

UNITEDHEALTH GROUP

MODERNIZING HEALTH CARE THROUGH QUALITY AND ANALYTICS WITH THE AIM OF **POPULATION HEALTH**

Telfer Health Transformation Exchange Seminar

April 19, 2017



It is a pleasure to be with you today



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Senior Vice President,
Physician Relations, OptumCare

Today's discussion

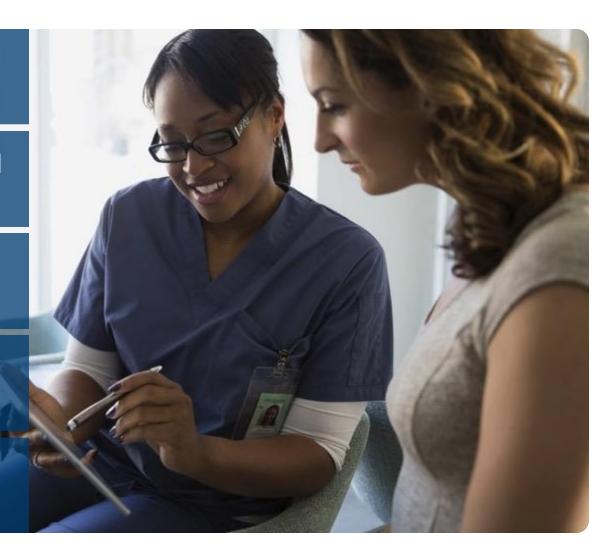
Company Overview

Building a New Kind of Delivery System

R&D for Value at Scale

Applied Analytics

Panel / Q&A



UnitedHealth Group: Distinctively diversified



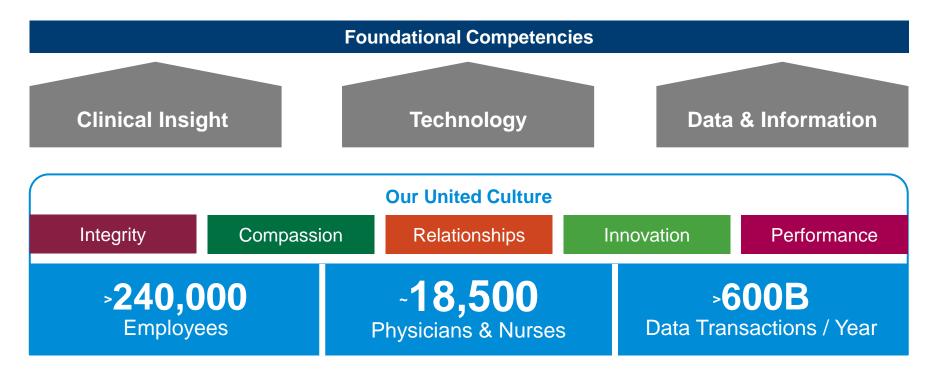
HEALTH BENEFITS

Helping people live healthier lives®.



HEALTH SERVICES

Helping make the health system work better for everyone.



What we are focused on: Our Path Forward



Build a Modern, High-Performing, Simpler Health Care System



Expand Access to Care



Make Health Care More Affordable



Support and Modernize Medicare



Reinvest in Health

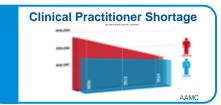
	The Markets We Serve								
are	Commercial	28M							
InitedHealthcare	Medicaid	6M							
dHe	Medicare	11M							
Unite	Military	3M							
	Global	4M							
Σ	Members	115M							
OPTUM	Hospitals	4 of 5							
4	Doctors & other	>100K							

Health Challenges: Common Forces at Play













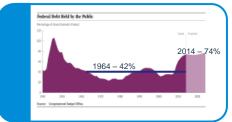
Health Care System in Need of More Value Quadruple Aim











\$3.5 trillion US health care system (18% of GDP)

The Supply Challenge

The Demand Challenge



The Opportunity for Impact = ~30-50%

Variability is pervasive ...





Cardiac
Catheterization
(Diagnostic)

Capture and Reading of MRIs (national)

Hip and Knee Replacements – Atlanta Market

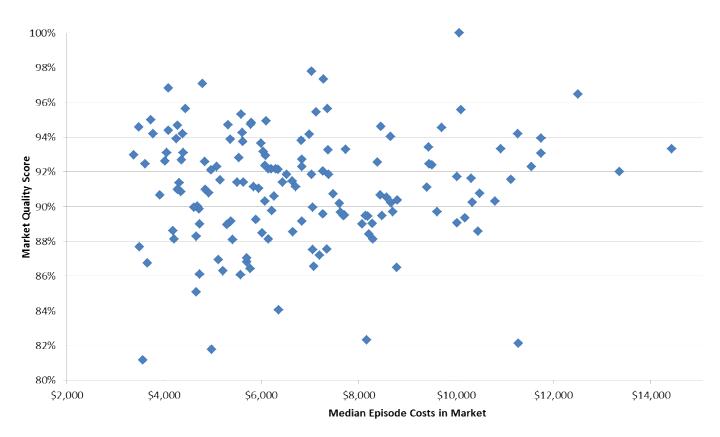


3.5 Fold Cost Difference





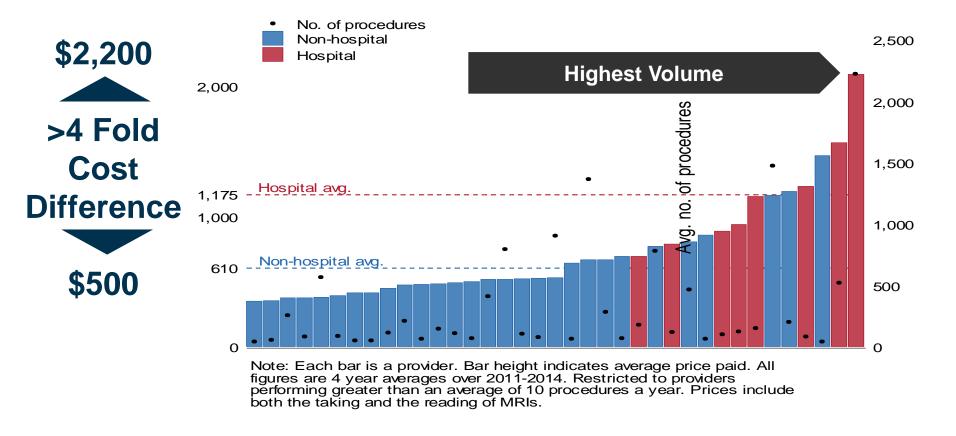




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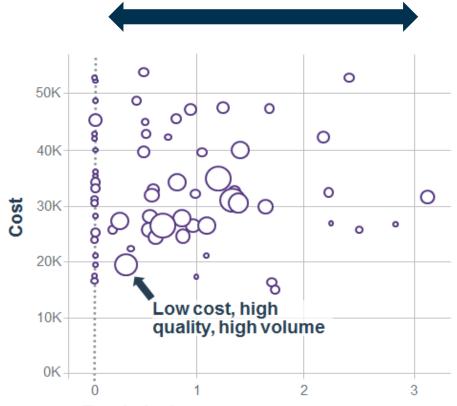
Hip and Knee Replacements – Atlanta Market

3 Fold Readmission Difference



3 Fold Cost Difference

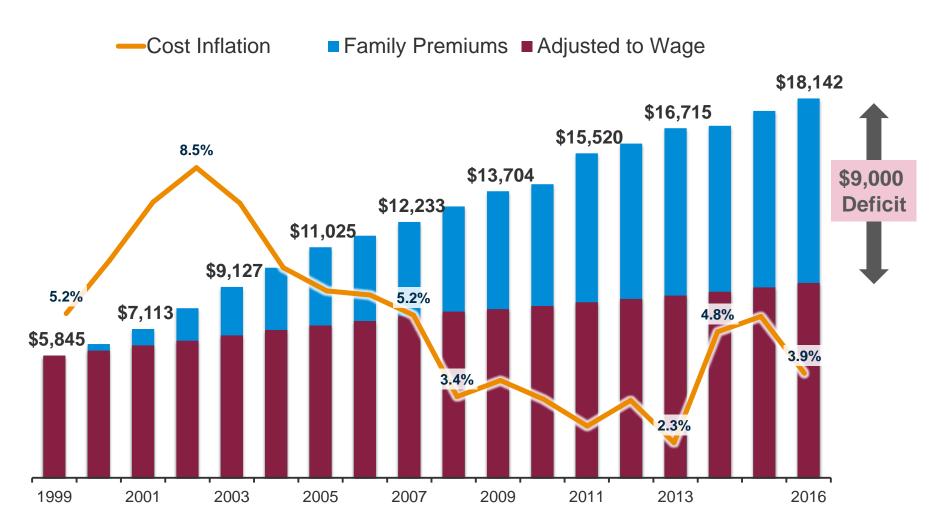




Readmissions (ratio of average readmission to expected)

Source: VDA report, 2015 commercial book of business.

The challenge of affordability – 3 fold medical cost increase vs. a 1.6 wage increase since 1999

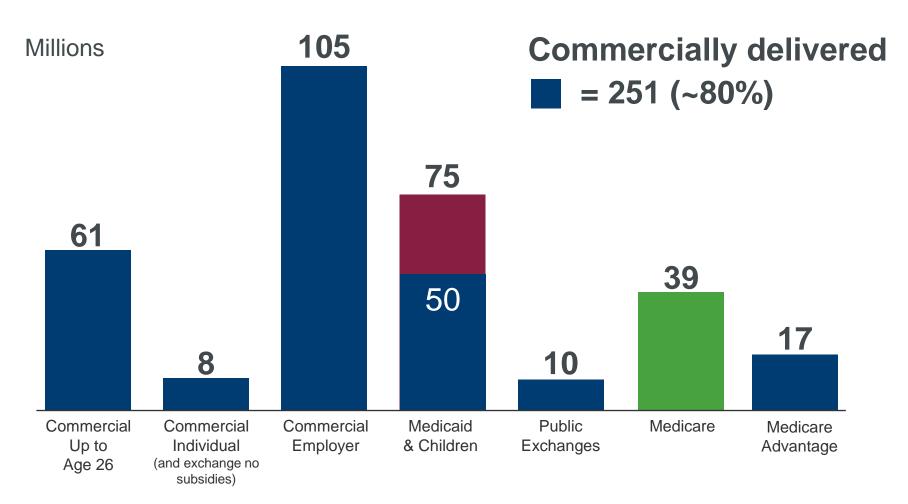


Source: Kaiser / HRET Survey of Employer-Sponsored Health Benefits, 1999-2015 large employers (200+ employees)
Cost Inflation: CMS office of the Actuary – National Health Expenditures, Wage increased from Department of Labor Statistics

US Delivery of Coverage in 2016

28 million remain uninsured

U.S. Population (324 million) by Sponsor Health Coverage





C+
Medication Adherence

52%

Diabetes/PreDiabetes by 2020

43%

Sub-optimal Care Decisions

1/5

Adult Mental Illness per year 88%

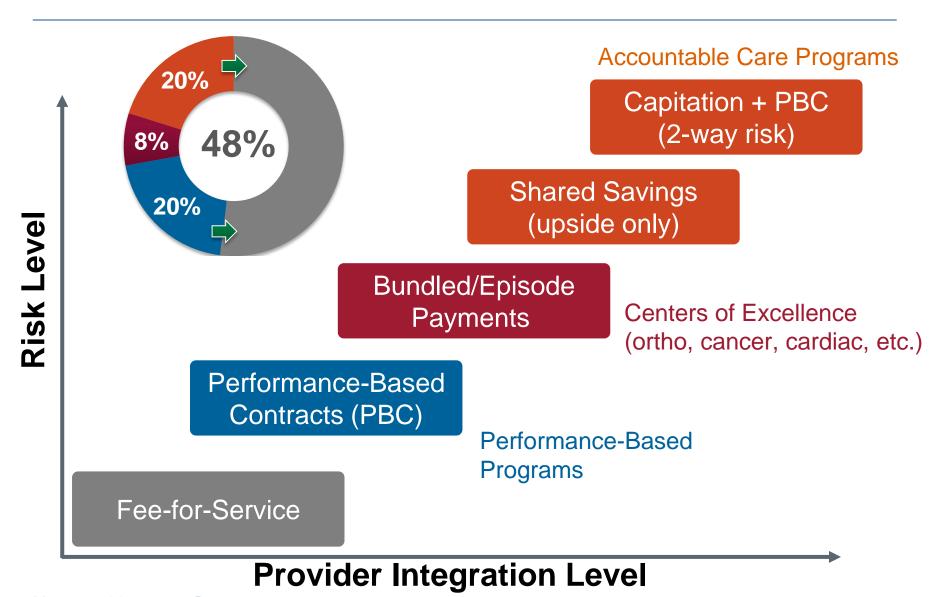
Lack Health Literacy

20%

Using Opioid Medications

HEALTH CHOICES

Advancements in value based reimbursements



Advancements in benefit designs (commercial)



Design a system that drives positive changes

Identify where the 'better choices' occur (the evidence)

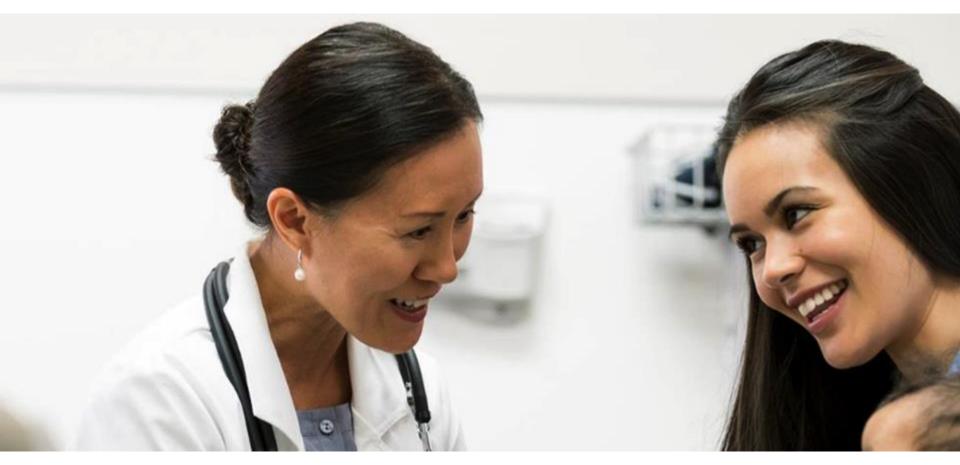
Pilot and test models iteratively (research)

System Design and Deployment (change management, scaling)

Measure to inform version 2, 3, ... (learn and improve)



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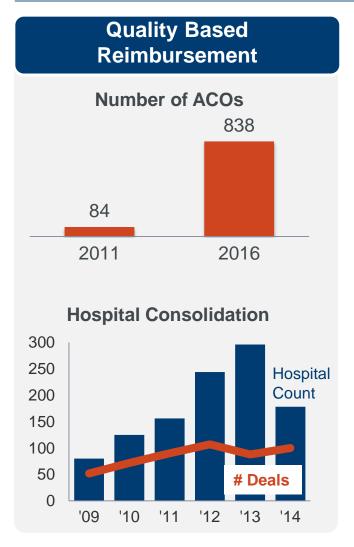


Building a New Kind of Delivery System

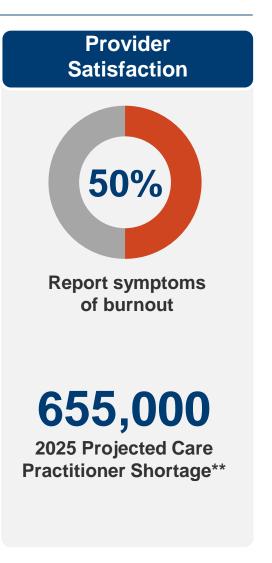
A primary care journey...

- General Internal Medicine
- Started in solo practice
- Small group practice
- ProHealth Physicians 81 independent practices 1997
- Founding Board member
- Chairman 16 years
- 32 years in practice: office, hospital, school, nursing home/rehab
- ProHealth Physicians joins OptumCare 2015
- Join OptumCare national leadership team 2016
- Building out a new kind of delivery system in the US...

Three key trends impacting care delivery







^{*}NEJM Catalyst – Provider Survey March 2017.

^{**}Surgeons, primary care, nurses, specialists combined. Source: Convenient Care Association; AANP; Med Care Study.

Primary Care Physicians In Ten Countries Report Challenges Caring For Patients With Complex Health Needs

Themes of frustration with administrative burden and insurance hassle resonate across many of the countries.

Country	Patients with multiple chronic conditions	Patients needing palliative care	Patients with dementia	Patients needing long- term home care services	Patients needing social services in the community	Patients with severe mental health problems
AUS $(n = 747)$	85%	48%	46%	47%	41%	34%
CAN $(n = 2, 284)$	70	42	42	40	28	24
GER $(n = 559)$	88	58	67	68	71	32
NET $(n = 618)$	88	92	65	80	25	44
NZ (n = 503)	81	62	41	54	48	24
NOR $(n = 864)$	86	54	69	78	41	56
SWE $(n = 2, 905)$	66	25	57	51	45	14
SWIZ $(n = 1,065)$	80	48	49	64	55	26
UK $(n = 1,001)$	79	81	64	60	44	43
US $(n = 1,001)$	76	41	47	46	32	16

Source: 2015 Commonwealth Fund International Health Policy Survey of Primary Care Physicians.

What is OptumCare?

- House Calls APRN model 1 million home visits annually
- Complex Care APRN model nursing homes
- Care Delivery ~12 medical groups/IPAs across the country 50-70 in 5 years
- MedExpress urgent care 130 sites and growing
- Surgical Care Affiliates 200 ambulatory surgery centers
- Integrating and growing...
- Ambulatory, primary-driven, community-based, physician-led leveraging Optum health services and technology

OptumCare's national footprint





















Clark and Nye Counties, Nevada Texas / Florida L.A. & Orange County, California

L.A. & Orange County, California Phoenix, Arizona Orange County, California

Kansas, Arizona, Tennessee So. California, Illinois Various Post-Acute Markets Various Post-Acute Markets

8.5M

consumers served

80

health care payers

20k

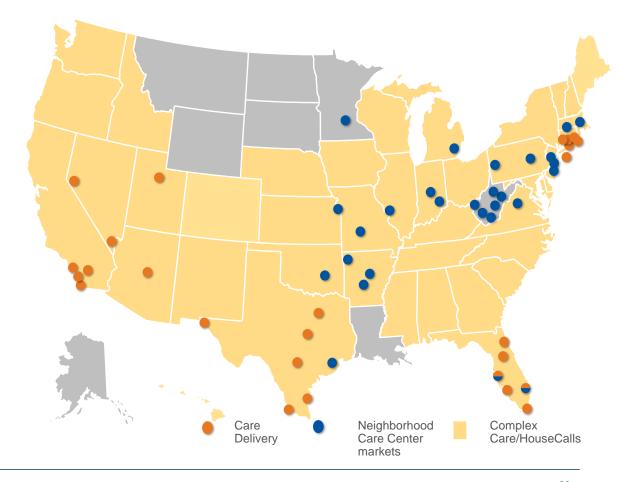
physicians

6,500

advanced practice clinicians

500

primary & urgent care clinics



Technology capabilities embedded in a redesigned delivery system

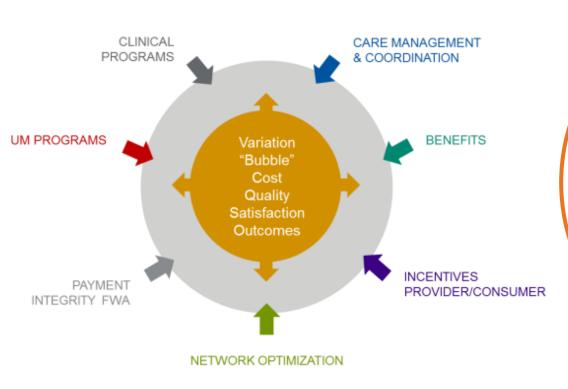
Traditional Model

External Forces Directing Delivery System



OptumCare Model

Capabilities Embedded
Within





Success is...

Achieving the quadruple aim while providing the right care, in right place, at right time with no duplication



Practice reorganization and redesign

- Workflow is king
- Dumping electronic tasks into a primary care black box
- Technology is an enabler
- Technology allows us to create new organizational structures
- Radiology: developing film and hard copies to digital model
 - Cement trucks and healthcare
- 30% of primary care and care delivery moving to a digital platform
- Recapturing the visit space for relationship building, time to think, creativity and mastery

Organizational structure

Allocating workflows and functions for optimization of roles and outcomes.

OptumCare National

OptumCare Region

OptumCare CDO

Employed Practice Site

Employed Practice Site

OptumCare RBE

Contracted Practice Site

Contracted
Practice
Site

Value based reimbursement





"A wealth of information, creates a poverty of attention."

Herbert Simon.

Alignment of Incentives
Group and Physician

Actionable Data at the Physician Level

Doctor Scorecard

Patient Satisfaction Pool							
Measure	Target	Compliant	Not Compliant	Total	Compliance Rate	Provider Status	ProHealth Mea By Specialty
Recommend This Practice? Jan-Jun	90%				TBD		TBD
Recommend This Practice? Jul-Dec	90%				TBD		TBD
MA Attestation Pool							
Measure	Target	Compliant	Not Compliant	Total	Compliance Rate	Provider Status	ProHealth Mea By Specialty
Medicare Advantage Attestation	95%				TBD		TBD
Value Drivers							
Measure	Target	Compliant	Not Compliant	Total	Compliance Rate	Provider Status	ProHealth Mea By Specialty
Cardiology Prefer	85%	6	0	6	100.00%	•	91.99%
Gastroenterology Prefer	90%	10	0	10	100.00%	•	91.87%
Other Pref Provider	85%	43	9	52	82.69%	•	86.17%
% MRIs Freestanding Jan-Jun	67%				TBD		TBD
Generic Rx Rate	85%	1571	234	1805	87.04%	•	88.58%
CAHPS Domain 1	85%				TBD		TBD
CAHPS Domain 2	89%				TBD		TBD
HCC Coding	87%				TBD		TBD
HCC Training	1				TBD		TBD
Patient Portal	25%	1423	4721	6144	23.16%	•	20.42%
Quality							
Measure	Target	Compliant	Not Compliant	Total	Compliance Rate	Provider Status	ProHealth Mea By Specialty
Colorectal Cancer	74%	844	137	981	86.03%	•	74.57%
Nephropathy Screen	89.5%	52	153	205	25.37%	•	21.05%
Diabetes: A1c Poor Control	<13%	37	94	131	71.76%	•	72.96%
BP Control	83%	706	51	757	93.26%	•	82.43%
Diabetes: Eye Exam	75%	109	23	132	82.58%	•	60.34%
High Risk Meds	<=6%	434	8	442	1.81%	•	1.22%
All Cause Readmissions (DART Data)	<=9%				TBD		TBD
Avoidable ER Visits - Medicare (DART Data)	<=31.4 %				TBD		TBD
Avoidable ER Visits - Commercial (DART Data)	<=11.7 %				TBD		TBD



Displaying 1-15 of 88 Records | Records per page: 15



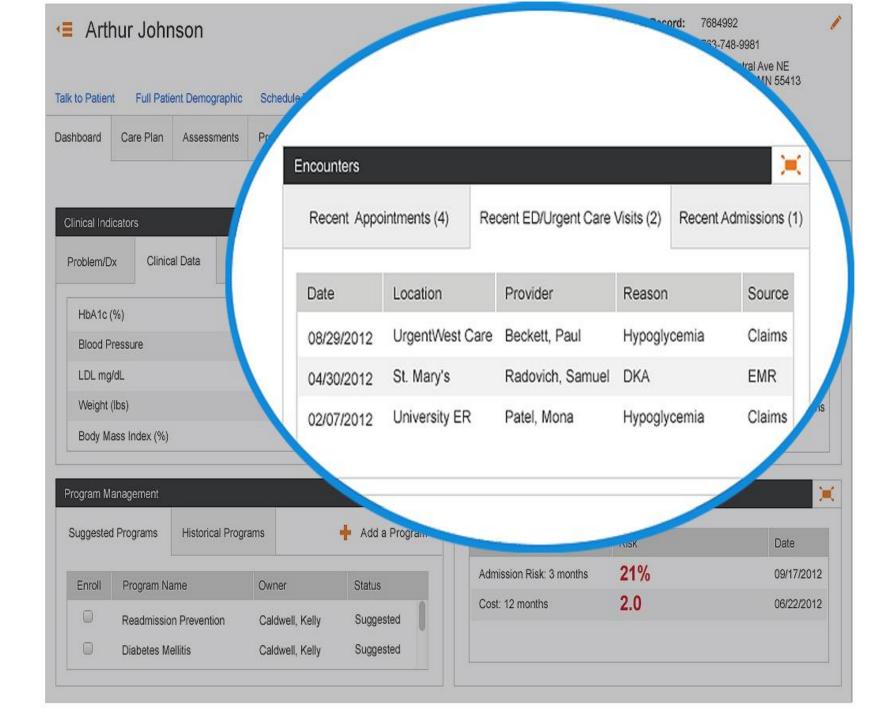
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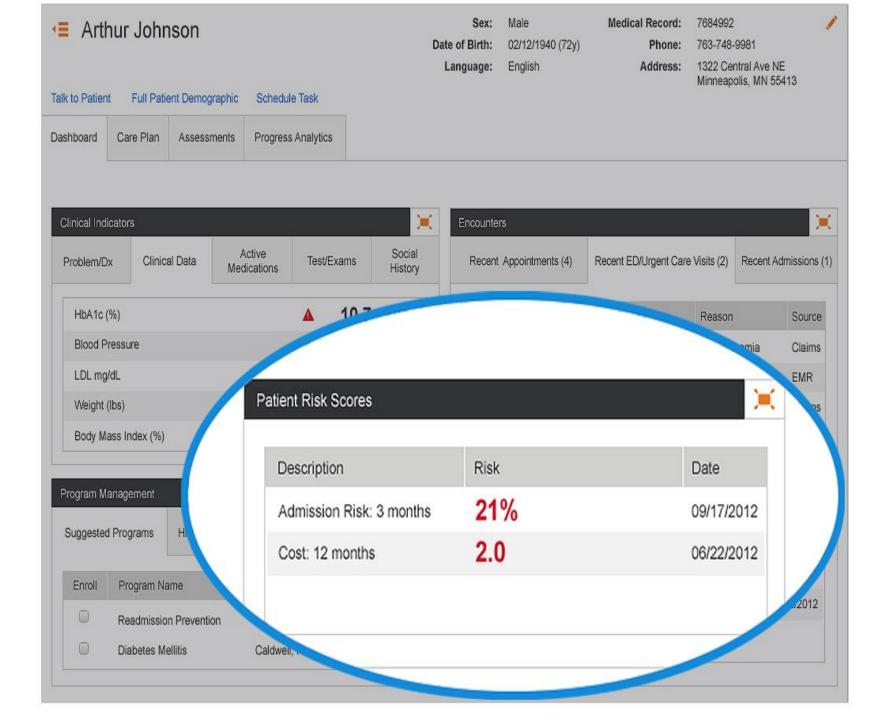
Admission Risk: 3 Months



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										200	West executions	Total Control of the Control
		Risk % ▲	Patient Name			v	Age▼	Sex▼	DL T	BP ₹	Attributed Provider	▼ Attributed Clinic •
	0	27	Lindanuand An	notto			88	F	0	157/93	Harasyn, Ryan, MD	WellHealth Clinic
		21	Underwood, An	nette			00	Г	1	145/90	Johnson, Jackie, MD	St. Mary's
		21	Johnson, Arth	ur			72	M		153/88	Harrison, William, MD	Parkplace East
		16	Polk, James				77	М		147/91	Lane, Harriet, MD	Parkplace West
									197	133/78	Johnson, Jesse, MD	WellHealth Clinic
0	9	16	Joshi, Rohan				84	M	156	160/84	Brown, Robert, MD	WellHealth Clinic
0	8							9.4	129	145/78	Martinez, Linda, MD	Grandview
0	8	Lim, o _r						8.7	145	130/74	Anderson, Pat, MD	WellHealth Clinic
0	8	Sherlock,	Diane	69	F	1	View Program	8.1	163	150/89	Davis, John, MD	St. Mary's
0	6	Lam, Wa	yne	57	М	2	View Programs	8.4	104	129/80	Hart, Frank, MD	WellHealth Clinic
	6	Radova,	Elena	63	F	1	View Program	7.2	138	137/72	Wilson, James, MD	WellHealth Clinic
0	6	Patel, Mil	ind	72	F			7.7	110	121/74	Patel, Vipul, MD	Grandview
0	5	Taylor, Za	achary	66	M	2	View Programs	8.0	131	133/76	Lorenz, Niklas, MD	Parkplace West
0	4	Jones, Le	etitia	69	F			6.9	127	140/80	Schubert, Robert, MD	St. Mary's
0	4	Gusev, A	nna	71	F	1	View Program	8.7	143	127/78	Bauman, Sara, MD	Grandview





Case study: quality performance



Current – 2016 Quality Results								
Medicare	UnitedHealth Care	Aetna	Anthem	ConnectiCare				
Shared Savings99.34% (2015)7th in the country (n ~440)	Medicare Advantage • 4.58 Stars • Inconsistent/ inaccurate data & reporting	Medicare Advantage • 80% of targets achieved • 7 of 8 targets achieved	 Reporting needs further research 	Medicare Advantage • 70% of targets achieved • 20% are within 5% of goal w/o suppl. data				

Future State

- Meets or exceeds goal for 75% of MA metrics (stretch-80%)
- Improve MSSP score to 95% (current is 90%)

Actions

- Improve adoption and use of central data system (ProCORE)
- Expand ProCORE to include new MSSP metrics in point-ofcare alerts

Alignment Opportunity

- Data and system integration
- Gap closure measure 'playbooks'

Case study: quality performance



Current – Q4 2016 Year / Year Results (MSSP segment)

Per Capita Costs

Hospital **Admissions** **Skilled Nursing Facility**

Emergency Room



Cost per Covered **Patient**



Admits:

-14.3%

Readmits: -14.4%



Admits: -30.8%

LOS:

-44%

8%

FR Visits: -8.4%

Future State

Reduce:

- MSSP SNF admits by 1.5% to reach 71 admits/k
- MSSP SNF LOS by 10% to achieve 18 day goal

Actions

- Utilize acute care engagement specialists in key hospitals to influence discharge status & direct to preferred home health agencies
- Utilize SNF UMs in preferred

on of Milliman

Alignment Opportunity

- Integration of clinical data into Aerial, OptumOne
- Bi-directional interfaces with Allscripts
- Care management platform

Samples shown

32

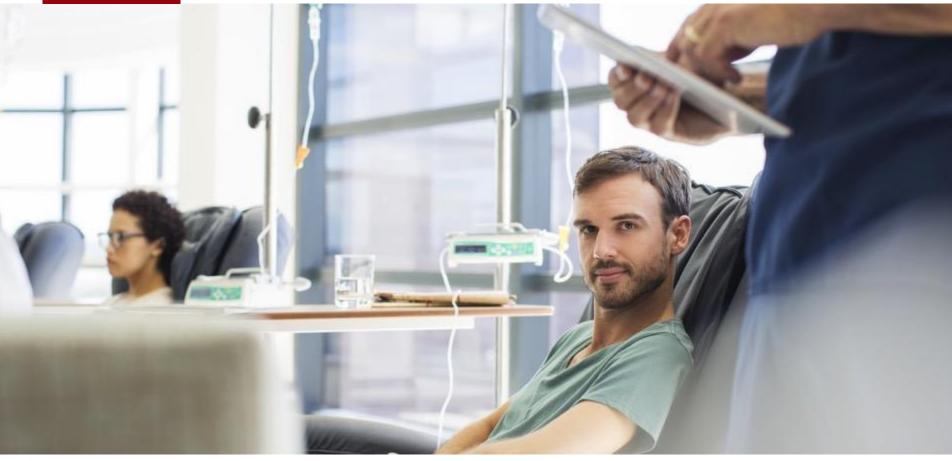
OptumCare – a new kind of delivery system

- Whole Person Care Whole Population Care
- Transforming primary care and improving coordination of care
- Ambulatory, community based, physician led
- Multi-generational population health models
- Meeting local markets where they are and developing a common platform
- Recognize social determinants and expand services
- Leverage the accumulation of health services, data and technology and apply it for meaningful use





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R&D for Value at Scale

Our research starts with the Problems Expressed by Our Customers and Demonstrated in Our Data ...



Leading to Real World Solutions



High-Cost Drugs and **Treatments**



Disruptive Care Models



Research and Data Analytics



Engage Consumers



A Disciplined Approach to Innovation

ID specific patient population

Test consumer and provider adoption

Evaluate clinical and economic outcomes

Drive adoption

Phase 5 research

THE CHALLENGE

- Data on drug/device effectiveness is cornerstone of pipeline
- Populations studied in clinical trials can differ greatly from those who eventually use the drugs
- Substantial need to understand effect of treatment regimens
- Desire to evaluate the realworld effectiveness, duration of impact and the costs of care.

Our Approach



Develop data infrastructure to develop insights about new drugs/devices and inform clinical/policy decisions



Develop registry framework using existing secondary data assets (i.e., administrative claims, lab data and prior authorization)



Academic partnerships to examine pharmaceutical use and effectiveness in driving real-world outcomes

Type 1 diabetes care transformation

THE CHALLENGE

- T1D is a chronic illness that affects children and adults
- It is difficult to manage patients, parents and
 physicians all struggle to keep
 under control
- Providers normally make changes to a patient's diabetic care plan at a quarterly visit
- Based on retrospective data from pumps, meters, and hemoglobin A1c (HbA1c) levels
- Not able to make just-in-time adjustments

Our Approach



Partnership with Children's Hospital of Minnesota (CHOM) - Pediatric Insulin Pump Study



Next- study adult Insulin injections

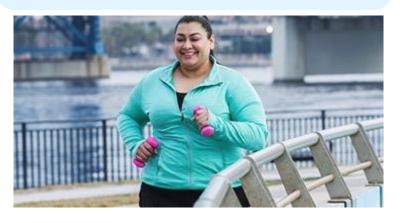


Development of a T1D monitoring service

Evidence-based weight loss program

THE CHALLENGE

- Over the next two decades:
 Obesity will increase by 33%;
 Severe obesity will rise by 130%
- Obesity increases risk of heart disease, stroke, type 2 diabetes and certain types of cancer
- Leading to higher spending for obese individuals: 42% more (~\$1,400 per year)



Our Approach

real appeal

Holistic – Health and weight loss

Patient Engagement

Social-based 16 week program with 12 mth follow-ups

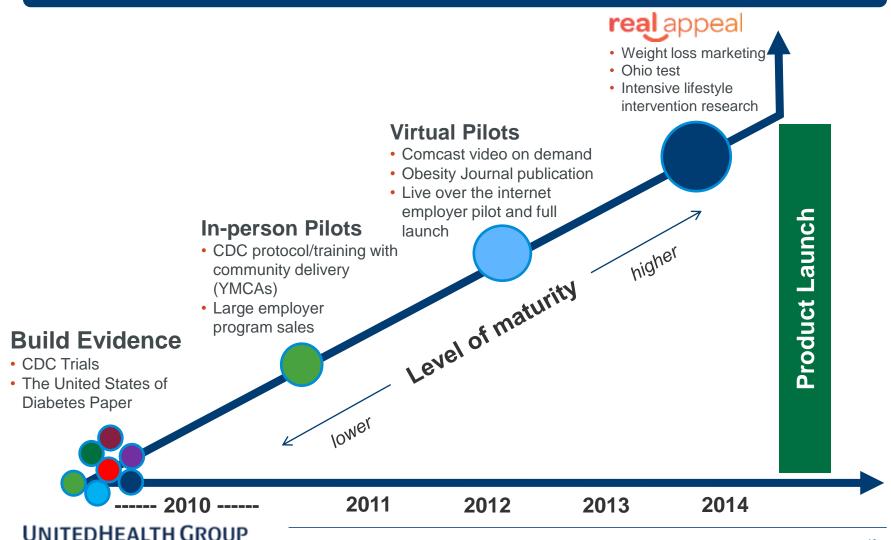
Small actionable changes with tools and resources

TARGET OUTCOMES

- Weight loss (5-7% or more)
- Leads to 50-60% reduction in risk of conditions like pre-diabetes and type 2 diabetes
- Reduced medical spending by patient

Real Appeal Product Development

From science to a scalable solution that people will engage in





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The great enabler – applied analytics

Data for the personalization of health care



DEMONSTRATIONS

Health Plan Manager

Sponsor (Client) Analytics

Natural History of Disease

E.g. Diabetes

Natural Networks

Relationship optimization

Coming in 2017: 7 years Medicare claims





OPTUMLabs Accelerator. Collaborator. Innovator.











































Population health analytics for employer sponsors





Alternative and dynamic visualization / customization

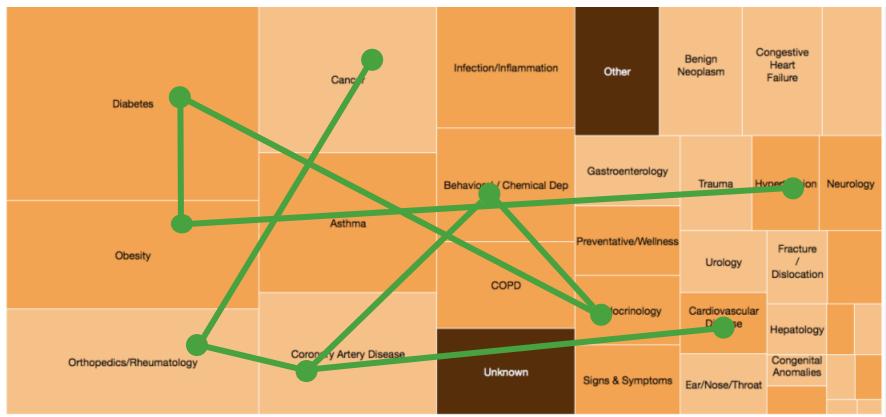


11.70M Members	1.124 Age/gender factor	161.5 ER visits per 1000	1.395 Claim risk score
11.52M in the prior period • 1.5% from prior	1.119 in the prior period0.4% from prior3.4% from norm	159.0 in the prior period • 1.6% from prior • -20.8% from norm	1.400 in the prior period • -0.4% from prior • -1.3% from norm
\$279.11 Paid PMPM	\$340.34 Covered PMPM	82.0% Plain cost share (net)	4.5% Nurse engagement
\$261.25 in the prior period • 6.8% from prior • -14.6% from norm	\$318.20 in the prior period • 7.0% from prior • -13.9% from norm	82.1% in the prior period • -0.1 pts from prior • -0.7 pts from norm	4.2% in the prior period0.3 pts from prior0.6 pts from norm
\$70.58 Pharmacy paid PMPM	176.3 Days per 1000	\$72.06 Paid PMPM (CC)	38.4% Premium provider utilization
\$70.42 in the prior period • 0.2% from prior • -4.1% from norm	181.9 in the prior period • -3.1% from prior • -23.5% from norm	\$63.16 in the prior period • 14.1% from prior • -16.7% from norm	39.7% in the prior period • -1.3 pts from prior • -0.2 pts from norm
Interactive	Customized	Monthly trends	Norms

Addressing metabolic / weight related conditions – Typical large employer medical spend

\$ Spend by primary condition.





Size of square = \$ spend.

Coloring represents intensity of cost growth year of year.

Real time identification of emerging costs and risks





Heat mapping

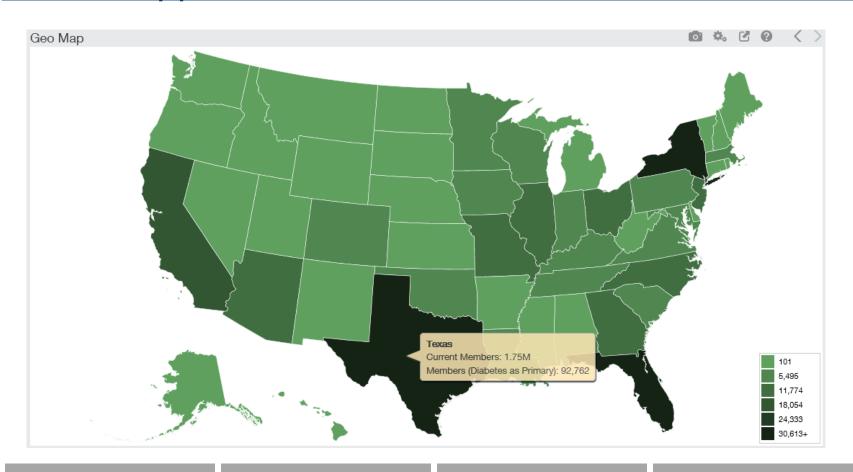
Segmentation

Risk / costs

Markets

Real time drill down to specific market opportunities





Diabetes

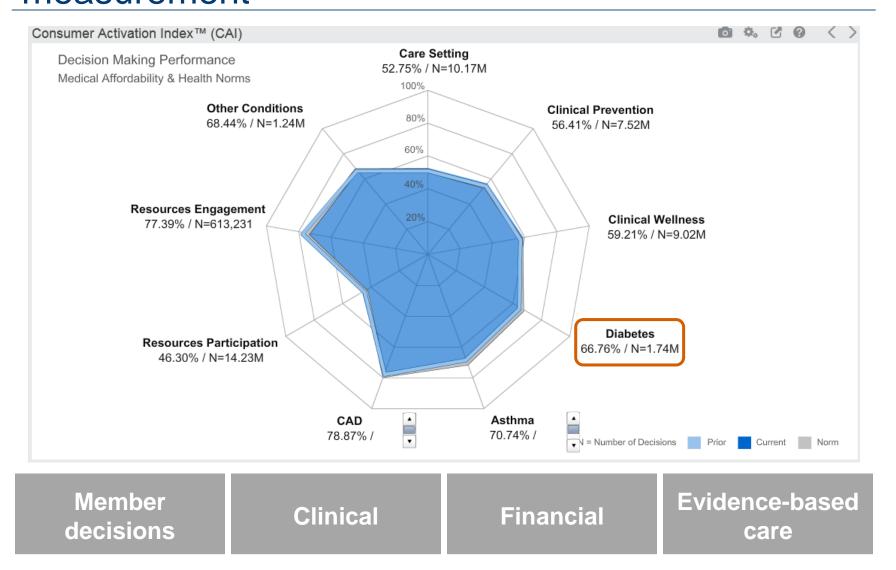
Zip code / county

Targeted populations

Monitoring of impact

Member level decision-making measurement





Natural History of Disease - Analytics

Identify the Population of Interest

1) Individuals with a diagnosis of Diabetes

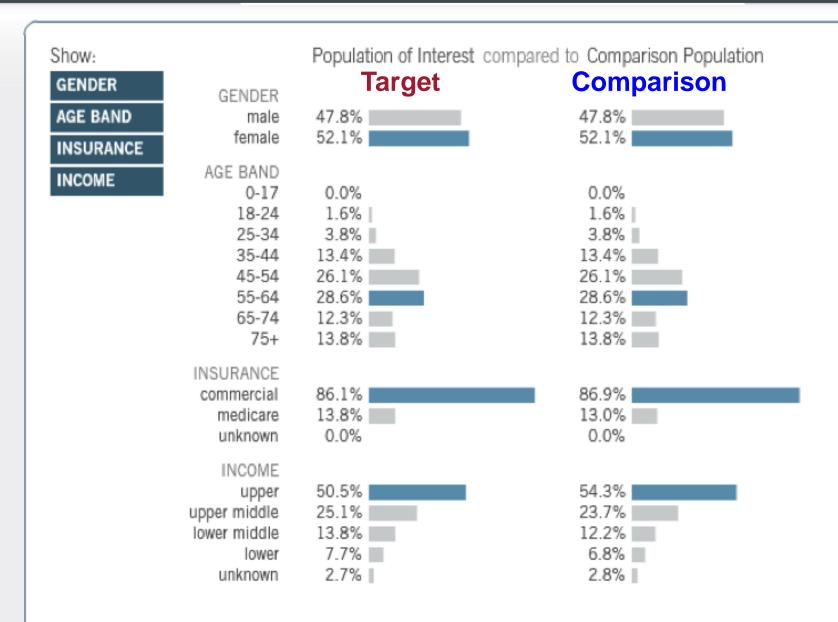
Subset with 3 years of claims



- Find a comparison population
- 4) Match at the individual level for age, gender, geography and coverage

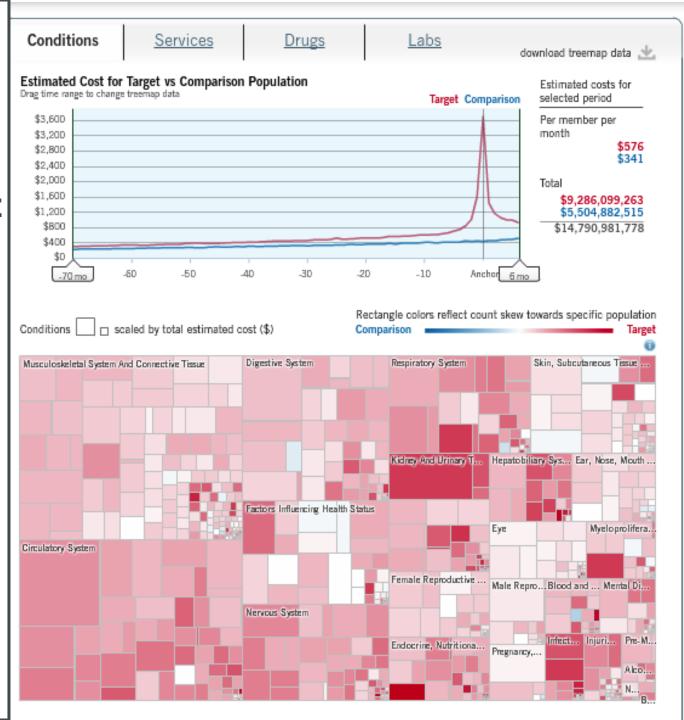
Natural History of Disease - Analytics

Identify the Population of Interest



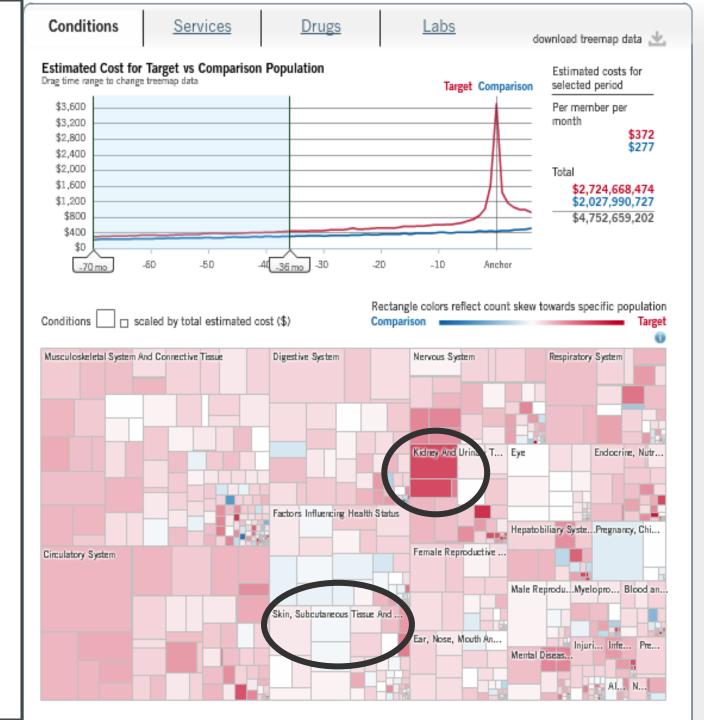
History of 6 years to Diabetes onset and 6 months after

\$576 / mth
vs
\$341 / mth
over total
period



Review
[-6 Years to
-3 Years]
View

Early Claim Markers



Anchor Event Analysis

High Cost Episode

Average cost \$2,260 / mth vs \$455 / mth



Graph Analytics: Natural Networks™

Identify high performance physician referral patterns



Situation

- Physician networks are critical to successful health plan operations
- Network performance relies on individual provider performance and hierarchies like practices and hospitals

Opportunity

 How might we leverage informal networks of physicians and specialists to improve cost and quality for members?

Closing thoughts – Value Driven Health Care

- Identify and scale what works best. De-promote what doesn't.
 Repeat.
- Redesign (simplify) clinical practice to maximize resource allocations and improve outcomes (Quadruple Aim).
- Build shared accountability with aligned incentives:
 Doctor Patient Sponsor Policy.
- Invest in research that leads to scalable solutions that solve real world problems and that people want to use.
- Apply data to better inform the performance of the system and improve design features to drive higher quality choices.



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