



# City of Boston Informatics and Strategic Planning Meeting

December 11, 2018

Blue Cross Blue Shield of Massachusetts is an Independent Licensee of the Blue Cross and Blue Shield Association.

# City of Boston Informatics and Strategic Planning Meeting

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## Discussion Topics

Highlights and Overview

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Population Health Review

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Next Steps

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## Objectives

**1** Review the holistic population health profile and trend activity

**2** Discuss recommendations and opportunities for continued plan success

**3** Obtain feedback on proposed recommendations and next steps

# Data Overview

## 1 Reporting Period

- Three-year retrospective analysis
- Plan experience from July 1, 2016 to June 30, 2018
- Claim data is reported on an incurred basis with two months of runout

## 2 Data Sources

- PPO Medical claims
- PPO Pharmacy claims

## 3 Comparators

### Plan Performance

- **Network:** unadjusted average of Blue Cross Commercial Book of Business (PPO ASC) groups >100 subscribers)
- **Benchmark:** average Blue Cross experience PPO ASC products; actuarially-adjusted for demographic factors

### Prevalence and Other Benchmarks

- National statistics and literature-based data used for lifestyle risk categories
- NCQA/HEDIS guidelines



# Highlights & Overview

# Plan Performance at a Glance

**- 4.4%**

**change in subscriber headcount**

The average subscriber / member age also decreased 0.3 years, but remained 13 years older than network averages

**-1.6%**

**PMPM claim change**

compared to a 3.0% increase in Benchmark PMPM.

Medical PMPM decreased 3.2% and pharmacy increased 6.9%

**- 1.3%**

**change in member cost share PMPM**

Lower member cost for medical services drove the 33% difference from the Benchmark member cost share PMPM

**23.5%**

**of total claims attributable to high-cost claimants >\$150,000 compared to 26.4% in the prior period**

**48.2%**

**average medical discount**

**50%**

**of adult members had a well visit compared to 47.4% in the prior period and the Network average of 43.5%**

**39.0%**

**of Pharmacy cost was driven by Specialty drugs lower than average of 45-50%**

**94.7%**

**In-network utilization compared to Network average of 96.2%**

**148.7**

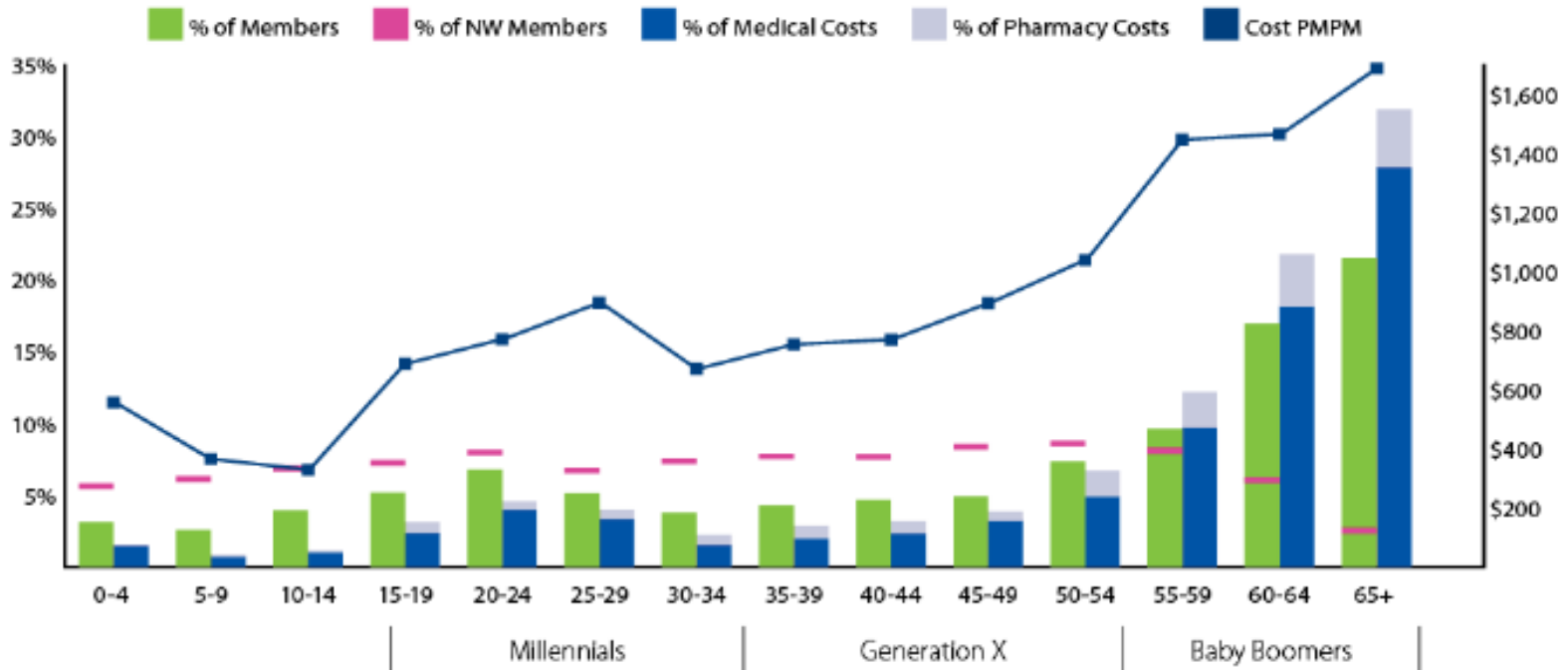
**ER visits per 1,000 for non-emergent or PCP-treatable conditions compared to network average of 99.1/1000**

# Demographics

- Medicare aged population, with higher cost and health risks
- There are a number of dependents on the PPO plan as well that contribute to costs



## Demographics by Age Band

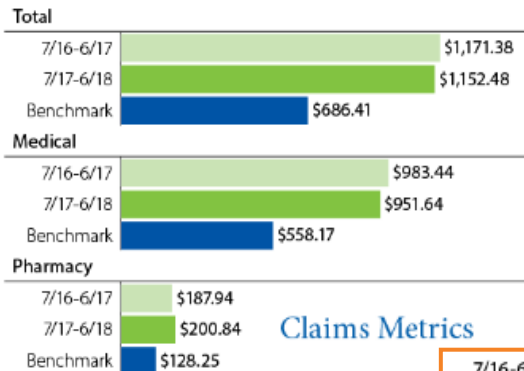


# Year-Over-Year Comparison

- Medical PMPM was 68% greater than Benchmark and pharmacy PMPM was 57% greater
- Several factors contribute to City of Boston’s higher PMPM including: older demographics, lower member cost sharing, higher utilization of services and elevated out-of-network use compared to averages
- The membership enrolled in the BCBSMA PPO plan is largely an early retiree and retiree population



## PMPM



## Claims Metrics

|                        | 7/16-6/17           | 7/17-6/18           | Benchmark       |
|------------------------|---------------------|---------------------|-----------------|
| Total Claims           | \$43,547,268        | \$41,027,068        |                 |
| <b>Total PMPM</b>      | <b>\$1,171.38</b>   | <b>\$1,152.48</b>   | <b>\$686.41</b> |
| PMPM Change            | -1.7%               | -1.6%               | 3.0%            |
| <b>Medical Claims</b>  | <b>\$36,560,522</b> | <b>\$33,877,482</b> |                 |
| <b>Medical PMPM</b>    | <b>\$983.44</b>     | <b>\$951.64</b>     | <b>\$558.17</b> |
| PMPM Change            | -3.0%               | -3.2%               | 2.9%            |
| <b>Pharmacy Claims</b> | <b>\$6,986,746</b>  | <b>\$7,149,586</b>  |                 |
| <b>Pharmacy PMPM</b>   | <b>\$187.94</b>     | <b>\$200.84</b>     | <b>\$128.25</b> |
| PMPM Change            | 5.2%                | 6.9%                | 3.3%            |

## Member Cost Sharing

|                   | 7/16-6/17 | 7/17-6/18 | Benchmark |
|-------------------|-----------|-----------|-----------|
| Total Cost Share  | \$51.77   | \$51.13   | \$76.29   |
| % of Total Claims | 4.2%      | 4.2%      | 10.0%     |

## Utilization

| (per 1000 members)   | 7/16-6/17    | 7/17-6/18    | Benchmark    |
|----------------------|--------------|--------------|--------------|
| Inpatient            | 177          | 168          | 80           |
| <b>Office Visits</b> | <b>6,600</b> | <b>6,296</b> | <b>4,883</b> |
| Prescriptions        | 23,339       | 23,354       | 15,722       |

## Additional Metrics

|                            | 7/16-6/17    | 7/17-6/18    | Network      |
|----------------------------|--------------|--------------|--------------|
| Avg. Medical Discount      | 49.6%        | 48.2%        | 50.3%        |
| <b>Network Utilization</b> | <b>94.8%</b> | <b>94.7%</b> | <b>96.2%</b> |

# Components of Cost Change

- A decrease in claims over \$150,000 and costs for outpatient services; particularly therapeutic radiology, laboratory, and surgery, drove the decrease in medical PMPM
- Medical pharmacy and ancillary costs are above Benchmark: There is a rider that allows self injectable medications and others to be billed in the outpatient setting (not through pharmacy benefit): This contributes to higher medical drug costs



## PMPM Change by Claims Band

| Account             | Change       |
|---------------------|--------------|
| \$0-\$10K           | 0.1%         |
| \$10K-\$50K         | 0.6%         |
| \$50K-\$150K        | 1.0%         |
| \$150K+             | -3.3%        |
| <b>Total Change</b> | <b>-1.6%</b> |

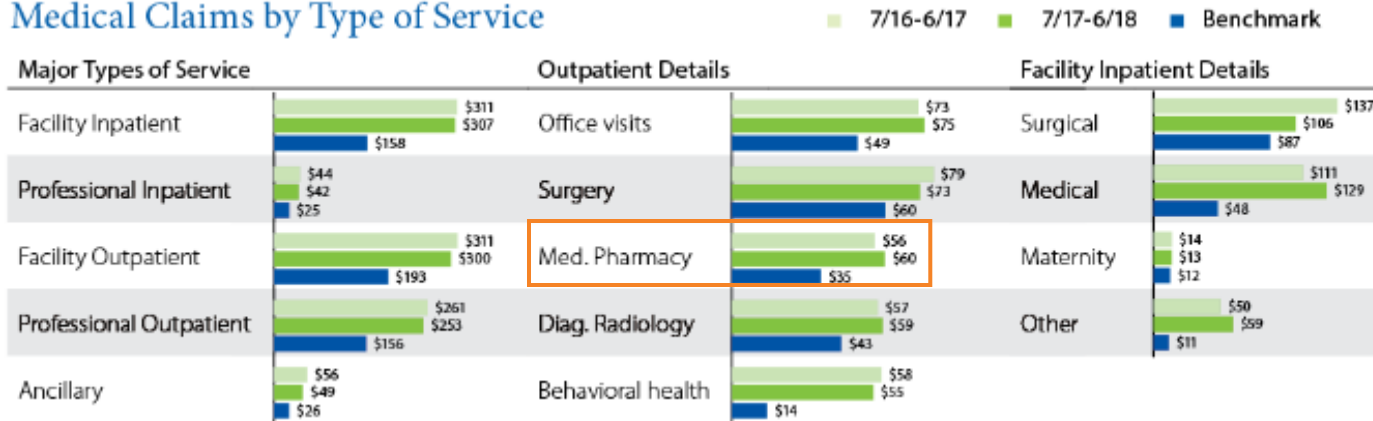
## High Cost Claims

| (per 1000 members) | 7/16-6/17 | 7/17-6/18 | Network  |
|--------------------|-----------|-----------|----------|
| Claimants > \$50k  | 65.8      | 63.4      | 12.1     |
| % of Total Claims  | 54.7%     | 53.3%     | 37.1%    |
| PMPM               | \$641.14  | \$614.05  | \$254.85 |
| Claimants > \$150k | 14.8      | 12.1      | 2.4      |
| % of Total Claims  | 26.4%     | 23.5%     | 17.0%    |
| PMPM               | \$309.64  | \$271.00  | \$116.70 |

## PMPM Change by Type of Service

| Medical                     | Change       |
|-----------------------------|--------------|
| Facility Inpatient          | -0.4%        |
| Professional Inpatient      | -0.2%        |
| Facility Outpatient         | -1.1%        |
| Professional Outpatient     | -0.8%        |
| Ancillary                   | -0.7%        |
| <b>Total Medical Change</b> | <b>-3.2%</b> |

## Medical Claims by Type of Service





# Pharmacy Cost and Utilization

- Mail order use was lower than Benchmark, unexpected for a significantly older membership with high prevalence of chronic disease
- The cost of single source brand name drugs increased and was lower than average. Specialty drug costs were also relatively moderate compared to BCBSMA average of 45-50%
- Drugs to treat cancer and multiple sclerosis were the major drivers for increase in pharmacy spend due to a combination of increased utilization and mix of drugs utilized



## Pharmacy Cost and Utilization

|                                  | 7/16-6/17 | 7/17-6/18 | Benchmark |
|----------------------------------|-----------|-----------|-----------|
| Avg Plan Cost per Script         | \$96.63   | \$103.20  | \$97.89   |
| Avg Member Cost Share per Script | \$11.06   | \$10.81   | \$11.79   |
| % Plan Cost                      | 89.7%     | 90.5%     | 89.2%     |
| % Mbr Contribution               | 10.3%     | 9.5%      | 10.8%     |
| Scripts per Mbr per Year         | 23.3      | 23.4      | 15.7      |
| % of Scripts through Mail Rx     | 9.2%      | 8.8%      | 10.3%     |

| Brand vs Generic                        | 7/16-6/17 | 7/17-6/18 | Network  |
|---|-----------|-----------|----------|
| Avg Single Source Brand Cost per Script | \$562.57  | \$603.35  | \$621.43 |
| Avg Multi-Source Brand Cost per Script  | \$388.17  | \$328.85  | \$249.58 |
| Avg Generic Cost per Script             | \$25.29   | \$24.42   | \$25.85  |
| % Single Source Brand Scripts           | 11.6%     | 12.5%     | 12.4%    |
| % Multi-Source Brand Scripts            | 2.5%      | 2.1%      | 2.2%     |
| % Generic Scripts                       | 85.9%     | 85.4%     | 85.4%    |

## Top 5 Specialty Drugs

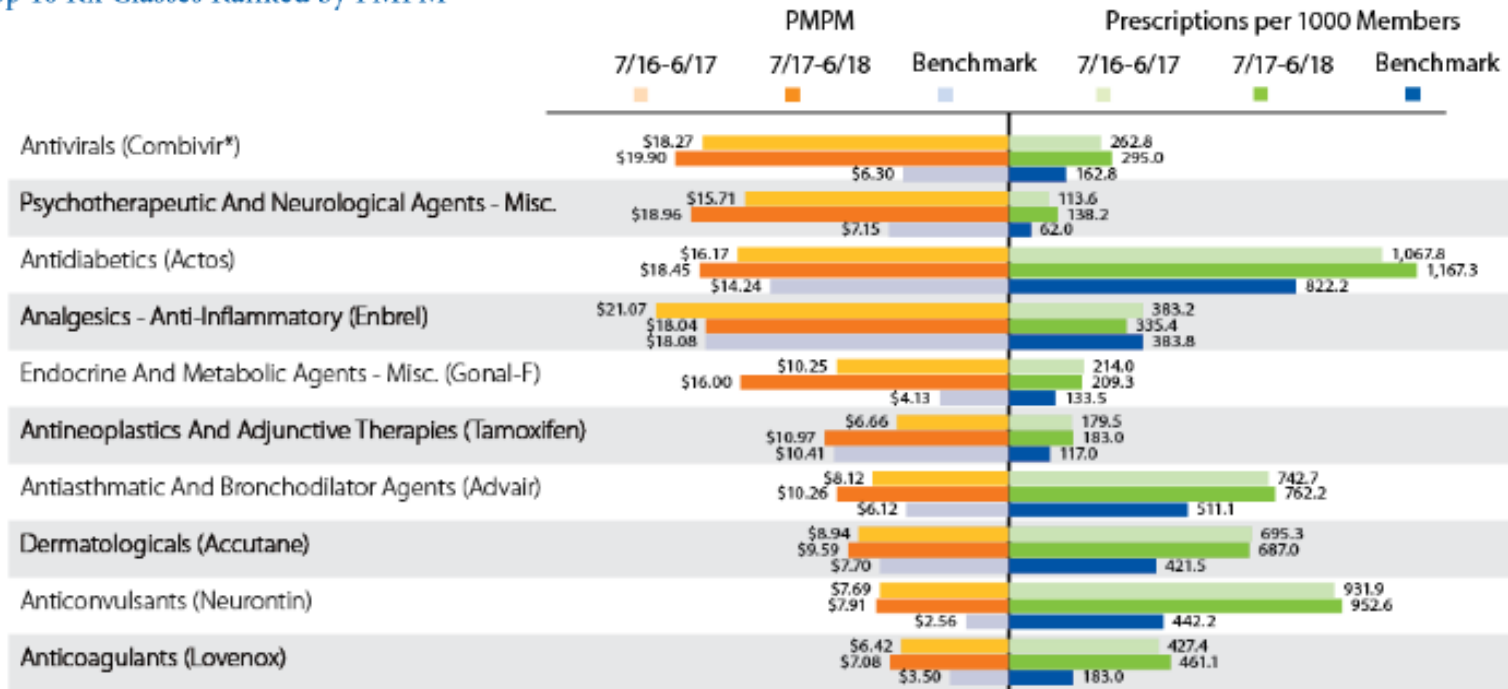
| Specialty Category   | 7/16-6/17    |               |         | 7/17-6/18    |               |         |
|----------------------|--------------|---------------|---------|--------------|---------------|---------|
|                      | % of Scripts | % of Payments | PMPM    | % of Scripts | % of Payments | PMPM    |
| Inflammatory Disease | 26.8%        | 33.6%         | \$23.09 | 21.7%        | 28.7%         | \$22.43 |
| Multiple Sclerosis   | 16.3%        | 21.8%         | \$15.00 | 13.9%        | 21.9%         | \$17.11 |
| Oncology             | 13.0%        | 12.4%         | \$8.52  | 15.0%        | 21.5%         | \$16.85 |
| Hepatitis C          | 1.4%         | 9.5%          | \$6.51  | 1.7%         | 8.1%          | \$6.31  |
| Infertility          | 24.1%        | 8.3%          | \$5.73  | 15.0%        | 3.8%          | \$2.95  |
| All Other Specialty  | 17.4%        | 14.4%         | \$9.87  | 20.7%        | 16.1%         | \$12.60 |
| Total Specialty      | 626          | \$2,569,849   | \$68.72 | 653          | \$2,800,184   | \$78.25 |
| % of Total Pharmacy  | 0.9%         |               | 36.6%   | 0.9%         |               | 39.0%   |

# Pharmacy Cost & Utilization Overview

- There was an increase in prescriptions of the top three therapeutic classes in the recent period
- PMPM increases for Endocrine and Metabolic Agents and Antineoplastics were due to increased cost per prescription
- Use of Anti-Inflammatory drugs, through the pharmacy benefit, was at Benchmark



## Top 10 Rx Classes Ranked by PMPM





# Population Health Review

# Preventive Care Metrics

- Generally member rates of routine care were at or above averages, with the exception of cancer screening rates for breast and cervical cancer
- Breast cancer was the fourth highest cost-ranked ETG during the recent period



## ETG Rates

|   | Members | Total Costs | Cost per Member | Benchmark Cost/Mbr | Member Rate per 1000 |           |           |
|---|---------|-------------|-----------------|--------------------|----------------------|-----------|-----------|
|   |         |             |                 |                    | 7/16-6/17            | 7/17-6/18 | Benchmark |
| Immunizations, Screenings and Routine Exams (ISR) | 1,050   | \$364,185   | \$347           | \$380              | 553.1                | 551.7     | 555.3     |

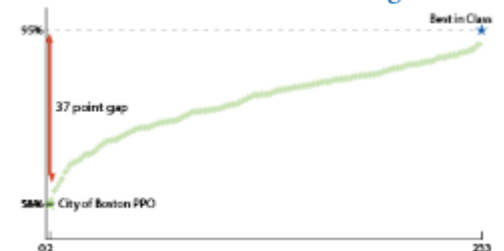
## Well Visit Utilization

|       | 7/15-6/16 | 7/16-6/17 | 7/17-6/18 | Network |
|-------|-----------|-----------|-----------|---------|
| Adult | 46.8%     | 47.4%     | 50.0%     | 43.5%   |
| Child | 86.3%     | 82.1%     | 84.6%     | 78.2%   |

## Routine Screening Rates

| Cancer Screening Measures                           | 2016  | 2017  | HIA Average | Variance from HIA |
|---|-------|-------|-------------|-------------------|
| Breast Cancer Screening Rate (Mammogram)            | 57.6% | 57.7% | 78.3%       | -20.6             |
| Cervical Cancer Screening Rate (Pap Smear)          | 69.3% | 69.1% | 73.6%       | -4.5              |
| Colorectal Cancer Screening Rate (Colorectal Tests) | 70.5% | 69.2% | 65.3%       | 3.9               |

## Breast Cancer Screening



# ER and Urgent Care Utilization

- Emergency room use for non-emergent and primary care treatable ER visits declined 11% from the prior period. Urgent care visits for the same period increased 18%.
- 92% of large BCBSMA accounts had better non-emergent and primary care-treatable emergency room utilization

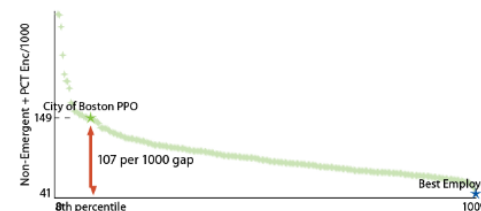


## Non Emergent/PCP-Treatable Utilization

|         | 7/16-6/17 | 7/17-6/18 | Benchmark |
|---------|-----------|-----------|-----------|
| ER PMPM | \$17.89   | \$18.71   | \$12.36   |

| Non-Emergent and PCP Treatable    | Percent of Encounters |              |              | Encounters per 1000 |              |             |
|-----------------------------------|-----------------------|--------------|--------------|---------------------|--------------|-------------|
|                                   | City of Boston PPO    |              |              | City of Boston PPO  |              |             |
|                                   | 7/16-6/17             | 7/17-6/18    | Network      | 7/16-6/17           | 7/17-6/18    | Network     |
| Non-Emergent                      | 25.2%                 | 20.0%        | 22.4%        | 63.8                | 48.7         | 34.7        |
| Emergent PCP Treatable            | 40.6%                 | 41.0%        | 41.6%        | 102.9               | 100.0        | 64.4        |
| <b>Total Non-Emergent and PCT</b> | <b>65.8%</b>          | <b>61.0%</b> | <b>63.9%</b> | <b>166.7</b>        | <b>148.7</b> | <b>99.1</b> |



## Urgent Care Utilization

| Provider Specialty | 7/16 - 6/17     |            |             | 7/17 - 6/18     |            |             |
|--------------------|-----------------|------------|-------------|-----------------|------------|-------------|
|                    | Paid            | Claimants  | Visits/1000 | Paid            | Claimants  | Visits/1000 |
| Retail Clinic      | \$8,343         | 131        | 23.5        | \$6,628         | 113        | 23          |
| <b>Urgent Care</b> | <b>\$51,887</b> | <b>353</b> | <b>71.7</b> | <b>\$58,524</b> | <b>401</b> | <b>89.2</b> |
| Summary            | \$60,230        | 466        | 95.2        | \$65,152        | 498        | 112.2       |

## Blue Care Line Utilization

| 7/15-6/16 | 7/16-6/17 | 7/17-6/18 |
|-----------|-----------|-----------|
| 36        | 24        | 35        |

# Key Clinical Indicators

## Cardiometabolic Disease

- Four of the top 10 ETGs by cost were related to cardiometabolic disease
- Prevalence rates of at-risk, chronic and complex conditions were significantly above Benchmark and stable year over year

## Behavioral Health

- Depression and substance abuse were top cost ranked ETGs but also top contributors of outpatient costs
- A small number of out of network admissions contributed to costs

## Musculoskeletal

- Joint degeneration was City of Boston PPO's highest cost-ranked ETG; responsible for 5.7% of City of Boston PPO's claims
- Musculoskeletal system admissions represented 15% of total admissions

Top 10 Clinical Conditions by Cost

|  | Members | Total Costs | Cost per Member | Benchmark Cost/Mbr | Member Rate per 1000 |
|--|---------|-------------|-----------------|--------------------|----------------------|
| Joint Degeneration, Localized              | 566     | \$2,599,829 | \$4,593         | \$3,994            | 191.2 [a]<br>168.0   |
| Depression                                 | 462     | \$2,096,580 | \$4,538         | \$2,433            | 156.1<br>90.0        |
| Diabetes                                   | 303     | \$1,706,084 | \$5,631         | \$2,793            | 102.4 [a]<br>91.5    |
| Malignant Neoplasm of the Breast           | 68      | \$1,540,060 | \$22,648        | \$22,590           | 23.0 [a]<br>17.4     |
| Substance Abuse/Drug dependence            | 128     | \$1,341,040 | \$10,477        | \$3,212            | 43.2<br>37.7         |
| Chronic Renal Failure                      | 113     | \$1,244,060 | \$11,009        | \$8,683            | 38.2 [a]<br>17.4     |
| Inflammation of Skin & Subcutaneous Tissue | 666     | \$1,200,715 | \$1,803         | \$789              | 225.0 [a]<br>160.5   |
| Hypertension                               | 949     | \$1,123,767 | \$1,184         | \$857              | 320.6 [a]<br>262.5   |
| Inflammation of the Central Nervous System | 28      | \$1,037,716 | \$37,061        | \$23,022           | 9.5<br>4.8           |
| Congestive Heart Failure                   | 120     | \$941,326   | \$7,844         | \$5,981            | 40.5<br>14.7         |

# Cardiometabolic Disease

- Prevalence rates of at-risk and chronic disease were greater than Benchmark, but remained relatively stable over the two periods
- Circulatory system was responsible for 12% of total admissions The PMPM was 88% higher, and admissions were than double the Benchmark. The average cost per admission was lower than Benchmark



## ETG Rates



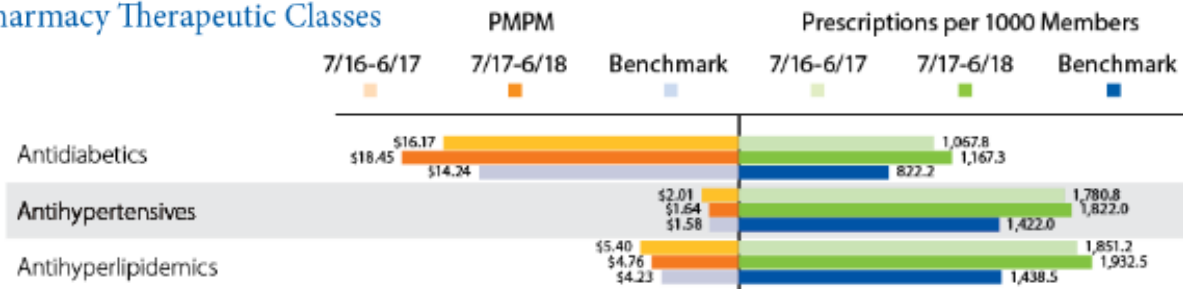
## Inpatient Admissions

| Major Diagnostic Category | Admissions per 1000 |           |           | PMPM      |           |           | Cost per Admit |           |
|---------------------------|---------------------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|
|                           | 7/16-6/17           | 7/17-6/18 | Benchmark | 7/16-6/17 | 7/17-6/18 | Benchmark | 7/17-6/18      | Benchmark |
| Circulatory System        | 23.2                | 20.6      | 9.0       | \$60.44   | \$56.42   | \$29.94   | \$32,927       | \$39,896  |

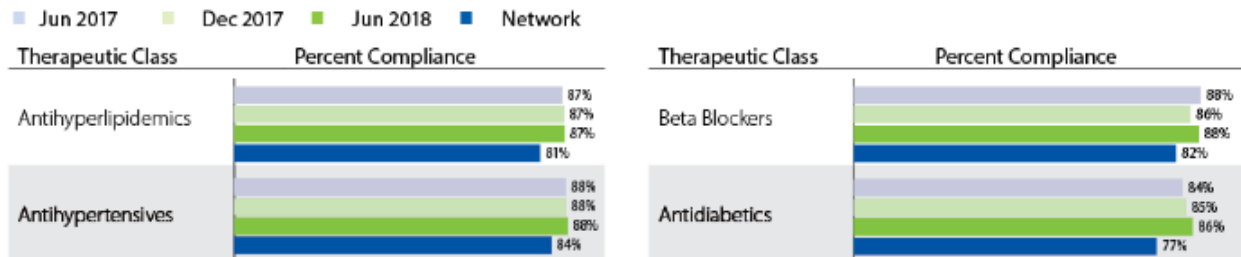
# Cardiometabolic Disease

- Utilization of prescription drugs to treat diabetes, hypertension and high cholesterol were well above Benchmarks
- The increase in pharmacy cost for antidiabetics was due to the increase in utilization. 60% of diabetic costs were pharmacy claims
- Medication position ratios improved slightly in the recent months and were greater than average

## Pharmacy Therapeutic Classes



## Medication Possession Ratio



## Diabetes Screening Measures

|                      | 2016  | 2017  | HIA Average | Variance from HIA |
|----------------------|-------|-------|-------------|-------------------|
| Eye Exam             | 67.1% | 68.8% | 55.7%       | 13.1              |
| HbA1C Testing        | 69.9% | 67.2% | 91.2%       | -24.0             |
| Nephrology Screening | 89.8% | 91.5% | 90.1%       | 1.4               |



# Behavioral Health

- City of Boston PPO’s prevalence of behavioral health ETGs were well above Benchmarks and consistent over the two periods. The average cost per member for these ETGs are also well above Benchmark costs
- Depression and substance abuse were two of the top 5 cost-drivers of outpatient services
- Behavioral health and substance abuse admissions were well above Benchmarks. Out of Network services contributed to the higher cost for substance abuse ETG costs



## ETG Rates

7/16-6/17 7/17-6/18 Benchmark

|  | Members | Total Costs | Cost per Member | Benchmark Cost/Mbr | Member Rate per 1000 |
|--|---------|-------------|-----------------|--------------------|----------------------|
| Stress, Sleep and Adjustment Disorder (ONBD)               | 257     | \$461,742   | \$1,797         | \$958              |                      |
| Depression   | 462     | \$2,096,580 | \$4,538         | \$2,433            |                      |
| Substance Abuse/Drug Dependence                            | 128     | \$1,341,040 | \$10,477        | \$3,212            |                      |
| Autism/Attention Deficit Disorder/ Developmental Disorders | 167     | \$509,707   | \$3,052         | \$2,185            |                      |

## Inpatient Admissions

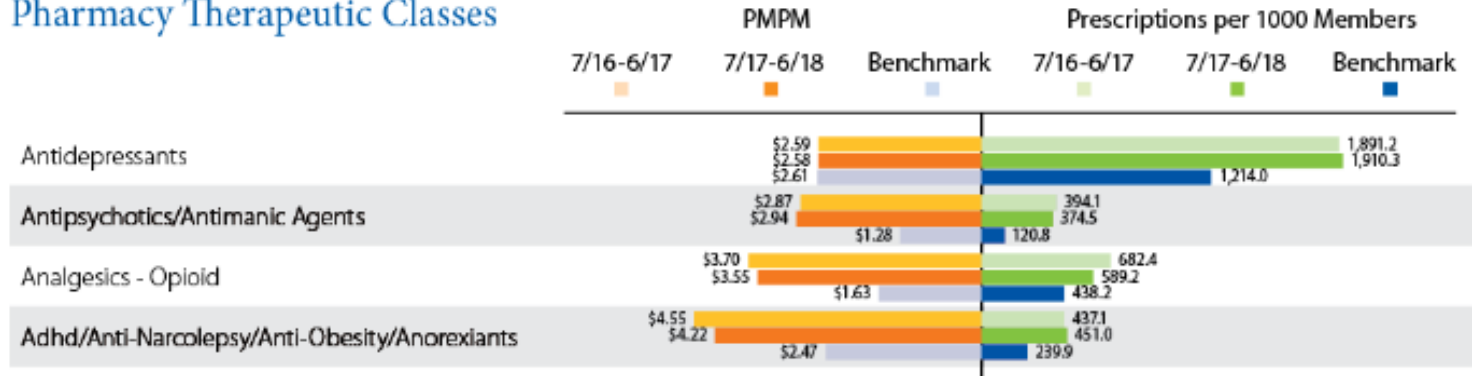
| Major Diagnostic Category | Admissions per 1000 |           |           | PMPM      |           |           | Cost per Admit |           |
|---------------------------|---------------------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|
|                           | 7/16-6/17           | 7/17-6/18 | Benchmark | 7/16-6/17 | 7/17-6/18 | Benchmark | 7/17-6/18      | Benchmark |
| Behavioral Health         | 7.7                 | 9.1       | 3.3       | \$9.57    | \$12.74   | \$3.81    | \$16,798       | \$13,981  |
| Alcohol/Drug Use          | 22.9                | 22.6      | 4.9       | \$18.21   | \$13.24   | \$2.32    | \$7,033        | \$5,667   |

# Behavioral Health

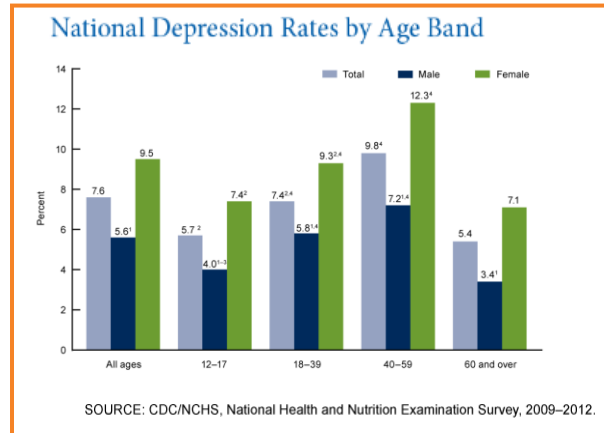
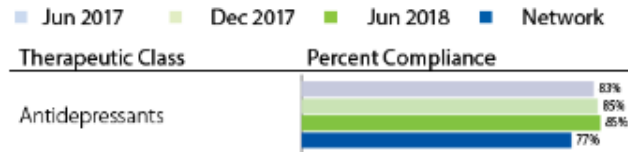
- Utilization of antidepressants were 63% greater than Benchmark while the cost PMPM was similar to Benchmark. The medication position ratio for these chronic prescriptions was greater than average
- Opioid use declined in the recent period, but cost remained significantly above Benchmark.
- After peaking in ages, 40-60, depression rates drop over 60, but remain higher in females and males.



## Pharmacy Therapeutic Classes



## Medication Possession Ratio

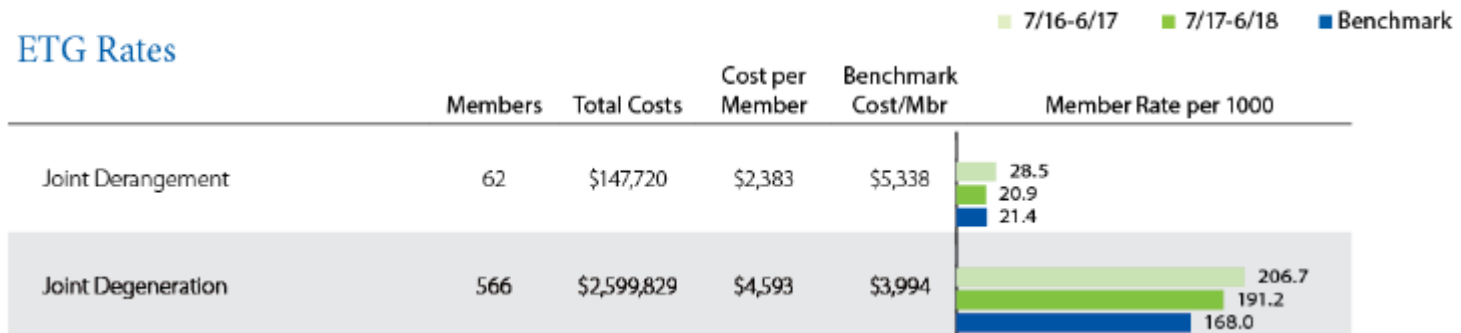


# Musculoskeletal

- The prevalence of joint degeneration and joint derangement declined in the recent period. Joint degeneration, however, remained 14% higher than benchmark
- Musculoskeletal system PMPM was 42% higher than the benchmark, and decreased 18% from the prior period. Musculoskeletal admissions were 84% higher than the benchmark after a decrease from prior period



## ETG Rates



## Inpatient Admissions

| Major Diagnostic Category | Admissions per 1000 |           |           | PMPM      |           |           | Cost per Admit |           |
|---------------------------|---------------------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|
|                           | 7/16-6/17           | 7/17-6/18 | Benchmark | 7/16-6/17 | 7/17-6/18 | Benchmark | 7/17-6/18      | Benchmark |
| Musculoskeletal System    | 30.3                | 25.6      | 13.9      | \$64.85   | \$53.28   | \$37.51   | \$24,957       | \$32,400  |

# Population Health Management

To best support the member, Care Management is linked across all areas of Blue Cross, providing a 360 view of the member.

## Medical Care Management

- Complex & High Risk Case Management
- Oncology
- High Risk Pregnancy
- Aftercare

## Specialty Pharmacy Management

- Custom Network
- Utilization Management
- Integrated Benefits
- Consultation and referrals into care management
- Multidisciplinary rounds

## Behavioral Health & Substance Abuse

- Aftercare
- Substance Use
- High Risk
- Depression

## Chronic Condition Management

- Asthma
- Congestive Heart Failure
- Coronary Artery Disease
- Diabetes

## Seamless Integration

- Seamless experience for the member's service, clinical, and wellness needs
- Our coordinated approach combines human resources, technology, and clinical expertise to service our members holistically

# Engaging Complex and High Risk Members

## Health Management

|  | # Identified with Chronic Condition | # Eligible for Gap Notification | # With One or More Gaps  | # Without Gaps |
|--|-------------------------------------|---------------------------------|--------------------------|----------------|
| Chronic Condition: Identification & Gap Notification     | 385                                 | 350                             | 246                      | 104            |
|  | # Identified                        | Provider # Notified             | BCBSMA Managed # Reached | # Engaged      |
| Chronic Condition: High Risk Coaching                    | 220                                 | 152                             | 11                       | 9              |
|  | # Identified                        | # Reached                       | # Engaged                |                |
| Complex Case Management: (Medical and Behavioral Health) | 118                                 | 60                              | 53                       |                |

## Results

|   | City of Boston PPO | Plan Average |
|---|--------------------|--------------|
| ◆ Chronic Members as % of Total Population:   | 7%                 | 4%           |
| ◆ % of Chronic Members with Gaps              | 69%                | 75%          |
| ◆ Overall DM Engaged; Provider Notified Rates | 73%                | 70%          |
| ◆ Overall DM Reached / Engaged Rates          | 82%                | 64%          |
| ◆ CM Engagement Rates                         | 45%                | 41%          |
| ◆ CM Reached / Engagement Rates               | 88%                | 84%          |



- The percentage of members with a gap in care for chronic disease was lower than plan average.
- Reaching City of Boston members telephonically continues to be a challenge with most outreach calls left un answered
- Opportunities exist to promote MyBlue registration and collect cell phone numbers to improve engagement

# High Cost Claimants

- Complex conditions such as cancer, infections, heart and renal failure and behavioral health conditions drove the top cost cases
- Health management programs reached out to each of the top cases for one or more programs

## Claims in Excess of \$250,000

|    | First ETG Description  | Second ETG Description                                       | Health Management                           | Total Net Payments |
|----|--|--|---|--------------------|
| 1  | Behavioral Health  | Behavioral Health  | BH CM Unable to reach; UM                   | \$629,669          |
| 2  | Chronic Renal Failure  | Congestive Heart Failure                                     | CCM Unable to reach; Gap letter             | \$501,263          |
| 3  | Congestive Heart Failure   | Coronary Artery Disease                                      | CM Unable to reach; Gap letter; UM          | \$456,582          |
| 4  | Cerebral Vascular Accident                                       | Congenital and other Disorders of the Central Nervous System | CM Engaged, goals met; Gap letter; UM       | \$434,841          |
| 5  | Behavioral Health  | Behavioral Health  | BH CM Unable to reach                       | \$415,876          |
| 6  | Malignant Neoplasm of Endocrine Glands                           | Infection/Inflammation of the Oral Cavity                    | CCM Unable to reach; Gap letter; UM         | \$413,372          |
| 7  | Malignant Neoplasm of the Genitourinary System, except Prostate  | Brain/Spinal Trauma  | CCM Engaged, goals met; Gap letter; UM      | \$383,376          |
| 8  | Malignant Neoplasm of the Breast                                 | Hypertension   | Gap letter                                  | \$347,315          |
| 9  | Complications, Environmental, Toxic Effects                      | Major Infectious Disease                                     | CCM Engaged, goals met; UM                  | \$342,264          |
| 10 | Neoplastic Disease of Blood and Lymphatic System except Leukemia | Diabetes   | Gap letter; UM                              | \$339,082          |
| 11 | Hernias  | Major Infectious Disease                                     | CCM Unable to reach; Gap letter; UM         | \$333,367          |
| 12 | Major Infectious Disease   | Conduction Disorder  | Gap letter; UM                              | \$325,642          |
| 13 | Leukemia   | Diabetes   | CCM Engaged, goals met; Gap letter; UM      | \$319,032          |
| 14 | Leukemia   | Diabetes   | Multi CM Engaged, goals met; Gap letter; UM | \$316,651          |
| 15 | Brain/Spinal Trauma  | Major Infectious Disease                                     | CCM Engaged, goals met; Gap letter; UM      | \$287,843          |
| 16 | Malignant Neoplasm of the Intestines, Abdomen and Rectum         | Inflammation of the Genitourinary System                     | CM Engaged, goals met; UM                   | \$271,606          |



# Next Steps

# Recommendations & Opportunities

| Focus Area   | Proposed Activities   |
|--|---|
| <p><b>Consumerism</b></p>  | <ul style="list-style-type: none"> <li>• My Blue registration campaign</li> <li>• Member education that generic medications are as clinically effective as the brand-name medications               <ul style="list-style-type: none"> <li>✓ Generic utilization savings, 1% increase in GFR= 2.1% in savings (based on BCBSMA data)</li> </ul> </li> </ul> |
| <p><b>Site of Care Steerage</b></p>                                  | <ul style="list-style-type: none"> <li>• Promote Well Connection and registration campaign</li> <li>• Offer Smart90 (CVS Retail Option) or Select Home Delivery</li> </ul>  |
| <p><b>Health Management and Condition-Specific Interventions</b></p> | <ul style="list-style-type: none"> <li>• Consider Blue Cross platform for Omada and Livongo</li> <li>• Onsite Screenings with Robust Coaching</li> <li>• Introduce Diabetes Care Value</li> <li>• Behavioral Health management</li> <li>• Hinge Health</li> </ul>   |
| <p><b>Wellness</b></p>   | <ul style="list-style-type: none"> <li>• Promote Women's health through member education</li> <li>• Promote ahealthyme</li> </ul>   |



# Managing Pharmacy Costs



## Benefits

- Copay Tiers
- Formulary
- Flexible Benefits
- Consumer-Driven Health Plan
- Value-Based



## Utilization Management

- Prior Authorization (PA)
- Step Therapy
- Quantity Limits



## Retail Networks

- Standard
- Limited
- Smart90<sup>1</sup>



## Home Delivery

- Select Home Delivery
- \$9 Generics by Mail



## Specialty Pharmacy

- Custom Specialty Network
  - Acaria Health™, Accredo®, CVS Specialty™, BrioRx®, Freedom, Metro, Village, Walgreens*
- PA
- Quality Care
- Dosing
- Formulary



## Data

- Integrated Reporting
- Account Reports
- AQC Provider Reports

1. For self-insured accounts only.

# Pharmacy Options

## New! Retail Smart90 Option



Member cost share and plan cost for 90-day supply are the same regardless of whether the medication is filled at ESI Mail or CVS retail pharmacy. Applies to certain long-term (maintenance) medications only. Cannot be combined with Select Home Delivery.



Two options  
available to self-  
insured accounts at  
no additional cost:

### Exclusive Option

- Members allowed two fills of maintenance medications through any participating retail pharmacy, then must switch to 90-day supplies through ESI Mail Pharmacy or CVS retail pharmacies
- Members who continue to use one-month supplies or fill at a pharmacy outside of the CVS or ESI Mail Pharmacy will pay 100% of the cost of the medication

### Voluntary Option

- Members may receive 90-day supplies of long-term medications through ESI Mail Pharmacy or CVS retail pharmacies
- Members who continue to use one-month supplies at any pharmacy receive targeted communications about the program

# Diabetes Care Value Overview

Diabetes Care Value (DCV) engages members and promotes increased medication adherence through:

1 Diabetes remote monitoring

2 The Mango Health solution

**Beginning 7/1/18, eligible\* members will be invited to participate in this diabetes management solution which includes:**

- OneTouch Verio Meter by Lifescan at no additional cost
- Blood glucose remote monitoring by specialized diabetes pharmacists who perform outreach to members if dangerous trends are identified
- No-cost access to the Mango Health app which uses a gamified approach to drive engagement and improve adherence

\*Member participation is optional. To qualify, members must be 18 years or older and meet 1 of 3 clinical criteria based on claims within the last 6 months:

1. Metformin plus any other diabetes medication
2. Any test strip claim plus any diabetes medication
3. Any diabetes medication (except metformin alone)

# Mango Health Member Engagement Platform

The Mango Health platform rewards and incentivizes long-term healthy habits—right from the member’s smartphone.

Coaching and in-app messaging

Medication lists and refills

**A personalized implementation process** incentivized with an instant gift card and auto-populated medication list enables a turnkey member experience.



Daily health tracking and digital diary

Caregiver support

Rewards and incentives

**Members receive three invitation postcards** over five weeks, encouraging them to download the app and participate in the program.

# Well Connection Registration Campaign

## Wallet Card Sample



MASSACHUSETTS | **WellConnection**  
Care at Your Convenience

Getting Sick Isn't Convenient.  
**Well Connection Is.**

See licensed doctors using live video visits on your favorite device.

Download the app, or visit [wellconnection.com](http://wellconnection.com)

Blue Cross Blue Shield of Massachusetts is an Independent Licensee of the Blue Cross and Blue Shield Association.  
183536M 55-1831 (04/18)

## Post Card Sample



MASSACHUSETTS | **WellConnection**  
Care at Your Convenience

Getting Sick Isn't Convenient.  
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See licensed doctors using live video visits on your favorite device.

Download the app or visit [wellconnection.com](http://wellconnection.com)

Well Connection

See licensed doctors using live video visits on your favorite device.

Download the Well Connection app today!

Well Connection

*Four City of Boston PPO members have used five telehealth visits*

*through September 2018*

# Prediabetes Screening Program

## At the worksite screening

- Email, telephone number, and provider information are collected.
- Blood sugar, BMI, total cholesterol, CHDL, cholesterol HDL ratio, waist circumference, and blood pressure taken.
- Results review and coaching session (10-15 minutes), plus relevant health education materials are provided.
- ahealthyme® and Blue Cross programs, employer resources, and any incentives are reviewed.

### Stratify

### Engage & Influence

**3%**  
High Risk



- Telephonic nurse outreach (within two to three business days)
- Referral to Care Management program, if appropriate
- Targeted health education handouts (post-screening)
- Follow-up email promoting registration on ahealthyme

**Recommended doctor consult: immediately, or call 911**

- Results shared with provider
- Data integrated into personalized health score and health action plan on ahealthyme

**37%**  
Moderate Risk



- Telephonic nurse outreach (within one month)
- Referral to Care Management or wellness coaching program, if appropriate
- Targeted health education handouts (post-screening)
- Follow-up email promoting registration on ahealthyme
- Monthly follow-up email with targeted health content and prompts to engage in wellness coaching (for six months)

**Recommended doctor consult: within one month**

- Results shared with provider
- Data integrated into personalized health score and health action plan on ahealthyme

**60%**  
Lowest Risk



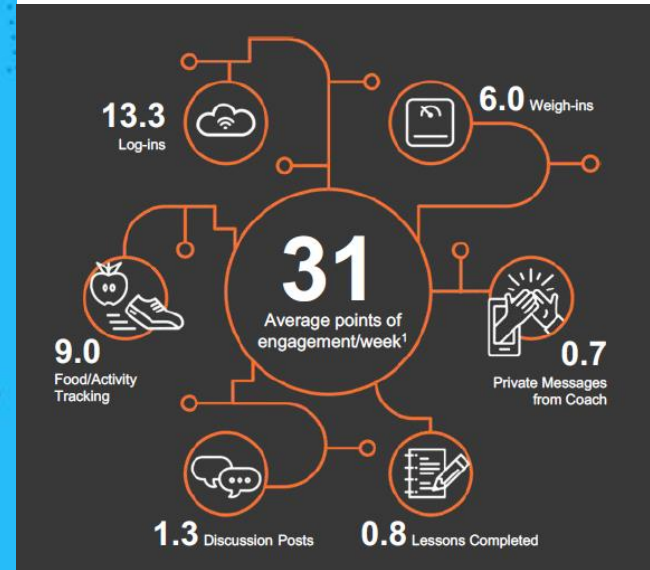
- Targeted health education handouts (post-screening)
- Follow-up email promoting registration on ahealthyme
- Monthly follow-up email with targeted health content and prompts to engage in wellness coaching (for six months)

**Recommended doctor consult: non-urgent**

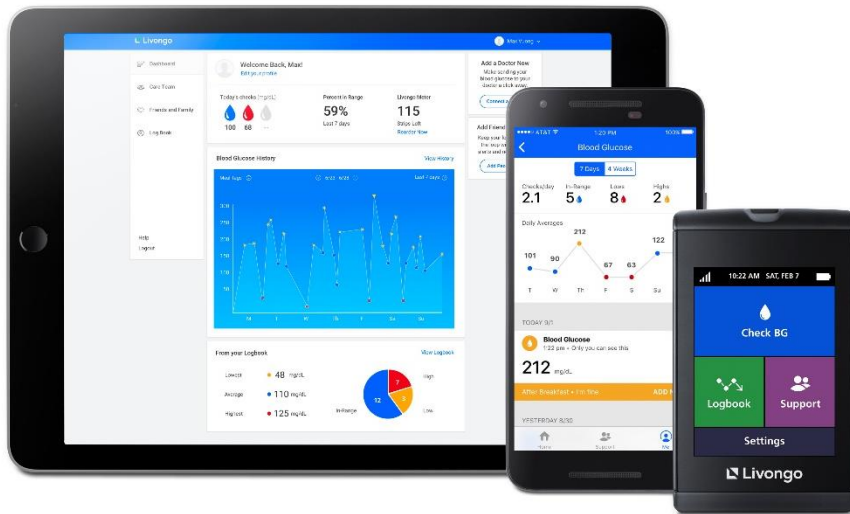
- Results shared with provider
- Data integrated into personalized health score and health action plan on ahealthyme

# Prediabetes Management with Omada

Omada empowers people with prediabetes to **build healthy habits that last.**



# Livongo provides the tools and coaching to successfully manage diabetes



Online access to blood glucose readings, along with graphs and insights.

## Members with diabetes receive:

- A welcome kit with Livongo's connected blood glucose meter, a lancing device, test strips, lancets, and a carrying case
- Unlimited test strips and lancets shipped to each member's front door, and automatic re-ordering
- Live 24/7 support by phone, text message, and via the Livongo mobile app for in-the-moment questions
- Coaching with Certified Diabetes Educators for in-depth diabetes management support
- A better experience: members can share glucose readings with loved ones and clinicians to alert them when the member is out of range, and for insight on glucose trends



# Improve musculoskeletal health and reduce costs with Hinge Health

This 12-week, coach-led digital program is designed to help your employees increase movement and muscle strength, reducing pain and the need for treatment.

## How It Works



1. Your employee completes activation and the Hinge Health screening. They receive their wearable motion-tracking bands and a ready-to-use tablet with the app.
2. Your employee receives support from a trained health coach via text, email, phone, or app, and can use the Hinge Health app for personalized care when and where it's convenient for them.
3. By increasing movement and muscle strength through the program, your employee reduces the affects of osteoarthritis and improves cartilage function, leading to reduced pain and fewer surgeries.



## Advantages for You and Your Employees

- Participants average 50+% pain reduction and 23% opioid reduction after 12 weeks<sup>1</sup>
- Avoid 2 out of 3 surgeries<sup>2</sup>

1. Hinge Health data. <https://www.hingehealth.com/>

2. Effects of a 12-Week Digital Care Program for Chronic Knee Pain: RCT (2018). <https://www.jmir.org/2018/4/e156/>

# Behavioral Health: Specialty Programs

## Case Management Programs

### Depression

Provides members who have scored highly on the PHQ-2 depression scale with education and treatment referrals

### High-Risk

Identifies members who require additional support, removes barriers to care, and improves health status

### After Care

Engages members discharged from a behavioral health and/or substance use admission to improve follow-up care

### Substance Use

Collaborates with inpatient facilities to engage members at admission and improve discharge coordination

## Integration with Medical

- All psychiatrists are located and engage in both Behavioral Health and medical surgical case discussions
- Psychiatrists and Behavioral Health case managers collaborate with Blue Cross Nurse Care Managers on medical cases
- On-site doctor specialties:
  - Addiction medicine
  - Child psychiatry
  - Geriatric psychiatry
  - Eating disorders
  - Neuropsychology
  - Autism

## New Programs & Pilots

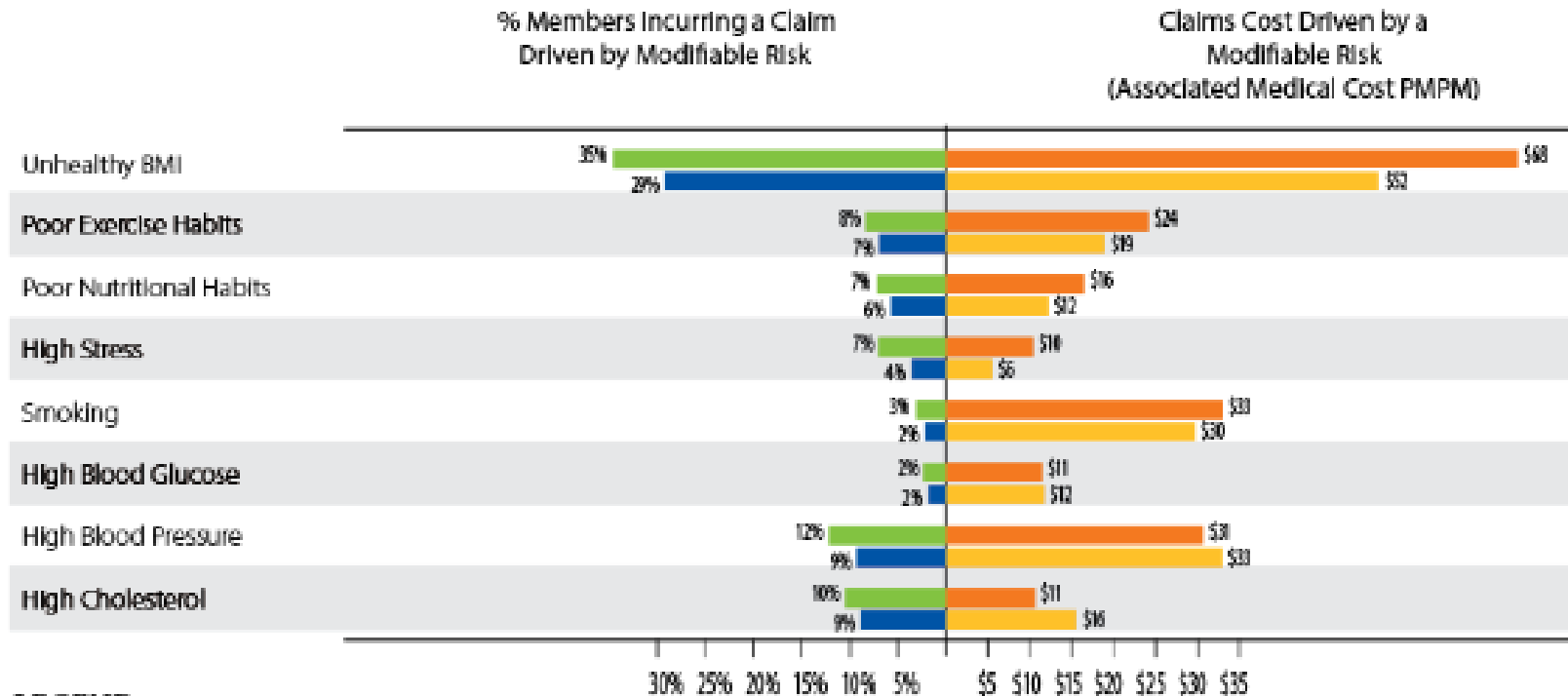
### Evolving Opioid Strategies

- Methadone
- Collaboration with law enforcement

### Out-of-Network Claims Strategies

- Medical policy updates (i.e. urine drug testing limits)
- Managing out-of-network provider claim cost

# Modifiable Health Risks



**LEGEND**

- Account data (orange and green bars)
- Benchmark data (yellow and blue bars)



Nearly \$7.3 million of City of Boston’s PPO spend in the recent policy year was attributed to a modifiable risk factor

## The Power of Blue

**No other partner can  
balance your financial objectives  
with what members want most  
—a differentiated experience.**

**We drive advancements that matter  
to you and your employees.**

Driving Advancements That Matter



MASSACHUSETTS

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