Trust in fair care

An ecosystem for value based remuneration in Holland

ICHOM Warsaw, Poland
June 11th 2019

Three statements to get warmed up

1. The payor can actually be a **driver** of quality improvements rather than a **barrier** to it.

2. Consensus is a mirage: time for a move to **coalitions of the willing**

3. Software and dashboards don’t make a solution

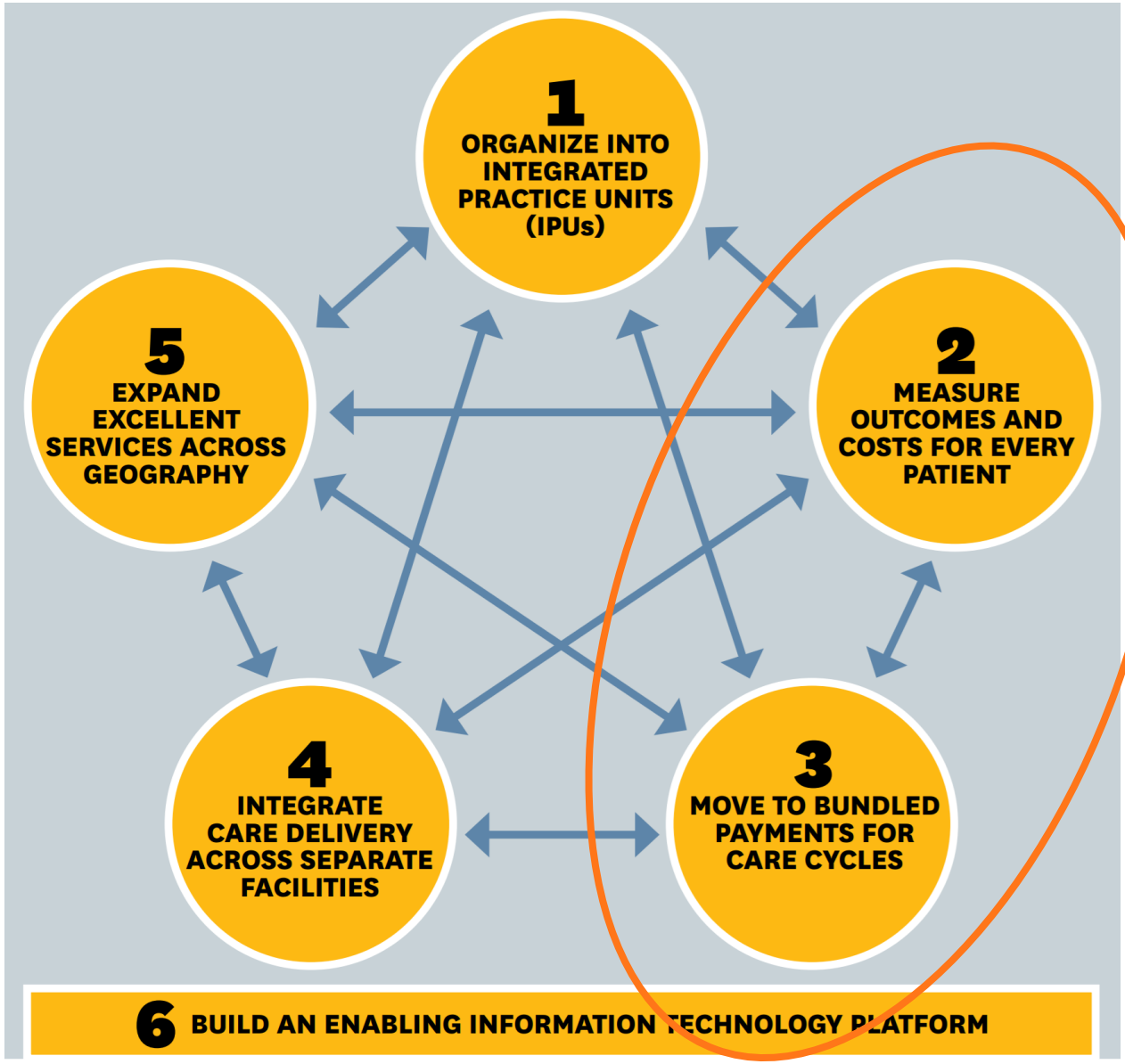
AGENDA

- Intro & context
- Why do you need an ecosystem?
- How does the ecosystem work?

Context of the Dutch healthcare system

- Dual system: mandatory health insurance through private insurers
- €100 bn p.a. in total; €30 bn p.a. hospital care
- Mostly Fee-for-Service; transition to bundled payment/VBHC
- Quality and accessibility is excellent; main issue is cost control and lack of transparency

Our focus is primarily on analyzing outcomes & cost and facilitating remuneration



i2i analyzes €15 bn p.a.

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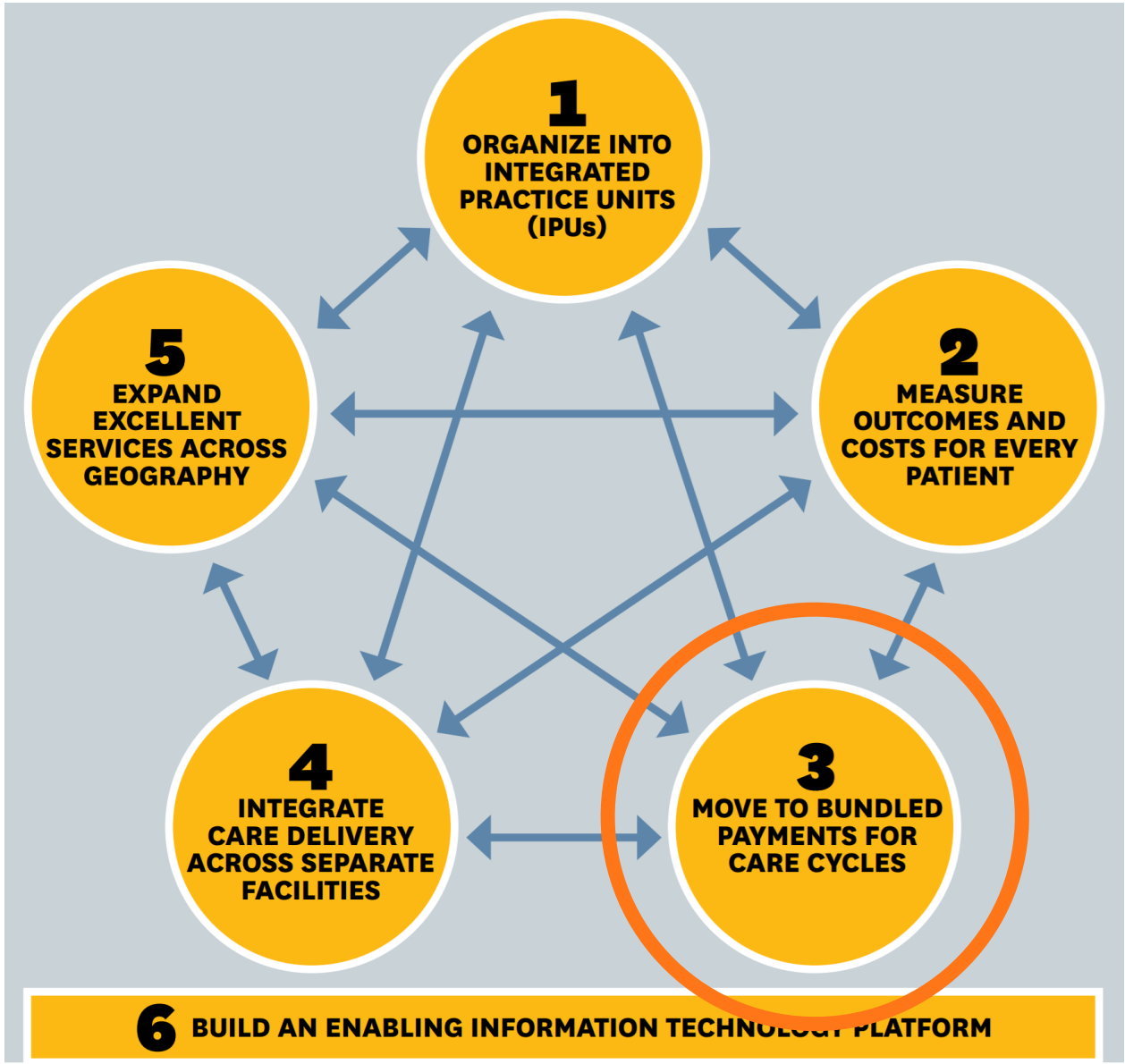
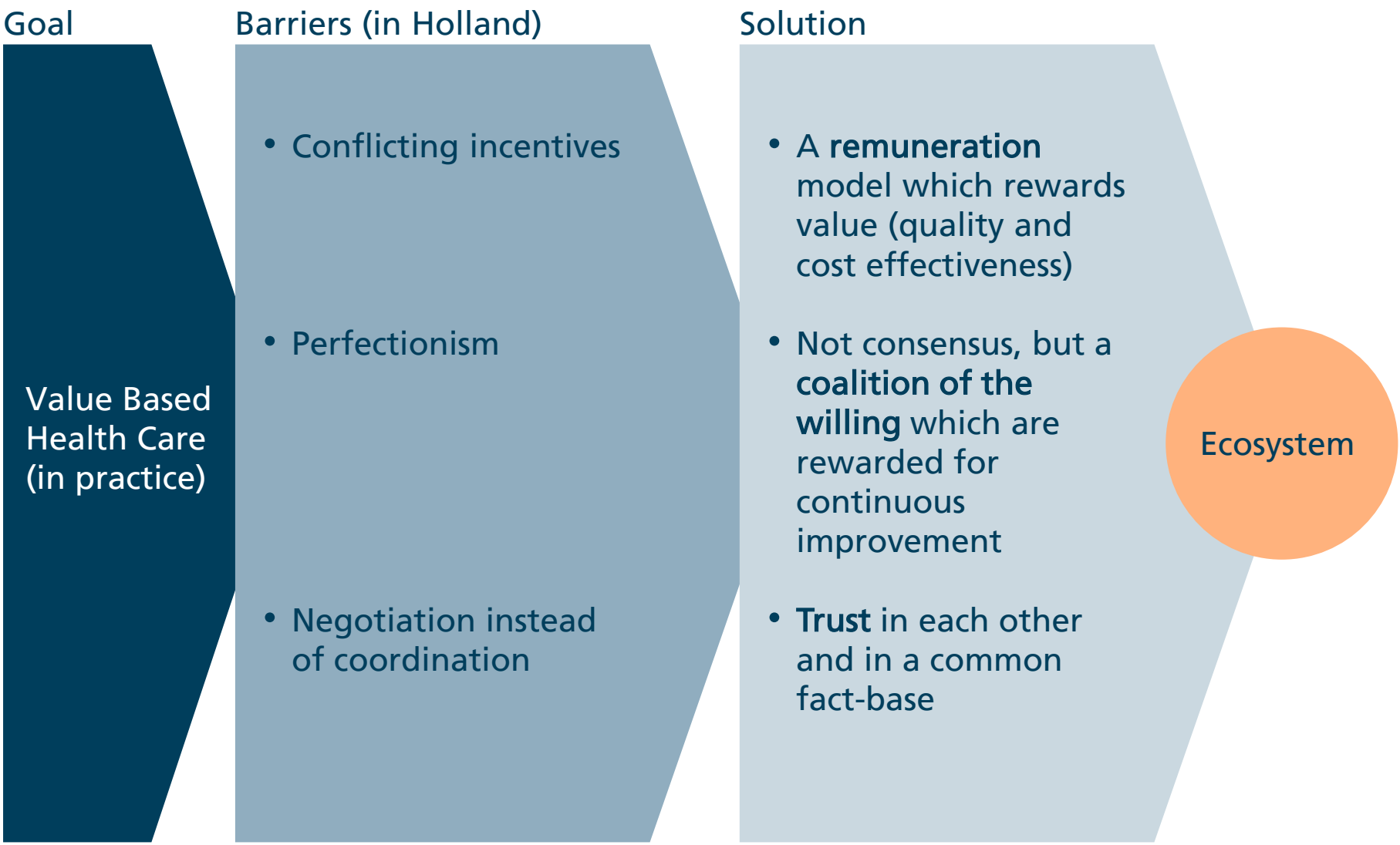
Moving to Value Based Contracting is harder in practice than in theory



Why do we need an ecosystem?



The effects of an ecosystem

Solution in the abstract

- A **remuneration** model which rewards value (quality and cost effectiveness)
- Not consensus, but a **coalition of the willing** which are handsomely rewarded
- **Trust** in each other and in a common fact-base

Ecosystem

Solution in practice

- **No budget cap** if value improvement is shown, weighed 2:1 in favor of quality
- **Payor offers opt-in choice**:
  - → Bundled payment rewarding quality improvement
  - → Traditional cost based contract
- A **TTP** which does the analysis and discusses improvement plans with doctors

The payor as a catalyst of quality improvement

Social proof comes before scientific proof

Comparability through a uniform methodology

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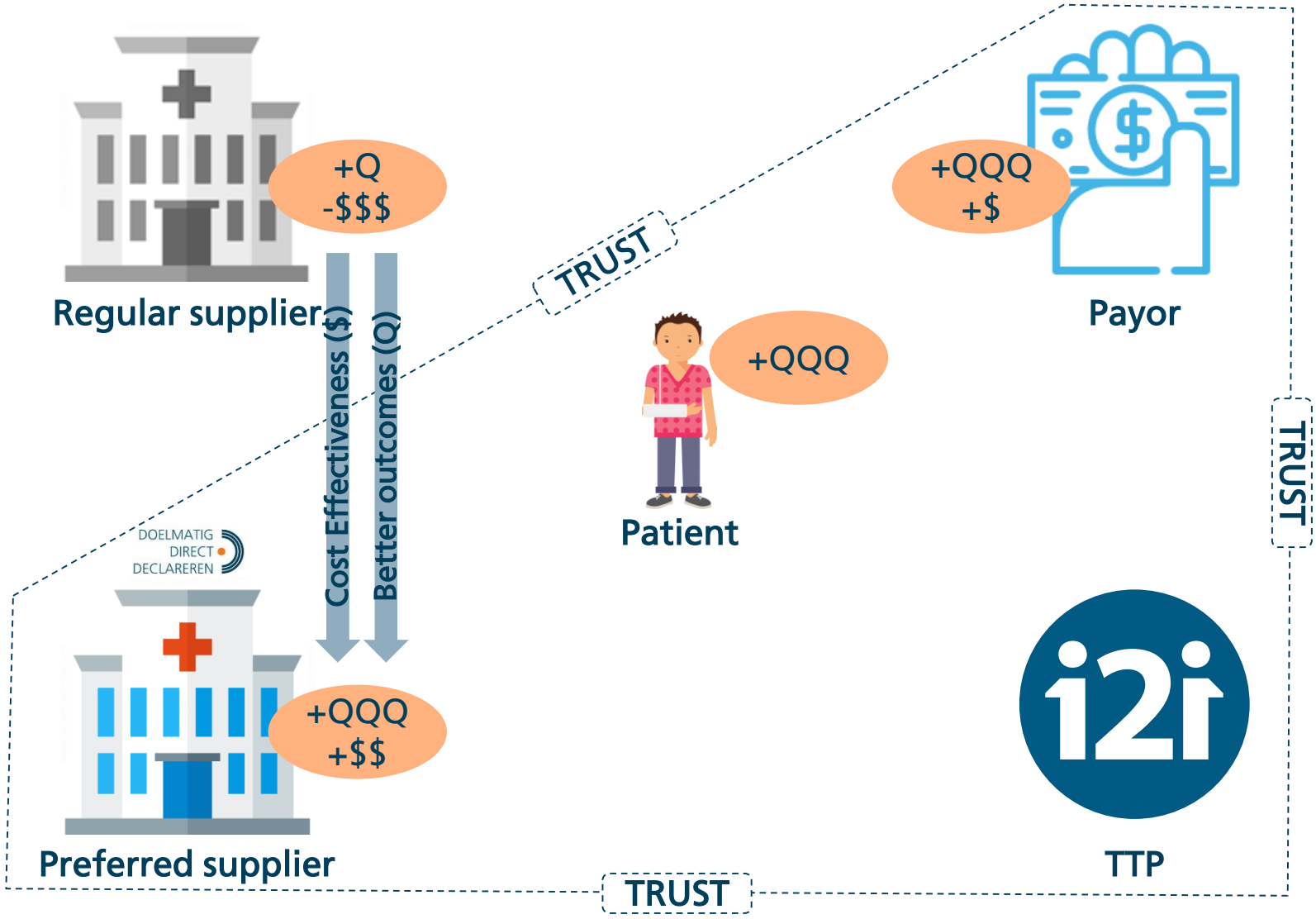
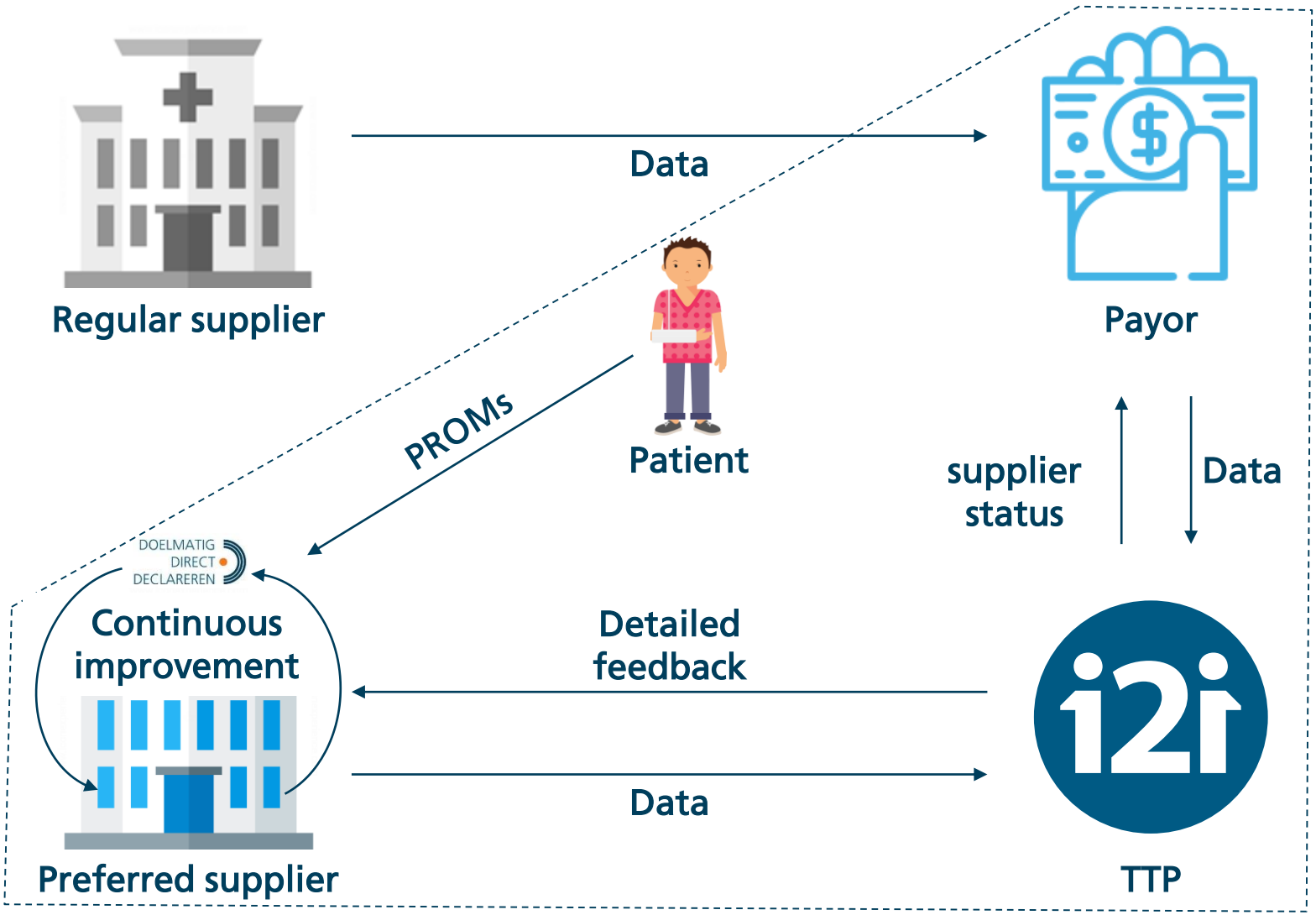
Shifting from a zero-sum to a positive-sum mindset between payor and provider

The concept: redistribution of funds to trusted preferred suppliers



The how: through continuous analysis & feedback on quality and cost effectiveness



Providers receive detailed and actionable analyses: with a historical perspective…

Cataract
Historische ontwikkeling

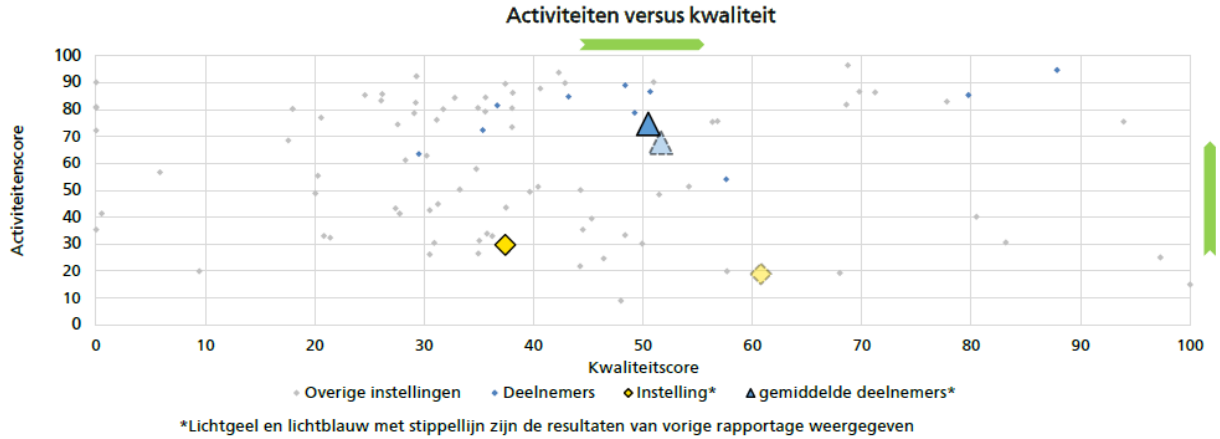
Ziekenhuis

Rapportageperiode: januari 2017 - december 2017 (laatste data zijn van 19 april 2018).

Verwachte declaraties verwerkt in deze analyse: 84.8%. Gebruikte data: declaraties Menzis.

Weergave:
Hier staat een overzichtsgrafiek met daarin de zorgaanbieders uitgezet op basis van een gecombineerde score van de geaggregeerde kwaliteitsindicatoren en een gecombineerde score van de geaggregeerde activiteitenscores. Daarnaast worden in zowel de grafiek en de tabellen de prestaties van dit rapportagejaar vergeleken met voorgaande rapportagejaar.

Data:
De kwaliteitsindicator is gebaseerd op de data van Zorginzicht. De kostendrijvers zijn gebaseerd op declaratiedata van de verzekeraar gecorrigeerd voor leeftijd, geslacht, DKG, FKG en SES-score.

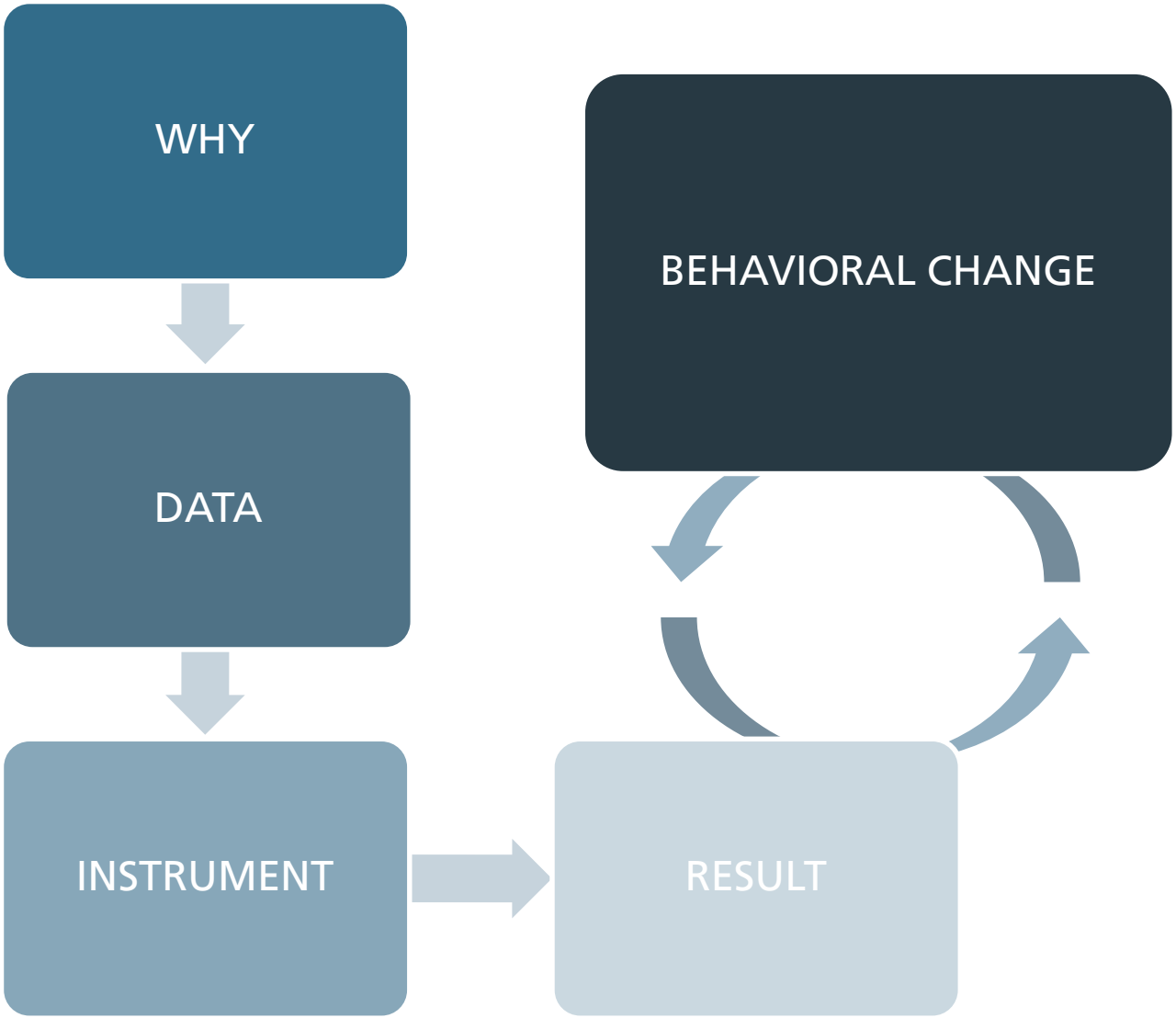


*Lichtgeel en lichtblauw met stippellijn zijn de resultaten van vorige rapportage weergegeven

Activiteiten	Rapportage 2017**	Rapportage 2016**	Delta Deelnemers*
Heroperatie	0.00	<0.01	0.00
Dagverpleging	1.24	1.44	-0.09
Laser nastaar	0.02	<0.01	-0.02
Echografie	0.00	<0.01	0.00
Polikliniekbezoeken	3.71	4.27	-0.44
Tomografie	0.21	0.09	-0.01
Biometrie	1.08	1.19	-0.04
Optometrie	0.00	<0.01	-0.12
score* **	**29.71**	**18.89**	**6.85**

Indicator	Rapportage 2017**	Rapportage 2016**	Delta Deelnemers*
Percentage visuswinst	81.11%	88.05%	-3.67%
Percentage beoogde refractie	94.89%	96.87%	0.60%
score* **	**37.40**	**60.79**	**-1.14**

…which is input into realizing behavioural change, which is rewarded by the payor



Circling back to our statements

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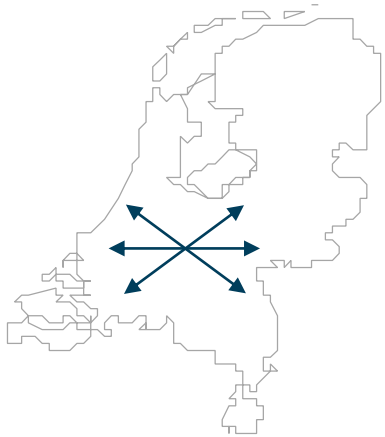
Our outlook: from within country comparisons to between country comparisons (on microdata)



Getting in touch

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BACKUP

Quick overview of the i2i model in Holland

We **identify** healthcare providers with excellent quality and cost effectiveness

DOELMATIG DIRECT DECLAREREN

Fair Care Partnership

- Reward, not punishment
- Prevention, not correction
- Behavioral change, not repayments

We perform continuous **analysis** of all data submitted by our providers for improvement areas

Providers **improve** in a quick iterative process (via improvement plans)

- > € 15 billion claims p.a.
- > 2k contact moments p.a.
- > 2.5k reports per week
- ~30% of hospitals as clients
- Data on hospital, pharmacy, physio, mental care, etc.
- Combination of data from providers – payors – different sectors

DDD-partners obtain **preferred supplier** status with enrolled payors (better contract terms)

Example benefits:

- Higher tariffs / bonuses
- No budget caps
- Multi-year contracts
- Less administrative burden

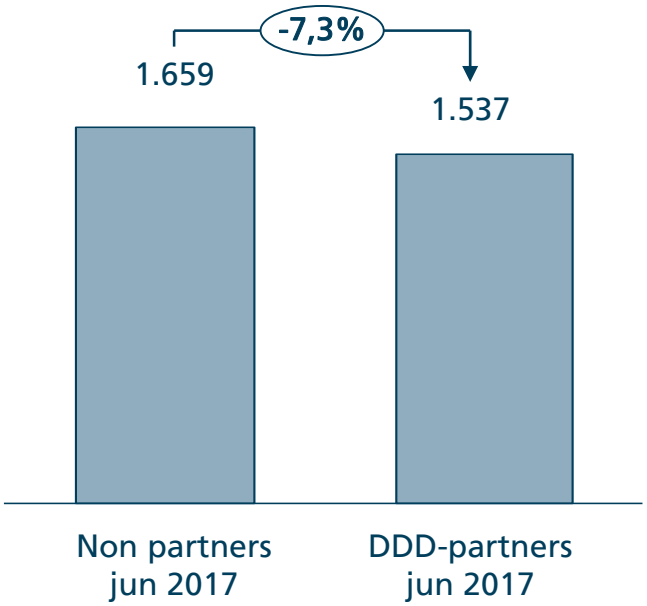
i2i delivers deep insight in healthcare through advanced analytics

	Details	Benefit
Strong team 	• Highly specialized team of 35 university graduates & PhD's • Proven track record in statistics, data mining, data science, machine learning, behavioral psychology	• Unparalleled insight into improvement opportunities in (Dutch) healthcare • Groundbreaking analytics, including published papers on: automated diagnosis clustering, random forest upcoding simulations, etc.
Enriched data 	• i2i combines a multitude of sources of data to analyze the full patient journey: GP, pharmacy, hospital, rehabilitation, etc. – from payor/provider, public and international sources.	• Better predictive models • Better benchmarks • Larger scope (e.g. substitution effects)
Advanced Model 	• The i2i model forecasts expected cost and outcomes based on patient attributes and identifies and quantifies deviations based on hundreds of indicators	• Highly automated and efficient • Exhaustive: 100% coverage of hospital disease burden in cost effectiveness, coverage of >50% of hospital disease burden in ROI (QALY/€) in 2022

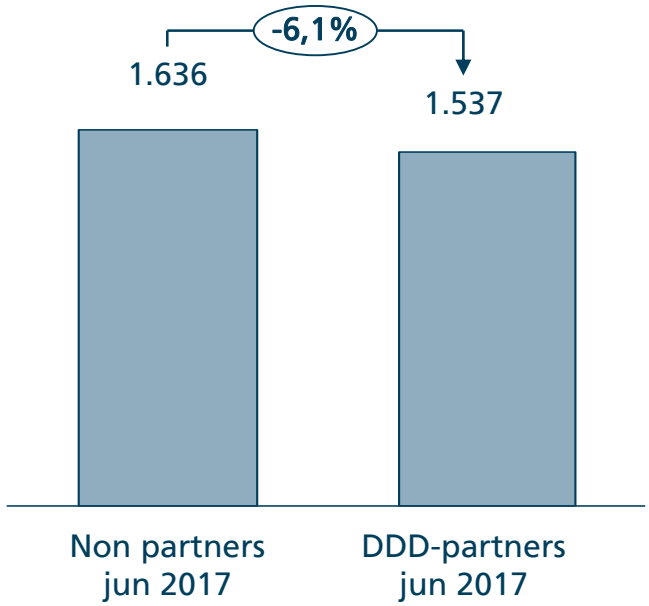
Financial results - Payor: i2i realizes a behavioral change which leads to lower cost per patient

Intelligence to Integrity

Hospitalization cost per patient
€ / patiënt



Hospitalization cost per patient – casemix corrected
€ / patiënt



DDD-partners have lower cost or revenue per patient, but increased margins through the benefits received by the payor