already resulted in \$364,000 in total employer savings and \$2,500 in savings for each employee utilizing maternity care. There is one fixed price for all pregnancies and deliveries for the year regardless of delivery type, and Vanderbilt Health assumes the risk for each pregnancy and delivery. In addition, since implementing this bundle, their C-section rates have decreased by 25 percent.
- **Launching additional bundles for weight loss, spine care, orthopedics, and hearing in 2022.**

“When we are establishing bundles, we want more, not fewer, quality providers as well as increased access to care,” explained David. “We also believe in expanding the timeframe covered by these bundles to encompass the full episode of care from diagnosis to complete recovery, which can be 12-18 months after a medical event or surgery.”

Karen van Caulil thanked all the speakers for sharing their stories about driving value in healthcare and noted that their advice and strategies were all actionable and do-able for the Florida Alliance members. She also thanked the sponsors for their support of the event and the attendees for joining the Florida Alliance at another successful “Best of the Best” event.