Measuring Efficiency in Cardiac Care: a health plan perspective

• October 29, 2008

• Lisa M. Latts, MD, MSPH, MBA
• VP, Programs in Clinical Excellence

Note: Data on premium increases reflect the cost of health insurance premiums for a family of four.
Nearly 17% of Americans will be uninsured by 2010

### FAMILY INCOME BREAKDOWN

<table>
<thead>
<tr>
<th>Income Category</th>
<th>Percentage</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $25,000</td>
<td>39%</td>
<td>18</td>
</tr>
<tr>
<td>$25,000 to $49,999</td>
<td>31</td>
<td>18</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>15</td>
<td>23%</td>
</tr>
<tr>
<td>$75,000 or more</td>
<td>16</td>
<td>17</td>
</tr>
</tbody>
</table>

### AGE BREAKDOWN

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 18</td>
<td>18%</td>
</tr>
<tr>
<td>18 to 24</td>
<td>18%</td>
</tr>
<tr>
<td>25 to 34</td>
<td>23%</td>
</tr>
<tr>
<td>35 to 44</td>
<td>17%</td>
</tr>
<tr>
<td>45 to 54</td>
<td>14%</td>
</tr>
<tr>
<td>55 plus</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Current Population Survey

Approximately 1/3 of the 47 million Americans without health insurance have incomes > $50,000 and more than 1/4 of them are between ages 25-34

Key Drivers of Medical Trend

% of WellPoint Commercial Insurance Claim Costs

- **Pharmacy**
  - Increased Costs for Brand Drugs
  - New and Increased Use of Specialty Drugs

- **Professional (MD)**
  - Specialist Procedures

- **Inpatient Hospital**
  - Orthopedic Implants
  - Bariatric and Cardiac Surgery
  - Neonatal Intensive Care

- **Outpatient**
  - Advanced Imaging
  - Outpatient Surgery
  - Emergency Room
  - Molecular and Advanced Diagnostic Testing

37%  22%  21%  20%
Regulatory Agreements

- Created a “roadmap” for provider measurement programs
- New York Attorney General Cuomo
  - Aligns efforts in NY
  - Entered into a voluntary agreement
- Consumer Purchaser Disclosure Project (“Patient Charter”)
  - Extends the NY AG principles nationwide
- **Key Principles:**
  - Measures should be meaningful to consumers
  - Full disclosure of methods to members and providers
  - Cost can only be shared when paired with quality
  - Quality measures should be nationally endorsed
  - Cost efficiency must be risk adjusted
  - Programs should use third party reviewer to evaluate compliance with standards
WellPoint Quality Program: Principles

- Program uses nationally-endorsed, standardized measures
- Measures should be meaningful and actionable
  - Work with measure developers and endorsers such as AQA, NQF, NCQA, CMS, etc to encourage measure development
  - Work collaboratively with medical and specialty societies to fill gaps in comprehensive assessment strategy
- Reward improvement
  - Program design will not only reward upper echelon of top performing providers; it will also inspire lower performers to improve through various methods of reward and recognition
- Include efficiency and other aspects of performance that enhance total quality
  - Identify appropriate balance of quality and efficiency
  - Pharmacy, e-Prescribing, patient satisfaction
• Blue Precision provides information about cost effectiveness and quality so our members can be well informed when making critical decisions related to their health benefits

• Selection Criteria

  • Designates specialists for quality and cost-efficiency using industry accepted criteria and methodology
    • Used external quality standards that are nationally accepted and endorsed:
      – Recognition through Quality Performance Assessment Program (NCQA Heart/Stroke Physician Recognition Program)
    • Nationally endorsed administrative metrics
    • Used Episodes of Care methodology to assess efficiency
  • Based on our broad, national BlueCard PPO networks
Blue Precision: *Deployment Staging*

- **Provider communications sent to cardiologists**
  - Specialty with both quality and cost efficiency data
  - Allow for a 45-day notification period
- **Rollout process will be staged based on state-specific readiness**
  - OH, IN, KY cardiologists – letters mailed in May; displayed publicly in Q4
  - CT, ME, NH cardiologists – letters mailed in July; displayed publicly in Q4
  - Other states will deploy based on data readiness
• NCQA developed the Heart/Stroke Recognition Program (HSRP) to address the tremendous impact heart disease and stroke have on our population and what doctors can do to improve care

• Criteria represent commonly accepted measures of care for patients with cardiovascular disease
  • Blood Pressure Control
  • Complete Lipid Profile
  • Cholesterol Control
  • Use of Aspirin or Other Antithrombotic Agents
  • Smoking Cessation Advice or Treatment

• A sample of patients are evaluated against the criteria (based on number of eligible patients and practice size)
## Blue Precision: NCQA Heart/Stroke Recognition

<table>
<thead>
<tr>
<th>Standards</th>
<th>Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Blood Pressure Control (&lt;140/90 mm Hg) as follows:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP Result</td>
<td>Credit Toward</td>
<td></td>
</tr>
<tr>
<td>Numerator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;140/90 mm Hg</td>
<td>1.00</td>
<td>10.0</td>
</tr>
<tr>
<td>&lt;145/90 or &lt;140/95 mm Hg</td>
<td>.75</td>
<td></td>
</tr>
<tr>
<td>&lt;145/95 mm Hg</td>
<td>.50</td>
<td></td>
</tr>
<tr>
<td>≥ 145/95 mm Hg</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Complete Lipid Profile</strong></td>
<td>80% of patients in sample</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Cholesterol Control (&lt;100 mg/dL)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LDL Result</td>
<td>Credit Toward</td>
<td></td>
</tr>
<tr>
<td>Numerator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;100 mg/dL</td>
<td>1.00</td>
<td>10.0</td>
</tr>
<tr>
<td>100-109 mg/dL</td>
<td>.75</td>
<td></td>
</tr>
<tr>
<td>110-119 mg/dL</td>
<td>.50</td>
<td></td>
</tr>
<tr>
<td>120-129 mg/dL</td>
<td>.25</td>
<td></td>
</tr>
<tr>
<td>≥130 mg/dL</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Use of aspirin or another antithrombotic</strong></td>
<td>80% of patients in sample</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Smoking status and cessation advice or treatment</strong></td>
<td>80% of patients in sample</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Total Points</strong></td>
<td>50.0</td>
<td></td>
</tr>
<tr>
<td><strong>Points Needed to Achieve Recognition</strong></td>
<td>40.0</td>
<td></td>
</tr>
</tbody>
</table>
Blue Precision: Quality Validation Audit

• Anthem is adding an administrative (claims-based) measurement component to Blue Precision:
  ▪ Providers will be designated as quality if they meet either the NCQA designation or the administrative quality assessment:
    – Composite performance rating on administrative metrics above a minimum threshold

• Prior to publicly releasing this information, Anthem is conducting a quality validation audit:
  ▪ Medical record abstraction at the group level:
    – Random sample of 80-120 groups enterprise wide
    – Abstract a total of 2200 charts
    – Comparison of Anthem administrative data with data derived from the medical record
    – Detect a 5% error rate in 95% of the sample
## Administrative Measures

<table>
<thead>
<tr>
<th>Disease</th>
<th>Topic</th>
<th>Measure</th>
<th>Sources/Endorsers</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMI</td>
<td>Beta-blocker after AMI</td>
<td>Percentage of patients 35 years or older discharged after an acute myocardial infarction with ambulatory prescription for beta-blockers filled within 7 days of discharge.</td>
<td>AQA, NCQA (HEDIS), JCAHO, NQF</td>
</tr>
<tr>
<td>AMI</td>
<td>Beta-blocker persistence after MI</td>
<td>Percentage of patients 35 years or older discharged after an acute myocardial infarction with persistent beta-blocker therapy 6 months after discharge.</td>
<td>AQA, NCQA (HEDIS), NQF</td>
</tr>
<tr>
<td>CAD</td>
<td>Lipid-lowering therapy</td>
<td>Patients with CAD prescribed a lipid-lowering therapy</td>
<td>AQA, NQF, AMA-PCPI, ACC/AHA</td>
</tr>
<tr>
<td>CAD</td>
<td>ACE or ARB therapy</td>
<td>Percentage of patients with 1) CAD AND 2) diabetes who were prescribed ACE-I or ARB therapy.</td>
<td>AQA, NQF, AMA-PCPI, ACC/AHA</td>
</tr>
<tr>
<td>CAD</td>
<td>Lipid management</td>
<td>Percentage of patients with AMI, PTCA, CABG or IVD during measurement year with at least one LDL cholesterol test or all component cholesterol test.</td>
<td>NCQA (HEDIS), NQF</td>
</tr>
</tbody>
</table>
Quality Audit: Provider Communications

• Anthem sent letters to providers requesting their participation in the Quality Audit
  • Letters mailed to providers in Anthem Service Areas
  • Offered $200 per practice to compensate for staff time

• American College of Cardiology (ACC) partnership
  • ACC letters to providers encouraging participation

• Local Anthem Medical Director available to answer any questions or concerns
Blue Precision: Cost Effectiveness

• Based on industry-accepted Episodes of Care methodology to identify performance variations between providers
  • Episodes of care are grouped into clinical “episodes” associated with each patient for treatment of a condition
  • Includes all inpatient, outpatient, diagnostic, pharmacy and laboratory claims
  • Includes all claims for a specific 2 year period
• A risk adjustment is applied so that a physician’s episodes are only compared to other “like episodes” performed by other same-specialty physicians in the same geographic area
  • Physician assignment is based on which provider had the majority of claims associated with the episode or 25% of overall claims
• The top designations are limited to those physician groups that were identified as the most efficient
Blue Precision: *Network Composition*

- Estimate that a majority of measured cardiologists will achieve cost efficiency designation
  - Approximately 70% will meet the defined thresholds and be designated as “Cost Effective”
  - Approximately 20% will not have enough data or volume to determine efficiency and will be assigned as “Not Rated”
  - Anticipate that about 10% will not meet cost efficiency thresholds
Blue Precision: *Directory Recognition*

- Enhanced National Provider finder:
  - Displays Blue Precision specialists who have been designated based on effectiveness and quality

![Provider Finder screenshot](image)

- **Cost Effective**
- **NCQA Recognition**

ARIZONA NCQA HEART/STROKE Certified

IMPROVING PRACTICE PERFORMANCE

WELLPOINT
Cardiac Imaging
Rapid evolution in cardiac imaging services presents a growing challenge for health plans...

**Key Issues**

- **Cost and Utilization Growth**: Treatment costs for cardiovascular disease increased from $62 billion to $90 billion between 2000 and 2004.

- **Equipment Proliferation**: From 2000 to 2006 the proportion of cardiologists billing for in-office imaging grew from 24 per 100 to 43 per 100.

- **Care and Treatment Pathways**: Growing struggle between medical and procedural management of cardiovascular disease.

- **Self-Referral**: From 2000 to 2006 the percentage of cardiology practice revenue from in-office imaging grew from 23% to 36%.

- **Patient Safety**: CT and Nuclear Cardiology exams increase radiation exposure in patients.
Cardiology utilization is higher than other Midwest benchmarks

Anthem Trends:
High-Tech at -4%

Market Trends:
High-Tech at -4% to -6%
Echo at 0% to 8%

Utilization/1000

Anthem
Midwest Health Plans

Managed High-Tech Cardiac Imaging
Unmanaged Echocardiography
Outpatient Cardiac Cath
Cardiac Procedure Management Programs Decrease Utilization

Sample Plan

- 0% Increase from 2005-2007
- 20% Decrease from 2005-2007

Utilization/1000

2005  2006  2007

- Unmanaged Echo and Ultrasound
- Managed High-Tech Imaging Procedures
New Expanded Cardiac Imaging Program

Included Modalities

- Stress Echocardiogram
- Transthoracic Echocardiogram (TTE)
- Transesophageal Echo (TEE)
- Cardiac Catherization
- Percutaneous Coronary Intervention (PCI)
- Pacemaker
- Biventricular Pacemaker
- Implantable Cardioverter Defibrillator (ICD)
- Lower Extremity Vascular Ultrasound

Program Design

- Radiology Quality Initiative (RQI)
- UM
- Transition
- Registration Only
- With or Without Result Reporting
Post-Exam Data Collection

Post-Exam Results Collection Process:

- AIM requests submission of results for all cardiology exams.
- Results can be submitted by either (or both) the Ordering or Servicing Providers via ProviderPortal or by phone or fax.
Expanded Cardiac Radiology Program

Projected Savings of 8-12%

Current Program
- Prior Authorization of MPI, MUGA, Cardiac CT, MR and CCTA

Expanded Program
- Addition of new modalities: Stress Echo, Resting Echo, TEE, EPS, Cardiac Catheterizations, Vascular Ultrasound and Implantables
- Additional patient demographic data capture for all modalities
- Outcomes Reporting & Physician Profiling

Network Optimization
- Use OptiNetSM to define minimum quality standards for network
- Assessment of nuclear cardiology equipment
- Network development strategies through AIM analytics & consultation

Value to Health Plan

Included in Current Program

Program Evolution