

A decorative graphic on the left side of the slide consisting of white lines and circles on a blue background, resembling a circuit board or a stylized tree structure.

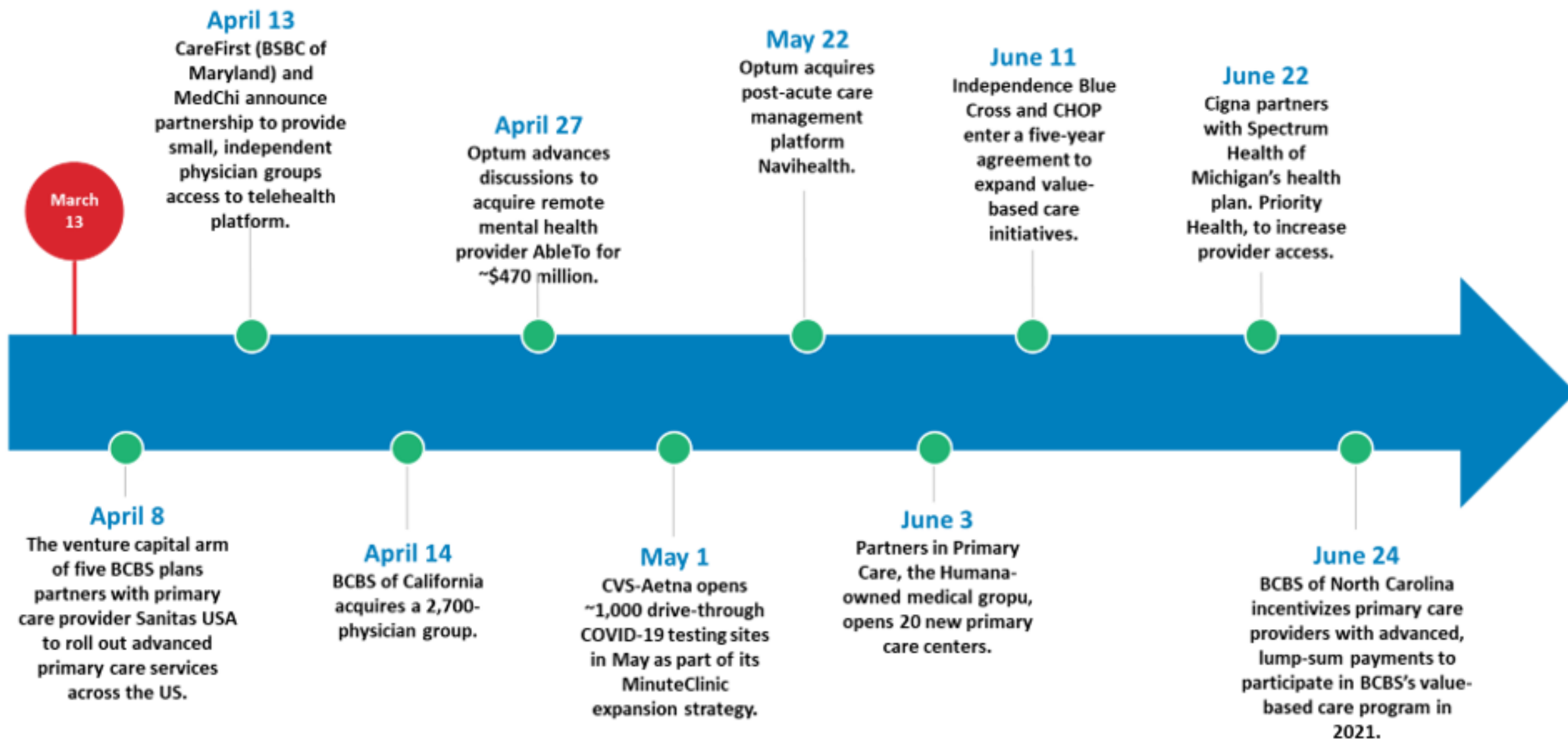
NEGOTIATION AND ALIGNMENT WITH HEALTH CARE PAYORS

ANTHONY MORETTI MD, MBA

OBJECTIVES

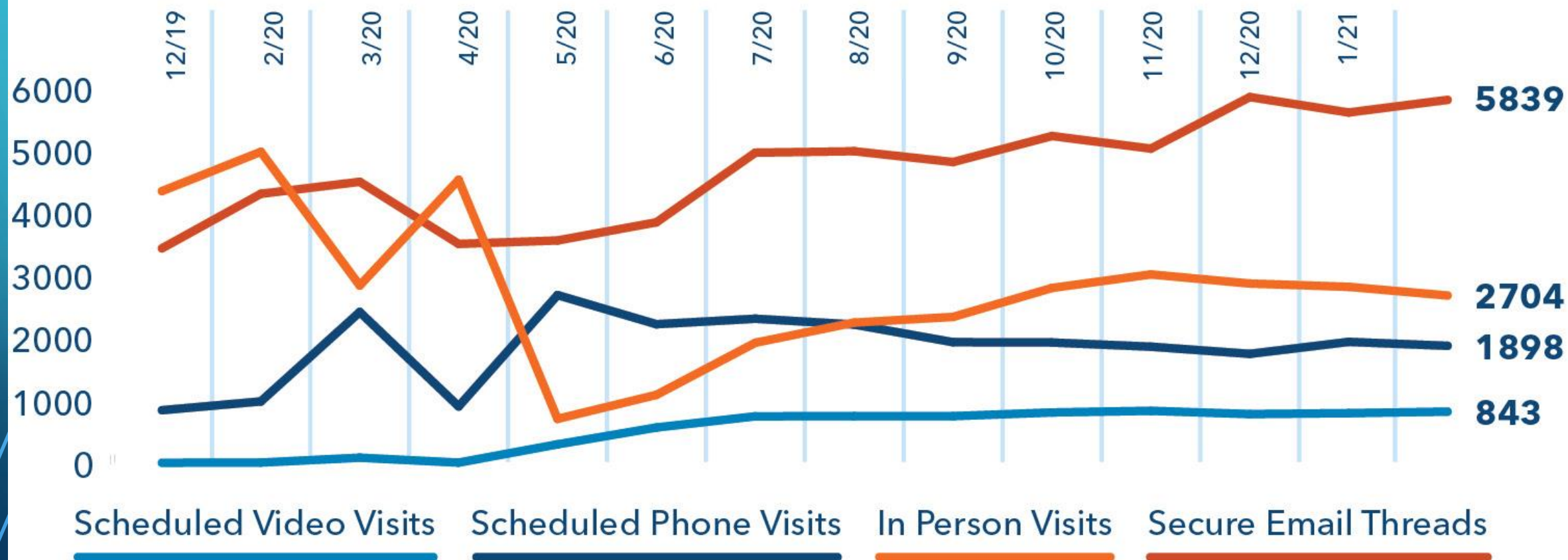
- Define a DOFR and Risk Corridor
- Describe how integration of data metrics can leverage alignment with health payors

Health plans are actively investing in provider services.



Telehealth during the COVID-19 pandemic:

Email, phone, video, and office visits



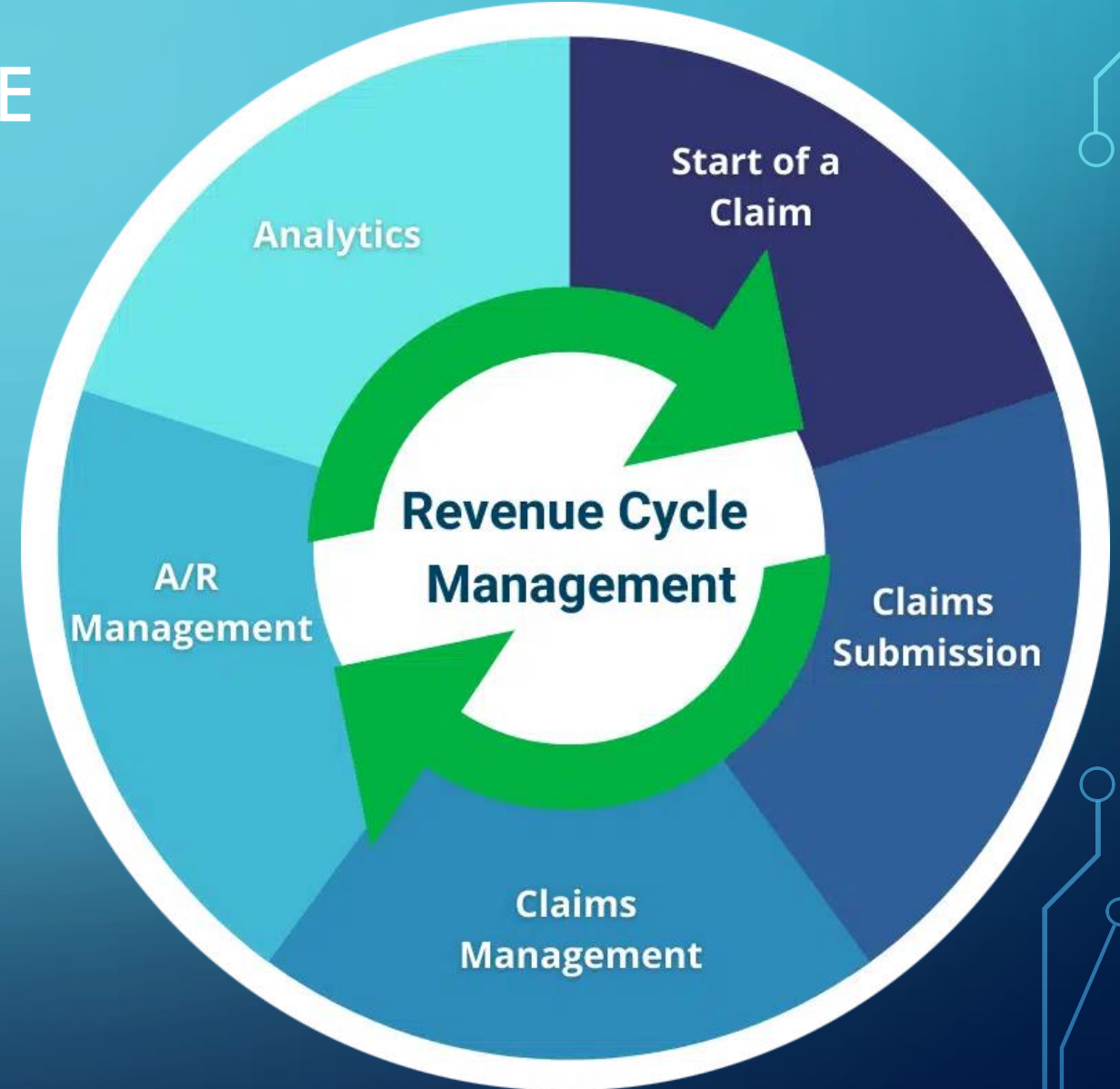
GETTING THE DOFR...

- Who pays for what?
- Is there opportunity for value?

LIST OF BENEFITS/SERVICES	PROVIDER (MEDICAL GROUP/IPA)	HEALTH PLAN 1	MEDI-CAL PROGRAM 2
1 These services are either provided by or coordinated through Health Plan. Provider is not financially responsible for these services.			
2 These services are not covered under Health Plan's MA-SNP programs as a Medicare benefit but are covered under Health Plan's Medi-Cal programs. There is no Medicare financial responsibility by Provider or Health Plan for these services.			
3 The Medicare Program is financially responsible and will pay for these charges.			
Nutrition/Diet Counseling	X		
Nutritional Supplements/Enteral Feeding Therapy (when Medically Necessary)	X		
Nurse Advice Line – Twenty-four (24) hour unlimited telephone access to live registered nurse to answer medical questions.		X	
Obstetrical Care		X	
Inpatient Facility Component			
Outpatient Diagnostic Services (including but not limited to fetal monitoring, ultrasound, & observation)	X		
Total OB Care (Professional Component)	X		
Office Visit Supplies (i.e. Splints, bandages, casting, etc.)	X		
Organ Transplant (when a covered benefit i.e. Kidney and Cornea) (also refer to CCS)		X	
Inpatient Facility Component	X		
Inpatient Professional Component			
Investigational/Experimental Transplants are not covered.			
Organ Transplant Work Up			
Facility Component		X	
Professional Component	X		
Ostomy Supplies			
Inpatient		X	
Outpatient	X		
Outpatient Diagnostic Services	X		

OPPORTUNITY FOR VALUE

- Value = Quality/Cost



CORPORATIONS ACQUIRING PRIMARY CARE AT RECORD PACE...



VERTICAL INTEGRATION

Let's Get Vertical: Insurer + PBM + Specialty Pharmacy + Provider



1. Cigna partners with providers via its [Cigna Collaborative Care](#) program. However, Cigna does not directly own healthcare providers.

2. AllianceRx Walgreens Prime is jointly owned by Prime Therapeutics and Walgreens Boots Alliance.

Source: Drug Channels Institute research; [The 2019 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers](#), Chapter 5.

HEALTH SYSTEM STRATEGIES

- Review physician compensation to identify at-risk providers
- Improve operational efficiency and financial performance, enable providers to boost compensation through increased productivity or risk sharing

STRATEGIC OBJECTIVES

- Accept value-based risk and improve relationship with payers moving into your space
- Align incentives to allow hospital to share in some of the gains and reduce utilization
- Optimize low-cost sites of care- ASC, Urgent Care
- Payers will likely push lower-cost settings, ensure your hospital has loc-cost alternatives to keep volume in the system

PROVIDER OPPORTUNITIES

- Consider a professional services agreement partnership for clinical services
- Update provider need assessments to identify specialties that the hospital may need to expand in the coming years- consider employment/increased alignment with these providers to further growth strategies
- Offer nonproduction incentives to improve quality and performance of KPI
- Hospitals can also increase group compensation for quality-of-care improvement and program development

COMPLEX INTEGRATION AGREEMENTS...

