North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

Strategic Plan Scorecard – Measuring Success

Board of Trustees Meeting

August 4, 2016

A Division of the Department of State Treasurer

Presentation Overview

- Review of Strategic Plan Metrics
- Review Results
- Next Steps

Executive Summary

- In CY 2015, the Plan was able to meet almost all the strategic metric categories on the Strategic Planning Scorecard
  - The Plan did not achieve the customer satisfaction goal

- As the healthcare landscape has evolved and we've learned more about the legislative landscape the Plan staff recommends modifications to some metrics to better reflect the strategic direction of the Plan and areas where the Plan has less influence
  - Such as Medical Home utilization and Ensuring Adequate Funding while considering member cost sharing

- The staff is proposing that Board workgroups take an active role in setting metrics and taking an earlier look at future measures of success

Review of Approved Strategic Plan Metrics

- The Board-approved Strategic Plan includes a series of metrics to evaluate State Health Plan progress in achieving the goals set forth in the Strategic Plan
- The goal of the scorecard is to measure and monitor overall progress towards the Plan's strategic goals
- The approved metrics aim to measure how well the Plan is:
  - **Improving members' health,**
  - **Improving members' experience, and**
  - **Ensuring a financially sustainable State Health Plan**

Timeline of Events

- August Board Meeting: Review Scorecard Results
- August – November: Workgroup reviews and refines goals, and discusses CY 2017 targets
- December Board Meeting: Review CY 2017 Measures
- Use April/May Board meeting to review previous year results and begin to refine measures annually

CY 2015 Results

Summary Score Card

Strategic Priority	Description	Below Threshold	Met or Exceeded Threshold	Met or Exceeded Target	Met or Exceeded Stretch	Annual Result (Unmet or Met)
Improve Members' Health	PCMH Utilization				X	Met
	Quality of Care			X		
	Worksite Wellness				X	
Improve Members' Experience	Customer Satisfaction	X				Met
	Annual Enrollment Service Level Agreements			X		
	Member Engagement				X	
Ensure a Financially Stable State Health Plan	Net income/loss		X			Met
	PMPM Claims Expenditures		X			
	Member Cost-Sharing		X			

CY 2015 Improve Members' Health Results

		Benchmark Periods	CY 2015				CY 2016	CY 2017
Description	**Metric**	**CY 2014 Actual**	**Actual Result**	**Met or Exceeded Threshold**	**Met or Exceeded Target**	**Met or Exceeded Stretch**	**Met or Exceeded Threshold**	**Met or Exceeded Threshold**
PCMH Utilization	Increase % of members receiving care from a NCQA recognized PCMH	Level 1: 0.9% Level 2: 3.1% Level 3: 25.8% **Total: 29.8%** N= 177,165	**36.1%**	33.0%	34.0%	35.0%	**38.0%**	**TBD**
Quality of Care (metrics definitions are in appendix)	Percent of members with diabetes meeting clinical care standards of care	30.7%	**27.6%**	31.5%	33.0%	35.0%	**32.0%**	**TBD**
	Percent of members with persistent asthma that meet clinical care standards of care	63.2%	**66.8%**	64.0%	67.0%	69.0%	**67.0%**	**TBD**
	Asthma related ED	7.7%	**4.9%**	7.7%	7.0%	6.7%	**5.0%**	**TBD**
	Asthma related IP admissions	15.3%	**13.9%**	15.3%	15.0%	14.5%	**14.5%**	**TBD**
Worksite Wellness	Increase the number of worksites with active worksite wellness	N/A	**170**	92	111	125	**175**	**TBD**

Modifications to Improve Members' Health Metrics

- **PCMH Utilization**
  - As noted in the proposed changes to the Strategic Plan, providers appear to be moving towards other models of care coordination; the scorecard should reflect changes to the provider landscape
- **Quality of Care**
  - The current scorecard focuses on measuring *all* non-Medicare retirees' compliance and outcomes on asthma and diabetes
  - Revised measures could focus on more/different chronic conditions, members of the "engagement" driven plans, or other factors
- **Worksite Wellness**
  - By CY 2017 the program may have reached a critical mass and the metrics may need to focus on retention (versus growth), levels of engagement, or other factors

CY 2015 Improve Members' Experience Results

		Benchmark Periods	CY 2015 Goals				CY 2016	CY 2017
Description	**Metric**	**CY 2014 Actual**	**Actual Results**	**Met or Exceeded Threshold**	**Met or Exceeded Target**	**Met or Exceeded Stretch**	**Threshold**	**Threshold**
Customer satisfaction	Maintain or improve overall Customer Satisfaction score.	Moderately pleased (new questions - composite score)	**54%**	55%	60%	65%	**58%**	**TBD**
Annual Enrollment service level agreements	Improve Annual Enrollment customer service SLAs. *(metric changed to reflect BF contract)*	85% (100% for weeks 1 -3)	**72%**	70%	75%	80%	**73%**	**TBD**
Member engagement	1. Increase in the # of unique member registered users on TPA site per month 2. Increase in the average monthly usage of TPA's provider search and transparency tools 3. Increase in attendance at educational roadshows	1. 10,005 2. 1,210 3. 6,080	**1. 24,061** **2. 2,126** **3. 40,510**	1. 10,005 2. 1,210 3. 6,080	1. 10,105 2. 1,225 3. 6,688	1. 10,305 2. 1,237 3. 7,355	**1. 20,000** **2. 1,500** **3. 40,000**	**TBD**

Modifications to Improve Members' Experience Metrics

- **Customer satisfaction**
  - The customer satisfaction metrics changed from CY 2014 and the Plan measures the results through survey data that is shared with the Board
- **Annual Enrollment service level agreements**
  - The metrics were crafted during the Aon and BenefitFocus transition
  - Revised metrics could look more directly at current options to reflect members' experience
- **Member Engagement**
  - The Plan is engaging members in many new ways (town hall, health benefit estimator, etc.)
  - Revised metrics should better reflect the multiple approaches used to engage members

CY 2015 - Ensure a Financially Stable Plan

		Benchmark Periods	CY 2015 Goals				CY 2016	CY 2017
Strategic Initiative	**Goal Description**	**CY 2014 Actual**	**CY 2015 Actual**	**Met or exceeded threshold**	**Met or exceeded target**	**Met or exceeded stretch**	**Met or exceeded threshold**	**Met or exceeded threshold**
Net income/loss	Net income/loss actual or above certified or authorized budget for plan year	+ $151M variance	+ 149M variance	**Projected loss: $148M Actual gain: $370K**			**Projected Net Loss: ($118.7M)**	**TBD**
PMPM claims expenditures	PMPM claims expense at or below certified or authorized budget (as forecasted by actuaries) for plan year	5% lower ($348.53 actual vs. $367.00 projected)	2% lower ($391.18 actual vs. $399.31 projected	2% above – 8% below	1% above – 7% below	0% above – 6% below	**Projected: $414.16 PMPM** 2% above – 2% below	**TBD**
Member cost-sharing	% of total claims cost paid by members through copays, deductibles and coinsurance at or below benchmark	**Three Plan Options** Silver (77%) Gold (83%) Platinum (91%)	**Three Plan Options** Gold (80%) Gold (84%) Gold (89%)	**Three Plan Options** Silver (77%) Gold (83%) Platinum (91%)	**Three Plan Options** Silver (76%) Gold (84%) Platinum (92%)	**Three Plan Options** Silver (76%) Gold (85%) Platinum (92.5%)	**Three Plan Options** Silver (75%) Gold (82%) Gold (86%)	**TBD**

Modifications to Ensure a Financially Stable Plan

- **Net income/loss**
  - The Plan's forecast is developed to project annual net income/loss in aggregate dollars
  - Legislative pressures and actual financial experience make multi-year goals difficult to set as future funding can be a moving target
- **PMPM claims expenditures**
  - Current metric is derived from the forecast based on the underlying membership assumptions and projected expenses
  - Establishing threshold, target and stretch goals are potentially too broad
- **Member cost-sharing**
  - Similar to net income/loss, this variable is particularly impacted by General Assembly funding as well as plan selection by members and claims experience
  - Consider taking premium contributions into account
  - Revised metric should better reflect the Board's expectation for cost sharing and its capacity to drive outcomes

Next Steps

- Discuss and finalize CY 2017 goals in workgroups
  - Determine which workgroups best fit each category
- Measure progress annually and adjust, as necessary
  - Many goals have significant external variables
- Identify areas of focus to achieve strategic goals
  - For example, moving away from premium credits to outcomes and steerage

Appendix

Approved Metrics – Improve Members' Health

Priority	Description	Goal Description
Improve Members' Health	PCMH Utilization	Increase % of members receiving care from a NCQA recognized PCMH
	Quality of Care	Increase % of members with targeted high prevalence conditions receiving care according to national clinical standards
	Worksite Wellness	Increase number of worksites offering worksite wellness

These metrics reflect areas of focus for the Plan. Initiatives aimed at meeting the goals and future targets will help lead to:

- Healthier and more engaged members,
- Better managed chronic disease, and
- Members receiving high quality, coordinated care.

Approved Metrics – Improve Members' Experience

Priority	Description	Goal Description
Improve Members' Experience	Customer Satisfaction	Maintain or improve overall Customer Satisfaction score
	Annual Enrollment Service Level Agreements	Improve Annual Enrollment customer service SLAs
	Member Engagement	1. Increase in the # of active members registered as users on TPA site 2. Increase in the usage of TPA's provider search and transparency tools 3. Increase in attendance at educational roadshows

These metrics reflect areas of focus for the Plan. Initiatives aimed at meeting the goals and future targets will help lead to:

- Increased member engagement,
- Higher level of trust, and
- More informed members who are empowered in their decision making.

Approved Metrics – Ensure a Financially Stable State Health Plan

Priority	Description	Goal Description
Ensure a Financially Stable State Health Plan	Net Income/Loss	Net income/loss actual or above certified or authorized budget for plan year
	PMPM Claims Expenditures	PMPM claims expense at or below certified or authorized budget (as forecasted by actuaries) for plan year
	Member Cost-Sharing	Percent of total claims cost paid by members through copays, deductibles and coinsurance at or below benchmark

These metrics reflect areas of focus for the Plan. Initiatives aimed at meeting the goals and future targets will help lead to:

- Reduced costs for members and the Plan
- Reduced fraud, waste, abuse and overuse
- Delivery of appropriate care in the appropriate setting
- Payment for quality and value rather than quantity

Summary of Proposed Methodology

- Each of the strategic measures was chosen to illustrate the progress the Plan is making (or not making) in achieving the Strategic Plan
  - Additionally, they are items that can be measured
- Where appropriate, the two benchmark periods will be FY 2012-13 and CY 2014 to reflect the last two full plan years *(Note: the Strategic Plan adopted by the Board assumes CY 2013 as the benchmark period)*
  - This serves to reflect (directionally) the trends related to each metric
- Beginning in CY 2015, each measure will have a threshold, target, and stretch goal
  - *In addition, initial threshold goals have been identified for CY 2017 for discussion purposes*
- The scorecard will be a high level summary of detailed analyses that is easy to digest
- Success will be measured by meeting at least two of three priority groupings, minimizing those below threshold, and identifying targets to achieve the stretch measures

Appendix: Description of Measures

- PCMH Measure: Provided by BCBSNC, the number of members who either selected a PCP (Enhanced 80/20 and CDHP) with PCMH recognition or can be attributed to a PCP through BCBSNC attribution model (Traditional 70/30)
- Quality of Care - Internal data mining:
  - Diabetes: Members meeting clinical standards of care (appendix for services)
  - Persistent Asthma: Using claims data for persistent asthma, will change with ICD-10 (appendix for definition)
  - Asthma ED Admissions: Based on site of service and primary diagnosis in claims data
  - Asthma IP Admissions: Based on site of service and primary diagnosis in claims data
- Wellness Champions: Program established in CY 2015 to increase worksite wellness and recruit dedicated champions

Appendix: Quality of Care Metrics

- **Diabetes**
  - Members identified using the HEDIS definition of diabetes
  - To be considered as receiving clinical standards of care, members must have received 4 different nationally recognized best practice clinical services
- **Persistent Asthma**
  - Members identified using the HEDIS definition of persistent asthma
  - To be considered as receiving clinical standards of care, members with persistent asthma must have received appropriate medication (HEDIS) and regular doctor visits in the past 12 months

Appendix: Quality of Care Metrics, con't.

- Asthma
  - Members are identified using a weakening of the HEDIS definition of persistent asthma.
    - Every member identified with persistent asthma will also fit the definition of asthma
    - Criteria developed in consultation with SHP clinical staff
  - A member is included in the population if s/he satisfies at least one of the following during the measurement year.
    - At least one ED visit with a primary diagnosis of asthma
    - At least one acute inpatient encounter with a primary diagnosis of asthma
    - At least two outpatient visits or observation visits on different dates of service with any diagnosis of asthma and at least one asthma medication dispensing event. Visit type need not be the same for the two visits.
    - At least two asthma medication dispensing events. A member identified as having asthma because of at least two asthma medication dispensing events, where leukotriene modifiers were the sole asthma medication dispensed that year, must also have at least one diagnosis of asthma during the same year as the leukotriene modifier.
  - Use rate is [# of visits w/primary dx of asthma]/[# of visits] for IP and ER

Appendix: Description of Measures

- **Net income/loss:** For the past few years the Plan has exceeded net income/loss projections by accruing more cash. In CY 2015 and the coming biennium the Plan will spend cash reserves down in lieu of premium increases; therefore, the strategic goal reflects a net loss in each of the next three years.
- **PMPM claims expenditures:** Claims expenditures drive a significant portion of Plan costs. Effectively forecasting these costs assists in maintaining benefits and addressing member needs.
- **Member cost-share:** The 2016 Board-approved plan design makes significant cost-share changes to the Traditional 70/30 and smaller changes to the CDHP. Additionally, members in the Enhanced 80/20 and CDHP have options to reduce their out-of-pocket costs through Plan engagement.