THE TIME FOR ACCOUNTABILITY IS NOW:

A Discussion of How Both the Private and Public Sector are Accelerating the Move to Accountability

4/7/2015
INTRODUCTIONS

Sean Slovenski
CEO
Intel-GE Care Innovations
A PARTNER YOU CAN TRUST

WHO WE ARE
Intel-GE Care Innovations™ is a joint venture between Intel Corporation and GE. Each company has a long history of driving innovation, solving hard problems and creating new markets.

Care Innovations is transforming the way that healthcare is delivered with progressive solutions that solve real problems.

OUR VISION FOR THE FUTURE
The healthcare landscape is constantly changing. Medical resources are stretched. People are living longer. Seniors want to maintain their current level of independence as they age.

Even as the healthcare landscape continues to evolve, we envision millions of people living healthy connected lives in their homes.

Care Innovations’ flexible solutions connect people to their care teams and give them the confidence to live, wherever they call home.
OUR GOAL

IMPROVE CARE. REDUCE COSTS. MANAGE RISK.

CONSULTATIVE PARTNERSHIP
SMART SENSOR ANALYTICS
REMOTE CARE MANAGEMENT
CONSUMER ENGAGEMENT
INDUSTRY LEADERSHIP

Care Innovations provides comprehensive end-to-end solutions to unlock health organizations’ potential and manage outcomes more effectively in the home.
INTRODUCTIONS

Chris Dawe
Managing Director, Policy & Transformation
Evolent Health
By 2018 We Expect 169M People to be Under a Material Provider “Risk” Structure

Public and private sector forces will drive aggressive growth in provider risk lives

Expected Expansion of Provider Risk

Providers and Health Systems will be at financial risk for half of the nation’s population’s health outcomes by 2018
CMS is committed to value-based care, targeting >50% of payments in alternative models by 2018

As a very large payer in the system, we believe we have a responsibility to lead. For the first time, we’re going to set clear goals and establish a clear timeline for moving from volume to value in the Medicare system.

“Obama administration wants to dramatically change how doctors are paid” January 26, 2015

HHS Secretary Burwell January 26, 2015

Source: Brookings Institute, Evolent.
The Health Care Transformation Task Force aims to accelerate the migration to value-based care.
The Task Force’s guiding principles outline a financially and operationally viable and sustainable approach:

Shift 75% of our respective businesses to be under value-based care contracts by 2020

- Design programs that provide reasonable returns to deliver the triple aim of better health, better care and reduced total cost of care at or below GDP growth
- Equip market players with all tools necessary to compete in new market focused on people-centered primary care
- Encourage multi-payer participation and alignment to create common targets, metrics, and incentives
- Share cost savings with patients, payers, and providers to ensure adequate investment in new care models
- Foster transparency of quality and cost metrics in a manner that is accessible to, and easily understood by, consumers
- Support the needs of disadvantaged populations and help strengthen the safety net providers who serve them
TF Work Groups are driving rapid-cycle product development, starting with improving the ACO model

**Improve the ACO Model**
Develop aligned public-private action-steps and recommendations to improve the design and implementation of the ACO model.

**Develop Common Bundled Payment Framework**
Create detailed principles and tools to align and evaluate episode definitions/pricing for public/private payer bundled payment programs.

**New Model Development - Improving Care for High-cost Patients**
Create, test and recommend a delivery/payment model that allows a wide range of provider organizations, including in rural areas with little to no current MA/ACO penetration, to engage in population health by starting with highest-cost patients (top 5%).
Our mission is to change the health of the nation by changing the way health care is delivered.

**OUR PARTNERS**
A national network of leading provider-led risk bearing organizations

**ACHEIVING RESULTS**
Large mid-Western health system

- **60%** in total medical spend within complex care
- **40%** Increase in Medicare patient engagement rates
- **20%** 30-day readmission rates within transitions care

- Live Markets
- Developing Markets

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Recognition badges for Forbes America's Most Promising Companies and Best Place to Work 2015 by Glassdoor.
What We Do

BLUEPRINT

MARKET FACING SOLUTIONS

EMPLOYER VALUE ADVANTAGE | PAYER VALUE ALLIANCE | HEALTH PLAN VALUE EDGE

VALUE BASED SERVICES ORGANIZATION

Population Health Performance | Delivery Network Alignment | Financial and Administrative Management

System Transformation

Identifi Technology Solution

Charting strategic course and operating plans

Powering value-based market facing solutions

Establishing a dedicated value-based business infrastructure

Operating world-class competencies

Transforming from the inside out

Integrating data, analytics, and workflow
INTRODUCTIONS

Mitch Higashi
Chief Economist
GE Healthcare
The New Paradox:
How do I keep patients out of the hospital and keep the lights on inside?
Factors driving the race towards productivity: High-deductible health plans

HDHPs fuel consumerism and market disruption

Consumers are increasingly open to digitally-driven diagnosis & options

Consumers are willing to abandon traditional care venues for affordable and convenient alternatives

50% of respondents would choose new options for common procedures

Consumers are acting

2007
9.7% had ever visited a retail clinic

2013
35% had been within the last 12 months

64% are open to trying new, nontraditional ways of seeking treatment
Factors driving the race towards productivity:
Labor costs

Index of hours and labor productivity for community hospitals

Course of Treatment
1993-2010

Factors driving the race towards productivity: Reimbursement Pressure
HCIT is a critical enabler of bundled payment systems

Being at risk requires that providers closely monitor their costs to ensure bundled services are being delivered profitably

Bundled payment schemes often have accompanying quality measures that providers must report to payers

More routine EMR users

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2013</th>
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<tbody>
<tr>
<td>18%</td>
<td>78%</td>
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\[n=3,700\]

...but limited ROI from operational efficiencies

Q. Realized ROI?

\[\text{Lower dictation costs} \quad \text{Fewer rejected claims} \quad \text{Higher patient volume}\]

\[n=49\]

\[\text{NO} \quad \text{YES}\]

\[\sim \$78B\] opportunity to transform care delivery

- Coordination: $78B
- Connectivity: $34B
- Digitization: $22B

Factors driving the race towards productivity: Bundled payments

- Digitization of paper records
- Vertical silos, e.g. radiology, OR
- Clunky user interfaces
- Break-fix service

- Connected workflows & analytic insight
- Population health
- Intuitive, delightful user experiences
- Remote patient management

(1) Office of the National Coordinator for Health Information Technology. Report to Congress, October 2014 (http://www.healthit.gov/sites/default/files/rtc_adoption_and_exchange9302014.pdf);
(2) Adler-Milstein et al, Health Affairs March 2013; (3) http://content.healthaffairs.org/content/early/2005/01/19/hlhaff.w5.10.full.pdf
INTRODUCTIONS

Laurie Orlov
Founder
Aging in Place Technology Watch
Four aging in place technology categories

Plus:

Communication
- Email, Chat, Games, Video, Cell phone, Smart phone, Tablet, PC, Mac

Engagement
- Security, mPERS, Webcam, Fall detection, Home monitor
- Inactivity monitor

Safety and Security
- mHealth apps, Telehealth, Medication mgmt, Disease mgmt, Fitness/trackers
- Wearables

Health and Wellness
- Caregiving:
  - Finding Care
  - Homecare platforms
  - Homecare apps

Learning and Contribution
- Legacy, Education and Learning, MOOC
- Volunteer, working past 65

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