

HCBD RISK MANAGEMENT
LEGISLATIVE FINANCE COMMITTEE - JUNE 10, 2016



LFD REPORT, PAGE 7 TABLE RESTATED

	<i>Actuarial Estimate</i>	<i>Appts.</i>	<i>Cost/ Appt</i>	<i>Actual Spend</i>	<i>Appts.</i>	<i>Cost/ Appt</i>
Year 1	\$ 972,016	17,246	56.36	\$ 1,193,302	33,525	\$ 35.59
Year 2	\$ 1,111,636	17,246	64.46	\$ 2,120,292	45,162	\$ 46.95
Year 3	\$ 1,260,871	17,246	73.11	\$ 2,225,749	43,398	\$ 51.29

- Actuarial Estimate in RFP analysis included only lab and staffing costs
- These costs are variable, so increased significantly with increased appointments
 - 2013 = 194% more appointments than projected
 - 2014 = 261% more appointments than projected
 - 2015 = 256% more appointments than projected
- Lab and staffing costs vary by the number of appointments
- Restated for variable costs divided by variable factor (appointments)
- Actual savings compared to Cost/Appointment projected in Actuarial Estimate is \$2.4 million

LFD REPORT, PAGE 10 TABLE RESTATED

		<i>Total Costs</i>	<i>Total Visits</i>	<i>Cost per Visit</i>	<i>Cost per Visit LFD</i>	<i>Overstated Cost per Visit</i>
Anaconda	2015	\$ 223,477	1,731	129.10	\$ 47.64	\$ (81.46)
Billings	2014	\$ 670,744	5,188	129.29	\$ 147.35	\$ 18.06
	2015	\$ 517,254	5,350	96.68	\$ 108.23	\$ 11.55
Butte	2015	\$ 616,951	12,178	\$ 50.66	\$ 75.60	\$ 24.94
Helena	Sep 2012- Aug 2013	\$ 2,452,300	33,525	\$ 73.15	\$ 78.23	\$ 5.08
	2014	\$ 2,919,874	45,162	\$ 64.65	\$ 83.34	\$ 18.69
	2015	\$ 2,748,676	43,398	\$ 63.34	\$ 78.97	\$ 15.63
Miles City	2014	\$ 385,666	1,967	\$ 196.07	\$ 217.30	\$ 21.23
	2015	\$ 280,844	1,878	\$ 149.54	\$ 169.63	\$ 20.09
Missoula	2014	\$ 451,190	3,422	\$ 131.85	\$ 139.62	\$ 7.77
	2015	\$ 563,117	6,315	\$ 89.17	\$ 109.16	19.99

- Includes primary care and health screenings, does not include lab work, radiology or health coaching
- Reallocated Butte Mgmt Fees to Butte and Anaconda

LFD REPORT COMMENTS

- Anaconda Model
- Montana Health Center Model
- Management fees function as a “fixed cost”

SEGHP POPULATION RISK

Metric	Actual	Adjusted Base Population
Quality and Risk		
Average Risk Index	6.66	5.62
Average Care Gap Index	1.16	0.91
Average RRS (Model #18) (excl Medicare)	0.98	
Average RRS (Model #26) (excl Medicare)	1.08	
Average RRS (Model #56) (excl Medicare)	1.16	
<i>Average RRS (Model #18) (Medicare only)</i>	<i>3.73</i>	
<i>Average RRS (Model #26) (Medicare only)</i>	<i>3.67</i>	
<i>Average RRS (Model #56) (Medicare only)</i>	<i>3.16</i>	

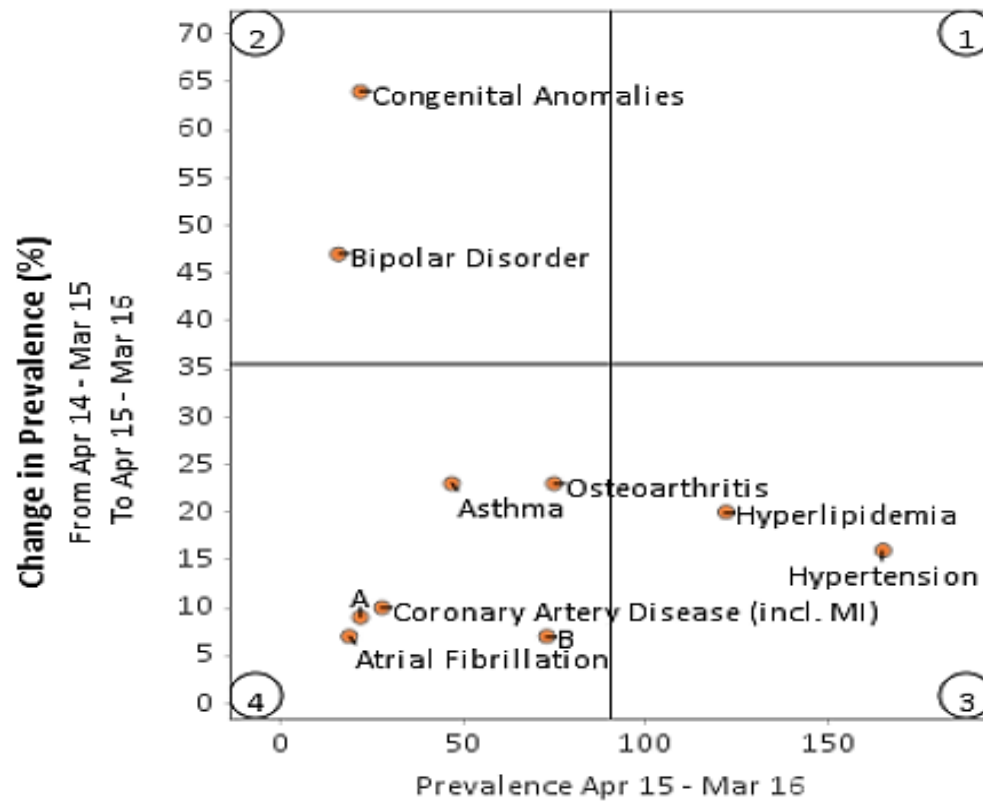
Definitions:

- Model 18 (Concurrent Risk Assessment):
Age+Gender+Diagnosis
- Model 26 (Prospective Risk Assessment):
Age+Gender+Diagnosis
- Model 56 (Prospective Risk Assessment):
Age+Gender+Diagnosis+Historical Utilization+Historical Cost

Definitions:

- Risk Index:
 - ✓ Population measured for frequency of certain risk-predictive “events” within member’s claim detail. Model looks at diagnosis, procedures, RX, co-morbidities and treatment patterns.
- Care Gap Index:
 - ✓ Point-in-time measure of compliance in a population.

SEGHP TOP TEN CHRONIC DISEASES






- 1 **Top priority** - high prevalence and fast growing
- 2 **Moderate priority** - lower prevalence but fast growing
- 3 **Moderate priority** - high prevalence but slow growing
- 4 **Lowest priority** - a low prevalence and slow or not growing

A. Chronic Obstructive Pulmonary Disease B. Diabetes

SEGHP TOP DISEASE STATES

<i>Diseases</i>	<i># of Members</i>	<i>Per Member Per Year Cost</i>
Back Pain	6,557	\$ 7,222
Neck Pain	3,694	\$ 7,136
Hypertension	2,998	\$ 10,507
Hyperlipidemia	2,643	\$ 8,336
Diabetes	1,288	\$ 14,897
Major Depression	1,271	\$ 10,080
Osteoarthritis	1,267	\$ 16,347
Headache	1,153	\$ 9,823
Asthma	1,063	\$ 7,535
Cancer	797	\$ 24,486
Congenital Anomalies	529	\$ 23,555
Bipolar Disorder	351	\$ 11,711
Coronary Artery Disease	297	\$ 23,504
High Risk Pregnancy	258	\$ 12,833
Rheumatoid Arthritis	241	\$ 23,464

<i>Higher than Base Population</i>	
<i>At Base Population Metric</i>	
<i>Lower than Base Population</i>	

WHAT IS SEGHP DOING TO MANAGE POPULATION RISK?

LIVE LIFE WELL

- Health Screenings at a Montana Health Center
- Nicotine Free Discount
- Next Steps Discount
 - ✓ BMI Greater than 30
 - ✓ Blood Pressure greater than 140/90 mmHg
 - ✓ Cholesterol Level greater than 200 mg/dL
 - ✓ Blood Glucose Level greater than 100mg/dL

MONTANA HEALTH CENTERS

- Primary Care
- Health Screenings
- Health Coaching
- Realigned Performance Guarantees
 - ✓ At least 75% at-risk patients placed in active care plan

USING DATA TO MAKE DECISIONS

VERISK POPULATION AND RISK MANAGEMENT SOFTWARE

- Allegiance, Montana Health Centers and HCBD
 - Integrate data
 - Coordinated resources
 - Clinicians
 - Wellness Coaches
 - Data Analysts
 - Financial Analysts
 - Identify high risk members
 - Identify high risk conditions in specific location
 - Pilot project of using VERISK reporting to identify major conditions by Health Center Location

DISEASE MANAGEMENT

- Allegiance, Montana Health Centers and HCBD coordinated efforts for DM programs

QUESTIONS?

WWW.BENEFITS.MT.GOV

