

Select Committee on Health Innovation

Monday, November 13, 2023 3:30 PM - 5:30 PM Morris Hall (17 HOB)

Meeting Packet

Committee Meeting Notice HOUSE OF REPRESENTATIVES

Select Committee on Health Innovation

Start Date and Time: Monday, November 13, 2023 03:30 pm

End Date and Time: Monday, November 13, 2023 05:30 pm

Location: Morris Hall (17 HOB)

Duration: 2.00 hrs

Insurance shared savings programs:

- -Briefing by the Department of Management Services on the state employee group health plan
- -Presentation by Bill Kampine, Healthcare Bluebook
- -Presentation by Ryan Burke, Employer Direct Healthcare

To submit an electronic appearance form, and for information about attending or testifying at a committee meeting, please see the "Visiting the House" tab at www.myfloridahouse.gov.

NOTICE FINALIZED on 11/06/2023 4:01PM by Clenord.Judeline

Division of State Group Insurance: Shared Savings Program

House Select Committee on Health Innovation

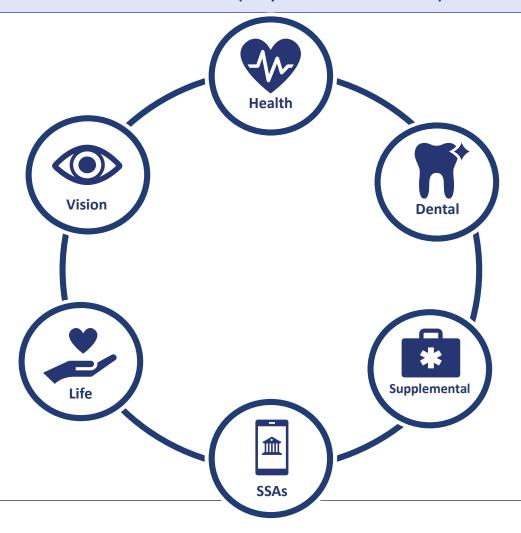
November 13, 2023





Division of State Group Insurance

The Division of State Group Insurance (DSGI) offers and manages a comprehensive package of health and welfare insurance benefits for active and retired state employees and their dependents including:





Division of State Group Insurance by the Numbers

Program Participation			
Participants as of January 2023	Approximately 340,000 Covered Lives		
Participating Employers	55		

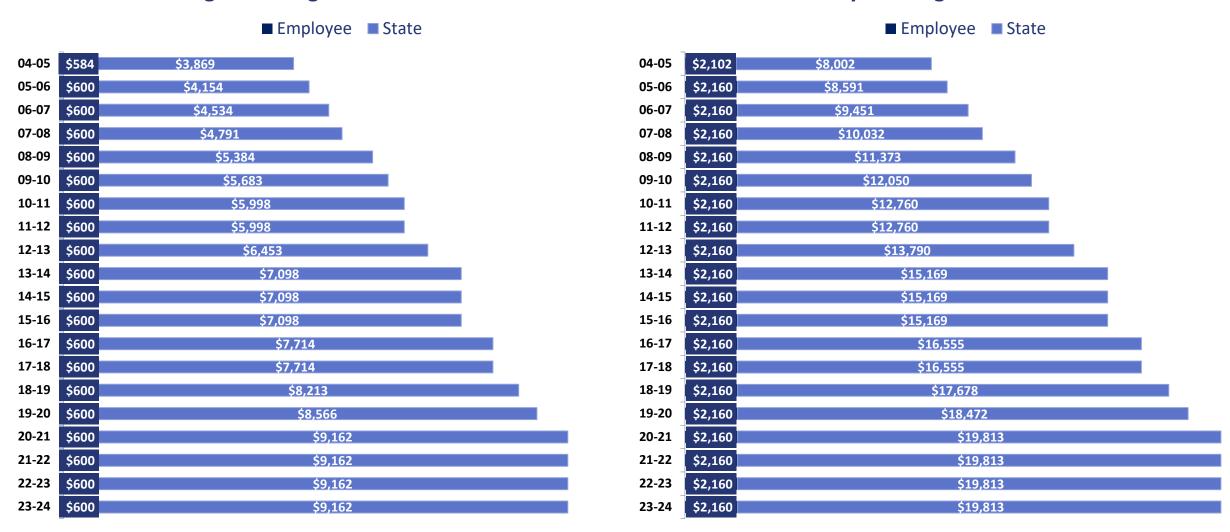
Division Budget			
FY 2023-24 Full Time Employees	34		
FY 2023-24 Operating Budget	\$72.7 Million		



Premium History

Single Coverage Annual Premium

Family Coverage Annual Premium





5

Shared Savings Program

- s. 110.12303, F.S. enacted in 2017, directed the Department to contract for:
- Comprehensive pricing and inclusive services for surgery and other medical procedures, known as Bundled Surgical Services.
- An entity that provides enrollees with online information on the cost and quality of health care services and providers allowing an enrollee to shop for health care services and providers, known as Transparency Services.

Bundled Surgical Services

- Healthcare concierge service that offers coordination of pre-planned surgical procedures through a proprietary network of providers at a negotiated "bundled" rate.
- Through direct contracting, costs are below the reimbursement rates of traditional health plan carriers, thereby generating a savings to the State.
- Members share in this savings through rewards to their HRA, HSA, and FSA accounts.

Transparency Services

- Online healthcare transparency tool that allows members to search for and compare **in-network** providers by both cost and quality and select a high-value provider.
- When members choose cost-effective providers, it creates in-network savings for the State.
- Members share in this savings through rewards to their HRA, HSA, and FSA accounts.



Shared Savings Program: How it Works

Bundled Surgical Process for Members

Surgical Procedure Needed Member Calls Bundled Surgical Vendor Member Selects a Provider

Member has the Procedure

Saves Money and Earns a Reward

Transparency Services Process for Members

Medical Procedure Needed

6

Member visits
App or
Website

Member "shops" for Procedure

Procedure Completed at a "Green" Facility Saves Money and Earns a Reward Once the service and reward amounts are validated, rewards are credited to the member's health savings account.

Rewards can be used on eligible future medical, dental, and vision expenses.



Shared Savings Program: Total Rewards and Savings

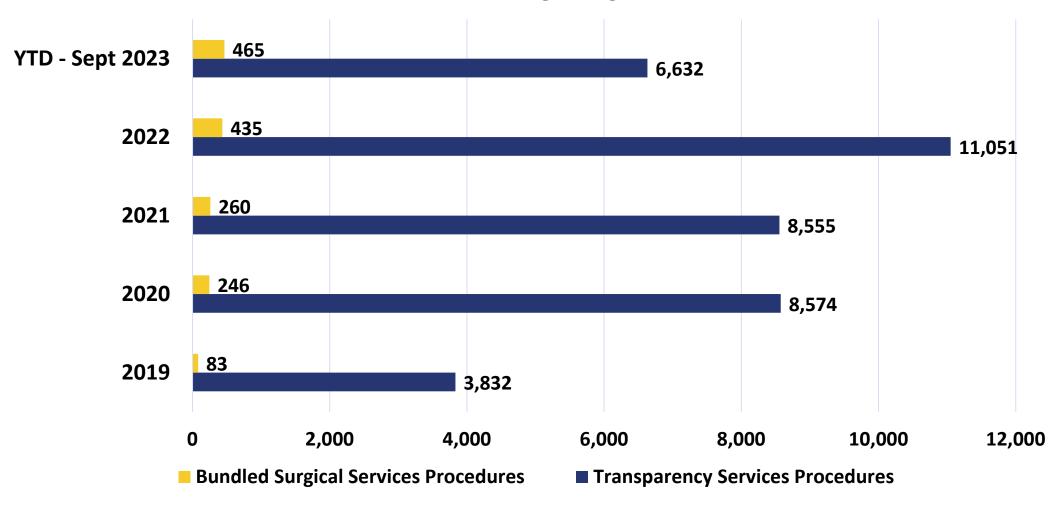
Since 2019, the Shared Savings Program has saved the State over \$44 million, and members have earned over \$10 million in rewards.

Transparency Services Totals: January 2019 – September 2023				
Procedures	Reward Amounts Earned	State of Florida Net Savings		
38,644	\$7,093,305	\$25,081,502		
Bundled Surgical Services Totals: January 2019 – September 2023				
Bundled Surgical Se	rvices Totals: January 201	9 – September 2023		
Bundled Surgical Se Procedures	r vices Totals: January 201 Reward Amounts Earned	9 – September 2023 State of Florida Net Savings		



Shared Savings Program Utilization

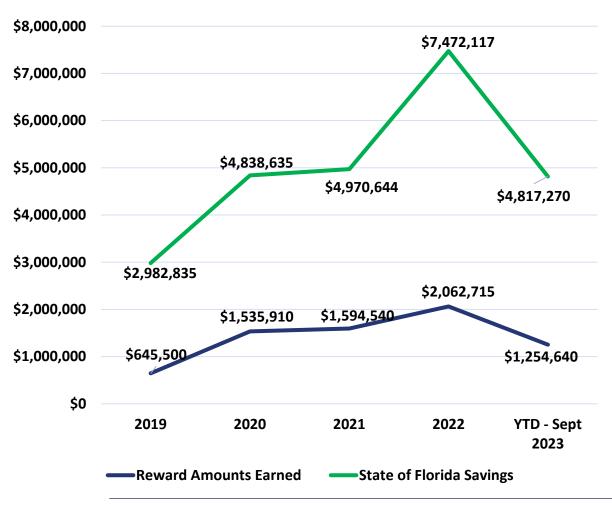
Number of Shared Savings Program Procedures



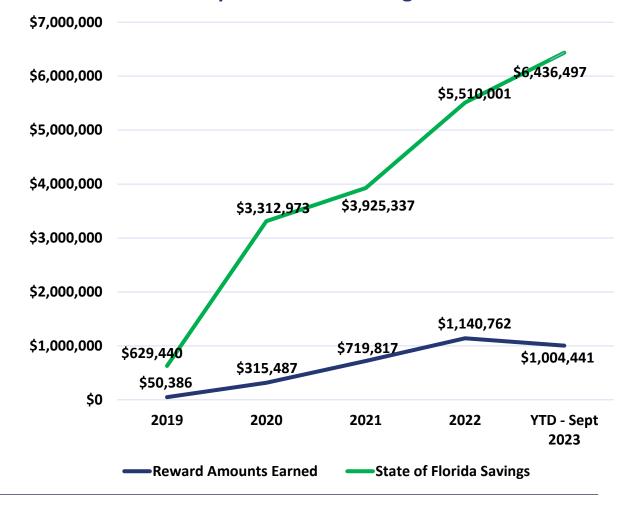


Shared Savings Program Trends





Bundled Surgical Rewards Earned Compared to Net Savings



For questions, please contact:

Jeff Ivey, Deputy Chief of Staff
Jeff.Ivey@dms.fl.gov



Healthcare Bluebook

Bill Kampine

Co-Founder and Chief Innovation Officer



Bill Kampine, Co-founder and Chief Innovation Officer for Healthcare Bluebook, is one of the most well-respected thought-leaders in healthcare cost and quality transparency. Bill brings over 25 years of experience in new venture development, mergers and acquisitions, strategy and advanced analytics, and oversees healthcare economics, innovation and strategic growth initiatives at Bluebook.

Bill: The price of services remains the single biggest issue for employers in terms of controlling healthcare costs. Employers and consumers shoulder about half of healthcare spend nationally, and experience increases of five to seven percent each year. The national data show that consumption of care is flat or declining – yet employer costs continue to rise. The issue for employers and

consumers is navigating their network for price and quality. Bluebook's singular focus is to enable member navigation and ensure that both employers and consumers obtain high quality, cost-effective care.

In 2018, Bill was invited to testify before the U.S. Senate Health, Education, Labor and Pensions (HELP) Committee at the fourth of five hearings aimed at identifying the drivers of rising healthcare costs. The series, entitled Reducing Health Care Costs: Examining How Transparency Can Lower Spending and Empower Patients, was led by HELP Chairman, Senator Lamar Alexander of Tennessee. Following Bill's presentation, he and other industry experts were invited to contribute foundational information to bi-partisan draft legislation sponsored by Alexander and Senator Patty Murray (D-WA) by providing specific recommendations for improving transparency and reducing cost.

Prior to Healthcare Bluebook, Bill assisted in the development of CareSteps Inc., a predictive modeling and disease management company that successfully merged with Healthways (2001) where he served in a variety of executive roles. He has also served as an economist and consultant to global Fortune 1000 companies in the healthcare, insurance and pharmaceutical industries.

Bill conducted post-graduate work in economics at George Washington University and holds an MBA from Carnegie Mellon University. Most recently in Washington D.C., the American Benefits Council announced Bill's election to its 2023 Policy Board of Directors Executive Board.



Healthcare Bluebook Overview

About Bluebook

Providing employers and their employees with objective quality and cost insights, and powering optimal healthcare navigation

15,000+

CLIENTS

+08

TPAs & Payors

National Coverage

















TEMPUR + SEAL.











The Price Problem

How do patients experience price?

Market | Tampa Bay

In-Network Negotiated Price

Market Basket of Procedures	Low Price	High Price	Variance	
Colonoscopy (screening)	\$1,001	\$7,927	792%	
Shoulder MRI (no contrast)	\$378	\$2,612	691%	
Sleep Study	\$550	\$4,190	762%	
Chest CT (no contrast)	\$243	\$1,861	766%	
Knee Arthroscopy	\$2,871	\$14,620	509%	
Upper GI Endoscopy (no biopsy)	\$891	\$7,216	810%	
Abdominal Ultrasound	\$86	\$814	947%	
Cataract Surgery	\$2,038	\$9,192	451%	
Heart Perfusion Imaging	\$577	\$5,781	1001%	
Ear Tube Placement	\$945	\$10,353	1095%	

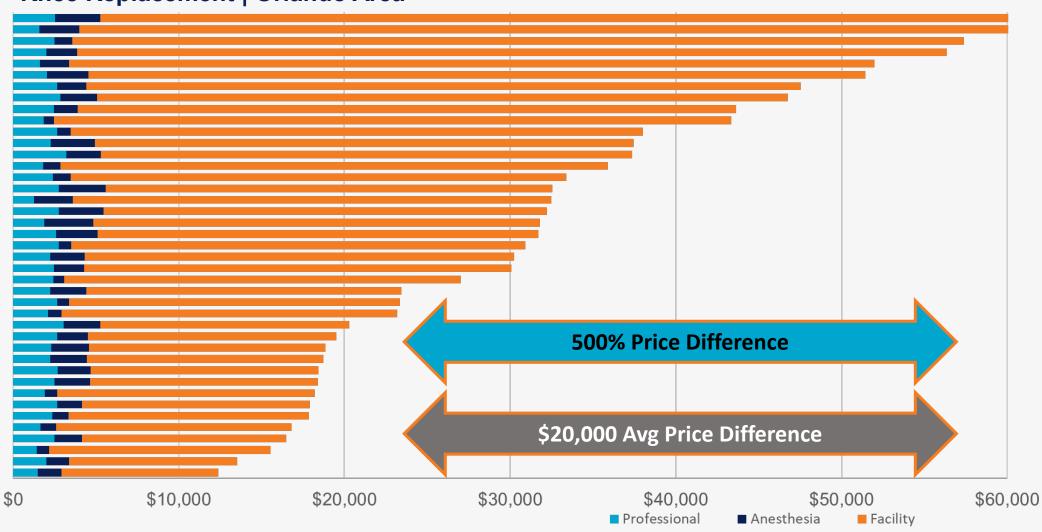
Average Market Variance 662%





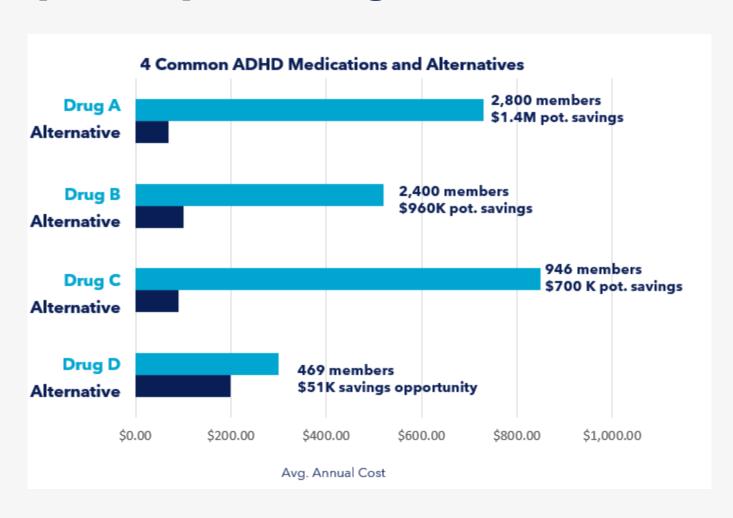
The Problem: Networks don't guarantee low cost and high quality

Knee Replacement | Orlando Area





The same price variability exists with prescription drugs



The price of treatments for the same condition can vary significantly

With no correlation to patient efficacy



The Quality Problem

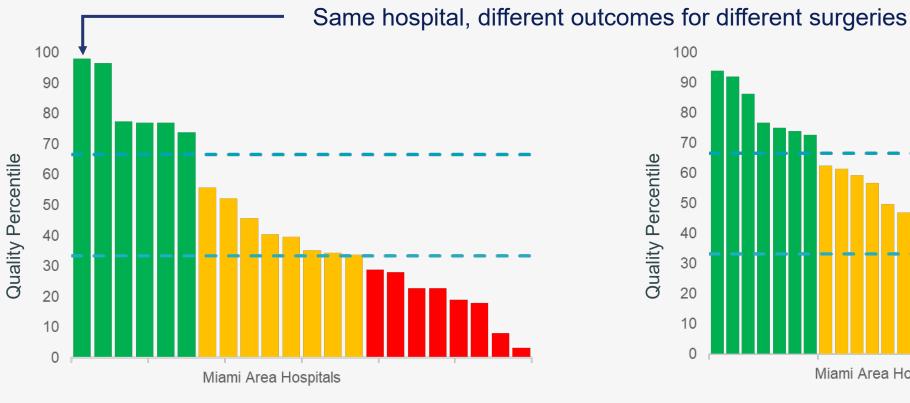


Hospitals may do everything, but they are not great at everything...



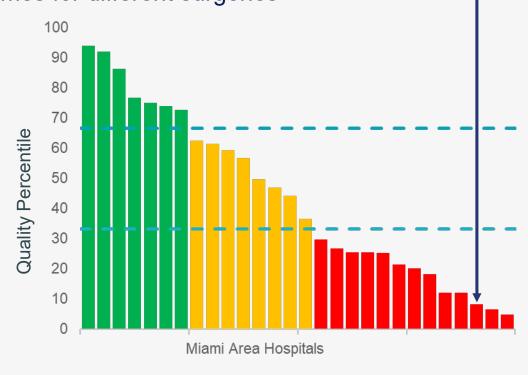


Hospital Quality Example





- 98th percentile nationally
- 1 out of 23 in area
- 43 out of 1,995 nationally



Gastrointestinal Care

- 8th percentile nationally
- 26 out of 28 in area
- 3,859 out of 4,172 nationally



A great hospital \neq a great doctor











- Align incentives of the plan and member by sharing a portion of savings when members make high-quality, costeffective choices on care
- Requires members to shop and then choose a green provider for their care
- 400+ Inpatient and Outpatient Procedures

Navigating to High-quality and Cost-effective Providers

Total Hip Replacement

The Fair Price™ for Total Hip Replacement is \$40,264 in



Facilities Doctors

Facility

904-953-2000

Provider networks may change, so please confirm if your provider is in-network before seeking care.

Filter Distance 5 mi 10 mi 25 mi Max Hide Map Acceptive Maccenty Backson Max Print Verla Beach Max Print Verla Beach Maccenty British Maccenty Beach Maccen

Congratulations! Your search is complete.

Go Green to Get Green

You are eligible to earn the maximum reward amount for this service by using a Bluebook facility that is green-rated for quality and green-rated for cost. Click "Learn More" to learn about eligible procedures, shopping requirements, and reward processing time.

⊘ High



You are eligible to earn a lower reward for this service by using a Bluebook facility that is green-rated for quality and yellow-rated for cost. Click "Learn More" to learn about eligible procedures, shopping requirements, and reward

⊘ Highest

processing time.



Learn more about rewards.

Distance

Quality

Cost

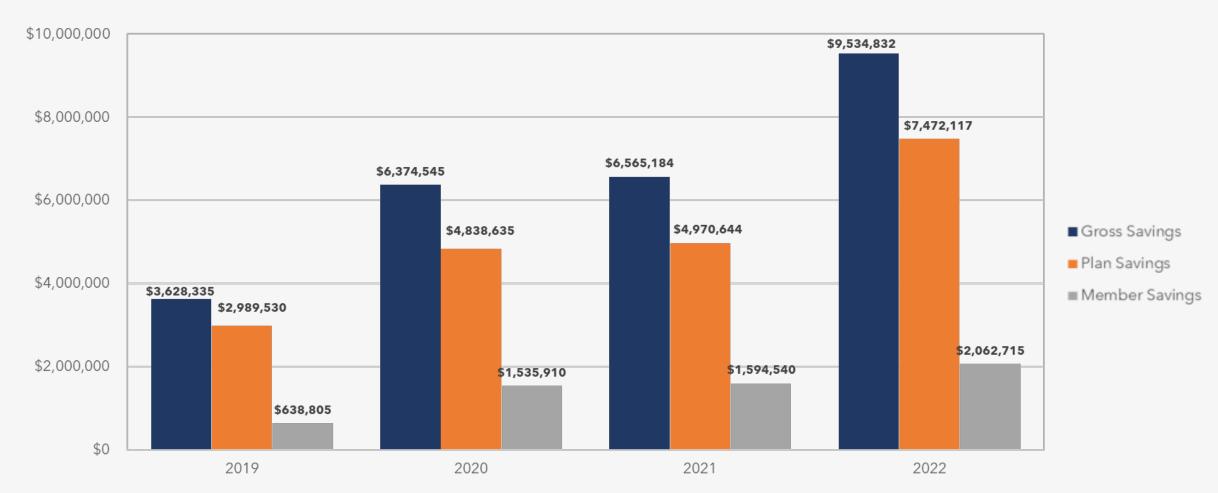
Cost

			About Cost & Quality
St Vincent's Medical Center - Clay County 904-602-1000	1670 St Vincents Way Middleburg, FL 32068 ~ 19 miles	⊘	\$3750 Reward
Memorial Hospital 904-702-6111	3625 University Blvd S Jacksonville, FL 32216 ~ 4 miles	⊘	\$5 \$2500 Reward
Saint Vincent's Medical Center Southside 904-296-3700	4201 Belfort Rd Jacksonville, FL 32216 ~ 6 miles	⊘	\$2500 Reward
UF Health Jacksonville 904-244-0411	655 W 8th St Jacksonville, FL 32209 ~ 2 miles	<u>~</u>	5
Orange Park Medical Center 904-639-8500	2001 Kingsley Ave Orange Park, FL 32073 ~ 12 miles	✓	\$55
Mayo Clinic Hospital	4500 San Pablo Rd		6

~ 13 miles



Significant and growing cost savings, high member engagement and strong ROI





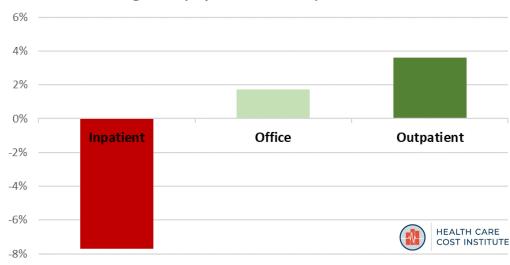
Looking Ahead



Changing healthcare market dynamics require new strategies to manage cost and quality

Care Delivery and Spend is Moving from IP to OP Setting

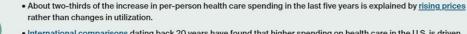
Change in Employer Per Member Spend 2012-2021

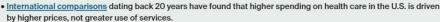


What's Fueling Premium Hikes in the Private Health Insurance Market?



It's largely rising prices, not greater use of services.







Consolidation of hospitals and physician practices contributes to higher prices.

- Researchers at the University of California found as of 2018, 95 percent of metropolitan statistical areas had highly
 concentrated hospital markets, up from 65 percent in 1990.
- . Multiple studies have found that prices increase substantially when neighboring hospitals merge.



Commercial insurers have also consolidated — but they haven't used their market power to rein in prices.

• Three-quarters of insurance markets are considered highly concentrated.





Strategies to impact more of the spend, reduce plan cost and increase use of high-quality care

- Expand coverage of shoppable services to include rapidly growing pharmacy, specialty Rx and infused medications
- Impact member choices earlier in the care pathway from initial physician selection through care delivery
- Deeper alignment of benefit design and incentives to encourage use of high-value care



Discussion

Employer Direct Healthcare

Ryan Burke

Chief Network Officer



Since joining EDHC in 2015, Ryan has held numerous leadership positions in his role as Managing Director and has served on the companies Executive Management Team since 2017. Most recently, Ryan's focus has been primarily on EDHC's surgical and oncological specialty networks, driving affordability, improved outcomes, and access for the organization 5,000,000+ members from over 400 large plan sponsor employer groups. Ryan directly leads both the continued growth of both specialty networks as well as the ongoing management of existing provider partnerships.







Insight on the Impact of Quality and Affordable Care for Patients

A review of our partnerships impact for the House Committee on Health Care Innovation



Mission

Transform access to excellent care for the moments that matter most

Why

- Variability in quality of care is too high
- Cost of care is unaffordable

Solution



A surgeon first approach to the traditional Centers of Excellence Model

Impact

<1%

Complication rates

\$0

Cost share

30%+

Members required to use our Surgeons

23

Miles is the median distance to a provider in the top 50 MSAs

Outcomes

Our Surgeon first approach drives excellent outcomes

Members / Patients

No patient collections, 100% of reimbursement comes from SurgeryPlus

Opt-in / Voluntary Plan Design

Waived deductibles drive change, mandatory use guarantees utilization

Utilization / Referrals

Access within a car drive and waived deductible changes patient behavior

SurgeryPlus is the leading centers of excellence solution

Strong market momentum

5M+

Members

99%

Clients

Retention

Industry leading partners

UHC Hub











Select Fortune 500 Results

Last 12 months PEPM Savings

New in last 12 months







\$29.88

\$25.67

\$25.97

Experience with large, sophisticated plan sponsors



American Airlines





State Farm









HYAIT



RUTH'S



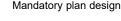
OPCOM

⊘NCR



尚Husqvarna

BRAND) SAFWAY.









\$224.66

100% opt-in, long-term clients

\$71.94

\$37.72











Brown & Root



DOLLAR GENERAL









ArcBest





























\$19.44

\$14.96





















Network coverage that makes a difference



1,500+

Covered Procedures

23 miles

Top 50 MSA Avg.

64 miles

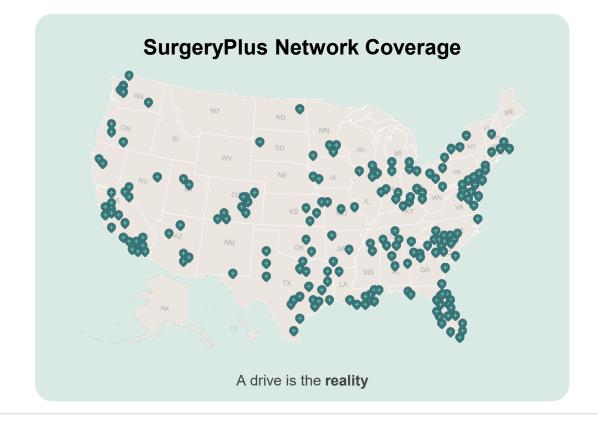
National Avg.

Diverse Facilities For Optimal Care Large Institutional Teaching Hospitals

Community Based Hospitals Ambulatory Surgery Centers

In-Office Procedure Rooms





Why COE's Have Failed

Taking a facility only based approach to quality limits access, which limits utilization and hinders word of mouth growth

Existing client examples of where network access has impacted utilization with population sizes normalized between MSAs to show the impact of utilization based on travel requirements



Any estimates of utilization through a surgical solution must account for member access

Note: MSA populations normalized to be equivalent sizes



A solution for all plannable surgeries

Unlike other COE solutions, through SurgeryPlus, members have access to all plannable surgical episodes.

By covering all plannable surgeries, we increase relevance for members and simplify messaging around the benefit.

Need surgery? Go to SurgeryPlus!

	Local	National
Spine		\bigcirc
Joint		\bigcirc
Other Orthopedics		
Bariatrics		\bigcirc
General		
ENT		
Cardiac		\bigcirc
GI		
GYN		

Surgery Plus			
Local	National		
✓	✓		
✓	✓		
•	•		
✓	✓		
✓	•		
✓	✓		
	✓		
✓	•		
•	•		
	γ		

% of members having a covered Surgery

Most COEs

% of members having a covered Surgery

1%

13%

Surgical excellence starts at the top

We've assembled leading experts to define and validate our quality approach



Loren Rourke, MD





MDAnderson Cancer Center Making Cancer History®





Jennifer Cook, MD Co-Chair of Advisory Board









Marty Makary, MD Lead Clinical & Quality Advisor





Daniel Stein, MD, MBA Partner, Quality & Tiered Network Strategies







Josh Roller, MD National Instructor for Bariatric Surgery





Alan Davis, MD Chairman of Orthopedic Surgery at The Cleveland Clinic



Robert Masson

Founder JCAHO Spine Center of Excellence Fellowship Trained neurosurgeon

Carolina Escobar, MD

Responsible for Baylor's CAR-T Therapy program Board certified Oncology, and Hematology. Fellowship trained in

Daniel Cottam

Designated Bariatric COE Surgeon since 2005 First Surgeon to perform Duodenal Switch Fellowship Trained Bariatric Surgeon Salt Lake City, UT

Keith Berend

Named 2105 Arthritis Foundation Pioneer in Medicine Fellowship Trained Orthopedic Surgeon Columbus, OH

Josh Carter

Partner at prestigious Midwest Center for Joint Replacement Fellowship Trained Orthopedic Surgeon Indianapolis, IN

Christi Walsh

Lead Nurse, Quality & Clinical Protocols Advisor

Stan Hoehn

Board President and Medical Director. Bariatric Center of KC Fellowship Trained Bariatric Surgeon Lenexa, KS

Shane Seroyer

Team Surgeon, Texas Rangers Medical Director, Joint Recon COE Fellowship Trained Orthopedic Surgeon

Sean Garber

Director of NY Bariatric Group & Systemwide Chief of Bariatric Surgery, Catholic Health System Fellowship Trained Bariatric Surgeon

Marc Dean, MD

Co-Chair Advisory Board, The Cornell Lab of Ornithology

Farhan Siddigi

Pioneer of Endoscopic and Minimally Invasive Spine Surgery Fellowship Trained Ortho-Spine Surgeon

Steve Lucey

Championed Site-of-Care Optimization for Total Joint Reconstruction Fellowship Trained Orthopedic Surgeon Greensboro, NC

Strict Selection for the highest-quality network

Expert review of individual surgeons for the best possible outcomes

In network	with major carrier	s	Surgeons passing Stage 1
1 Pre-Screeni	ing 2	Interview W/ On-Site	3 Facility Evaluation
+ Licensed	98%	Review of Programs	 Venue Appropriateness
+ Board Certified	+ Board Certified 60%	Years and outcomesAlignment with best practices	Hospital vs. ASC vs. in-officePatient selection criteria
		Optimization Requirements	 CMS Outcomes Data
+ Fellowship Trained	34%	Modifiable risk factorsEducational programs/support	HAC scores, readmissionsComplications / outcomes
+ No State Sanctions	+ No State Sanctions 28%	Enhanced Recovery	 Program Reviews
+ Reputational Review	27%	Established ERAS programOpioid reduction / Rx trends	Established program unitsAccreditations / awards
·	Tropulational Terrori	Surgical Volume	Leapfrog Data
+ Malpractice Review	+ Malpractice Review 25%	Procedure specific	Key surgical metrics
		Interview / References	Patient Perception
These surgeor	ns move on to Stage 2	Practice & outside practicePeer-to-peer phone screening	HCAHPS scores

Best in class medical advisory board uses verifiable data and industry expertise to determine surgeon selection

Industry leading outcomes

Results driven by our best-in-class approach to quality

< 1%

SurgeryPlus complication rate

VS

8 - 15%

Industry complication rate

	SurgeryPlus	Industry
Joints (1,560 procedures)	0.32%	8%
Spine (973 procedures)	0.81%	13.7 %
Bariatrics (2,058 procedures)	0.92%	8.4%
General (1,726 procedures)	0.34%	9.4%

Surgical Avoidance

~20%

avoided

~30%

avoided

Definition

Documented evidence that another surgeon recommended surgery prior to the member seeing an S+ network surgeon

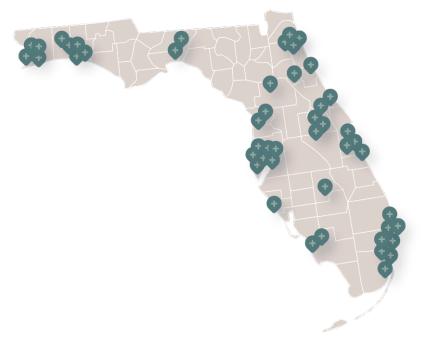
Source Data: SurgeryPlus Book of Business for 2021

Notes: SurgeryPlus complication measurement based on three sources: member check-ins for 90 days post procedure. Provider notification and claims assessment



Reasonable access to highest quality drives utilization

The best solution nobody uses does not impact the outcome



Over 700k

Florida Members

Members enrolled in Florida on their employer sponsored health plan

1,964

Managed Cases

By S+ for members residing in Florida YTD June, 2023

222

Clients

Plan Sponsors with Members residing in the State of Florida

\$37M +

Savings

Saved by Employers for cases in Florida YTD June, 2023

Venue appropriateness is critical to outcomes, over 65% of procedures successfully performed in an Ambulatory Surgery Center













Select SurgeryPlus Private Sector Clients in Florida

















Continued public sector growth in Florida

Public Sector KPI's in Florida, Year-to-Date 2023 (through June)

Enrolled Members

445K

Completed Surgeries

750

Early Engagement (Cases opened in 2023)

\$11.9M

Average PEPM Savings

\$30.05























70+ New Clients Launching with over 1M New Members in 2024

















JB POINDEXTER & CO





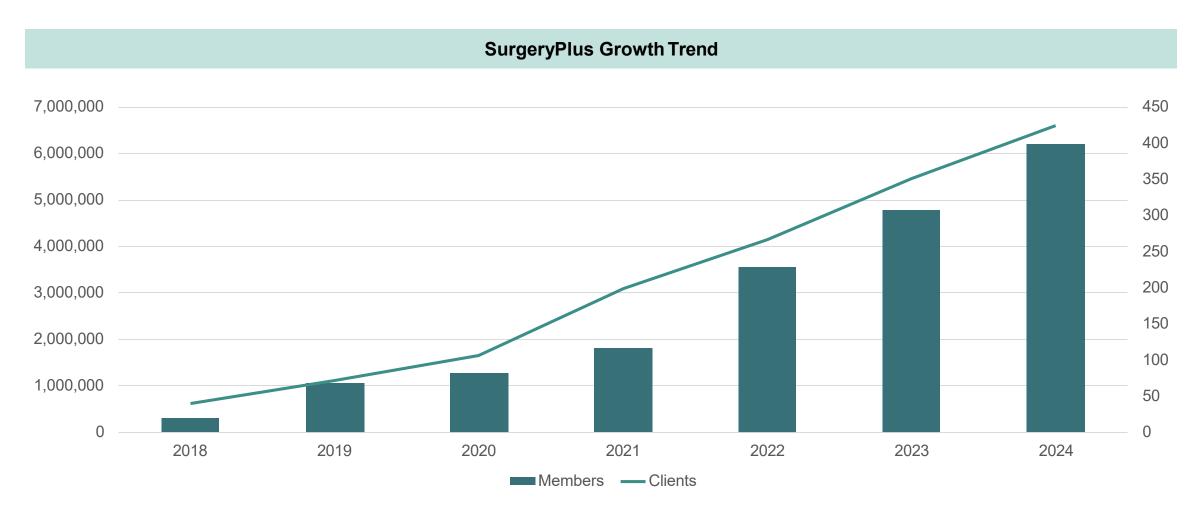






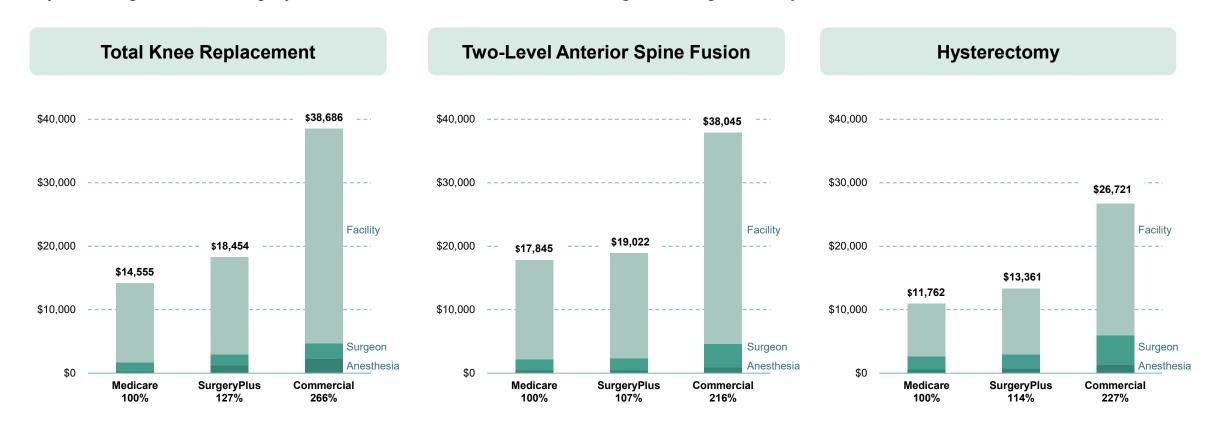
A Partnership that grows together

Our growth continues to drive material change in cost, quality and accessibility of healthcare delivery



We reimburse at 50% of the carrier rate

By creating a narrow, highly selective network we're able to negotiate significantly lower reimbursement rates



SurgeryPlus contracts at 100 - 130% of Medicare reimbursement rates Facility is the stakeholder that takes a significant reduction in reimbursement State of Florida Results

Launched 2019

138K

Enrolled Employees

330K

Members



2019

2023

83

573

Member helped

Members helped

\$1.1M

Savings to the plan

Year 1 Savings

\$10.6M

Savings to the plan

Last Twelve Months

9.3/10

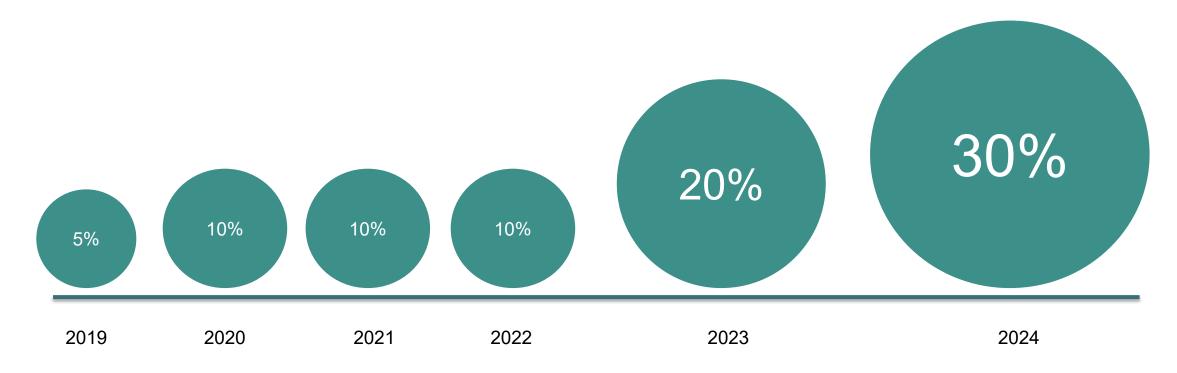
Member Savings

Member rating

#1 Reason for Using the Benefit

Strong Momentum in Membership Growth and Mandatory Plan Design

Waived deductibles drive change, mandatory use guarantees utilization



Percentage of Total Membership with a Mandatory Plan Design for Bariatrics / Joints / Spine

Our Partnership, grow savings and expand innovation

Re-deploying unit cost reduction to high value benefits and care delivery exponentially grows the partnership value



Cancer is...

Emotional

Fear of the unknown for you and your loved ones. It can be overwhelming

Complex

Understanding diagnosis, treatment, side effects. The todo list is long

A Journey

You start on it one day and keep going on, hopefully for a long time

Guidance from our Steering Committee suggested we need...

A Guide



Access



Impact Spend

to support, understand, navigate, educate. A specialist in your corner

to excellent care, that's convenient. In-person and remote, when needed

in a thoughtful way for the employer & the member. Cutting out the unnecessary cost

Cancer Care Direct Steering Committee

























Goal: ensure excellent care while helping members stay close to home

Screenings



- Traditional: Increase adherence to traditional screenings (e.g., colonoscopies) through S+ with significant cost & quality benefits
- **Novel:** Increase early breast detection (e.g., Bexa, exclusive to CCD)
- At home: Make genetic screenings easy to access through Color

Partners







Cancer Care Guidance



- Clinical guidance at every step from diagnosis to survivorship, for ALL cancer patients, helping to:
- Diagnosis / treatment plan review
- Quality-driven provider steerage

- Barriers to care support

- Triaging symptoms / adherence



- · Oncology nurse-led, expert care team, supported by oncology social workers & care coordinators
- Personalized digital support to empower members and caregivers

Partner

Jasper

COE Access: Community & NCI



- Keep members local, wherever possible
- Quick access to NCIs when needed as the safety net
- Members guided based on case complexity, personal circumstance and convenience to the member











Community

Expert Advisory Review



- Virtual 2nd opinion enabling members to stay local while accessing world leading experts to validate diagnosis and treatment plans
- Patient initiated and system driven / trigger based expert review for rare or complex cancer diagnoses leveraging claims and PA data

Partners









We did not find comprehensive cancer support on the market

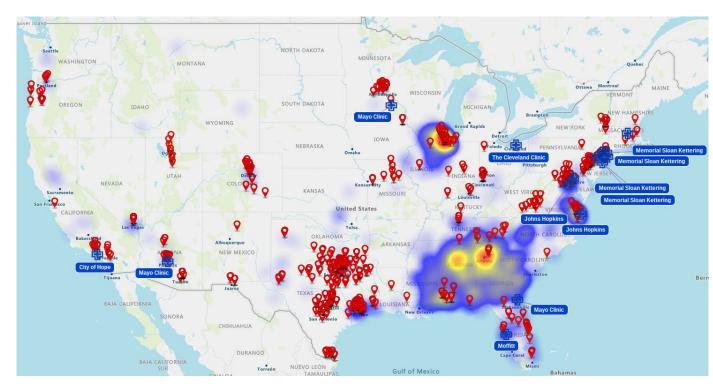






The problem cancer poses	The cost hurts everyone	Outcomes are variable	The experience is uniquely difficult
The common solution on the market today	Bundled rates	Remote EMOs	Guides / navigators
Where the solution falls short	 No material savings Coverage limited to a small number of diagnoses Narrows provider choice for members 	Impact limited to times when a member needs a second opinion	 Rarely oncology specific Either clinical or psychosocial; not both

Cancer Care Direct Accelerated Access Network





NCI

Community Oncology

Network Roadmap – Priorities for 2024



Emory Winship



Vanderbilt-Ingram



MD Anderson



Lurie Cancer Center of Northwestern University



Fred Hutchinson

Screenings and Early Detection

How we approach screenings and cancer prevention

Member education: Our nursing team actively serves members who call in to learn about what screenings are right for them, educating them on guidelines, navigating them to providers, and helping them understand the results.

Partnerships: Our 2024 partnership roadmap includes Bexa and Color – creating a comprehensive approach to screenings.

Bexa: Democratizing breast cancer early detection



Color: Comprehensive screening program





Assess and Educate about Risk

- Personalized risk assessment and recommendations, based on consensus quidelines
- Gaps in care identification, adjusted to individual risk
- At-home clinical genetic testing for individuals at high risk of cancer (BRCA1, BRCA2, Lynch Syndrome)
- 1:1 education sessions with board-certified Genetic Counselors to discuss cancer risk

Remove Complexities of Screening

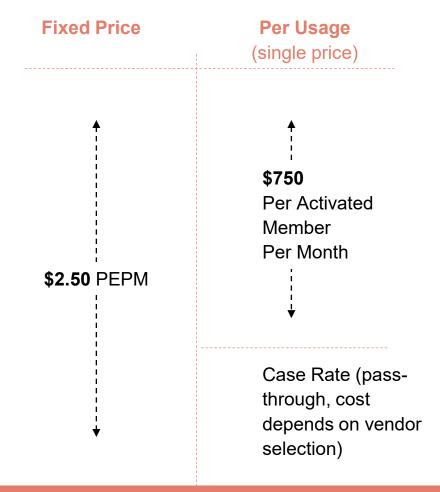
- At-home cancer screening: innovative, easy-to-use at-home kits for HPV (cervical). PSA (prostate), and FIT (colorectal) cancer screening
- On demand consultations with licensed clinicians to order tests, review test results, generate care plans, and answer clinical questions
- Dedicates Care Advocate to help find closest and most timely availabilities for in-person appointments (mammograms) with in network providers, navigate referrals and follow ups and support with screenings

Pricing Model

Longitudinal Cancer Care Guidance

2 Center of Excellence Access: Community & NCI

2nd Opinion & Treating Oncologist Support (with AccessHope or Expert MD)



We will provide a financial performance guarantee of 1.15X ROI

