Opportunities & Challenges for Minnesota Healthcare Systems

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April 19, 2012
HealthPartners

- Not-for-profit, consumer-governed
- Integrated care and financing system
  - 12,000 employees
  - Health plan
    - 1.36 million members in Minnesota and surrounding states
  - Medical Clinics
    - 500,000 patients
    - 800 physicians
      - HealthPartners Medical Group
      - Stillwater Medical Group
    - 35 medical and surgical specialties
    - 50 locations
    - Multi-payer
  - Dental Clinics
    - 60 dentists
    - Specialties: oral surgery, orthodontics, pediatric dentistry, periodontics, prosthodontics
    - 20 locations
  - Four hospitals
    - Regions: 454-bed level 1 trauma and tertiary center
    - Lakeview: 97-bed acute care hospital, national leader in orthopedic care
    - Hudson: 25-bed critical access hospital, award-winning healing arts program
    - Westfields: 25-bed critical access hospital, regional cancer care location
Health care is getting more expensive

Health care expenses for U.S. families: 2002-2021 (projected at present growth rate)

$19,393 (2011)

$9,235 (2002)

$41,868 (2021)

Source: 2011 Milliman Medical Index
Income: $59,858

Cost: $41,868

Source: Alliance of Community Health Plans
25% of costs relate to disease & illness caused by unhealthy lifestyles

- Being physically active
- Not smoking
- Eating 5 fruits and vegetables each day
- Drinking alcohol in moderation
Obesity trends among U.S. adults

- **1990**: No Data
- **2000**: No Data
- **2010**: No Data
Minnesota Market Today

- Better Care Quality today
  - Multi-specialty group practices drive care coordination & better outcomes
  - Transparency around results
- Better Access to Coverage today
- More consumer engagement today
- Expensive
The Opportunity – Triple Aim

To simultaneously optimize...

The **Health** of a defined population

The **Experience** of the individual

Per capita **Cost** for the population
TRIPLE AIM: Health-Experience-Affordability
HealthPartners Clinics

43% patients with Optimal Diabetes Control
* controlled blood sugar, BP and cholesterol (per ICSI guideline A1c changed from < 7 to < 8 in 1Q09 and BP control changed from <130/80 to <140/90 in 3Q10), AND daily aspirin use, AND non-smokers

% patients “Would Recommend” HealthPartners Clinics

Total Cost Index
(compared to statewide average)
< 1 is better than network average

* controlled blood sugar, BP and cholesterol (per ICSI guideline A1c changed from < 7 to < 8 in 1Q09 and BP control changed from <130/80 to <140/90 in 3Q10), AND daily aspirin use, AND non-smokers
The Opportunity—New Payment Models

- Total Cost of Care Contracts
- Accountable Care Organization pilots
- Movement from fee-for-service to payment for value
- Incent care redesign & coordination
The Opportunity – Population Health

Improvement along the continuum of health

<table>
<thead>
<tr>
<th>Healthy</th>
<th>At risk for chronic illness over the next two years</th>
<th>Already chronically ill</th>
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<tbody>
<tr>
<td>50-60%</td>
<td>25-40%</td>
<td>7-10%</td>
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Diabetes - 14,467 eligible patients

25% of State Program patients have MH diagnosis

2000 frail & elderly that have an avg of 16 scripts

1% of patients = 25% costs
The Opportunity—Changing Consumer Expectations

New attitudes

Health care should be convenient & affordable

New expectations

Partnership, personalized solutions

New tools

Report cards, low cost, easy-to-use options

New knowledge

More information, new models
Care Innovation Examples

- virtuwell
- HealthPartners
- Well@Work
- Physicians Neck & Back Clinics

HealthPartners Family of Care
Care Innovation Examples

- Convenient location
- New care team work flow
- Enhanced patient experience
The Future

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of a defined population

The **Experience**
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Per capita **Cost**
for the population