MAY 18, 2016

How can employers advance high value maternity care?

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Today's Agenda

- Introduction and Welcome (5 min)
  - *Kristof Stremikis, PBGH*
- Employer Action Guide: Reducing C-sections (15 min)
  - *Brynn Rubinstein, PBGH*
- A Large Employer's Perspective (15 min)
  - *Rob Paczkowski, Google*
- A Smaller Employer's Perspective (15 min)
  - *Cara Osbourne, Baby+Co*
- Question and Answer (10 min)

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Logistics

- Your line is muted!
- Questions in the chat box
- Email cconnors@pbgh.org for slides
- More info at www.pvnetwork.org

Goals

- Why should employers care about maternity?
- What have large and small employers and coalitions already done in this area?
- Regardless of size, what can you do now?

Today’s Panel

Brynn Rubinstein
Senior Manager
PBGH

Rob Paczkowski
Benefits Manager
Google

Cara Osbourne
Founder, CCO
Baby+Co

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Employer Action Guide: Reducing Unnecessary C-sections

BRYNN RUBINSTEIN, PACIFIC BUSINESS GROUP ON HEALTH

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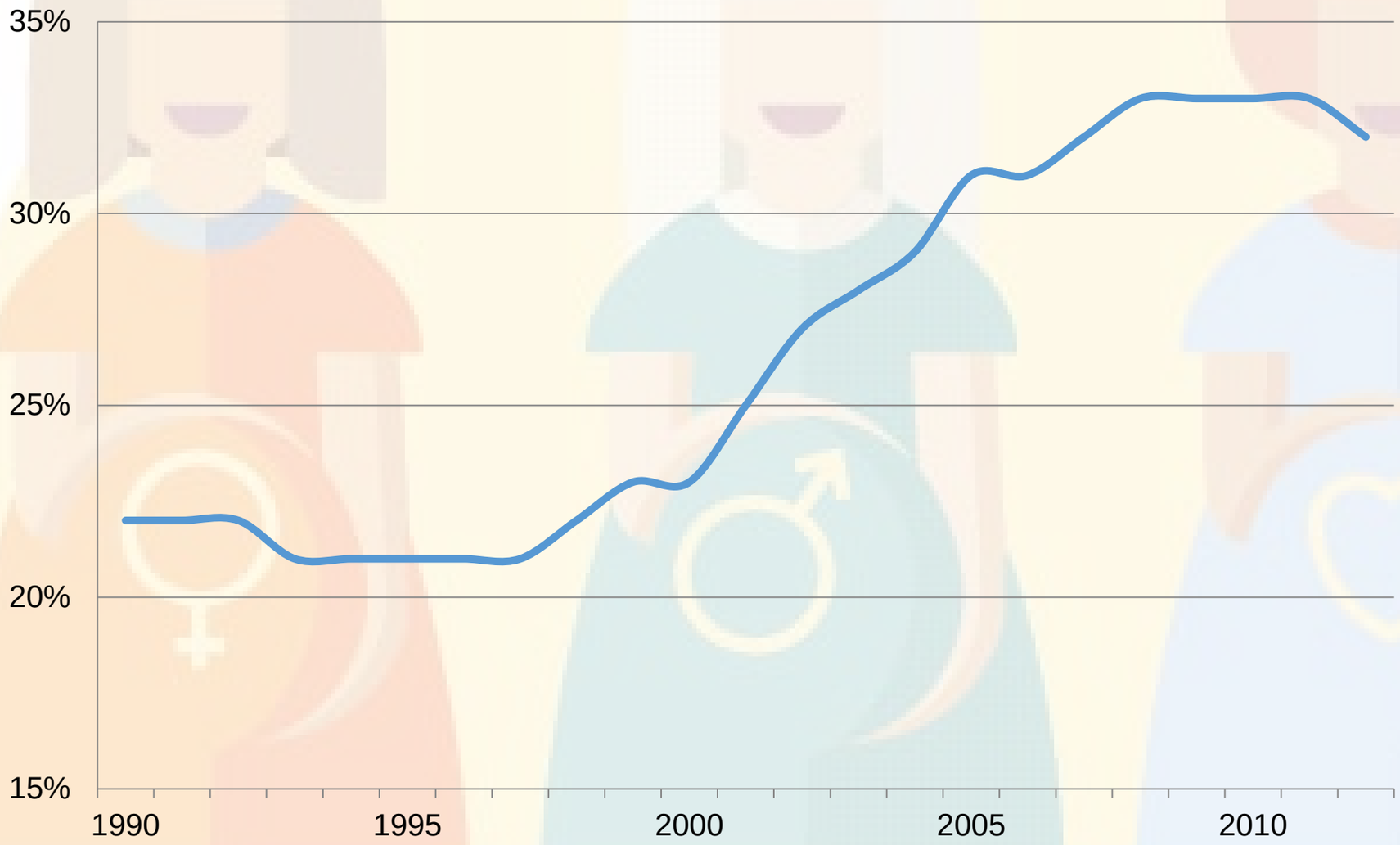
What’s the problem?

Escalation

C-section rates increased by 50% in just over a decade.



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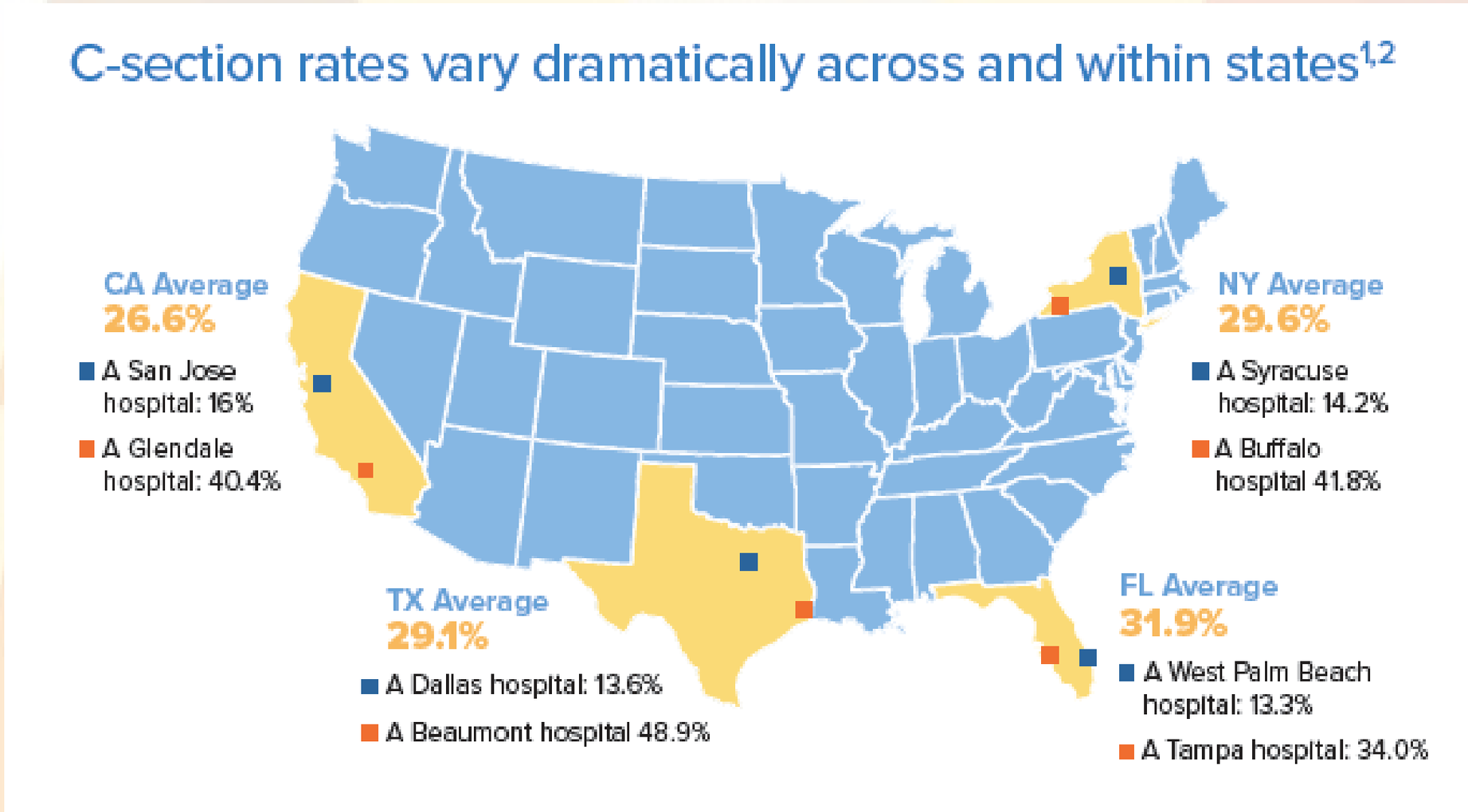
Variation



1 National Vital Statistics Report. Trends in Low-risk Cesarean Delivery in the United States, 1990-2013. November 2014. Centers for Disease Prevention and Control, Atlanta, GA. http://www.cdc.gov/nchs/data/nvsr/nvsr63/nvsr63_06.pdf.
2 Rate of C-sections. 2015. The Leapfrog Group, Washington, DC. http://www.leapfroggroup.org/ratings-reports/rate-c-sections.

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So what?

Unnecessary intervention

"**Variation in a health care procedure** can be an indicator of a quality improvement opportunity– **signaling overuse** of the procedure that is at best **not medically indicated**, or at worst, **harmful to patients**."

- Dr. Elliott Main, "Cesarean Deliveries, Outcomes, and Opportunities for Change in California: Toward a Public Agenda for Maternity Care Safety and Quality"

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Poorer outcomes

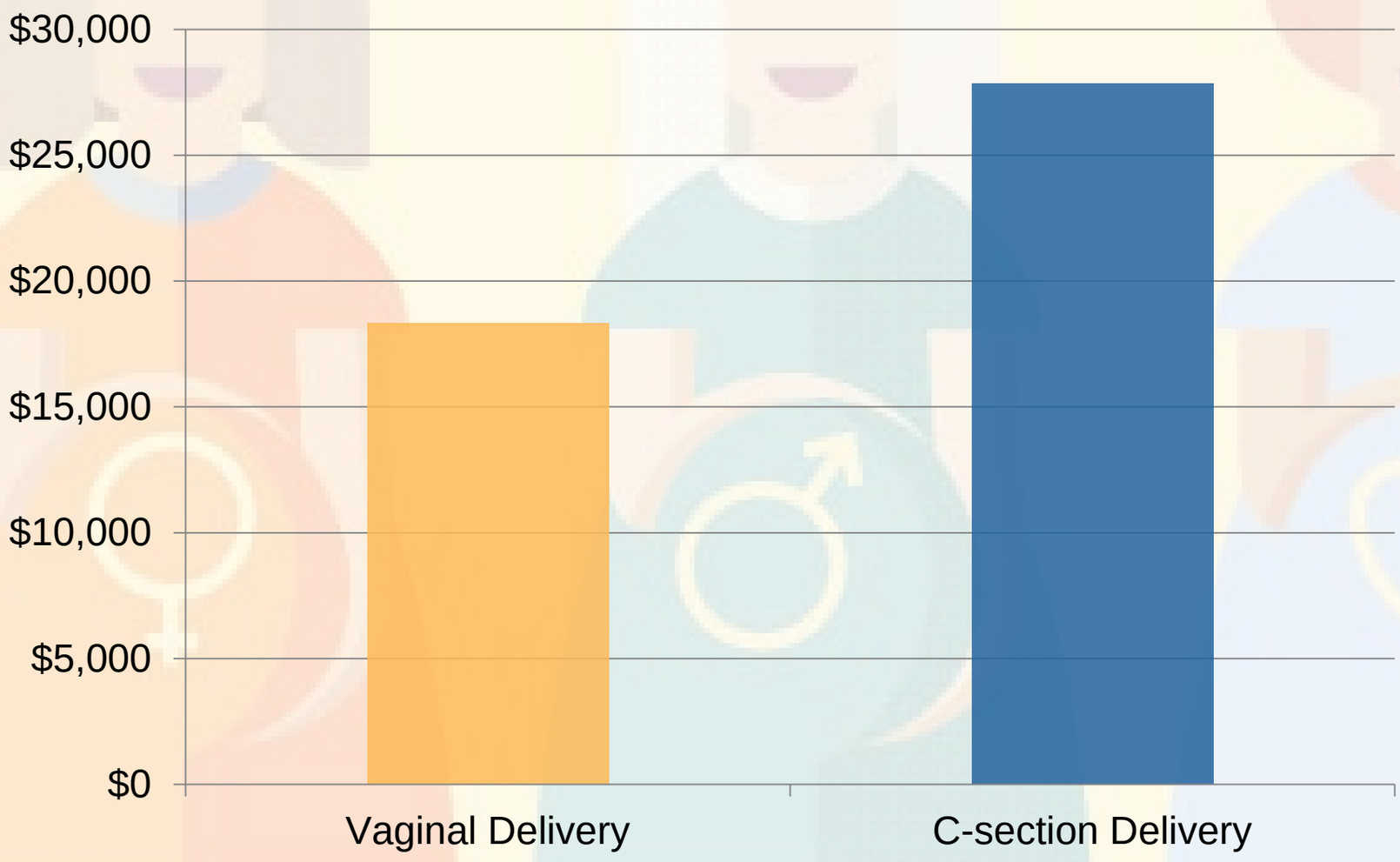
In the same time period, maternal morbidity and maternal mortality has **tripled**.

Moms who undergo C-sections are:

- Less likely to breastfeed
- More likely to experience postpartum depression
- Have a slower return to work

Higher costs

On average, commercial payers pay about $10,000 more for a C-section.[1]



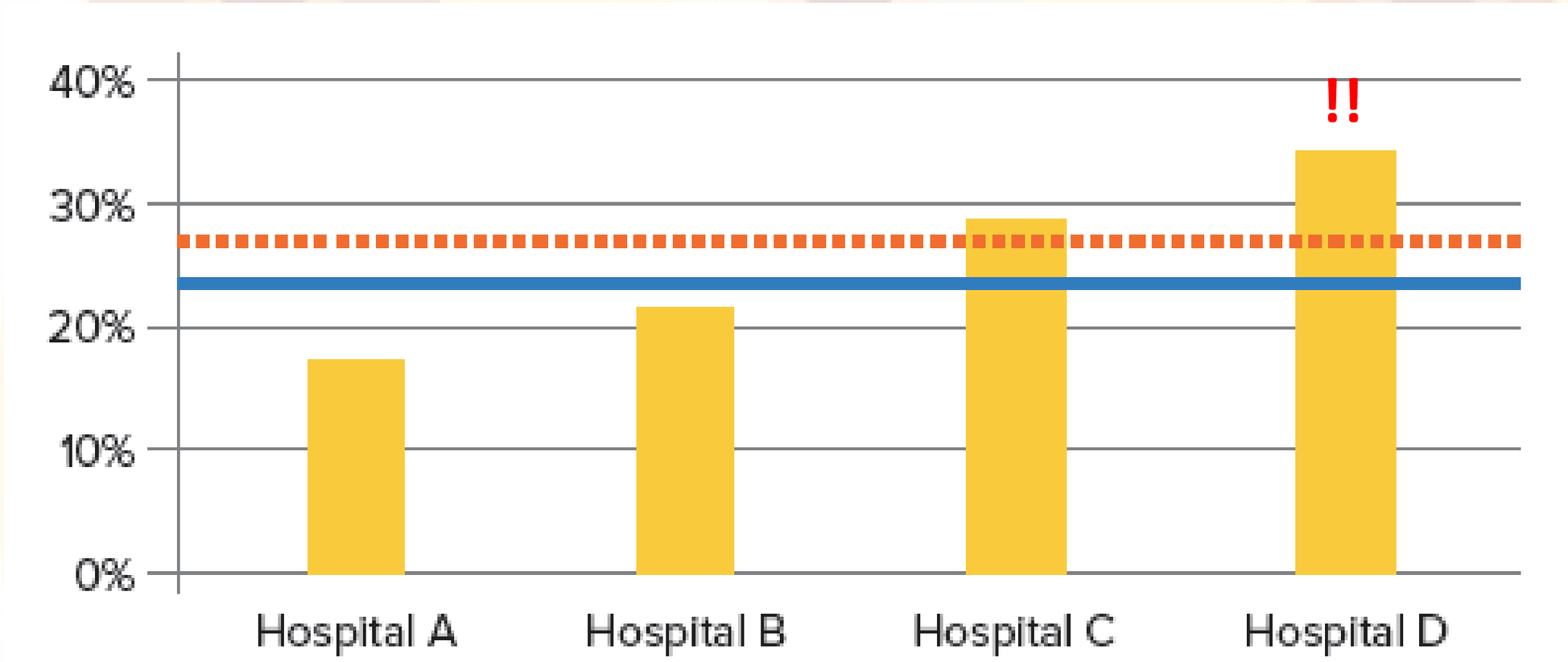
1 Reflect average 2010 national commercial payments; includes newborn care. See Truven Analysis at http://transform.childbirthconnection.org/wp-content/uploads/2013/01/Cost-of-Having-a-Baby1.pdf

What can employers do about it…

quickly and easily?

1. Meet with hospitals

Ask them to report low-risk C-section rates directly to you and/or adopt a QI improvement initiative



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2. Ask health plan to use VBP

1. **Blended Case Rate**
   Reimburse the same for C-sections and vaginal births

2. Episode-Based Bundle
   Pay one bundled fee for prenatal, delivery and postpartum care

3. Denial of Payment
   Deny payment for medically inappropriate care

3. Review benefits package

Ensure coverage of less utilized services that can improve outcomes and patient experience.

- Midwives
- Birth centers
- Doulas
- Group prenatal care

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4. Drive beneficiaries to high performing facilities

- Tiered or narrow networks
- Link to hospital C-section rates in online provider directories
- Reference pricing
- Patient engagement materials and tools

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What’s the impact?

Support new families

- Improves maternal and newborn health
- Support transition into parenthood
  - Increase satisfaction with birth experience
  - Decrease risk for post-partum depression
  - Lessen recovery time

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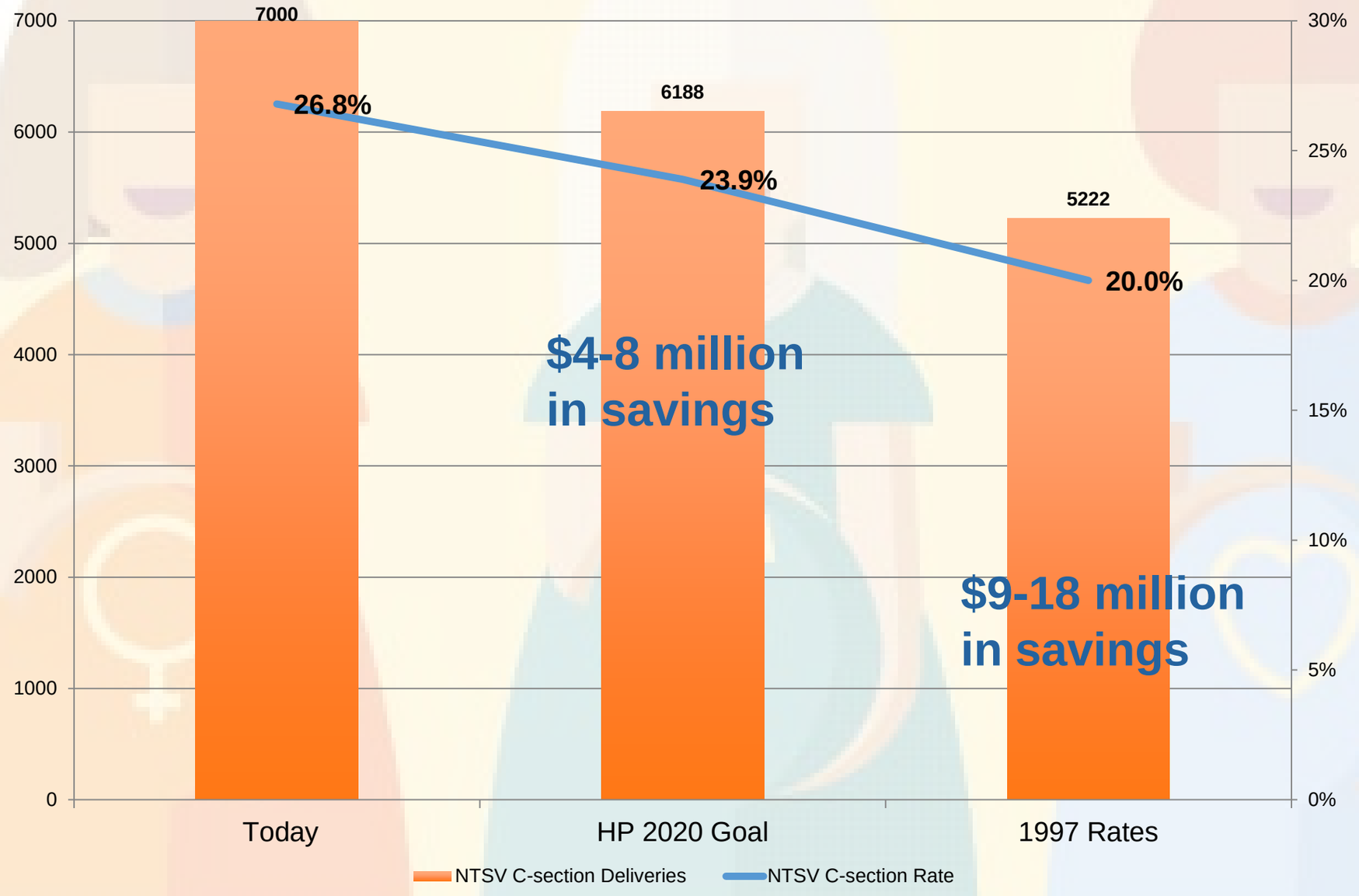
Savings: TN



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Savings: CA

In 2015, just three target hospitals performed 400 less low-risk C-sections saving **$2 – 4 million**.

HOSPITAL 1

HOSPITAL 1:

24.2% reduction

2011-13 quarterly mean =	32.6%
2015 post-intervention rate =	24.7%

HOSPITAL 2

HOSPITAL 2:

22% reduction

2011-13 quarterly mean =	31.2%
2015 post-intervention rate =	24.3%

HOSPITAL 3

HOSPITAL 3:

19.5% reduction

2011-13 quarterly mean =	27.2%
2015 post-intervention rate =	21.9%

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What’s next?

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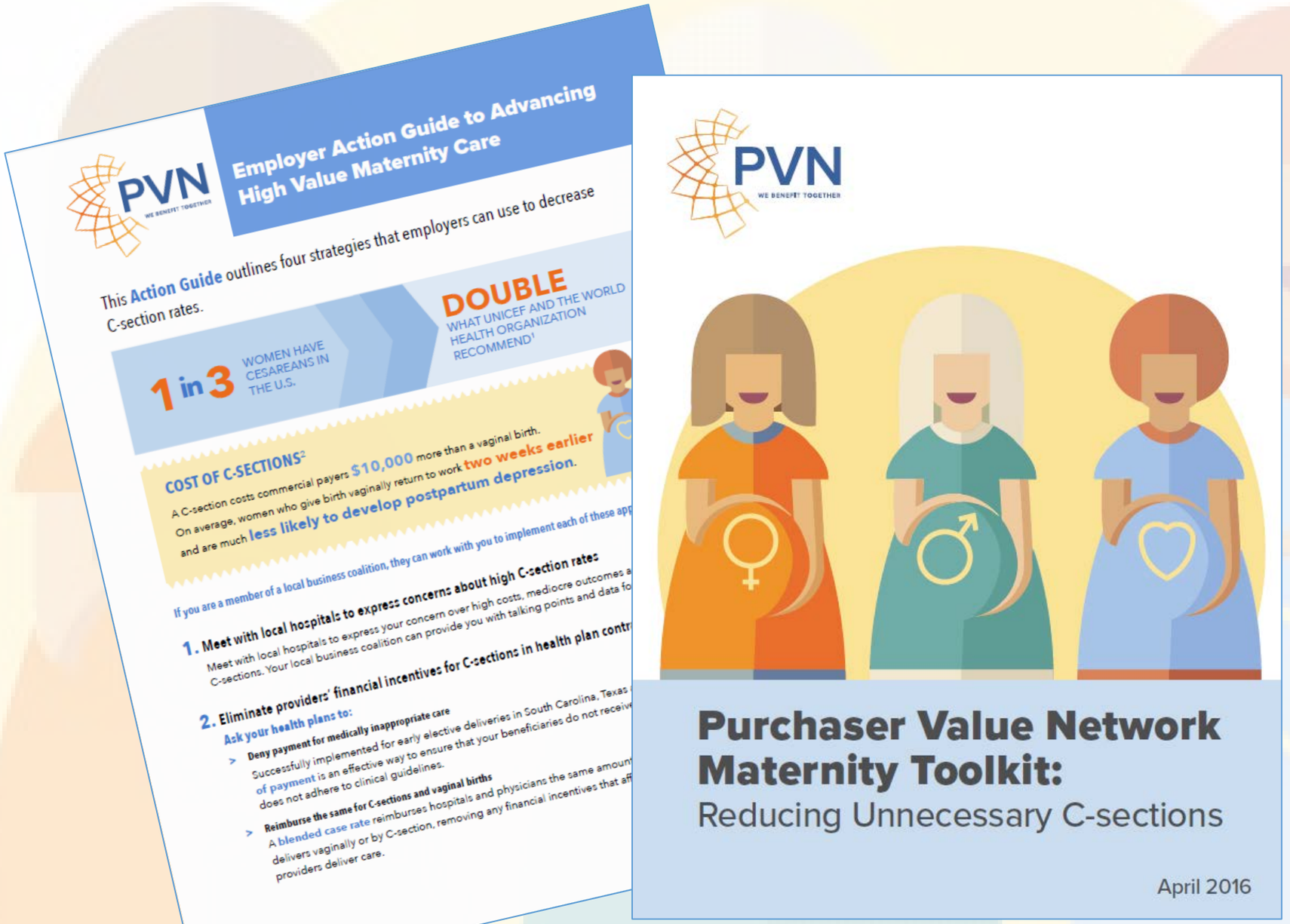
Take action



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Provide feedback on LAN white paper

- Accelerating and Aligning Clinical Episode Payment Models: Maternity Care *(Draft White Paper)*

- Submit comments by May 23:
  - The LAN website—www.hcp-lan.org
  - Email—paymentnetwork@mitre.org

- ***What would you need to implement the recommended bundle into your health plan contracts?***

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HCP LAN
Health Care Payment Learning & Action Network

Work with us

- Download the employer action guide
- Get involved with your local coalition
- Reach out with questions

www.pvnetwork.org

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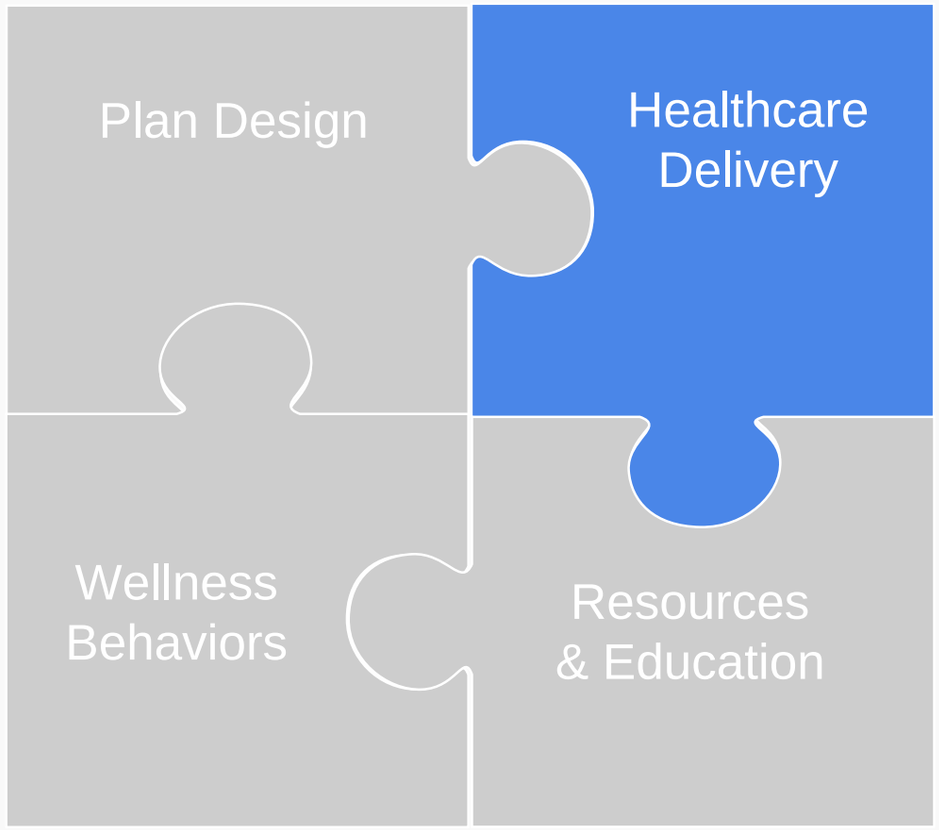
Google Maternity Strategy

May 2016

Primary Contact: Rob Paczkowski

Quick Context:
Our US healthcare strategy is made up of four main areas opportunity

- Healthcare Delivery is a primary area of focus
- But Plan Design, Wellness Behaviors and Resources and Education are also areas of focus for us



Healthcare Delivery

Progress on strategy to date:
Provide convenient access to healthcare services, leverage Centers of Excellence (COE), shift to rewarding providers for quality of care vs volume of services.

- ✓ NYC Wellness Center with One Medical
- ✓ In-home physician care (pilot with Heal)
- ✓ Expand onsite EAP
- ✓ Expand video medicine services
- ✓ Infertility Centers of Excellence (COE)
- ✓ Anthem Blue Distinction Total Care
- ❑ **Value Based Care Strategy**

Maternity is a key focus area for us as a result of our analytics

Multiple Babies per Day

Growing each year

Top Spend Area

By a 4:1 Margin

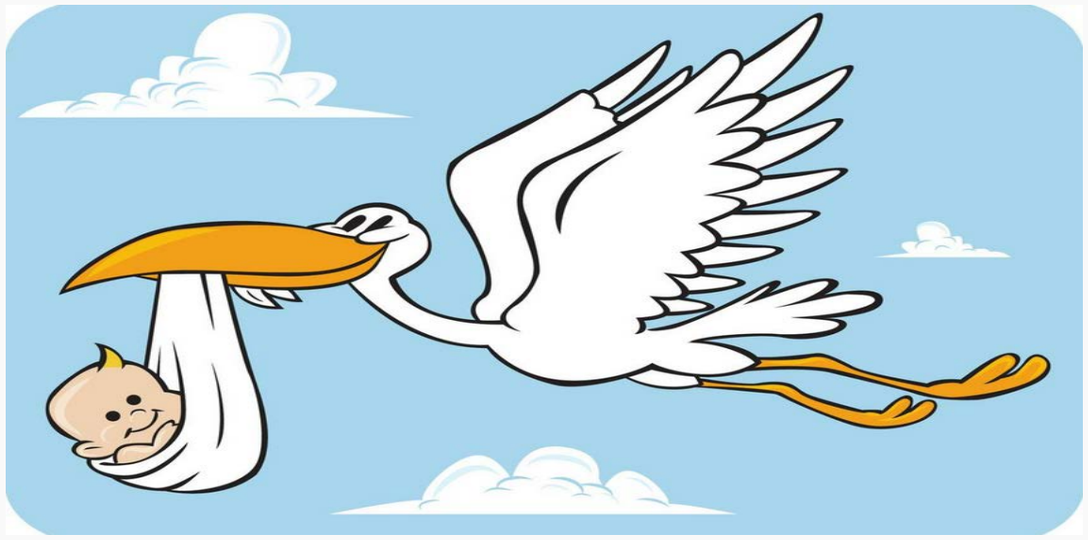
Driven by High Risk Births

Multiples 11X higher in fertility users vs. non-users

40% of Googlers are Parents

Growing each year

First we implemented Project Stork; an initiative to support parenthood



- Equalize financial support across all four ways of becoming a parent to enable individual choice
- Add expert concierge support
- Align with social good

Infertility

- **High performance network**
- **Cover three full cycles lifetime vs. $LTM**
- **Bundled payments**

Traditional Pregnancy

- **Bay Area maternity cost and quality transparency**

Adoption

- **Align with the greater good of helping to give a permanent home to 500k children in the U.S.**

Surrogacy

- **Provide navigation support benefit to Googlers**
- **Provides support to diverse family groups**

Our maternity cost and quality study resulted in a facility ranking system

	QUALITY		
COST (average allowed amount) (vaginal and C-section data combined)	**“Below Average”**	**“Average”**	**“Above Average”**
Low cost (bottom 33% of data)	Silver	Platinum	Platinum
Medium cost (middle 41% of data)	Silver	Gold	Platinum
High cost (top 26% of data)	Silver	Silver	Gold

Established metrics that are meaningful to Google with potential provider partners

Effectiveness[1, 4]

Maternity: Rates of elective delivery, healthy newborns, appropriate C-sections

Mental Health: Depression: screening, improvement over 6 months, and med management

Cancer: Breast & colon cancer screening; stage documented by MD

MSK: Low back pain imaging rate & functional improvement rates

Prevention & Lifestyle: BMI, tobacco, sleep, readmission rates, patient safety

Experience[2, 4]

Access to Care: same-day answers to medical questions; appointments as soon as needed

Waiting Time: seen within 15 minutes of appt. time

Explaining Care: MD explained & was understood

Listening: doctor listened carefully

Respect: MD showed respect for what you had to say

Visit Time: doctor spent enough time with you

Efficiency[3]

Reduction in Avoidable Visits: ER Visits, Urgent Care visits, Office visits

Improve generic medication efficiency rate

Improve Access: Innovate with lower cost, time saving technologies (email, text and video) to make care convenient

Build on foundation of claims-based targets, e.g. budgeted $PMPM

1. Aligned with Medicare ACO Shared Savings program metrics & Catalyst for Payment Reform Report (adapted for pre- age 65 group) metrics.
2. Aligned with CAHPS; *Note: these metrics have the largest denominators and represent first-hand, self-reported data.*
3. Initial Draft of Efficiency metrics: Choosing Wisely initiative plus some key Google metrics we want to influence.
4. Initial draft of Google Effectiveness, Efficiency and Experience metrics.

Implementation challenges and lessons learned

Start with Good Data

- Project Stork started with an analytic plan to understand what was driving our high cost maternity cases
- The maternity cost and quality idea came from a data warehouse report showing massive variation in the cost of standard deliveries in the Bay Area

Bring in Experts

- Sometimes you don’t know what you don’t know
- We used Googler experts who had been going through infertility to inform our work (ie. 20% project).
- We used scientific studies and had the results reviewed by our medical second opinion vendor and our new medical director.
- We found vendors who could help us with provider contracting, administration and transparency

Think Broadly about Solutions

- Project Stork started as a fertility benefit project
- We realized that there is more than one way of becoming a parent (i.e. adoption and surrogacy)
- Consider all the issues that can arise and areas people won’t be happy with and prepare FAQ’s.

Next Steps for Google

- Consider launching aspects of Project Stork outside the US
- Measure results of fertility program (12-18 months)
- Expand Maternity Cost and Quality analytics study to more regions
- Continue down the road of value based care in the maternity space
  - Finalize the metrics with provider systems
  - Figure out how to track them
  - Roll into direct Provider contracts with upside and downside risk not just for maternity but for the other triple aim metrics.

Baby+Co.

May 18, 2016

Baby+Company

Small company with employees in multiple states

- Network of 5 freestanding birth centers
  - North Carolina, Colorado, Tennessee and Arkansas

Outcomes that are as good or better than hospital based care

1. **Lower cesarean rates**
   - C-section rates of 6%[1] vs. 26.9% for women with low-risk pregnancies in the United States[2]

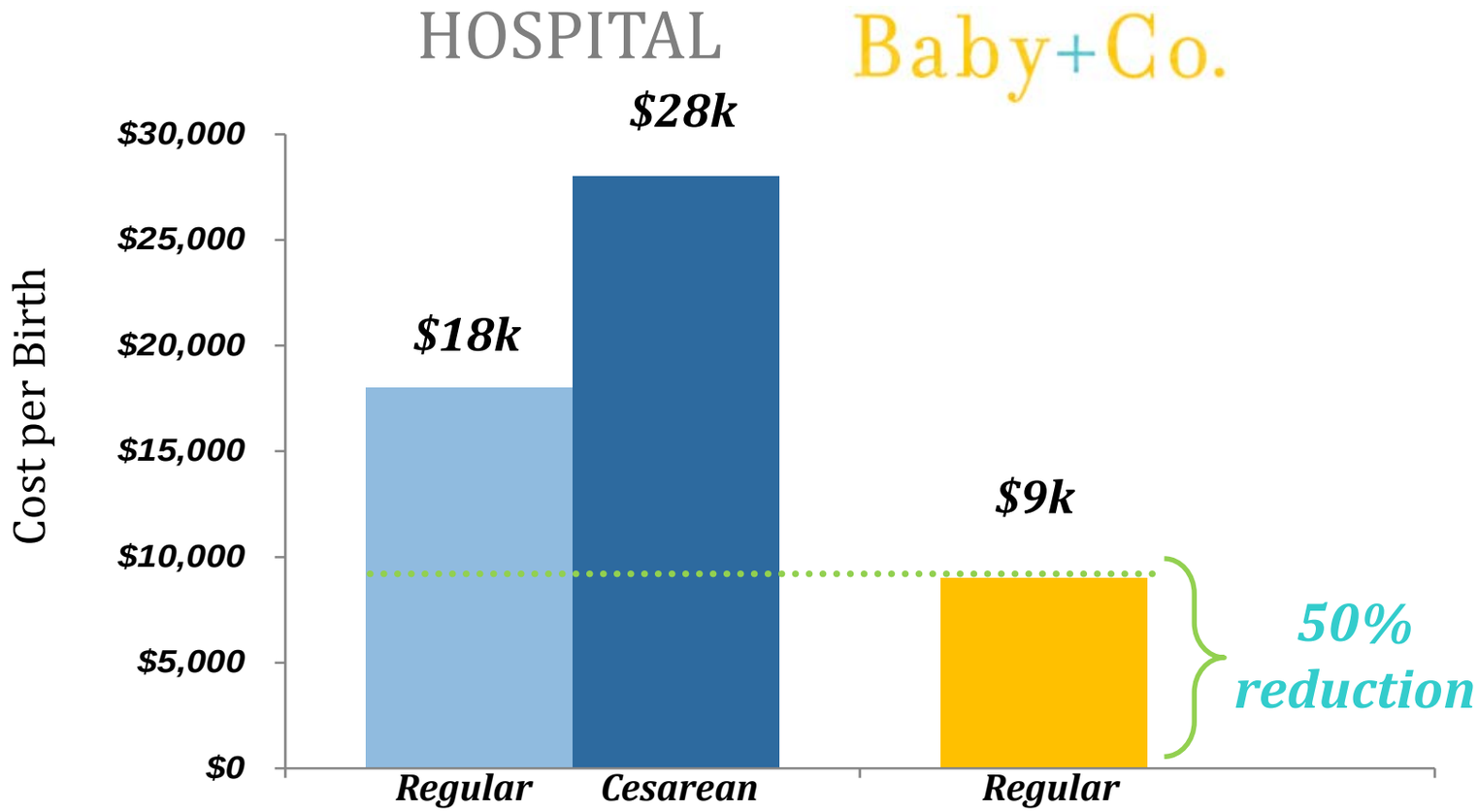
2. **Outcomes that are as good or better**[1]
   - Morbidity or mortality rates that are as good or better than hospital based care
   - Higher breastfeeding rates
   - Lower NICU Admissions rates

3. **Wellness benefits that extend beyond the maternal episode**

Source: (1) Stapleton et al.: "Outcomes of care in birth centers: demonstration of a durable model," JMWH, 2013; Begley et al., 2011; Janssen et al., 2012; (2) National Vital Statistics Reports, Vol. 63, No. 6, November 5, 2014 “Trends in low-risk Cesarean Delivery in the United States 2009-2013

Significant savings

Savings come both from a reduction in the number of cesarean sections and a reduction in the cost of vaginal birth.



	United States Average (low-risk pregnancies)	Baby+Co. Average
Cesarean Rate	26.9%	6%

Source: Truven Health Analytics, *The Cost of Having a Baby in the United States*, 2013; National Center For Health Statistics; Vital Statistics Report: Volume 63, No 6, November 4, 2015

Baby +Company as a purchaser

- ~100 employees

- Interest in offering maternity care for our employees that is in keeping with the care that we offer the families that we serve

- As a small company we have limited leverage in plan design

- The plan that was the best fit for our employees broadly isn't contracted with us as a provider

Strategies

- Work with other small employers as a group via brokers or other affiliations such as professional associations

- Be really specific with requests

- Work with providers and employees to ensure implementation

Wrapping up

- Q&A—questions from the chat box
- Email cconnors@pbgh.org for slides
- More info on LAN at www.hcp-lan.org
  - *Feedback on maternity white paper due Monday!*
- More info on PVN at www.pvnetwork.org

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