Sphere of Influence: Achieving the Healthcare Triple Aim through Physician Referral Patterns

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The Impact of Meaningful Use and the Affordable Care Act

- 20 million more Americans are insured as of 2016 compared to 2010 (National Center for Health Statistics, 2016)

- The Medicare Shared Savings Program (MSSP) increased from 220 to 561 ACOs between 2012 and 2018 (CMS – Medicare Shared Savings Program Fast Facts, 2018)
  - 377k Physicians and Mid-Levels participating in 2018

- The shift from Fee For Service (FFS) is in full swing
  - In 2016, FFS accounted for 43% of US healthcare payments, down from 62% in 2015
  - Pay for Performance and Alternative Payment Models (APMs) combine for 57%, up from 38% in 2015 (Health Care Payment Learning & Action Network 2016 Report)
From pens to platforms … EHR adoption

Through 2016, 98% of eligible hospitals have achieved meaningful use of certified health IT

Office of the National Coordinator for Health IT

Through 2014, $24B had been spent on EHR adoption

Health Data Management
Office of the National Coordinator for Health IT

Source: CMS EHR Incentive Program data, 2016 and CMS Provider of Services File, March 2017
The Triple Aim

- Improve patient care
- Improve patient outcomes
- Reduce cost of care delivery
Agenda

Market Drivers and Challenges

Need for Improved Insights

Data and Analytic Solutions
Which of these goals is your top priority over the next 18 months?

- Increasing referral volumes
- Minimizing referral leakage
- Maximizing utilization of system-owned facilities
- Shifting in-patient procedures to ambulatory settings
- Formation of Clinically Integrated Networks and other risk-bearing arrangements
- Growing your system through acquisition or expansion
- Other
How Do You Achieve The Triple Aim

• Control Costs
  • Decrease utilization of in-patient services in favor of ambulatory
    • Between 2010 - 2014, lumbar/spine procedures shifted toward the out-patient setting by 20%.
    • In-patient costs rose 7.5% during that time, vs 4.3% for out-patient
      (Blue Cross Blue Shield – The Health of America Report, 2016)

  • Increase utilization of system owned/affiliated facilities
  • Improve care coordination to impact outcomes and reduce admissions
    • Minimize referral leakage to non-aligned providers
How Do You Achieve The Triple Aim

- Focus on the patient and redesign primary care
  - Encourage patient involvement in their health (care)
  - Understand the family and other health drivers (socioeconomic attributes)
  - Provide access in ways that enable patients to take better care of themselves

Source: PwC Health Research Institute consumer survey, summer 2016 and winter 2018
POLLING QUESTION:

Does your health system offer telehealth services?

- No, and currently we have no plans to offer telehealth services
- No, but we are currently in the planning stages
- No, but we are in the midst of implementing a telehealth program
- Yes, we offer telehealth services today
How Do You Achieve The Triple Aim

• Improve care through enhanced care coordination and clinical integration
  • Identify providers for recruitment/alignment
  • 72% of provider executives – “reorganization is important to their organization’s success over the next 5 years”
    (PwC Health Research Institute provider executive survey, 2017)

Many provider executives are considering merging with or acquiring different types of care facilities within the next five years

Source: PwC Health Research Institute provider executive survey, 2017
What Insights do you need to help Achieve the Triple Aim?

The IHI Triple Aim

Population Health

Experience of Care  Per Capita Cost
What Insights do you need to help Achieve the Triple Aim?

- Referrals & Discharges
  - Referral and leakage (lost control)

- Claims and Provider Insights
  - Facility utilization
  - Care setting utilization
  - Physician and Facility volumes
    - Claims and payments

- Patient Insights
  - Socioeconomic attributes
  - Risk scores
  - Contact information
Agenda

Market Drivers and Challenges

Need for Improved Insights

Data and Analytic Solutions
# External Data and Analytics Can Drive Insights and Improved Decision Making

<table>
<thead>
<tr>
<th>Medical Claims Data &amp; Analytics</th>
<th>Identify Referral Leakage • Understand Utilization (Setting &amp; Facility) • Identify Targets for Recruitment &amp; Integration • Expansion Planning</th>
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<tbody>
<tr>
<td>Provider Data</td>
<td>Care Coordination • Patient Experience</td>
</tr>
<tr>
<td>Patient Data &amp; Analytics</td>
<td>Care Management • Risk Assessment • Outreach</td>
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</table>

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Medical Claims Analytics

Provides health systems and providers with insight into provider behavior that influences care decisions within their markets

**Improve provider alignment strategies by understanding referral and discharge patterns**
- Identify opportunities for physician outreach
- Reduce system leakage by identifying referral patterns
- Reduce procedural splitting
- Reduce utilization of high cost procedures/settings

**Gain market insight at the practitioner and facility levels**
- Plan for expansion of geographies and services

**Streamline recruitment, clinical integration and M&A**
- Identify target physicians or facilities
Medical Claims Data 101: Anatomy of a Claim

**Diagnosis:** ICD-10-CM code for appropriate diagnosis or nature of illness

**Procedure:** CPT code for services provided to an established patient

**Drug:** Appropriate HCPCS code for medication administered

**Patient Information:** Age, gender, location

**Payer:** Government/commercial insurance company responsible for payment

**Practitioner(s):** HCP(s) responsible for care of patient

**Facility:** Location where service was provided
Identify Referral Leakage

Identify risks in care and cost that are the result of patients leaving your system

Dr. Joe Finazzo
Internal Medicine
1000 Alderman Drive
Alpharetta, GA

Dr. Tim Kringel
Surgery, Orthopedic
2000 Alderman Drive
Alpharetta, GA

Dr. Matt Ryan
Surgery, Orthopedic
1500 Mercedes Benz Way
Atlanta, GA

Shared Patient Percent

Kringel
70%

Finazzo

Ryan
30%
Understand Procedural Utilization

Are your physicians performing at outside facilities?
Are they performing in higher cost settings?

Dr. Susan Smith
Surgery, Orthopedic
Denver, CO
Ortho National Rank - 9

Percent of Knee Procedures

- Exempla St Joseph Hospital
  Hospital, Acute Care
  Denver, CO
  44%

- Presbyterian St Lukes Medical Center
  Hospital, Acute Care
  Denver, CO
  25%

- Midtown Surgical Center
  Hospital, Ambulatory Surgery Center
  Denver, CO
  19%
Identify Targets for Acquisition and Integration

<table>
<thead>
<tr>
<th>National Rank</th>
<th>Hospice Agency Owner</th>
<th>National Market Share</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>VITAS HEALTHCARE</td>
<td>4.52%</td>
</tr>
<tr>
<td>2</td>
<td>KINDRED HEALTHCARE</td>
<td>3.54%</td>
</tr>
<tr>
<td>3</td>
<td>HCR MANORCARE</td>
<td>2.31%</td>
</tr>
<tr>
<td>4</td>
<td>AMEDISYS, INC</td>
<td>1.72%</td>
</tr>
<tr>
<td>5</td>
<td>SEASONS HOSPICE &amp; PALLIATIVE CARE</td>
<td>1.41%</td>
</tr>
<tr>
<td>6</td>
<td>CURO HEALTH SERVICES</td>
<td>1.32%</td>
</tr>
<tr>
<td>7</td>
<td>COMPASSUS</td>
<td>1.00%</td>
</tr>
<tr>
<td>8</td>
<td>COMPASSIONATE CARE HOSPICE</td>
<td>0.93%</td>
</tr>
<tr>
<td>9</td>
<td>HOSPICE OF THE VALLEY</td>
<td>0.81%</td>
</tr>
<tr>
<td>10</td>
<td>CROSSROADS HOSPICE &amp; PALLIATIVE CARE</td>
<td>0.79%</td>
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(Source: LexisNexis – MarketView claims data, 2018)
Plan for Expansion of Geographies and Services

- New services and geographies
- Insights outside of available data
- Telehealth
  - 58% annual growth rate
  - 56% increase in the number of providers billing for telehealth services
- Reimbursements
  - National median - $25.40 (all payers & provider types)

Volumes based on CPT codes - 98969,99943,99944,Q3014
(Source: LexisNexis – MarketView claims data, 2018)
Plan for Expansion of Geographies and Services

MarketView Provider Reimbursement Insights

Summary level reports based on actual remitted medical claims data from sources that update daily

Average allowed amount metrics by:
- CPT Code/Payer/Payee (HCP/HCO)
- Min/Max/Mean/Median/Mode
- Rollup to national or geography

- 31,171 PROCEDURES AND INFUSED DRUGS
- 2,590 PAYERS
- 586,750 PAYEES
- 551M UNIQUE CLAIMS
29881: Arthroscopy, knee, surgical; with meniscectomy (medial OR lateral, including any meniscal shaving) including debridement/shaving of articular cartilage (chondroplasty), same or separate compartment(s), when performed

### National Summary

<table>
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<tr>
<th>Average Payment</th>
<th>Median Payment</th>
<th>Mode Payment</th>
<th>Min Payment</th>
<th>Max Payment</th>
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<tbody>
<tr>
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<td>$1052.47</td>
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<td>$4,205.08</td>
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### Payer Summary

<table>
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<th>Payer</th>
<th>Average Payment</th>
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<th>Min Payment</th>
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<tbody>
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<td>$3,200.00</td>
<td>$3,200.00</td>
<td>$3,200.00</td>
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<td>ORTHOPEDIC SURGERY CENTER</td>
<td>Chicago, IL</td>
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<td>Blue Cross Blue Shield</td>
<td>$813.27</td>
<td>$677.57</td>
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<td>$1,539.93</td>
<td>$4,205.08</td>
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<td>Wayne, NJ</td>
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<td>Aetna</td>
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<td>$1,108.74</td>
<td>$923.95</td>
<td>$3,441.25</td>
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<td>Wayne, NJ</td>
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<td>Medicaid</td>
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<td>$837.10</td>
<td>$104.64</td>
<td>$837.10</td>
<td>$4,205.08</td>
<td>DR. RUSSELL WESTBROOK</td>
<td>Oklahoma City, OK</td>
</tr>
</tbody>
</table>
Provider Data

• Provider data is at the core of many critical system operations that address the components of the Triple Aim
  • Improve care coordination and performance
  • Minimize errors and communication gaps
  • Ensure timely patient follow-up and continuity of care
  • Improved patient (consumer) experiences
  • Enhance referral management analytics

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Patient Data and Analytics

Medical care accounts for 20% of overall health, while social, economic and environmental factors account for 50% (Kaiser, County Health Rankings)

To improve patient care, health systems need to leverage data beyond the clinical record to assess risk and tailor care management strategies

- Patient attributes for predictive models
- Risk scores
Readmission prevention using social determinants of health

25% of heart failure patients are readmitted within 30 days

- Who is it most likely to be?
- How can it be prevented?

4 Patients Admitted to the Hospital

Tony
Alex
Greg
Chris
Address social determinants to help prevent readmission

Tony
- 78%
  - Significant decrease in income over last year
  - Sold his house and moved 3x over last year

Financial or housing assistance

Alex
- 52%
  - Recently moved to high-crime neighborhood
  - Does not own a vehicle

Transportation or food/medication delivery

Chris
- 13%
  - Lives with someone over the age of 80

Support group or care provider assistance

Greg
- 5%
  - Primary risk due to age and condition

Normal disease management

Tony Alex Chris Greg

78%
52%
13%
5%
Health systems are faced with difficult decisions in the face of value based care, tasked with reducing costs, increasing performance and outcomes, and improving the patient experience.

Decision making is vastly improved by going outside the organization to leverage best in class data assets and analytics.

Insights derived from medical claims data and referral analytics, coupled with provider data management and patient analytics, can be leveraged to improve care, quality and lower costs, achieving the heralded Healthcare Triple Aim.
Time for your questions!
For more information

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