

How Highmark Is Achieving the Triple Aim for ESRD Patients

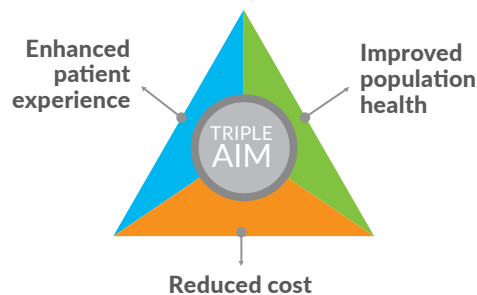


THE GOAL

Achieve the Triple Aim

The shift toward value-based healthcare is providing a substantial opportunity to improve patient care experiences and clinical outcomes while reducing costs. While many providers and health plans are deploying chronic care management programs for the general patient population, few are pulling ahead of the curve to launch comprehensive models of care that address the unique needs of the highest-risk, most medically complex outlier groups, such as patients with end stage renal disease (ESRD).

Highmark, the fourth largest Blue Cross Blue Shield Association health insurer in the country, is among a select few that have pulled ahead of the curve by launching a comprehensive model of care for ESRD patients. Developing and fine-tuning the care model for this high-cost, low volume group has allowed Highmark to continuously achieve the **Triple Aim: enhanced patient experience, improved population health and reduced cost**.



THE CHALLENGE

Managing Medically Complex ESRD Patients

Highmark recognized that its Medicare Advantage and commercially insured ESRD patients would benefit from an enhanced level of complex care management. In 2013, the population had more than \$13 million in addressable costs, with an average of two hospitalizations and 13 hospital days per patient per year.

Highmark members benefited from an aligned health system and a physician network that enhanced care coordination for approximately 30 percent of its ESRD population. However, capability gaps and lack of care team alignment remained challenges.

How would Highmark implement a comprehensive care management program for ESRD patients that would improve the quality of care delivery and patient quality of life, while simultaneously reducing costs?

Patients with ESRD

- Demonstrate needs that are often unmet by the traditional fragmented fee-for-service health care system

Clinical Needs and Utilization

- Comprise 0.2% of the entire patient population
- Comprise 1% of the Medicare population but 7% of overall costs
- Are hospitalized nearly 2 times per year
- Have a 35% readmission rate

Quality and Patient Experience

- Take more than 19 pills a day
- Dialyze 12-15 hours a week, if receiving in-center hemodialysis
- Have a 78% diabetes comorbidity rate
- Have a 98% hypertension comorbidity rate
- Spend approximately 11 days per year in the hospital

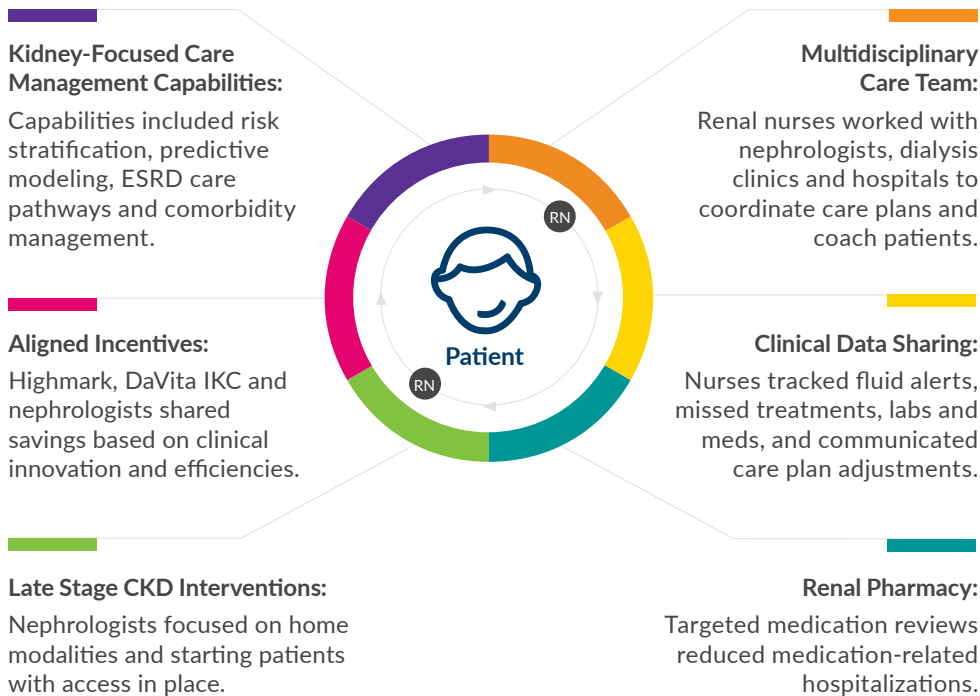


THE SOLUTION

An Innovative ESRD Model of Care

Highmark wanted to partner with an industry leader that could provide advanced care management capabilities and deploy a collaborative model to align incentives. Highmark developed a partnership with DaVita Integrated Kidney Care (IKC) to implement an ESRD model of care that encompassed kidney care management and dialysis coordination.

ESRD Model of Care



THE IMPACT

Improved Outcomes and Reduced Costs

By partnering with DaVita IKC to create a comprehensive, evidence-based program to manage ESRD patients across the care continuum, Highmark advanced the Triple Aim. Year-over-year comparisons that span the duration of the program show continuous reduction in admits, central venous catheters (CVCs) and addressable costs.

Annual Results

	Year 1	Year 2	Year 3	Year 4	Year 5
Admit Rate Reduction vs. Baseline	24%	29%	25%	37%	31%
CVC Rate Reduction vs. Baseline	17%	47%	48%	54%	40%
Addressable Cost Savings vs. Annualized Targets	10%	26%	22%	24%	17%

As a result, Highmark improved ESRD patient quality of care, enhanced patient quality of life and reduced unnecessary costs by more than \$15 million over five years.

Achieving the Triple Aim

Five-Year Results¹

Enhanced Patient Experience

- 42% decrease in central venous catheter rate
- 29% reduction in admit rate
- 34% reduction in hospital bed days, resulting in more days at home with family
- Advanced Care Plans increased from 15% to 60% of the population (297% increase)
- Increased depression screenings from 31% to 94% of the population (205% increase)

Improved Population Health

- 27% improvement in Medicare Advantage inpatient utilization
- 34% improvement in commercial inpatient utilization
- More than \$15 million in cost reduction over 5 years²
- 19% addressable cost savings³

1. Clinical metrics tracked by DaVita IKC. Admission and cost metrics based on claims data.
2. Per contract methodology.
3. Commercial members experienced a 33% decline in inpatient care costs, 41% decline in professional costs, 45% increase in prescription drug costs, and 27% decline in other expenses. For Medicare Advantage members, these cost changes are (28%), (16%), 47%, and (20%) respectively.

