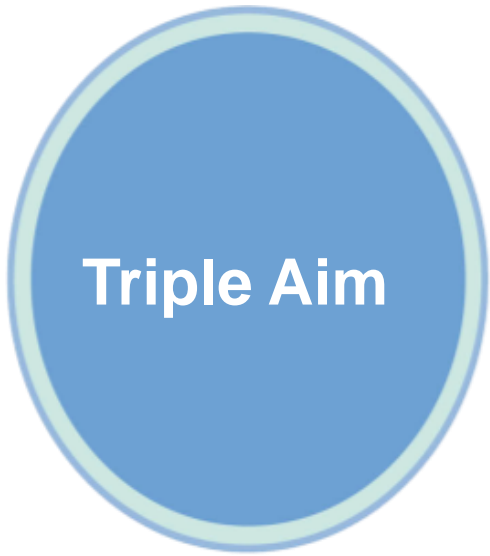


Successful Triple Aim Collaboration between two competitors:

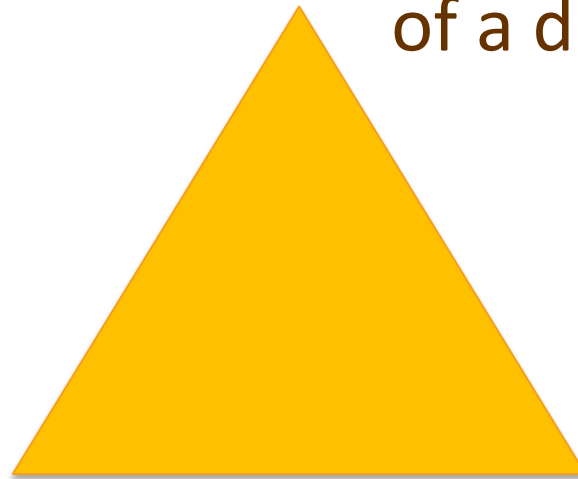
An innovative ACO Case Study

Brian Rank, MD
Medical Director
HealthPartners Medical Group

Penny Wheeler, MD
Chief Clinical Officer
Allina Health



The **Health**
of a defined population



The **Experience**
of every patient

The **Affordability**
of healthcare

NW Alliance Demographics

- Allina Medical Clinic (AMC)
 - 6 AMC Clinics with 120 Primary Care Providers and Several Specialty MD's
 - Mercy Hospital with 21,000 Admits
 - Cardiology Practice with 21 MD's
 - Highly Engaged Independent Specialty MD's
- HealthPartners Medical Group (HPMG) and Health Plan
 - Health Plan with Nearly 1.4 million members
 - 27,000 Commercial Members in Alliance
 - 4 HPMG Clinics with 55 Providers
- Care for nearly 300,000 patients together

The Northwest Metro Alliance: Background/Challenges

- **Path of Mutually Assured Destruction**
 - Tension Over Plan Contract Rates
 - Perceived or Real Threat of Volume Shifts
 - Duplication of Capital Intensive Services
 - Fragmentation of Care
- **Recognition of Co-dependency**
 - Difficulty in Changing Patient's Preferences
 - Optimal Financial and Capital Performance
 - Inability to Build Reliable Specialty Coverage
 - Health Plan: deep set of metrics on 27,000 members
- **Cost trend 8% above metro**

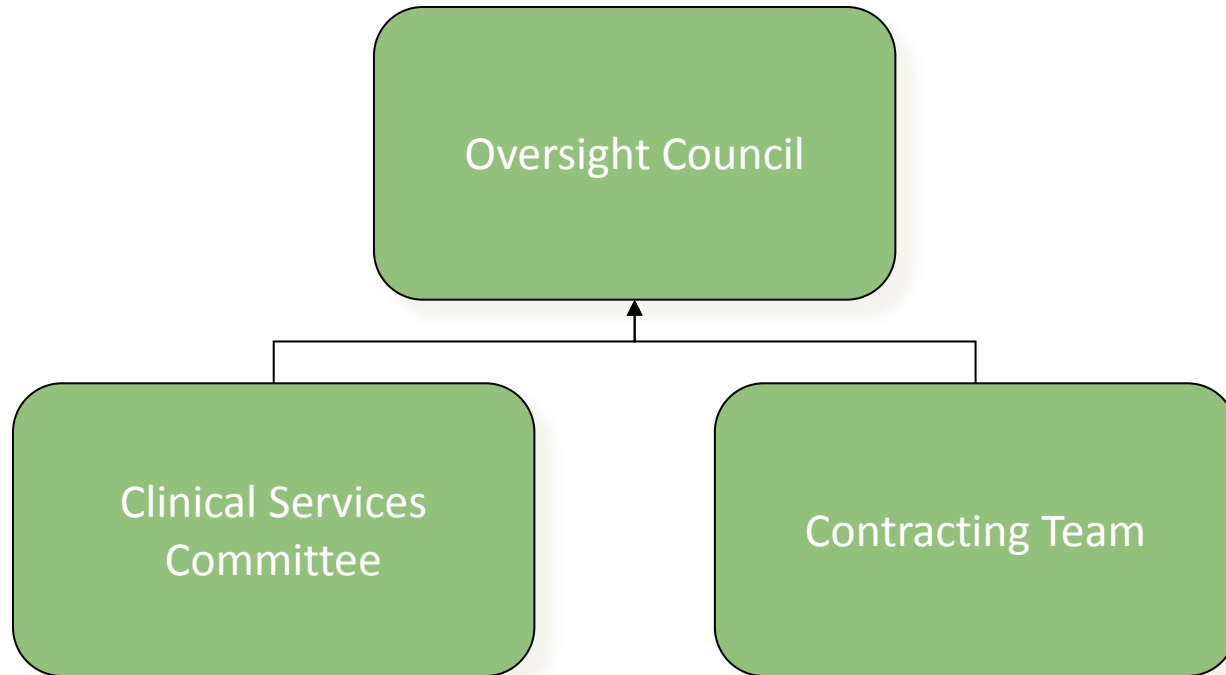


NW Alliance Affiliation Understanding

- Understanding that HealthPartners and Allina care for nearly 300,000 people in the NW metro together.
- Through partnership, we would increase the probability of Triple Aim success (our missions)
- Alignment must be built around common principles/values
- Long-term stability and incentives would enable strategic integration and growth
- Economic integration could optimize the performance of capital intensive services and moderate total cost of care

Critical shift in mindset from competition to cooperation

Governance and Agreements



- Affiliation Understanding
- Imaging Joint Venture
- Electronic Medical Record Access
- Cooperative Clinician Work

- Hospital Coverage
- Special Payer Agreement
- Analytics

Claims Based Data Analytics

NWA - Total - 201

Total Cost of Care Report - Rolling 12 Months: July through June - 2009, 2010 & 2011

- Risk Adjusted Total Cost of Care Metrics
- Total Spend including Clinics, Hospitals, Rx and Referral Providers
- Attributed, Commercial, Continuously Enrolled, Excluding Babies and 65+
- Total Reimbursement Capped at \$100,000

	Potential Opportunity (TCI)
	Potential Opportunity (Pricing)
	Potential Opportunity (RUI)
	Potential Opportunity (Patient Mgmt Util)
	Potential Opportunity (High Cost Util)

Highlighted cells indicate ≥ 1.01 after rounding

Provider Group	Members			Average ACG Score			TCI			Price Indexed to 2011			Resource Use Indexed to 2011		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
NWA Total	21,611	26,575	27,502	1.03	1.05	1.04	1.02	1.02	1.04	0.94	0.98	1.00	1.04	1.03	1.03
Metro Total	269,799	299,211	288,300	1.05	1.06	1.06	1.00	1.00	1.00	0.95	0.98	1.00	1.00	1.02	1.00

The first through third quarter results should be viewed as preliminary indicators to year end results due to fluctuations in membership and its corresponding impact on continuous enrollment and ACG risk score assignments

Provider Group	Patient Management Utilization Measures															
	E&M Count Index (Total)		E&M Count Index (PC)		E&M Count Index (Spec)		% PC E&M*		Lab/Path Count Index		Standard Rad		Rx Count Index		% Generic Rx*	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
NWA Total	1.00	1.01	1.02	1.01	0.97	1.01	54%	53%	0.98	1.01	1.03	1.06	1.04	1.04	77%	81%
Metro Total	1.00	1.00	1.00	1.00	1.00	1.00	52%	52%	1.00	1.00	1.00	1.00	1.00	1.00	76%	80%

*Measure is not risk adjusted

Provider Group	High Cost Utilization Measures													
	Admit Count Index		IP Surg Count Index		ER Count Index		OP Surg Count Index		Hightech Rad Index (ER)		Hightech Rad Index (nonER)		% ER Hightech Rad*	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
NWA Total	1.06	1.12	1.04	1.08	1.04	1.02	0.96	0.92	1.10	1.03	1.08	1.09	18%	16%
Metro Total	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	17%	17%

*Measure is not risk adjusted

Provider Group	Service Category TCI						Price Index						Resource Use Index							
	IP TCI		OP TCI		Prof TCI		Rx TCI		IP Price		OP Price		Prof Price		IP RUI		OP RUI		Prof RUI	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
NWA Total	1.09	1.14	0.94	0.93	1.05	1.06	0.97	0.99	1.06	1.05	0.96	0.97	1.02	1.01	1.03	1.09	0.98	0.96	1.03	1.05
Metro Total	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Comparisons to metro average suggest that opportunities are in Admissions, Emergency Department use, and High Tech Diagnostics

Using the Triple Aim to Lead Change

- Validated and accepted claims-based data analytics
 - Highlights trend and TCOC performance v. metro

Provider Group	Members			Average ACG Score		
	2008	2009	2010	2008	2009	2010
NWA	22,564	27,687	27,695	1.04	1.05	1.02
Metro Total	273,491	308,501	308,647	1.04	1.05	1.06

Provider Group	TCI			Price Indexed to 2010			Resource Use Indexed to 2010		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
NWA	1.02	1.03	1.04	0.93	0.98	1.01	1.02	1.03	1.03
Metro Total	1.00	1.00	1.00	0.93	0.97	1.00	1.00	1.02	1.00

- Clinical Alignment with key stakeholders around quality and affordability opportunities
 - Reduce variation
 - Local ownership of initiatives

Prioritized Clinical Initiatives List

- Generics
- Low Back Pain Management
- High Tech Diagnostics (Decision Support)
- Emergency Department Rates (Care Management in the ED)
- Admissions (Low Risk Cardiac, Gynecological)
- Readmissions (All Cause)
- Inductions of Labor
- Care Management Integration
- Mental Health Outpatient Services
- Colon Cancer Screening
- Patient Satisfaction in Mercy Obstetrics Unit
- Pediatric Obesity



Case Study – Generics

- Improving generic prescribing rates is directly aligned with the Triple Aim
- Physician Level Health plan data used to support change and variability reduction
- Clinics jointly developed strategies and teachable point of view

NW Metro Alliance generic prescribing rates has improved every quarter from 75% (original baseline) to 88% (current)

Case Study – Inductions of Labor

- Elective inductions of labor at <39 Weeks put mom and baby at risk as well as increase cost
- Joint development and rollout of hospital protocol, in partnership with hospital and clinic MDs and staff

**Reduced Mercy elective inductions of labor at
< 39 weeks from 8% to 0**

Case Study – CM/SW in Mercy ED

- Many frequent users of the Mercy ED, using the ED over 5 times monthly
- 2 Care Managers and 2 Social Workers added to the Mercy ED to help connect patients with primary care and community resources
- Over 150 patients impacted monthly

More than 20 ED visits per month avoided through connecting patients with other care options

Case Study – Low Back Pain

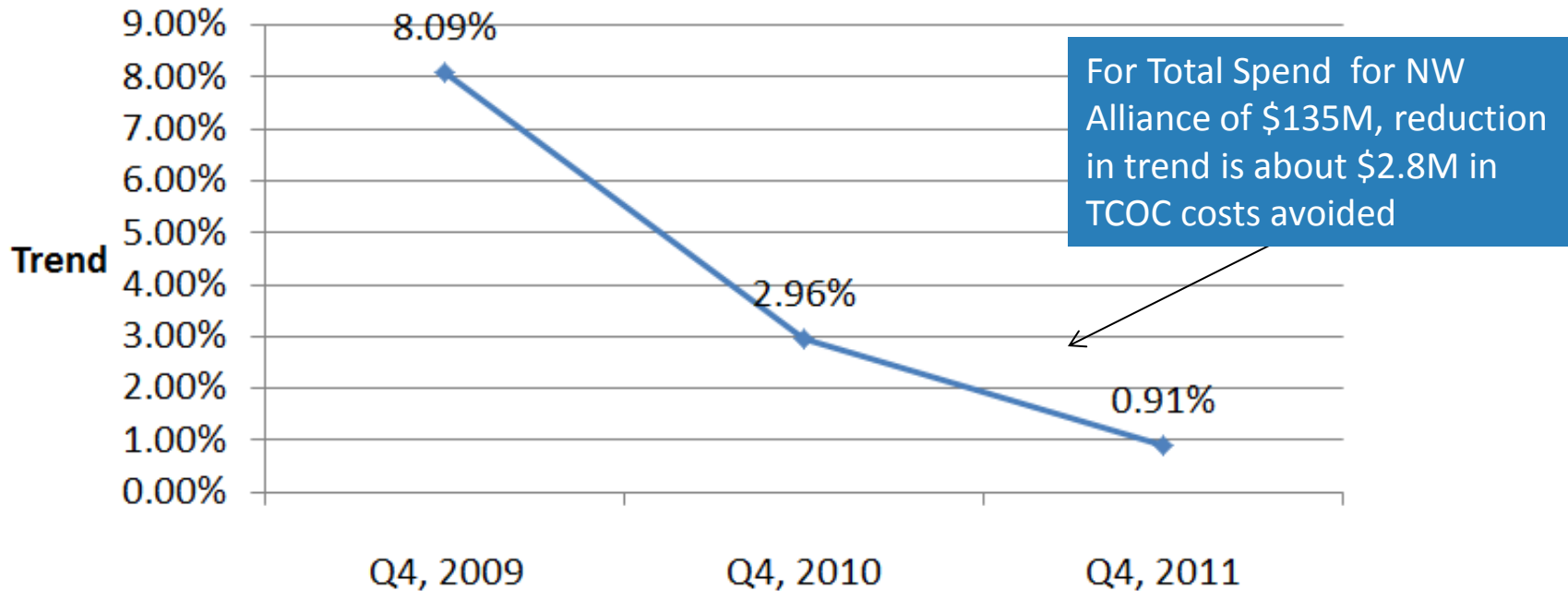
- Variability in treatment for low back pain in the market, including use of specialists.
- Ongoing efforts to align on protocol and tools for use in primary care setting
- Development of optimal care report to use as feedback loop with physicians

More complex area requiring longer time period to align and support community practice patterns

Year 2 Results

TCOC Overall Trend - Yearly

NW Metro Alliance - Risk Adjusted PMPM Trend, Yearly



Data shows positive trend improvement for first two years of NW Metro Alliance

Key Learnings

- Can't afford to have a “Tragedy of the Commons”*
 - Look for partners with aligned missions/mutual respect
 - Actionable data is necessary to prioritize/plan
 - Clinical engagement- trust your clinicians and support them
 - Collaborate to support best evidence based care
 - You can make a difference

*Hardin G. The tragedy of the commons. *Science* 162:1243-7, 1968.

Questions

- What are your communities like?
 - ‘Competitors’ with similar missions, aims & goals?
 - Could you envision collaborating for Triple Aim outcomes in your community?
- Actionable data available?
 - Public databases
 - Payers with claims data regarding your practice
- With increasing competition, strategic decisions need to be reached by organizations. Is the Triple Aim in your mission?
- Can you compete and collaborate in your market for Triple Aim outcomes?
- What is the alternative?